



80 South Jefferson Road
Whippany, NJ 07981

Richard A. Askoff

Executive Director –
Regulatory

(973) 884-8350
raskoff@neca.org

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

Re: National Exchange Carrier Association, Inc.
2009 Modification of Average Schedules, WC Docket No. 08-248

Dear Ms. Dortch:

Attached is NECA's *2009 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, 2009.

In accordance with the Commission's rules, this *2009 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 *2009 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:
2009 Modification of Average Schedules

Cc: Douglas Slotten, WCB
Pamela Arluk, WCB
Jay Atkinson, WCB
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, 2009 to June 30, 2010.

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 slow account growth, and significant reductions in some access demand elements. In addition, NECA proposes in this filing to change the way settlements are calculated for tandem switching and line haul circuit termination costs, to reflect significant cost efficiencies associated with high ratios of circuits per access line. NECA proposes to continue to limit access minute volumes and line haul circuit counts that would be eligible for average schedule settlements.

Impacts of these formula changes on individual average schedule companies will vary, depending on each company's size and demand characteristics. Study areas with high ratios of intertoll circuits per access line or of line haul circuit terminations per access line will realize significant settlement reductions, while study areas with very low ratios will experience increases in settlements. Overall, assuming demand levels remain constant year-to-year, NECA calculates that the majority of other companies will have small settlement increases.

NECA also provides a special access settlement method adjustment for study areas that provide DSL outside NECA's tariff, to keep their settlements for non-DSL services at parity with other study areas.

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

I. INTRODUCTION

The National Exchange Carrier Association, Inc. (NECA)¹ herein proposes modifications to current interstate average schedule formulas, for Federal Communications Commission (FCC or Commission) approval. These modifications are scheduled to be effective from July 1, 2009 to June 30, 2010.

A. Background

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

Settlements made on the basis of average schedule formulas benefit both ECs and interstate

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

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

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

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

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

The study also projects cost and demand data obtained from sample average schedule companies, to account for growth. NECA then applies the allocation factor models derived from representative cost companies to sample average schedule company total company account data. This 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

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

⁵ 47 C.F.R. § 69.606(b). The current formulas have been in effect since July 1, 2008.

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

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.⁷ Section II describes the statistical sampling methods that NECA used in its data collection for settlement formula development. Section III describes the sources and types of data NECA collected from cost and average schedule companies. Section IV explains the methods NECA used to develop cost allocation factor models from sample cost company data. Section V describes how NECA projected growth from historical cost and demand data to develop cost and demand data applicable to the period the proposed formulas will be in effect. Section VI explains how NECA calculated Interstate and Access Category costs by account for each sample average schedule study area. Section VII explains how NECA developed the "best fitting" statistical formulas for use in determining settlements, and explains how the proposed formulas will affect average schedule companies. 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 2008 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.⁸ The design entails defining stratification attributes, determining sample size, allocating the sample to strata, selecting samples and assigning study areas to specific data collection years. Section II of this filing explains the 2003 Design in detail. Additionally, Section II explains

⁷ The instant filing is referred to herein as the "2008 Filing" and the data collection and analyses upon which this filing is based are referred to as the "2008 Study." The settlement formulas proposed herein are referred to as the "2009 Schedules." References made herein with respect to previous years' filings, studies and settlement formulas use similar nomenclature.

⁸ "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).

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 2.09 per cent, at constant demand.

This filing proposes to change the calculation of settlements for intertoll switching costs. The current formula determines a settlement rate per intertoll circuit based on the study area's count of intertoll circuits. The new formula determines a settlement rate based on the study area's ratio of intertoll circuits per access line, recognizing significant cost efficiencies that are achieved as this ratio increases.

This filing similarly proposes to change the calculation of settlements for termination of line haul circuits. The current formula determines a settlement rate per circuit based on the study area's ratio of line haul circuit terminations per exchange. The new formula determines a settlement rate based on the study area's ratio of line haul circuit terminations per access line, recognizing also significant cost efficiencies that are achieved as this ratio increases.

Some of the more significant overall proposed formula decreases will be experienced by study areas with the highest ratios of intertoll circuits per access line or of line haul circuit terminations per access line.

This filing adds a calculation to the special access settlement formula to keep retention ratios of study areas who offer DSL outside of NECA's tariff at parity with retention ratios of study areas providing DSL in NECA's tariff. Without this new calculation study areas would realize higher settlements for their non-DSL special access services just by withdrawing DSL service from the tariff.

This filing continues 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, which were first proposed and approved for July 2008⁹.

This filing discontinues the proposal of a Network Administration Formula, as there appears to be no further need for it. This filing discontinues Network Administration Formula, which was initially proposed as a contingency by NECA when the scope and recovery for some inter-company charges was unknown.

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-two of the total 439 average schedule study areas will experience settlement rate reductions, while only three study areas will experience reductions greater than 10%.

⁹ National Exchange Carrier Association, Inc. 2008 Modification of Average Schedules, WC Docket No. 07-290, *Order*, DA 08-1249 (May 29, 2008)

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 sampling¹ methods used by NECA in its annual data collection program for average schedule formula development. The sampling design identifies the sample cost and average schedule companies to be used for collecting accounting and demand data for a given year. A well-designed sample provides a desired level of precision and reliability and eliminates the need to collect data from the entire population of cost and average schedule companies. By employing statistical sampling methods, NECA and pool members save time, labor, and money without sacrificing accuracy.

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

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

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

² *See, e.g.* National Exchange Carrier Association, Inc., Tariff F.C.C. No. 5, Transmittal No. 1214, filed June 16, 2008 at Vol. 2, pp. 3 - 4 (2008 Annual Access Tariff Filing).

³ Group B companies include cost study areas of CenturyTel, Telephone and Data Systems, and Alaska Communications Systems.

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

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

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

Section C defines the nine attributes of a study area that were used for an initial classification of

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

the 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 allocation⁵ 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

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

the proposed formulas provide results with the desired level of precision.

Section G explains random sampling of study areas from each stratum using probabilities of 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 2008 Study are from the annual and supplemental samples of study areas collected in 2006 and 2007. 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 2008 Study.

B. Five-Year Sampling Design

The five-year sampling design selects a five-year sample, and then assigns members of the sample to data collection years.⁶ A five-year sampling design methodology was developed in 2003 to support average schedule study activities for the 2004-2008 period. It is similar to the five-year sampling methodology developed in 1998 to support average schedule study activities for the 1999-2003 period.⁷

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

In addition, NECA can include a larger company's data in every study while sampling each large company only every other year. Thus, NECA is able to use data that achieves the targeted precision level while sampling only half of the two-year sample each year. This feature

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

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

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 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 (2⁹) average schedule classes. However, only 34 classes contain average schedule study areas.

EXHIBIT 2.1
SAMPLE DESIGN CRITERIA

Criteria	Source/Date*	
	Average Schedule	Cost
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 December 2002 Circuit Miles > 0; Switched Circ. Terms > 0	NECA Cost Study Database Second Quarter 2003 C&WF Cat. 2 + 3 + 4 > 0
4. Provider of Host/Remote Facilities (yes or no)	NECA Line Haul Data Base Second Quarter 2003	NECA Cost Study Database Second Quarter 2003 C&WF Cat. 4 > 0
5. Provider of Special Access Service (yes or no)	NECA Settlements December 2002 TS Special Access Net Rev. > 0	NECA Settlements December 2002 Special Access Earned Rev. > 0
6. Provider of Access Tandem Facilities (yes or no)	NECA Settlements December 2002 ITD Settlements > 0	NECA Cost Study Database Second Quarter 2003 COE Cat. 2 > 0
7. Traffic Volume (High or Normal) High: MPL > 325	NECA Settlements December 2002 $MPL = \frac{\text{Switched Access Minutes}}{\text{Access Lines}}$	NECA Cost Study Database Second Quarter 2003 $MPL = \frac{\text{Switched Access Minutes}}{\text{Access Lines}}$
8. Density (High or Normal) High: Density > 175	NECA Settlements December 2002 $\text{Density} = \frac{\text{Switched Circ. Terms.}}{\text{Exchanges}}$	NECA Settlements December 2002 $\text{Density} = \frac{\text{Switched Circ. Terms.}}{\text{Exchanges}}$
9. Participant in NECA's 2003 Traffic Sensitive Settlement Pool (yes or no)	NECA Customer Database December 2002	NECA Customer Database December 2002

*The April 2003 view of December 2002 data

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.

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

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

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

EXHIBIT 2.2A

CLASSES OF AVERAGE SCHEDULE STUDY AREAS

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

EXHIBIT 2.2B

CLASSES OF COST COMPANY STUDY AREAS

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

EXHIBIT 2.2B (Continued)
CLASSES OF COST COMPANY STUDY AREAS

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

D. Stratification of the Population

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

EXHIBIT 2.3A

PRELIMINARY STRATUM DEFINITION – AVERAGE SCHEDULE STUDY AREAS

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

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

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

EXHIBIT 2.3B

PRELIMINARY STRATUM DEFINITION – COST COMPANY STUDY AREAS

Prelim. Stratum	Classes	Exch.	LH	H/R	SA	IT	MPL	Density	TS	Total
C1	1, 5, 7, 12, 14, 16, 21, 24, 26, 27, 35, 37, 39, 41	1:22 >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,	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:	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
Total										586

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

EXHIBIT 2.4A

REVENUE SIZE CRITERION – AVERAGE SCHEDULE STUDY AREAS

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

EXHIBIT 2.4B

REVENUE SIZE CRITERION – COST COMPANY STUDY AREAS

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

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

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

EXHIBIT 2.5B
DISTRIBUTION OF ACCESS REVENUES BY FINAL STRATA
COST COMPANY STUDY AREAS

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

E. Allocation of Sample to Strata

NECA allocated the total sample size to strata using a method known as “Neyman Allocation”, a method which produces optimum precision results for stratified sampling.⁸ In each stratum, the Neyman Allocation determines the size of the sample, which is proportional to an estimate of the standard deviation of the stratum’s measure of size. The Neyman allocation produces an optimum result (improves precision the most) when the measure of size is correlated with the variable to be estimated revenue requirement. The Neyman allocation to a stratum also depends upon the total count of study areas in the stratum (Column C of Exhibits 2.6A and 2.6B), as well

⁸ *Id.* at p. 97.

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 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 follow:

$$\text{stratum annual sample size} = \text{Int} \left(\frac{\text{stratum five - year sample size}}{5} + 0.5 \right)$$

The sampling term, which represents how often a study area will be sampled, is limited to a value between 2 and 5 and calculated as follow:

$$\text{stratum sampling term} = \text{Int} \left(\frac{N_h}{\text{annual sample size}} + 0.5 \right)$$

EXHIBIT 2.6A

FINAL STRATA – AVERAGE SCHEDULE STUDY AREAS

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

⁹ M. O. S. is “Measure of Size.” It is the square root of interstate access revenues.

EXHIBIT 2.6B
FINAL STRATA – COST STUDY AREAS

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

F. Determination of Sample Size

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

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

sample size was determined by balancing the need for sufficient and reliable data against the cost and 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 line¹¹ to confirm that the resulting sample size is sufficient to provide the desired level of precision for the annual development of average schedule formulas. NECA found that this ratio would be accurate within 2.5% of the true value with 95% confidence, a sufficient precision level for developing of average schedule formulas.

Statistical sampling textbooks, such as *Sampling Techniques* by William Cochran,¹² provide tests to measure the precision of sample estimates. “Precision” is defined as a range about the estimate that is shown to include the value of the population parameter with a designated level of

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

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

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:

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

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

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

¹³ *Id.* at p. 31.

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.

EXHIBIT 2.7
REVENUE REQUIREMENTS AND ACCESS LINES FOR AVERAGE SCHEDULE
STRATUM A4A

(A) Study Area Observation No.	(B) Interstate Revenue Requirement	(C) Access Lines	(D) $\frac{\sum(\text{Col. B})}{\sum(\text{Col. C})}$	(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:¹⁴

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

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

X is the total of population access lines.

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

¹⁴ *Id.* at p. 90. Formula 5.3 found in *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) ² x (C)	N_h	n_h	(F) / (E)	Mean Access Lines
A1	4,889	1.0151	24,263,927	24	10	0.42	204
A2	320,905	0.0000	0	37	37	1.00	8,673
A3	98,275	0.0000	0	23	23	1.00	4,273
A4A	82,318	0.7093	4,806,343,529	16	6	0.38	5,145
A4B	951,023	0.0000	0	25	25	1.00	38,041
A5A	17,139	1.3860	407,118,722	18	6	0.33	952
A5B	74,997	1.5984	8,990,375,848	24	7	0.29	3,125
A5C	105,895	0.3599	4,035,983,254	11	7	0.64	9,627
A6	201,075	0.0531	2,148,523,558	159	55	0.35	1,265
A7	25,907	0.7736	519,192,513	24	8	0.33	1,080
A8A	146,827	0.1928	4,156,829,803	81	23	0.28	1,813
A8B	176,553	0.4105	12,794,417,595	37	7	0.19	4,772
A8C	165,325	0.2886	7,889,095,764	18	6	0.33	9,185
A8D	210,252	0.0000	0	7	7	1.00	30,036
Total	2,581,380		45,772,144,514				

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

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

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

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

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

where

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

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

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

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

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

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

G. 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

¹⁵ *Id.* at p. 75.

probability of inclusion in the sample. NECA chose a special method of defining probabilities because it 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 strata¹⁶ were assigned a probability of one for inclusion in the multi-year sample. Study areas from other sample strata were assigned probabilities proportionate to size (PPS). The PPS method was used because it provides more precise estimates than other probability sampling methods.

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

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

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

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

The PPS method selects sample members from intervals systematically, selecting the first member by a random start, and then successively adding an interval to the random start to select other sample members. The random start for each stratum was computed by multiplying a random number by the stratum sampling interval. Random starts calculated by this method are displayed in Exhibit 2.9.¹⁷

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

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

EXHIBIT 2.9
RANDOM STARTS FOR EACH STRATUM

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

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

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

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

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

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

Probability of Inclusion in the Five -Year Sample =

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

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 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 2007 collection of data supporting this year’s study. A few study areas from the supplemental sample may be sampled in two consecutive years as a result of combining the regular and supplemental samples. Details on this supplemental sample are shown in Exhibit 2.10. The assignment of study areas to sample years is shown in appendix A1.

EXHIBIT 2.10
SUPPLEMENTAL SAMPLE

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

III. DATA COLLECTION

A. Introduction

One of the first steps necessary in developing settlement formulas is compiling accurate data. This section describes the sources and types of data NECA collected to support average schedule formula development. For the 2009 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 sample¹ 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

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

factors 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 2009 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 2006 and 2007, 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 2006 sample provided accounting data from calendar years 2004 and 2005 and demand data from 2006. The 2007 sample provided accounting data from calendar years 2005 and 2006 and demand data from 2007. 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 2006 annual Cost data collection sampled 100 cost study areas from NECA's traffic sensitive pool. Three study areas were excluded from the sample for various reasons.² This resulted in a total of 97 study areas, 53 of which have host remote network configurations.

The 2007 annual Cost data collection sampled 113 cost study areas from NECA's traffic sensitive

² 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 did not complete the supplementary Host-Remote Data Request portion of their data submission due to lack of resources.

pool. Three study areas were excluded from the sample.³ A total of 110 study areas were used, 61 of which had host-remote network configurations. As a result, the two years of data collection yielded valid data from 207 cost study areas, 114 of which have host remote network configurations.

The average schedule data collection also used a two-year sample design. 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.⁴ 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 92 total observations.

The 2007 annual data collection sampled data from 96 average schedule study areas from NECA's traffic sensitive pool. Nine study areas were excluded from the sample for various reasons.⁵ This resulted in 87 total observations. As a result, the two years of data collection yielded valid data from 179 average schedule study areas.

³ Three study areas did not complete the supplementary Host-Remote Data Request portion of their submission due to lack of resources.

⁴ 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.

⁵ Eight study areas did not participate. One study area was excluded because their data provided insufficient level of detail in their response.

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.⁶ 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.

⁶ 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 2005 and 2006 were requested from each average schedule study area in the 2007 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 2005 and 2006 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 2005 and 2006 accounting data from the 2007 sample are displayed in Appendices C1 and C2, respectively.

Similar accounting data from calendar years 2004 and 2005 were obtained from average schedule study areas in the 2006 sample. Source documents for these data were also obtained for verification purposes. Average schedule company accounting data obtained from the 2006 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 2007 through June 2008, including all adjustments through September 2008 for the following data elements⁷:

- 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 2005 through December 2006, including all adjustments through September 2007 for the analyses underlying the forecast of Interstate Special Access Revenues⁸, described in Section V.H.1.

⁷ 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".

⁸ 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."

- 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 2006 through December 2006⁹, including all adjustments through June 2008 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 2006 view of the year 2004's Access Lines and Common Line Minutes of Use.

⁹ Cost company demand data from 2006 correspond to 2006 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 2006 and 2007 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 2006 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 2006 and 2007 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 2004 demand for study areas in the 2006 data collection (2005 accounts) and 2005 demand for study areas in the 2007 data collection (2006 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 2006 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)¹⁰ 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

¹⁰ 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.

Joint Message Interstate Circuit Miles = Joint Message Total Circuit miles

x 2006 Cost Study Interstate Conversation Minute-Mile Factor

The traffic engineering method uses route mile data and access line counts at each remote office to develop circuit miles. NECA determined that 114 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.

- d. Access element amounts were compared to total company and total interstate amounts.
- e. 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 2006.¹ These cost study data are used to calculate separated costs and to allocate separated costs to access categories, as discussed in Section IV.B, using FCC rules that apply to the test period (July 1, 2009 through June 30, 2010). 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.

¹ Data from 2007 cost studies do not begin to become available until the second half of 2008, 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 2006 cost studies for sample cost companies. The summary of cost allocation methods in Exhibit 4.1 describes factors used to separate and allocate sample cost company accounts for the test period.

1. Separation of Local Switching Investment

In an order released May 22, 2001, the FCC adopted the Federal-State Joint Board recommendation to impose an interim separations freeze effective July 1, 2001.² The

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

freeze included all Part 36 category relationships and interstate separations factors for price cap carriers and all interstate separations factors for rate-of-return carriers. The freeze was in effect for five years or until the Commission completes comprehensive separations reform, whichever would come first. However, on May 16, 2006, the Commission released an Order³ 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 2006.⁴

2. Summary of Cost Allocation Methods

Using the 2006 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.

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

⁴ 47 C.F.R. § 36.125.

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

3. Cost Study Separations Factors

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

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

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.

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

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

EXHIBIT 4.1 (Continued)

COST SEPARATION AND ALLOCATION METHODS

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

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

EXHIBIT 4.1 (Continued)

COST SEPARATION AND ALLOCATION METHODS

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

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

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

C. Outlier Accommodation Methods

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

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

1. Outlier Accommodation Method in Regression Models

a. Identification of Outliers in Regression Models

There are numerous methods available in statistical literature⁷ to identify influential data points in linear regression models. NECA adopts the DFFITS

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

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

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

The cutoff point suggested by Chatterjee¹¹ 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

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

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

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

¹¹ Chatterjee, S., and Hadi, A.S., 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.¹²

NECA uses variance weights as follows:

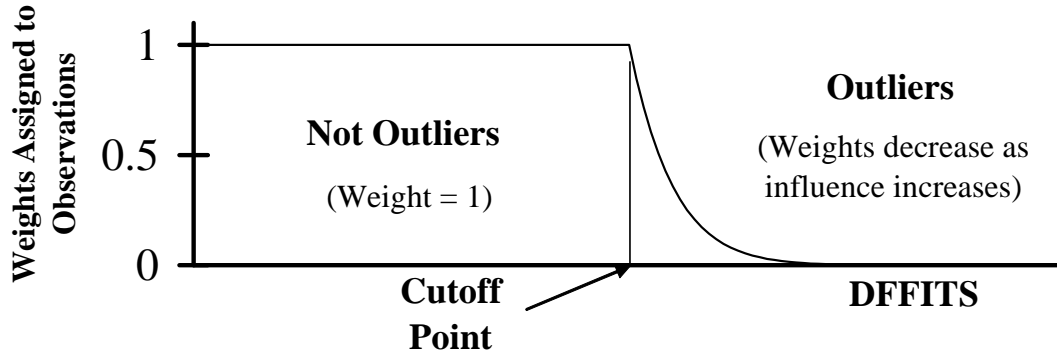
$$\begin{aligned} \text{If } DFFITS_i \leq C, \text{ Then Variance Weight}_i &= 1 \\ \text{Else Variance Weight}_i &= \left(\frac{C / 2}{DFFITS_i} \right)^2 \end{aligned}$$

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.

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

EXHIBIT 4.2
Illustrative Outlier Weights



2. Outlier Accommodation Method for Ratio Estimates
 - a. Identification of Outliers for Ratio Estimates

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

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

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

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

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

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 2006 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:

$$P = \frac{\textit{Interstate Cat.1 COE}}{\textit{Total COE}}$$
$$= 0.000900$$

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.

$$P = \frac{\textit{Interstate Cat. 1.2 C \& WF}}{\textit{Total C \& WF}}$$
$$= 0.002078 + 0.000352 \times \textit{Adj. Special Access Revenue Per Line}$$

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

In some cases, separations fractions were modeled separately for each of several groups of separations percentages, defined by ranges of independent variables. This was done to better target the interstate percentages for companies with low independent variable values, so not to over allocate cost in lower cost allocation groups. For example, the

COE Category 4.11 + 4.12 (Wideband Exchange Line + Exchange Trunk) fraction were modeled separately for each of four groups, depending on the value of Adjusted DSL Revenues per Exchange (ADSLRE) and Access Line size.

$$\begin{aligned}
 P &= \frac{\text{Interstate Cat. 4.11 + 4.12 COE}}{\text{Total COE}} \\
 &= 0.069282 + 0.000026 \times \text{Adj. DSL Rev. per Exchange,} \\
 &\quad \text{if ADSLRE} \leq 2,000 \text{ and Access Line size} \leq 750; \\
 &= 0.034782 + 0.000026 \times \text{Adj. DSL Rev. per Exchange,} \\
 &\quad \text{if ADSLRE} \leq 2,000 \text{ and Access Line size} > 750; \\
 &= 0.118066 + 0.000001729 \times \text{Adj. DSL Rev. per Exchange,} \\
 &\quad \text{if ADSLRE} > 2,000 \text{ and Access Line size} \leq 750; \\
 &= 0.083566 + 0.000001729 \times \text{Adj. DSL Rev. per Exchange,} \\
 &\quad \text{if ADSLRE} > 2,000 \text{ and Access Line size} > 750;
 \end{aligned}$$

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:

$$\begin{aligned}
 P &= \frac{\text{Interstate GSF}}{\text{Total GSF}} \\
 &= 1.000711 \times \% \text{ Interstate of } [COE + C\&WF + IOT] \\
 R^2 &= 1.00 \quad F = 43,719,134 \quad t = 6,612
 \end{aligned}$$

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 circuits 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 average ratio.

$$\text{Cost Company Intertoll Dial Circuits} = 0.260946 \times \text{Total Cost Company Interstate Circuit Terminations}$$

For the COE Category 3 Local Switching separation model, the access minutes were grouped into normal volume and high volume categories using 280 minutes per line as the breakpoint, as follows:

$$\begin{aligned} &\text{Normal Volume Minutes Per Line} \\ &= \text{Minimum (Total Minutes Per Line, 280)} \end{aligned}$$

High Volume Minutes Per Line

= Total Minutes Per Line – Normal Volume Minutes Per Line

In addition, NECA grouped study areas based on DSL Revenue per Line.

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 DSL revenues per exchange were included separately for companies with fewer than 2,000 and over 2,000 adjusted DSL 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.

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 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:

$$\begin{aligned} P &= \frac{\text{Interstate Cat. 1 COE}}{\text{Total COE}} \\ &= 0.000900 \end{aligned}$$

COE Category 2 - Tandem Switching

Interstate Toll Circuit Miles = Total Line Haul Circuit Miles – Host Remote Circuit Miles

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

$$\begin{aligned} P &= \frac{\text{Interstate Cat. 2 COE}}{\text{Total COE}} \\ &= 0.015574 + 0.00000048 \times \text{Interstate Toll Circuit Miles per Exchange} \end{aligned}$$

$$\begin{aligned} \text{Minimum} &= 0.015583 \\ \text{Maximum} &= 0.038977 \end{aligned}$$

$$R^2 = 0.04 \quad F = 3.59 \quad t = 1.89$$

COE Category 3 - Local Switching

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

$$\begin{aligned} P &= \frac{\text{Interstate Cat. 3 COE}}{\text{Total COE}} \\ &= 0.143010 + 0.000227 \times \text{DEM Weight} \times \text{Normal Volume Minutes per Line} \\ &\quad + 0.000304 \times \text{High Volume Minutes per Line} \\ &\quad \text{if Access Line size} \leq 2,500 \text{ and DSL Revenue per Line} \leq \$4 \\ &= 0.143010 + 0.000151 \times \text{DEM Weight} \times \text{Normal Volume Minutes per Line} \\ &\quad \text{if Access Line size} \leq 2,500 \text{ and DSL Revenue per Line} > \$4 \\ &= 0.080609 + 0.000227 \times \text{DEM Weight} \times \text{Normal Volume Minutes per Line} \\ &\quad + 0.000304 \times \text{High Volume Minutes per Line} \\ &\quad \text{if Access Line size between } 2,500 \text{ and } 10,000 \text{ and DSL Revenue per Line} \leq \$4 \\ &= 0.080609 + 0.000151 \times \text{DEM Weight} \times \text{Normal Volume Minutes per Line} \\ &\quad \text{if Access Line size between } 2,500 \text{ and } 10,000 \text{ and DSL Revenue per Line} > \$4 \\ &= 0.038587 + 0.000227 \times \text{DEM Weight} \times \text{Normal Volume Minutes per Line} \\ &\quad + 0.000304 \times \text{High Volume Minutes per Line} \\ &\quad \text{if Access Line size} > 10,000 \text{ and DSL Revenue per Line} \leq \$4 \end{aligned}$$

EXHIBIT 4.3 (Continued)

PART 36 SEPARATION FACTOR MODELS

$$= 0.038587 + 0.000151 \times \text{DEM Weight} \times \text{Normal Volume Minutes per Line}$$

if Access Line size > 10,000 and DSL Revenue per Line > \$4

$$\begin{aligned} \text{Minimum} &= 0.080734 \\ \text{Maximum} &= 0.736569 \end{aligned}$$

$$\begin{aligned} R^2 &= 0.36 & F &= 22.64 & t_1 &= 4.30 & t_2 &= 2.70 \\ t_3 &= 2.51 & t_4 &= 5.20 & t_5 &= 2.19 \end{aligned}$$

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

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

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

$$= 0.069282 + 0.000026 \times \text{Adj. DSL Rev. per Exchange,}$$

if ADSLRE <= 2,000 and Access Line size <= 750;

$$= 0.034782 + 0.000026 \times \text{Adj. DSL Rev. per Exchange,}$$

if ADSLRE <= 2,000 and Access Line size > 750;

$$= 0.118066 + 0.000001729 \times \text{Adj. DSL Rev. per Exchange,}$$

if ADSLRE > 2,000 and Access Line size <= 750;

$$= 0.083566 + 0.000001729 \times \text{Adj. DSL Rev. per Exchange,}$$

if ADSLRE > 2,000 and Access Line size > 750;

$$\begin{aligned} \text{Minimum} &= 0.034782 \\ \text{Maximum} &= 0.218926 \end{aligned}$$

$$R^2 = 0.16 \quad F = 11.80 \quad t_1 = 3.92 \quad t_2 = 2.39 \quad t_3 = 2.54$$

COE Category 4.13 - Exchange Line Circuit Excluding Wideband

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

$$= 0.094336$$

COE Category 4.2 - Interexchange Circuit

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

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

$$= 0.029494 + 0.002304 \times \text{Interstate Toll Circuit Miles per Line}$$

+ 0.002469 x Adjusted Special Access Revenues per Line

if Access Line size <= 4,500 and provides Wideband

$$= 0.029494 + 0.002304 \times \text{Interstate Toll Circuit Miles per Line}$$

EXHIBIT 4.3 (Continued)

PART 36 SEPARATION FACTOR MODELS

+ 0.010918 x Adjusted Special Access Revenues per Line
if Access Line size <= 4,500 and does not provide Wideband

= 0.049227 + 0.002304 x Interstate Toll Circuit Miles per Line
+ 0.002469 x Adjusted Special Access Revenues per Line
if Access Line size > 4,500 and provides Wideband

= 0.049227 + 0.002304 x Interstate Toll Circuit Miles per Line
+ 0.010918 x Adjusted Special Access Revenues per Line
if Access Line size > 4,500 and does not provide Wideband

Minimum = 0.030354

Maximum = 0.202569

$R^2 = 0.19$ $F = 11.93$ $t_1 = 3.63$ $t_2 = 2.89$ $t_3 = 4.19$ $t_4 = -2.87$

COE Category 4.3 - Host/Remote Message Circuit

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

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

= 0.717785 x Host Remote Circuit per Line

Minimum = 0.000000

Maximum = 0.056430

$R^2 = 0.63$ $F = 193.54$ $t = 13.91$

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

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

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

= 0.002078 + 0.000352 x Adjusted Special Access Revenues per Line

Minimum = 0.002155

Maximum = 0.010555

$R^2 = 0.10$ $F = 19.49$ $t = 4.41$

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

EXHIBIT 4.3 (Continued)

PART 36 SEPARATION FACTOR MODELS

$$\begin{aligned} P &= \frac{\text{Interstate Cat. 1.3 C\&WF}}{\text{Total C\&WF}} \\ &= 0.224348 - 0.001881 \times \text{Normal Route Circuit Miles per Line} \end{aligned}$$

$$\begin{aligned} \text{Minimum} &= 0.148985 \\ \text{Maximum} &= 0.224348 \end{aligned}$$

$$R^2 = 0.05 \quad F = 10.83 \quad t_1 = -3.29$$

C&WF Category 2 - Wideband Exchange Trunk

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

$$\begin{aligned} P &= \frac{\text{Interstate Cat. 2 C\&WF}}{\text{Total C\&WF}} \\ &= 0.023730 \end{aligned}$$

C&WF Category 3 - Interexchange

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

$$\begin{aligned} P &= \frac{\text{Interstate Cat. 3 C\&WF}}{\text{Total C\&WF}} \\ &= 0.010412 + 0.022218 \times \text{Interstate Toll Circuit Miles per Line (CML)} \\ &\quad + 0.001565 \times \text{Adjusted Special Access Revenues per Line} \\ &\quad \text{if CML} \leq 0.8 \\ &= 0.027222 + 0.001205 \times \text{Interstate Toll Circuit Miles per Line (CML)} \\ &\quad + 0.001565 \times \text{Adjusted Special Access Revenues per Line} \\ &\quad \text{if CML} > 0.8 \end{aligned}$$

$$\begin{aligned} \text{Minimum} &= 0.002159 \\ \text{Maximum} &= 0.192401 \end{aligned}$$

$$R^2 = 0.07 \quad F = 12.11 \quad t_1 = 2.69 \quad t_2 = 2.39 \quad t_3 = 2.95$$

EXHIBIT 4.3 (Continued)

PART 36 SEPARATION FACTOR MODELS

C&WF Category 4 - Host/Remote Message

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

$$\begin{aligned} P &= \frac{\text{Interstate Cat. 4 C\&WF}}{\text{Total C\&WF}} \\ &= 0.008814 + 0.003470 \times \text{Host Remote Circuit Miles per Line} \\ &\quad \text{if Access Line size} \leq 5,000 \\ &= 0.001996 + 0.003470 \times \text{Host Remote Circuit Miles per Line} \\ &\quad \text{if Access Line size} > 5,000 \end{aligned}$$

$$\begin{aligned} \text{Minimum} &= 0.002010 \\ \text{Maximum} &= 0.021918 \end{aligned}$$

$$R^2 = 0.17 \quad F = 10.99 \quad t_1 = 3.40 \quad t_2 = 3.23$$

GSF - General Support Facilities Equipment

$$\begin{aligned} P &= \frac{\text{Interstate GSF}}{\text{Total GSF}} \\ &= 1.000711 \times \% \text{ Interstate of Total [COE + C\&WF + IOT]} \end{aligned}$$

$$R^2 = 1.00 \quad F = 43,719,134 \quad t = 6,612$$

Tangibles - Account 2680

$$\begin{aligned} P &= \frac{\text{Interstate Tangibles}}{\text{Total Tangibles}} \\ &= 1.063949 \times \% \text{ Interstate of Total [COE + C\&WF + IOT]} \end{aligned}$$

$$R^2 = 0.93 \quad F = 500 \quad t = 22$$

Intangibles - Account 2690

$$\begin{aligned} P &= \frac{\text{Interstate Intangibles}}{\text{Total Intangibles}} \\ &= 1.000596 \times \% \text{ Interstate of Total 2001 (Excluding 2690)} \end{aligned}$$

$$R^2 = 1.00 \quad F = 29062249.27 \quad t = 5390.94$$

EXHIBIT 4.3 (Continued)

PART 36 SEPARATION FACTOR MODELS

Telecommunications Plant - Other - Accounts 2002 + 2003 + 2005

$$\begin{aligned} P &= \frac{\text{Interstate of Total 2002 + 2003 + 2005}}{\text{Total 2002 + 2003 + 2005}} \\ &= 1.000686 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 1.00 \quad F = 5,984,820 \quad t = 2446.39 \end{aligned}$$

Materials & Supplies - Account 1220

$$\begin{aligned} P &= \frac{\text{Interstate Materials & Supplies}}{\text{Total Materials & Supplies}} \\ &= 0.999570 \times \% \text{ Interstate of C\&WF} \\ R^2 &= 1.00 \quad F = 14,043,470 \quad t = 3747.46 \end{aligned}$$

RTB Stock - Account 1402

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

Accumulated Depreciation - Accounts 3100 + 3200

$$\begin{aligned} P &= \frac{\text{Interstate Accumulated Depreciation}}{\text{Total Accumulated Depreciation}} \\ &= -0.016839 + 1.074811 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 0.96 \quad F = 4,996 \quad t = 71 \end{aligned}$$

Accumulated Amortization - Accounts 3400 + 3500 + 3600

$$\begin{aligned} P &= \frac{\text{Interstate Accumulated Amortization}}{\text{Total Accumulated Amortization}} \\ &= 1.000113 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 1.00 \quad F = 148,883 \quad t = 386 \end{aligned}$$

EXHIBIT 4.3 (Continued)

PART 36 SEPARATION FACTOR MODELS

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

$$\begin{aligned} P &= \frac{\text{Interstate Net Deferred Federal Income Taxes}}{\text{Total Net Deferred Federal Income Taxes}} \\ &= 0.355309 \end{aligned}$$

Network Support Expense - Account 6110

$$\begin{aligned} P &= \frac{\text{Interstate of Network Support Expense}}{\text{Total Network Support Expense}} \\ &= 1.000736 \times \% \text{ Interstate of Total [COE + C\&WF + IOT]} \\ R^2 &= 1.00 \quad F = 34,695,742 \quad t = 5890.31 \end{aligned}$$

General Support Expense - Account 6120

$$\begin{aligned} P &= \frac{\text{Interstate of GSF Expense}}{\text{Total GSF Expense}} \\ &= 1.000711 \times \% \text{ Interstate of Total [COE + C\&WF + IOT]} \\ R^2 &= 1.00 \quad F = 43,719,134 \quad t = 6,612 \end{aligned}$$

COE Expense - Account 6210

$$\begin{aligned} P &= \frac{\text{Interstate of COE}}{\text{Total COE}} \\ &= 1.001991 \times \% \text{ Interstate of COE} \\ R^2 &= 1.00 \quad F = 6,185,485 \quad t = 2,487 \end{aligned}$$

C\&WF Expense - Account 6410

$$\begin{aligned} P &= \frac{\text{Interstate of C\&WF Expense}}{\text{Total C\&WF Expense}} \\ &= 1 \times \% \text{ Interstate of C\&WF} \\ R^2 &= 1.00 \quad F = \text{Infinity} \quad t = \text{Infinity} \end{aligned}$$

EXHIBIT 4.3 (Continued)

PART 36 SEPARATION FACTOR MODELS

Other Property, Plant & Equipment Expense - Account 6510

$$\begin{aligned} P &= \frac{\text{Interstate of Account 6510}}{\text{Total Account 6510}} \\ &= 1.000532 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 1.00 \quad F = 32,771,967 \quad t = 5724.68 \end{aligned}$$

Network Operations Expense - Account 6530

$$\begin{aligned} P &= \frac{\text{Interstate of Network Operations Expense}}{\text{Total Network Operations Expense}} \\ &= 1.000656 \times \% \text{ Interstate of Total [COE + C\&WF + IOT]} \\ R^2 &= 1.00 \quad F = 50849019.27 \quad t = 7130.85 \end{aligned}$$

Depreciation and Amortization Expense - Account 6560

$$\begin{aligned} P &= \frac{\text{Interstate Depreciation and Amortization Expense}}{\text{Total Depreciation and Amortization Expense}} \\ &= -0.037606 + 1.167618 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 0.91 \quad F = 2055.62 \quad t = 45.34 \end{aligned}$$

Marketing Expense - Account 6610

$$\begin{aligned} P &= \frac{\text{Interstate Marketing Expense}}{\text{Total Marketing Expense}} \\ &= 0.169798 + 0.383455 \times \% \text{ Interstate of Total [COE + C\&WF + IOT]} \\ R^2 &= 0.05 \quad F = 9.50 \quad t = 3.08 \end{aligned}$$

Services Expense - Account 6620

$$\begin{aligned} P &= \frac{\text{Interstate Services Expense}}{\text{Total Services Expense}} \\ &= 0.255215 + 0.213119 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 0.02 \quad F = 4.93 \quad t = 2.22 \end{aligned}$$

EXHIBIT 4.3 (Continued)

PART 36 SEPARATION FACTOR MODELS

Corporate Operations Expense – Accounts 6710 and 6720

$$\begin{aligned} P &= \frac{\text{Interstate Corporate Operations Expense}}{\text{Total Corporate Operations Expense}} \\ &= 0.013889 + 1.046665 \times \% \text{ Interstate of Total Big Three Expenses} \\ R^2 &= 0.93 \quad F = 2,838 \quad t = 53.28 \end{aligned}$$

Other Operating Taxes - Account 7200

$$\begin{aligned} P &= \frac{\text{Interstate Account 7200}}{\text{Total Account 7200}} \\ &= 1.024425 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 0.99 \quad F = 15417.82 \quad t = 124.17 \end{aligned}$$

Federal Investment Tax Credit

If study area is subject to Federal Income Tax,

$$\begin{aligned} P &= \frac{\text{Interstate of Investment Tax Credit}}{\text{Total Investment Tax Credit}} \\ &= 0.094895 + 0.775354 \times \% \text{ Interstate of Total Net Plant} \\ R^2 &= 0.88 \quad F = 96.47 \quad t = 9.82 \end{aligned}$$

Non-Operating Income and Expense

$$\begin{aligned} P &= \frac{\text{Interstate of Non-Operating Income and Expense}}{\text{Total Non-Operating Income and Expense}} \\ &= 0.078497 + 0.893806 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 0.72 \quad F = 379.64 \quad t = 19.48 \end{aligned}$$

Interest & Related Items - Account 7500

$$\begin{aligned} P &= \frac{\text{Interstate of Total 2001}}{\text{Total 2001}} \\ &= 0.955204 \times \% \text{ Interstate of Total 2001} \\ R^2 &= 1.00 \quad F = 39506.18 \quad t = 198.76 \end{aligned}$$

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.¹³

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

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

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

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

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

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

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

<u>Variable Name</u>	<u>Calculation</u>
% 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

$$\begin{aligned}
 \%CL &= -0.024585 + 0.989137 \times \% \text{ CL of Interstate TPIS} \\
 \%CO &= 1.161099 \times \% \text{ CO of Interstate TPIS} \\
 \%SA &= 0.959961 \times \% \text{ SA of Interstate TPIS} \\
 \%TR &= 0.960814 \times \% \text{ TR of Interstate TPIS}
 \end{aligned}$$

	<u>R²</u>	<u>F</u>	<u>t</u>	<u>Minimum</u>	<u>Maximum</u>
%CL Model	0.95	3557	60	0.022901	0.878011
%CO Model	0.98	8071	90	0.014982	0.787512
%SA Model	0.99	29732	172	0.000000	0.674412
%TR Model	0.99	33212	182	0.000625	0.439615

Net Deferred Income Taxes

$$\begin{aligned}
 \%CL &= 0.502009 \\
 \%CO &= 0.235449 \\
 \%SA &= 0.193711 \\
 \%TR &= 0.068831
 \end{aligned}$$

Accumulated Amortization

$$\begin{aligned}
 \%CL &= 0.994812 \times \% \text{ CL of Interstate TPIS} \\
 \%CO &= 1.008708 \times \% \text{ CO of Interstate TPIS} \\
 \%SA &= 0.997292 \times \% \text{ SA of Interstate TPIS} \\
 \%TR &= 0.999365 \times \% \text{ TR of Interstate TPIS}
 \end{aligned}$$

	<u>R²</u>	<u>F</u>	<u>t</u>	<u>Minimum</u>	<u>Maximum</u>
%CL Model	1.00	12699	113	0.160593	0.761763
%CO Model	0.99	7107	84	0.037836	0.663055
%SA Model	1.00	42555	206	0.012082	0.592419
%TR Model	1.00	338461	582	0.003338	0.250736

Depreciation and Amortization Expense

$$\begin{aligned}
 \%CL &= -0.046782 + 0.965677 \times \% \text{ CL of Interstate TPIS} \\
 \%CO &= 0.026525 + 1.144056 \times \% \text{ CO of Interstate TPIS} \\
 \%SA &= 1.003923 \times \% \text{ SA of Interstate TPIS} \\
 \%TR &= 0.003850 + 0.945672 \times \% \text{ TR of Interstate TPIS}
 \end{aligned}$$

	<u>R²</u>	<u>F</u>	<u>t</u>	<u>Minimum</u>	<u>Maximum</u>
%CL Model	0.88	1516	39	0.000000	0.834407
%CO Model	0.72	535	23	0.041287	0.802477
%SA Model	0.97	7788	88	0.000000	0.705297
%TR Model	0.95	3547	60	0.004465	0.436537

Services Expenses

%CL	=	0.075013	+	0.353727	x	% CL of Interstate TPIS
%CO	=	0.036155	+	0.759105	x	% CO of Interstate TPIS
%SA	=	0.038319	+	0.340143	x	% SA of Interstate TPIS
%TR	=	0.007264	+	0.636124	x	% TR of Interstate TPIS

	<u>R²</u>	<u>F</u>	<u>t</u>	<u>Minimum</u>	<u>Maximum</u>
%CL Model	0.15	37	6.05	0.091995	0.397792
%CO Model	0.54	243	15.59	0.045950	0.551016
%SA Model	0.22	57	7.58	0.038319	0.277284
%TR Model	0.78	733	27.07	0.007678	0.298319

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 = 0.872582
%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 = 0.999948
%TR = 0.000052

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

R² F t

If Adjusted Special Access Revenues are not equal to zero:

%CL	=	0.992466	-	0.001691	x	Adjusted SA Revenues per Line	0.10	22.90	-4.79
%CO	=	0.00							
%SA	=	0.007534	+	0.001691	x	Adjusted SA Revenues per Line	0.10	22.90	4.79
%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

R² F t

If Adjusted Special Access Revenues are not equal to zero:

%CL	=	0.00			
%CO	=	0.00			
%SA	=	0.382671 + 0.001058 x Adjusted SA Revenues per Termination	0.06	13.28	3.64
%TR	=	0.617329 - 0.001058 x Adjusted SA Revenues per Termination	0.06	13.28	-3.64

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:

$$\begin{aligned}\%CL &= 0.00 \\ \%CO &= 0.00 \\ \%SA &= 0.999749 \\ \%TR &= 0.000251\end{aligned}$$

If Adjusted Special Access Revenues equal zero:

$$\begin{aligned}\%CL &= 0.00 \\ \%CO &= 0.00 \\ \%SA &= 0.00 \\ \%TR &= 1.00\end{aligned}$$

Category 3 - Interexchange

R² F t₁ t₂

If Adjusted Special Access Revenues are not equal to zero:

$$\begin{aligned}\%CL &= 0.00 \\ \%CO &= 0.00 \\ \%SA &= 0.350112 - 0.853354 \times \text{Circuit Miles per Line} && 0.08 & 8.81 & -3.16 & 2.95 \\ &+ 0.019318 \times \text{Adjusted SA Revenues per Line} \\ \%TR &= 0.649888 + 0.853354 \times \text{Circuit Miles per Line} && 0.08 & 8.81 & 3.16 & -2.95 \\ &- 0.019318 \times \text{Adjusted SA Revenues per Line}\end{aligned}$$

If Adjusted Special Access Revenues equal zero:

$$\begin{aligned}\%CL &= 0.00 \\ \%CO &= 0.00 \\ \%SA &= 0.00 \\ \%TR &= 1.00\end{aligned}$$

Category 4 - Host/Remote Message

$$\begin{aligned}\%CL &= 0.00 \\ \%CO &= 0.00 \\ \%SA &= 0.00 \\ \%TR &= 1.00\end{aligned}$$

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 0.005470 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 2006 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 0.000014 was calculated as the ratio of weighted unseparated ITC over weighted unseparated Net Plant from 2006 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 0.001939 was calculated as the weighted ratio of unseparated charitable contributions over unseparated Expenses and Other Taxes (EOT) from 2006 Cost Study data. This factor is applied to Average Schedule Company Total EOT amounts.

G. Cost Study Factors

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 2006 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 4.8.

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

EXHIBIT 4.8	
<u>EFFECTIVE TAX RATES</u>	
Category	Tax Rate
Unseparated	<i>0.282236</i>
Interstate	<i>0.280468</i>
Common Line	<i>0.286773</i>
Central Office	<i>0.259562</i>
Special Access	<i>0.276681</i>
Transport	<i>0.280638</i>

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 2008 Study is the year beginning July 1, 2009 and ending June 30, 2010, 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 2007 Sample growth ratios with 2006 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 2007 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 2008 Study growth ratios with those developed in the 2007 Study.¹

1. Stratification of the 2007 Sample

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

¹ Accounting data supplied by the 2007 Average Schedule Sample are reported in Appendices C1 and C2. Accounting data supplied by the 2006 Average Schedule Sample are reported in Appendices C4 and C5.

differences. The 2008 Study continues using this methodology. Study areas in the 2007 Sample were separated into three strata based on access line size as of December 2005, including all adjustments through December 2007.

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

2. Account Estimation

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

- The FCC rules governing the calculation of interstate revenue requirements mandate different treatment for Interest on Customer Deposits than for other Operating Interest and Related Items.² Since sample average schedule companies do not provide separate subaccount data for Interest on Customer Deposits, this subaccount was derived by applying a factor, 0.00547, 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, 0.001939, was discussed in Section IV.F.3.
- The account balances of Information Origination/Termination investment and

² See 47 C.F.R. §§ 65.820 and 65.830.

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 2009 to June 2010 test period.

- The amount of State Income Taxes (SIT) for sample Subchapter S companies were derived based on the average ratios of SIT to Total Expense reported by other 2007 Sample average schedule companies.³ The resulting factors of 0.040748 for 2006 accounts and 0.037853 for 2005 accounts were multiplied by Expense to calculate SIT for each sample Subchapter S study area.

3. Identification and Accommodation of Outliers

Annual growth ratios were calculated for Part 32 accounts using 2005 and 2006 accounting data from the 2007 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 2005 and 2006 unseparated revenue requirement amounts for each 2007 Sample study area, 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 2007 Sample as follows:

³ NECA used the same method with 2006 Sample as documented in the 2007 Study. The factors used were 0.036908 for 2005 accounts and 0.03649 for 2004 accounts.

2007 Sample Average Revenue Requirement (RRQ) Growth Ratio_i =

$$\frac{\sum_{\text{Stratum}_1} (\text{Sample Weight}_1 \times \text{Variance Weight}_1 \times 2006 \text{ Unseparated RRQ})}{\sum_{\text{Stratum}_1} (\text{Sample Weight}_1 \times \text{Variance Weight}_1 \times 2005 \text{ Unseparated RRQ})}$$

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

To calculate growth rates, NECA grouped some accounts as shown in Exhibit 5.1. A Separate annual growth ratio was computed for each of the accounts using the combined ratio estimate technique, described in Section V.B.5. Entries in Exhibit 5.2 for groups of accounts show growth rates which NECA applied to all accounts in the group.

EXHIBIT 5.1

ACCOUNT GROUPINGS FOR GROWTH CALCULATION

Account Group	Accounts Included in Group	Part 32 Account Number
Accumulated Depreciation & Amortization	Accumulated Depreciation – Telecommunications Plant in Service	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
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

5. The 2007 Sample Stratified Annual Growth Ratios

NECA used the combined ratio estimate technique to determine stratified annual growth rates. For the 2007 Sample, the Stratified Annual Growth Ratios were calculated within each stratum, using the following formula:

2007 Sample Stratified Annual Growth Ratio_i =

$$\frac{\sum_{\text{Stratum}_i} (\text{Sample Weight}_i \times \text{Variance Weight}_i \times 2006 \text{ Account Balance}_i)}{\sum_{\text{Stratum}_i} (\text{Sample Weight}_i \times \text{Variance Weight}_i \times 2005 \text{ Account Balance}_i)}$$

In addition, some accounts were projected using growth rates of other accounts.

- A. Total Telecommunications Plant growth rate was applied to Other Telecommunications Plant, Charitable Contributions, and Allowance for Funds Used during Construction. NECA defines Other Telecommunications Plant as the sum of Property Held for Future Telecommunications Use, Telecommunications Plant under Construction, and, Telecommunications Plant Adjustment.
- 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 2007 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) 2006 Sample Annual Growth	(B) 2006 Sample Adjusted Growth	(C) 2007 Sample Annual Growth	(D) 2007 Composite Growth
Telecommunications Plant In Service	1.0428	1.0410	1.0410	1.0410
Land & Support Assets	1.0228	1.0223	1.0355	1.0289
Central Office Equipment	1.0630	1.0593	1.0562	1.0577
Cable & Wire Facilities	1.0342	1.0331	1.0325	1.0328
Tangible Assets	1.0228	1.0223	1.0355	1.0289
Intangibles	1.0630	1.0593	1.0562	1.0577
Materials And Supplies	1.0583	1.0551	1.1343	1.0947
Rural Telephone Bank Stock	1.0000	1.0000	0.0000	0.0000
Other Telecommunications Plant	1.0429	1.0411	1.0416	1.0414
Total Telecommunications Plant	1.0429	1.0411	1.0416	1.0414
Other Non-Current Assets	0.9770	0.9765	0.9809	0.9787
Accum. Depreciation & Amortization	1.0969	1.0883	1.0816	1.0850
Net Telecommunications Plant	0.9770	0.9765	0.9809	0.9787
Net Deferred Operating Income Tax	0.9567	0.9547	0.8651	0.9099
Plant Specific Expense	1.0340	1.0329	1.0450	1.0389
Plant Non-specific Expense	1.0732	1.0682	1.0528	1.0605
Customer Operations Expense	0.9910	0.9909	0.9785	0.9847
General & Administrative Expense	1.0664	1.0623	1.0443	1.0533
Depreciation & Amortization Expense	1.0267	1.0260	1.0174	1.0217
Charitable Contributions	1.0429	1.0411	1.0416	1.0414
Interest & Related Items	0.9787	0.9782	1.0858	1.0320
Interest On Customer Deposits	0.9787	0.9782	1.0858	1.0320
Other Long Term Liabilities	0.9770	0.9765	0.9809	0.9787
Federal Investment Tax Credits	0.9770	0.9765	0.9809	0.9787
Other Operating Taxes	1.1292	1.1144	0.9689	1.0417
Allow. For Funds Used During Const.	1.0429	1.0411	1.0416	1.0414
Expenses & Other Taxes	1.0358	1.0346	1.0280	1.0313
Revenue Requirement	1.0268	1.0261	1.0157	1.0209

EXHIBIT 5.2
AVERAGE SCHEDULE ACCOUNT GROWTH RATIOS
(Continued)

Account	Medium Study Areas			
	(E) 2006 Sample Annual Growth	(F) 2006 Sample Adjusted Growth	(G) 2007 Sample Annual Growth	(H) 2007 Composite Growth
Telecommunications Plant In Service	1.0461	1.0441	1.0354	1.0397
Land & Support Assets	1.0889	1.0816	1.0336	1.0576
Central Office Equipment	1.0087	1.0086	1.0254	1.0170
Cable & Wire Facilities	1.0634	1.0596	1.0426	1.0511
Tangible Assets	1.0889	1.0816	1.0336	1.0576
Intangibles	1.0087	1.0086	1.0254	1.0170
Materials And Supplies	0.9941	0.9941	1.0878	1.0409
Rural Telephone Bank Stock	1.0000	1.0000	0.0000	0.0000
Other Telecommunications Plant	1.0459	1.0439	1.0358	1.0398
Total Telecommunications Plant	1.0459	1.0439	1.0358	1.0398
Other Non-Current Assets	1.0101	1.0100	1.0121	1.0110
Accum. Depreciation & Amortization	1.0694	1.0649	1.0538	1.0593
Net Telecommunications Plant	1.0101	1.0100	1.0121	1.0110
Net Deferred Operating Income Tax	0.9842	0.9839	0.8243	0.9041
Plant Specific Expense	1.0733	1.0683	0.9741	1.0212
Plant Non-specific Expense	1.1229	1.1094	1.0284	1.0689
Customer Operations Expense	1.0123	1.0122	1.0037	1.0079
General & Administrative Expense	1.1033	1.0936	1.0250	1.0593
Depreciation & Amortization Expense	1.0230	1.0225	0.9914	1.0069
Charitable Contributions	1.0459	1.0439	1.0358	1.0398
Interest & Related Items	0.9585	0.9567	1.0106	0.9837
Interest On Customer Deposits	0.9585	0.9567	1.0106	0.9837
Other Long Term Liabilities	1.0101	1.0100	1.0121	1.0110
Federal Investment Tax Credits	1.0101	1.0100	1.0121	1.0110
Other Operating Taxes	1.0907	1.0832	0.8938	0.9885
Allow. For Funds Used During Const.	1.0459	1.0439	1.0358	1.0398
Expenses & Other Taxes	1.0540	1.0512	0.9976	1.0244
Revenue Requirement	1.0452	1.0432	0.9951	1.0192

EXHIBIT 5.2
AVERAGE SCHEDULE ACCOUNT GROWTH RATIOS
(Continued)

Account	Large Study Areas			
	(I) 2006 Sample Annual Growth	(J) 2006 Sample Adjusted Growth	(K) 2007 Sample Annual Growth	(L) 2007 Composite Growth
Telecommunications Plant In Service	1.0417	1.0400	1.0301	1.0351
Land & Support Assets	1.0579	1.0547	1.0292	1.0420
Central Office Equipment	1.0463	1.0443	1.0101	1.0272
Cable & Wire Facilities	1.0335	1.0324	1.0452	1.0388
Tangible Assets	1.0579	1.0547	1.0292	1.0420
Intangibles	1.0463	1.0443	1.0101	1.0272
Materials And Supplies	1.0282	1.0274	1.3400	1.1837
Rural Telephone Bank Stock	1.0000	1.0000	0.0000	0.0000
Other Telecommunications Plant	1.0415	1.0398	1.0314	1.0356
Total Telecommunications Plant	1.0415	1.0398	1.0314	1.0356
Other Non-Current Assets	1.0056	1.0056	0.9948	1.0002
Accum. Depreciation & Amortization	1.0689	1.0645	1.0572	1.0608
Net Telecommunications Plant	1.0056	1.0056	0.9948	1.0002
Net Deferred Operating Income Tax	0.8625	0.8406	0.9159	0.8782
Plant Specific Expense	1.0353	1.0341	1.0549	1.0445
Plant Non-specific Expense	1.0355	1.0343	1.0466	1.0404
Customer Operations Expense	1.0398	1.0383	0.9652	1.0017
General & Administrative Expense	1.0815	1.0754	1.0271	1.0512
Depreciation & Amortization Expense	0.9913	0.9912	0.9295	0.9604
Charitable Contributions	1.0415	1.0398	1.0314	1.0356
Interest & Related Items	0.9472	0.9443	1.0714	1.0078
Interest On Customer Deposits	0.9472	0.9443	1.0714	1.0078
Other Long Term Liabilities	1.0056	1.0056	0.9948	1.0002
Federal Investment Tax Credits	1.0056	1.0056	0.9948	1.0002
Other Operating Taxes	1.0370	1.0357	0.9815	1.0086
Allow. For Funds Used During Const.	1.0415	1.0398	1.0314	1.0356
Expenses & Other Taxes	1.0277	1.0270	0.9929	1.0099
Revenue Requirement	1.0231	1.0226	0.9928	1.0077

6. The 2008 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 2006 Sample annual straight line growth ratios to the next year, and averaging these adjusted growth ratios with the 2007 Sample Stratified Growth Ratios.

The 2006 Sample Stratified Annual Growth Ratios, representing growth from 2004 to 2005, 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 2005 to 2006. 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.⁴ Adjusted 2006 Sample Stratified Annual Growth Ratios are displayed in Columns B, F and J of Exhibit 5.2.

EXHIBIT 5.3

ADJUSTMENT OF 2006 SAMPLE STRATIFIED ANNUAL GROWTH RATIOS
FOR STUDY AREAS WITH LESS THAN 4,000 ACCESS LINES
USING COE INVESTMENT AS AN EXAMPLE

A. 2006 Sample Stratified Small Company Annual Growth Ratios (2004 to 2005)	1.063
B. 2006 Sample Stratified Small Company Two Year Growth Ratios (2004 to 2006) {2 x (Line A - 1)} + 1	1.126
C. Adjusted 2006 Sample Stratified Small Company Annual Growth Ratio (Line B/Line A)	1.0593

⁴ 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 2006 Sample Stratified Annual Growth Ratio and the related 2007 Sample Stratified Annual Growth Ratio.

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

2008 Study Stratified Composite Growth Ratio for Stratum 1

$$\begin{aligned} &= \{ \text{Adjusted 2006 Stratified Stratum}_1 \text{ Growth Ratio} \\ &\quad + \text{2007 Stratified Stratum}_1 \text{ Annual Growth Ratio} \} / 2 \\ &= (1.0593 + 1.0562) / 2 \\ &= 1.0577 \end{aligned}$$

The 2008 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 2005 accounts submitted by the 2006 Sample, the multi-year growth rates reflect the fact that the test period extends four and one-half years beyond the end of 2005. For accounts in each stratum of the 2007 Sample multi-year growth ratios reflect three and one-half years between the end of 2006 and the test period. The calculation for multi-year growth ratios is as follows:

For 2006 Accounts:

$$\begin{aligned} &2006 \text{ Stratified Multi-year Growth Ratio}_i = \\ &1 + [(2008 \text{ Study Stratified Composite Growth Ratio}_i - 1) \times 3.5] \end{aligned}$$

For 2005 Accounts:

$$\begin{aligned} &2005 \text{ Stratified Multi-year Growth Ratio}_i = \\ &1 + [(2008 \text{ Study Stratified Composite Growth Ratio}_i - 1) \times 4.5] \end{aligned}$$

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 supplying 2005 data were separated into access line size strata based on the number of lines reported for December 2005. The forecasted amounts in each stratum were computed by multiplying the 2005 account balance by the 2005 Stratified Multi-year Growth Ratio by stratum. Similarly, study areas supplying 2006 data from the 2007 Sample were separated into access line strata using December 2006 access line count, projected to the test period by multiplying the 2006 account balance by the corresponding multi-year growth ratio.

Study Area Forecast of 2006 Account =

$$(Study \text{ Area } 2006 \text{ Account Value}) \times (2006 \text{ Stratified Multi-year Growth Ratio}_i)$$

Study Area Forecast of 2005 Account =

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

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.⁵ 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 population⁶ of average schedule companies from January 1999 through May 2008, including all adjustments through October 2008, were used to develop the model. These data are displayed in Appendix D4.

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.⁷ 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

⁵ 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. 1214, filed June 16, 2008 at Vol. 3, Sec. 3, pp. 9.

⁶ 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.

⁷ For a description of GARCH, *See* "GARCH, IGARCH, EGARCH and GARCH-M Models" SAS/ETS 9.1 User's Guide, Volume 2, pp 536-540.

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-mean model fitted to the aggregated MOU of a consistent set of companies in the NECA TS pool from January 1999 through May 2008, 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 first differences are taken to produce a stationary series.

Independent variables:

- Lags of the dependent variable - autoregressive (AR) variables.
- Adjustments for the effects of heteroskedasticity in lagged error terms - EARCH variables.
- Second level adjustments for heteroskedasticity which aggregates series of EARCH term - EGARCH variables
- Elasticity between variance of access minutes of use and level of access minutes of use - DELTA
- Variance weight compensating for the effect of asymmetric positive and negative residuals on the model fit – THETA

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.⁸

2. Access Minute Growth Ratio

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 2007 through June 2008), 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:

$$\begin{aligned} \text{Access Minute Growth Ratio} &= \frac{\text{Annual Modeled Access Minutes 7/09 – 6/10}}{\text{Annual Modeled Access Minutes 7/07 – 6/08}} \\ &= \frac{3,263.8M}{3,823.6M} \\ &= 0.8536 \end{aligned}$$

⁸ See, Johnston and Dinardo, *Econometric Methods*, fourth edition, McGraw-Hill Publishing Company, 1997, Chapter 6

EXHIBIT 5.4		
ACCESS MINUTES MODEL		
Variable	Coefficient	T-statistic
Intercept	0.02	6.0
AR1	0.48	150.7
AR2	0.24	75.1
EARCH0	-7.69	-2433.1
EARCH1	0.41	128.8
EARCH2	-0.63	-198.0
EARCH3	-0.07	-21.3
EARCH4	-0.59	-187.2
EARCH5	-0.90	-285.1
EARCH6	-1.12	-354.7
EARCH7	-0.66	-210.1
EARCH8	-0.05	-15.6
EARCH9	-0.12	-39.0
EGARCH1	-0.08	-26.3
EGARCH2	-0.19	-58.8
EGARCH3	-0.11	-35.7
EGARCH4	0.15	47.7
EGARCH5	0.25	79.5
THETA	0.04	12.8
DELTA	0.0025	5.5
Estimation Interval	199901-200805	Std. Error 0.045
Observations	100 ⁹	R - squared 0.88
Degree of Freedom	80	Durbin Watson 1.89

⁹ The differencing technique described in the definition of the dependent variable on page 15, reduces the 113 data points reported in Appendix D4 to 100 observations in the model.

NECA used the Access Minute Growth Ratio to project access minutes data for each sample study area. The base period monthly average access minutes¹⁰ 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 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, because differences in access line growth were observed among large and small study areas.¹¹ 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 2005 through August 2008, including all adjustments made through September 2008 was used to develop the models. 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:

¹⁰ These data are displayed in Appendix D1.

¹¹ See National Exchange Carrier Association, Inc., 2001 Modification of Average Schedules, December 28, 2000, Sec. V.D at pp 18.

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

Monthly Access Lines = 88,459 - (248.05 x Month Sequence)

$$R^2 = 0.9792 \quad t\text{-statistic for Intercept} = 666.16 \quad F\text{-statistic} = 1,746.38$$
$$t\text{-statistic for Month Sequence} = -41.79$$

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

Monthly Access Lines = 688,909 - (1,920.68 x Month Sequence)

$$R^2 = 0.9933 \quad t\text{-statistic for Intercept} = 1186.78 \quad F\text{-statistic} = 5,479.36$$
$$t\text{-statistic for Month Sequence} = -74.02$$

If Access Lines are greater than 7,500

Monthly Access Lines = 1,358,214 - (4,751.41 x Month Sequence)

$$R^2 = 0.9939 \quad t\text{-statistic for Intercept} = 991.49 \quad F\text{-statistic} = 6,021.25$$
$$t\text{-statistic for Month Sequence} = -77.60$$

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

Average of Month Sequence Numbers in Test Period (July 2009 to June 2010) = 54.5

Average of Month Sequence Numbers in Base Period (July 2007 to June 2008) = 30.5

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

$$= \frac{\text{Access Line Modeled Avg. Month of 7/09} - 6/10}{\text{Access Line Modeled Avg. Month of 7/07} - 6/08}$$

$$= \frac{74,940 \text{ Access Lines}}{80,893 \text{ Access Lines}}$$

$$= 0.9264$$

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

$$\begin{aligned} &= \frac{\text{Access Line Modeled Avg. Month of 7/09} - 6/10}{\text{Access Line Modeled Avg. Month of 7/07} - 6/08} \\ &= \frac{584,232 \text{ Access Lines}}{630,329 \text{ Access Lines}} \\ &= 0.9269 \end{aligned}$$

2 Year Access Line Growth Ratio for Study Areas with More Than 7,500 Access Lines

$$\begin{aligned} &= \frac{\text{Access Line Modeled Avg. Month of 7/09} - 6/10}{\text{Access Line Modeled Avg. Month of 7/07} - 6/08} \\ &= \frac{1,099,262 \text{ Access Lines}}{1,213,296 \text{ Access Lines}} \\ &= 0.9060 \end{aligned}$$

Next, average monthly base period access lines were computed for each sample study area, using the September 2008 view of data from July 2007 through June 2008. 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.

EXHIBIT 5.5A
DEMAND DATA USED IN TIME SERIES MODELS

Date	Common Line Month Sequence	Access Lines By Line Size Group		
		Small	Medium	Large
200507	1	87,939	685,557	1,348,571
200508	2	87,516	683,552	1,343,896
200509	3	87,470	682,233	1,340,076
200510	4	87,115	679,498	1,336,055
200511	5	86,968	677,765	1,331,098
200512	6	86,469	677,472	1,326,292
200601	7	86,451	672,856	1,321,664
200602	8	86,120	672,725	1,318,738
200603	9	86,079	669,595	1,314,714
200604	10	86,112	669,091	1,311,326
200605	11	85,878	668,170	1,307,466
200606	12	85,697	667,319	1,303,422
200607	13	85,737	665,863	1,298,415
200608	14	85,529	663,782	1,294,104
200609	15	85,131	662,259	1,289,390
200610	16	85,173	660,524	1,284,489
200611	17	84,639	658,145	1,279,753
200612	18	84,058	654,590	1,275,082
200701	19	83,800	652,416	1,268,628
200702	20	83,577	650,014	1,265,159
200703	21	83,435	649,871	1,262,554
200704	22	83,384	648,943	1,258,412
200705	23	83,524	647,309	1,256,684
200706	24	83,344	645,888	1,250,137
200707	25	82,656	643,388	1,244,386
200708	26	82,183	641,031	1,238,816
200709	27	81,815	638,852	1,235,240
200710	28	81,420	636,035	1,228,379
200711	29	80,903	632,857	1,222,945
200712	30	80,573	629,384	1,217,367
200801	31	80,171	627,082	1,211,050
200802	32	79,902	624,912	1,205,848
200803	33	79,754	623,480	1,199,676
200804	34	79,610	621,941	1,190,277
200805	35	79,480	620,200	1,185,036
200806	36	79,381	618,311	1,180,744
200807	37	79,337	617,175	1,174,614
200808	38	79,308	615,247	1,170,843

EXHIBIT 5.5B
DEMAND DATA USED IN TIME SERIES MODELS

Date	Month Sequence	Circuit Miles for Normal Route Study Areas	Circuit Miles for Long Route Study Areas		Intertoll Dial Circuits
			Study Areas with Tandems	Study Areas w/o Tandems	
200507	1	2,411,303	1,587,959	1,994,779	29,738
200508	2	2,445,777	1,593,071	2,041,529	29,817
200509	3	2,421,044	1,620,919	2,084,319	29,912
200510	4	2,441,844	1,619,978	2,087,976	29,930
200511	5	2,437,162	1,620,003	2,082,398	30,176
200512	6	2,427,146	1,620,420	2,084,177	30,219
200601	7	2,450,442	1,615,981	2,210,635	30,884
200602	8	2,490,491	1,615,446	2,215,553	31,104
200603	9	2,473,968	1,629,144	2,181,611	30,683
200604	10	2,495,360	1,635,851	2,191,024	30,882
200605	11	2,479,934	1,640,536	2,178,649	30,797
200606	12	2,490,627	1,666,088	2,190,223	30,931
200607	13	2,527,818	1,666,946	2,180,073	31,788
200608	14	2,538,142	1,652,538	2,186,829	31,849
200609	15	2,520,232	1,656,567	2,194,399	31,823
200610	16	2,566,382	1,690,497	2,206,254	31,958
200611	17	2,552,621	1,698,822	2,208,761	31,729
200612	18	2,571,028	1,726,820	2,262,290	32,485
200701	19	2,627,429	1,710,332	2,142,742	32,522
200702	20	2,603,744	1,710,260	2,111,671	32,904
200703	21	2,605,930	1,710,260	2,114,415	33,277
200704	22	2,626,382	1,705,394	2,115,306	32,703
200705	23	2,614,950	1,693,214	2,115,004	32,430
200706	24	2,639,081	1,690,612	2,107,555	32,571
200707	25	2,665,271	1,732,171	2,106,120	33,216
200708	26	2,679,588	1,726,582	2,107,989	33,138
200709	27	2,682,698	1,726,582	2,107,640	33,263
200710	28	2,754,882	1,722,636	2,106,823	33,566
200711	29	2,740,208	1,723,979	2,106,750	33,697
200712	30	2,765,451	1,725,323	2,109,499	33,830
200801	31	2,725,156	1,719,331	2,112,712	33,013
200802	32	2,721,832	1,719,331	2,112,400	32,985
200803	33	2,703,207	1,728,096	2,112,243	32,981
200804	34	2,688,476	1,759,040	2,112,463	33,316
200805	35	2,663,485	1,761,728	2,112,455	33,029
200806	36	2,683,566	1,761,728	2,094,084	33,057
200807	37	2,694,168	1,761,713	2,109,158	33,825

EXHIBIT 5.5C
DEMAND DATA USED IN TIME SERIES MODELS

Date	Month Sequence	Interstate Circuits for Normal Route Study Areas	Interstate Circuits for Long Route Study Areas
200507	1	105,874	25,831
200508	2	108,371	25,777
200509	3	107,822	26,095
200510	4	108,442	26,311
200511	5	108,600	26,365
200512	6	108,457	26,475
200601	7	109,045	26,867
200602	8	110,144	26,981
200603	9	109,479	26,517
200604	10	109,918	26,754
200605	11	110,727	26,780
200606	12	111,575	27,130
200607	13	112,058	27,138
200608	14	112,332	27,038
200609	15	112,007	27,082
200610	16	113,261	27,212
200611	17	112,885	27,234
200612	18	113,150	27,414
200701	19	113,613	27,301
200702	20	113,303	27,131
200703	21	113,510	27,202
200704	22	113,691	27,064
200705	23	112,874	27,023
200706	24	113,241	26,914
200707	25	113,849	26,483
200708	26	114,279	26,489
200709	27	113,502	26,487
200710	28	114,717	26,461
200711	29	114,469	26,465
200712	30	114,803	26,486
200801	31	114,130	26,413
200802	32	113,597	26,413
200803	33	112,873	26,625
200804	34	112,949	26,627
200805	35	112,156	26,653
200806	36	112,335	26,620
200807	37	112,584	26,609
200808	38	112,367	26,602

EXHIBIT 5.5D
DEMAND DATA USED IN TIME SERIES MODELS

Date	Month Sequence	Interstate Circuit Terminations for Normal Route Study Areas	Interstate Circuit Terminations for Long Route Study Areas
200507	1	91,058	28,579
200508	2	91,116	28,524
200509	3	90,584	29,097
200510	4	91,152	29,069
200511	5	91,257	28,806
200512	6	91,151	28,816
200601	7	91,890	29,100
200602	8	92,422	29,220
200603	9	91,656	29,107
200604	10	92,149	29,216
200605	11	92,707	29,211
200606	12	92,395	29,431
200607	13	92,999	29,602
200608	14	93,271	29,607
200609	15	92,929	29,709
200610	16	94,292	29,688
200611	17	94,170	29,737
200612	18	94,465	29,923
200701	19	94,893	29,955
200702	20	94,584	29,889
200703	21	94,522	29,886
200704	22	95,157	29,799
200705	23	94,843	29,741
200706	24	95,165	29,582
200707	25	95,750	29,494
200708	26	96,153	29,445
200709	27	95,345	29,440
200710	28	96,554	29,425
200711	29	96,328	29,427
200712	30	96,615	29,434
200801	31	95,948	29,415
200802	32	95,415	29,414
200803	33	94,678	29,429
200804	34	94,755	29,432
200805	35	94,538	29,457
200806	36	94,714	29,397
200807	37	94,954	29,414
200808	38	94,668	29,355

E. Transport Demand Elements Forecasting

NECA forecasted interstate circuit miles, circuits, and circuit terminations of sample study areas using separate growth rates for classes of study areas, which measure the relative growth of respective transport demand element of the base period to the average month of the test period within each class of average schedule companies. Classes of study areas were defined by the route length. One class includes study areas with circuit mile per circuit ratios up to 60 (normal route study areas) and the other with circuit mile per circuit ratios of more than 60 (long route study areas). For projection of circuit miles, the class of long route study areas was additionally divided with respect to the presence of tandem switches. This approach was introduced in the 2006 Study in order to improve the accuracy of transport demand forecasts.

Such 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 2005 through August 2008, including all adjustments made through September 2008 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 demand elements and classes of models – such as – circuit miles model for normal route study areas, interstate circuits model for normal route study areas, interstate circuit terminations model for normal route study areas, and intertoll dial circuits model, the data series show a trend change from a certain month forward, in which case the model includes an indicator variable with values of 1, 2, 3, etc, starting at the trend change month, and the value of zero in prior months. 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 2008 view of data reported to the NECA pool from July 2007 through June 2008. In each class based on the ratio of circuit miles per circuit and on whether it does tandem switching the forecasted test period transport demand for each sample study area was computed by multiplying base period demand by the appropriate class specific transport growth ratio.

1. Interstate Circuit Mile Models

a. Normal Route Study Areas

$$\text{Monthly Circuit Miles} = 2,377,997 + (11,617 \times \text{Month Sequence}) - (18,414 \times \text{Indicator})$$

Where Indicator = 0, from July 2005 to December 2007

Indicator = 1, 2, 3, etc. from January 2008 (Seq. = 31) through August 2008

$$R^2 = 0.9623 \quad t\text{-statistic for Intercept} = 306.32 \quad F\text{-statistic} = 473.39$$

$$t\text{-statistic for Month Sequence} = 27.82$$

$$t\text{-statistic for Indicator} = -8.50$$

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 2009 to June 2010 Test Period = 54.5

Average of Month Sequence Numbers from July 2007 to June 2008 Base Period = 30.5

Circuit Mile Growth Ratio for Normal Route Study Areas

$$= \frac{\text{Circuit Miles Modeled Avg. Month of 7/09 - 6/10}}{\text{Circuit Miles Modeled Avg. Month of 7/07 - 6/08}}$$

$$= \frac{2,559,966 \text{ Interstate Circuit Miles}}{2,732,305 \text{ Interstate Circuit Miles}}$$

$$= 0.9369$$

b. Long Route Study Areas with Tandem Switches

Monthly Circuit Miles = 1,599,010+ (4,515 x Month Sequence)

$R^2 = 0.9102$ *t-statistic for Intercept = 306.95* *F-statistic = 376.01*
t-statistic for Month Sequence = 19.39

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 2009 to June 2010 Test Period = 54.5

Average of Month Sequence Numbers from July 2007 to June 2008 Base Period = 30.5

Circuit Mile Growth Ratio for Long Route Study Areas with Tandem

$$\begin{aligned} &= \frac{\text{Circuit Miles Modeled Avg. Month of 7/09 - 6/10}}{\text{Circuit Miles Modeled Avg. Month of 7/07 - 6/08}} \\ &= \frac{1,845,096 \text{ Interstate Circuit Miles}}{1,736,728 \text{ Interstate Circuit Miles}} \\ &= 1.0624 \end{aligned}$$

c. Long Route Study Areas without Tandem Switches

Because the data shows no growth over the last nineteen months, NECA projected no growth for long route study areas without tandem switches.

2. Interstate Circuits Models

a. Normal Route Study Areas

$$\text{Monthly Circuits} = 107,498 + (271.39 \times \text{Month Sequence}) - (600.49 \times \text{Indicator})$$

Where Indicator = 0, from July 2005 to October 2007

Indicator = 1, 2, 3, etc. from November 2007 (Seq. = 29) through August 2008

$$R^2 = 0.8999 \quad t\text{-statistic for Intercept} = 401.11 \quad F\text{-statistic} = 167.25$$
$$t\text{-statistic for Month Sequence} = 17.88$$
$$t\text{-statistic for Indicator} = -10.23$$

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 2009 to June 2010 Test Period = 54.5

Average of Month Sequence Numbers from July 2007 to June 2008 Base Period = 30.5

Interstate Circuits Growth Ratio for Normal Route Study Areas

$$= \frac{\text{Circuits Modeled Avg. Month of 7/09 - 6/10}}{\text{Circuits Modeled Avg. Month of 7/07 - 6/08}}$$
$$= \frac{106,375 \text{ Interstate Circuits}}{114,274 \text{ Interstate Circuits}}$$
$$= 0.9309$$

b. Long Route Study Areas

Because the data shows no growth over the last six months, NECA projected no growth for long route study areas.

3. Interstate Circuit Terminations Models

a. Normal Route Study Areas

$$\text{Monthly Circuit Terminations} = 90,345 + (208.13 \times \text{Month Sequence}) - (446.89 \times \text{Indicator})$$

Where Indicator = 0 from July 2005 to November 2007

Indicator = 1, 2, 3, etc. from December 2007 (Seq. = 30) through August 2008.

$$R^2 = 0.9518 \quad t\text{-statistic for Intercept} = 622.89 \quad F\text{-statistic} = 366.58$$
$$t\text{-statistic for Month Sequence} = 26.01$$
$$t\text{-statistic for Indicator} = -12.57$$

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 2009 to June 2010 Test Period = 54.5

Average of Month Sequence Numbers from July 2007 to June 2008 Base Period = 30.5

Circuit Terminations Growth Ratio for Normal Route Study Areas

$$= \frac{\text{Circuit Terminations Modeled Avg. Month of 7/09 - 6/10}}{\text{Circuit Terminations Modeled Avg. Month of 7/07 - 6/08}}$$

$$= \frac{90,293 \text{ Interstate Circuit Terminations}}{96,023 \text{ Interstate Circuit Terminations}}$$

$$= 0.9403$$

b. Long Route Study Areas

Because the data shows no growth over the last twelve months, NECA projected no growth for long route study areas.

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 2005 through August 2008. 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.

$$\text{Monthly ITD Circuits} = 29,514 + (149.58 \times \text{Month Sequence}) - (138.97 \times \text{Indicator})$$

Where Indicator = 0 from July 2005 to July 2007

Indicator = 1, 2, 3, etc. from August 2007 (Seq. =26) through August 2008

$$R^2 = 0.9403 \quad t\text{-statistic for Intercept} = 234.43 \quad F\text{-statistic} = 292.39$$

$$t\text{-statistic for Month Sequence} = 19.26$$

$$t\text{-statistic for Indicator} = -6.49$$

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.

Average of Month Sequence Numbers from July 2009 to June 2010 Test Period = 54.5

Average of Month Sequence Numbers from July 2007 to June 2008 Base Period = 30.5

Intertoll Dial Circuits Growth Ratio

$$= \frac{\text{ITD Circuits Modeled Avg. Month of 7/09 - 6/10}}{\text{ITD Circuits Modeled Avg. Month of 7/07 - 6/08}}$$

$$= \frac{33,566 \text{ Interstate Circuit Terminations}}{33,312 \text{ Interstate Circuit Terminations}}$$

$$= 1.0076$$

F. 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 two percent to six 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 twenty 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 2005 to December 2006, 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 2008. For example, to express the special access revenues for December 2006 in terms of December 2008 rates, the revenue reported for December 2006 is multiplied by 1.0889¹².

¹² The value of 1.0889 is derived using a series of Tariff Rate Indices (TRI), which are used in the calculation of monthly special access settlements to Average Schedule companies. The TRI is the average price change since the December of prior year. For December 2006, revenue adjustment factor = $0.994642 / (0.998545 \times 0.919691 \times 0.994642)$. A TRI less than 1 means the rates are higher than the rates from prior December.

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

EXHIBIT 5.6			
<u>SPECIAL ACCESS REVENUE ADJUSTMENT FACTOR</u>			
Month	Special Access Revenue Adjustment	Month	Special Access Revenue Adjustment
200501	0.9577	200701	1.0889
200502	0.9577	200702	1.0889
200503	0.9577	200703	1.0889
200504	0.9577	200704	1.0889
200505	0.9577	200705	1.0889
200506	0.9577	200706	1.0889
200507	1.0916	200707	1.0015
200508	1.0916	200708	1.0015
200509	1.0916	200709	1.0015
200510	1.0948	200710	1.0015
200511	1.0948	200711	1.0015
200512	1.0948	200712	1.0015
200601	1.0948	200801	1.0015
200602	1.0948	200802	1.0015
200603	1.0948	200803	1.0015
200604	1.1294	200804	1.0015
200605	1.1294	200805	1.0015
200606	1.1294	200806	1.0015
200607	1.0889	200807	1.0000
200608	1.0889	200808	1.0000
200609	1.0889	200809	1.0000
200610	1.0889	200810	1.0000
200611	1.0889	200811	1.0000
200612	1.0889	200812	1.0000

NECA projected Special Access revenues in test period values using multi-year revenue requirement growth ratios as discussed 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, and the test period unseparated accounts and demand forecasts, described in Section V.

This section also describes the calculation of a special set of 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 sub-account 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)	0.000900
C.	Interstate Category 1 COE (Line A x Line B)	\$90

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	2.0
C.	Interstate Percentage (Using Formula from Exhibit 4.3) (0.002078 + 0.000352 x Line B)	0.002782
D.	Interstate Category 1.2 C&WF Investment (Line A x Line C)	\$278

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)	0.28
C.	C&WF Expense Separations Fraction (Line B)	0.28
D.	Interstate C&WF Expense (Line A x Line C)	\$28,000

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

<u>Account</u>	<u>Weighted Total Cost</u>	<u>Average Interstate Proportion</u>	<u>Weighted Separated Cost</u>
Telecommunications Plant In Service	\$5,794,711,995	34.7188%	\$2,011,856,857
General Support Facilities	\$782,968,997	34.8303%	\$272,710,597
Central Office Equipment	\$2,066,266,084	43.3222%	\$895,151,835
-- COE Cat 1		0.0098%	\$203,305
-- COE Cat 2		0.8401%	\$17,358,039
-- COE Cat 3		18.1764%	\$375,573,387
-- COE Cat 4.11 + 4.12		6.4114%	\$132,477,158
-- COE Cat 4.13		9.4336%	\$194,924,207
-- COE Cat 4.2		7.3516%	\$151,903,852
-- COE Cat 4.3		1.0992%	\$22,711,889
Cable & Wire Facilities	\$2,913,054,023	28.5251%	\$830,951,348
-- C&WF Cat 1.2		0.3734%	\$10,877,947
-- C&WF Cat 1.3		21.7611%	\$633,912,060
-- C&WF Cat 2		1.9580%	\$57,037,813
-- C&WF Cat 3		3.8946%	\$113,450,906
-- C&WF Cat 4		0.5380%	\$15,672,623
Tangibles	\$8,242,327	40.7320%	\$3,357,264
Intangibles	\$24,180,564	40.0562%	\$9,685,812
Materials And Supplies	\$46,351,033	28.4975%	\$13,208,874
Other Telecommunications Plant	\$120,913,370	35.9397%	\$43,455,951
Other Non-Current Assets	\$458,073	34.6096%	\$158,537
Cash Working Capital	\$35,133,737	35.2021%	\$12,367,828
Accumulated Depreciation	\$3,967,708,281	35.6516%	\$1,414,550,006
Accumulated Amortization	\$149,999,660	32.8605%	\$49,290,639
Net Deferred Operating FIT	\$85,197,603	35.5309%	\$30,271,467
Network Support Expense	\$5,075,516	34.6688%	\$1,759,619
General Support Expense	\$46,380,659	35.1007%	\$16,279,922
COE Expense	\$77,814,078	45.6312%	\$35,507,510
C&WF Expense	\$109,165,178	28.6080%	\$31,230,027
Other Property & Plant Expense	\$1,855,082	35.7046%	\$662,349
Network Operations Expense	\$84,076,990	34.2784%	\$28,820,205
Depreciation & Amortization Expense	\$278,132,921	37.2359%	\$103,565,270
Marketing Expense	\$19,919,734	30.5070%	\$6,076,913
Services Expense	\$100,161,777	33.0166%	\$33,070,000
General & Administration Expense	\$245,959,815	37.2876%	\$91,712,546
Charitable Contributions	\$1,003,172	39.9136%	\$400,403
Interest & Related Items	\$52,055,342	33.4466%	\$17,410,758
Interest On Customer Deposits	\$284,740	35.0151%	\$99,702
Other Long Term Liabilities	\$90,304,780	33.4478%	\$30,204,936
Federal Income Taxes	\$48,530,894	31.9942%	\$15,527,086
Other Operating Taxes	\$62,635,680	35.7506%	\$22,392,641
Allowance For Funds Used During Construction	\$2,520,216	28.8269%	\$726,500
Expenses & Other Taxes	\$1,032,465,343	35.9893%	\$371,577,107
Average Net Investment	\$1,704,357,884	33.4087%	\$569,403,139
Weighted Sample Revenue Requirement	\$1,270,216,283	35.4613%	\$450,435,546

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 interstate investment were directly assigned to access categories.

These assignments are summarized in Exhibit 6.5.

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

<u>Account</u>	<u>Allocation Basis</u>
General Support Facilities	Combined COE and C&WF Investment ¹
Tangibles	Combined COE and C&WF Investment
Intangibles	Combined COE and C&WF Investment
Materials and Supplies	Telecommunications Plant in Service
Other Telecommunications Plant	Telecommunications Plant in Service
Other Non-Current Assets	Big Three Expenses
Accumulated Depreciation	Telecommunications Plant in Service
Accumulated Amortization	Telecommunications Plant in Service
Network Support Expense	Telecommunications Plant in Service
General Support Expense	General Support Facilities
Central Office Expense	Combined Central Office Investment
C&WF Expense	Cable & Wire Facilities
Other Property, Plant & Equipment Expense	General Support Facilities
Network Operations Expense	General Support Facilities
Depreciation and Amortization Expense	Telecommunications Plant in Service
Marketing Expense	General Support Facilities
Services Expense	Telecommunications Plant in Service
Executive & Planning Expense	Big Three Expenses
General & Administrative Expense	Big Three Expenses
Contributions	Big Three Expenses
Interest & Related Items	General Support Facilities
Interest on Customer Deposits	Net Telecommunications Plant
Other Long Term Liabilities	Big Three Expenses
Other Operating Taxes ²	General Support Facilities
Allow. for Funds Used During Construction	Telecommunications Plant in Service

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

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

² Includes Operating Other Taxes + Operating State and Local Income Taxes

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 categories of interstate transport COE and C&WF were directly assigned to transport elements. These assignments are displayed in Exhibit 6.9.
2. All other interstate transport amounts were allocated to transport elements in proportion to accounts or groups of accounts designated by Part 69 rules. These allocation methods are displayed in Exhibit 6.10.

EXHIBIT 6.7
WEIGHTED ACCESS CATEGORY ALLOCATION RESULTS

<u>Account</u>	<u>Interstate</u>	<u>Common Line</u>	<u>Central Office</u>	<u>Transport</u>	<u>Special Access</u>
Telecommunications Plant In Service	\$2,011,856,857	\$959,272,876	\$441,609,081	\$235,101,848	\$375,844,002
General Support Facilities	\$272,710,597	\$128,969,223	\$62,182,224	\$32,549,686	\$49,006,905
Central Office Equipment	\$895,151,835	\$191,356,173	\$375,750,787	\$119,036,185	\$208,982,786
-- COE Cat 1	\$203,305	\$0	\$177,400	\$0	\$0
-- COE Cat 2	\$17,358,039	\$0	\$0	\$17,358,039	\$0
-- COE Cat 3	\$375,573,387	\$0	\$375,573,387	\$0	\$0
-- COE Cat 4.11 + 4.12	\$132,477,158	\$0	\$0	\$1,236,371	\$131,240,786
-- COE Cat 4.13	\$194,924,207	\$191,356,173	\$0	\$0	\$3,568,034
-- COE Cat 4.2	\$151,903,852	\$0	\$0	\$77,729,887	\$74,173,965
-- COE Cat 4.3	\$22,711,889	\$0	\$0	\$22,711,889	\$0
Cable & Wire Facilities	\$830,951,348	\$633,912,060	\$0	\$82,200,296	\$114,838,993
-- C&WF Cat 1.2	\$10,877,947	\$0	\$0	\$0	\$10,877,947
-- C&WF Cat 1.3	\$633,912,060	\$633,912,060	\$0	\$0	\$0
-- C&WF Cat 2	\$57,037,813	\$0	\$0	\$752,566	\$56,285,247
-- C&WF Cat 3	\$113,450,906	\$0	\$0	\$65,775,107	\$47,675,799
-- C&WF Cat 4	\$15,672,623	\$0	\$0	\$15,672,623	\$0
Tangibles	\$3,357,264	\$1,384,833	\$733,786	\$424,930	\$813,716
Intangibles	\$9,685,812	\$3,650,588	\$2,942,285	\$890,751	\$2,201,602
Materials And Supplies	\$13,208,874	\$6,503,329	\$2,666,080	\$1,634,845	\$2,404,513
Other Telecommunications Plant	\$43,455,951	\$19,796,967	\$9,585,770	\$5,299,340	\$8,773,633
Other Non-Current Assets	\$158,537	\$62,473	\$30,106	\$19,781	\$34,039
Cash Working Capital	\$12,367,828	\$4,993,373	\$2,628,221	\$1,294,069	\$1,980,506
Accumulated Depreciation	\$1,401,877,867	\$625,197,807	\$355,688,381	\$157,715,396	\$253,736,225
Accumulated Amortization	\$49,290,639	\$26,604,597	\$9,214,738	\$4,588,102	\$8,797,204
Net Deferred Operating FIT	\$30,271,467	\$15,196,549	\$7,127,387	\$1,367,198	\$5,692,050
Network Support Expense	\$1,759,619	\$844,295	\$427,281	\$222,501	\$265,538
General Support Expense	\$16,279,922	\$7,666,183	\$3,647,524	\$1,955,273	\$3,010,685
COE Expense	\$35,507,510	\$7,216,479	\$15,756,419	\$4,386,150	\$8,147,454
C&WF Expense	\$31,230,027	\$23,315,627	\$0	\$3,451,646	\$4,410,250
Other Property & Plant Expense	\$662,349	\$301,408	\$154,191	\$70,655	\$136,095
Network Operations Expense	\$28,820,205	\$14,098,112	\$5,973,359	\$3,302,250	\$5,446,069
Depreciation & Amortization Expense	\$103,565,270	\$42,049,591	\$30,318,246	\$11,390,013	\$19,336,611
Marketing Expense	\$6,076,913	\$2,895,376	\$1,308,676	\$681,186	\$1,191,545
Services Expense	\$33,070,000	\$8,072,060	\$6,882,604	\$2,630,716	\$3,268,975
General & Administration Expense	\$91,712,546	\$38,026,046	\$20,770,520	\$9,814,213	\$14,747,286
Charitable Contributions	\$400,403	\$158,401	\$93,334	\$45,070	\$67,166
Interest & Related Items	\$17,410,758	\$8,102,255	\$3,883,359	\$2,149,381	\$3,275,758
Interest On Customer Deposits	\$99,702	\$57,404	\$12,579	\$15,337	\$22,094
Other Long Term Liabilities	\$30,204,936	\$12,803,791	\$6,040,963	\$3,216,779	\$5,420,057
Federal Income Taxes	\$15,527,086	\$9,105,424	\$1,955,733	\$2,132,393	\$3,178,436
Other Operating Taxes	\$22,392,641	\$10,566,146	\$4,989,390	\$2,719,387	\$4,117,494
Allowance For Funds Used Dur Const.	\$726,500	\$340,016	\$145,617	\$89,308	\$151,553
Expenses & Other Taxes	\$371,577,107	\$155,209,724	\$90,321,544	\$40,669,060	\$64,145,168
Average Net Investment	\$569,403,139	\$310,826,273	\$78,940,972	\$76,026,413	\$115,391,158
Weighted Sample Revenue Requirement	\$450,435,546	\$198,943,088	\$101,012,519	\$51,265,116	\$80,153,556

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	47.6810%	21.9503%	11.6858%	18.6814%
General Support Facilities	47.2916%	22.8015%	11.9356%	17.9703%
Central Office Equipment	21.3770%	41.9762%	13.2979%	23.3461%
-- COE Cat 1	0.0000%	87.2582%	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%	0.9333%	99.0667%
-- COE Cat 4.13	98.1695%	0.0000%	0.0000%	1.8305%
-- COE Cat 4.2	0.0000%	0.0000%	51.1705%	48.8295%
-- COE Cat 4.3	0.0000%	0.0000%	100.0000%	0.0000%
Cable & Wire Facilities	76.2875%	0.0000%	9.8923%	13.8202%
-- C&WF Cat 1.2	0.0000%	0.0000%	0.0000%	100.0000%
-- C&WF Cat 1.3	100.0000%	0.0000%	0.0000%	0.0000%
-- C&WF Cat 2	0.0000%	0.0000%	1.3194%	98.6806%
-- C&WF Cat 3	0.0000%	0.0000%	57.9767%	42.0233%
-- C&WF Cat 4	0.0000%	0.0000%	100.0000%	0.0000%
Tangibles	41.2488%	21.8567%	12.6570%	24.2375%
Intangibles	37.6901%	30.3773%	9.1965%	22.7302%
Materials And Supplies	49.2345%	20.1840%	12.3769%	18.2038%
Other Telecommunications Plant	45.5564%	22.0586%	12.1947%	20.1897%
Other Non-Current Assets	39.4059%	18.9900%	12.4773%	21.4707%
Cash Working Capital	40.3739%	21.2505%	10.4632%	16.0134%
Accumulated Depreciation	44.5972%	25.3723%	11.2503%	18.0997%
Accumulated Amortization	53.9749%	18.6947%	9.3083%	17.8476%
Net Deferred Operating FIT	50.2009%	23.5449%	4.5165%	18.8034%
Network Support Expense	47.9817%	24.2826%	12.6448%	15.0906%
General Support Expense	47.0898%	22.4050%	12.0103%	18.4932%
COE Expense	20.3238%	44.3749%	12.3527%	22.9457%
C&WF Expense	74.6577%	0.0000%	11.0523%	14.1218%
Other Property & Plant Expense	45.5059%	23.2794%	10.6673%	20.5474%
Network Operations Expense	48.9175%	20.7263%	11.4581%	18.8967%
Depreciation & Amortization Expense	40.6020%	29.2745%	10.9979%	18.6709%
Marketing Expense	47.6455%	21.5352%	11.2094%	19.6077%
Services Expense	24.4090%	20.8122%	7.9550%	9.8850%
General & Administration Expense	41.4622%	22.6474%	10.7011%	16.0799%
Charitable Contributions	39.5605%	23.3099%	11.2562%	16.7746%
Interest & Related Items	46.5359%	22.3044%	12.3451%	18.8146%
Interest On Customer Deposits	57.5761%	12.6161%	15.3830%	22.1596%
Other Long Term Liabilities	42.3897%	19.9999%	10.6498%	17.9443%
Federal Income Taxes	58.6422%	12.5956%	13.7334%	20.4703%
Other Operating Taxes	47.1858%	22.2814%	12.1441%	18.3877%
Allowance For Funds Used During Construct.	46.8019%	20.0437%	12.2929%	20.8607%
Expenses & Other Taxes	41.7705%	24.3076%	10.9450%	17.2629%
Average Net Investment	54.5881%	13.8638%	13.3519%	20.2653%
Weighted Sample Revenue Requirement	44.1668%	22.4255%	11.3812%	17.7947%

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.³

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*

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

³ See Amendment of Part 65 of the Commission's Rules to Prescribe Components of the Rate Base and Net Income of Dominant Carriers, CC Docket No. 86-497, *Report and Order*, 3 FCC Rcd 269 (1987), *Order on Reconsideration*, 4 FCC Rcd 1697 (1989).

EXHIBIT 6.10

INDIRECT ALLOCATION OF ACCOUNTS TO TRANSPORT ELEMENTS

<u>Account</u>	<u>Indirect Allocation Basis</u>
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
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. Revenue requirements were calculated for each access category and for the Transport subcategories using the following formulas:

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

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

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

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

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

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

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

⁶ Federal Income Taxes are calculated only for non-tax exempt average schedule study areas, using the tax status reported to NECA. If the Federal Income Tax calculation for any study area resulted in a negative value, a zero value was used. Federal Income Tax is calculated using the Average Effective Tax Rate developed using sample cost study data, as described in Section IV.G.

*Total Expenses and Other Taxes = Network Support Expense
+ Central Office Equipment Expense + Cable & Wire Facilities Expense
+ General Support Facilities Expense + Other Property Plant & Equipment Expense
+ Network Operations Expense + Depreciation & Amortization Expense
+ Marketing Expense + Services Expense
+ 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 2004⁷ (used for settlements in the first half of 2006) and the CABS formula developed in 2005⁸ (used for settlements in the second half of 2006). The 2008 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

$$\begin{aligned} &= 1 - \frac{\Sigma(\text{Sample Weight} \times \text{2006 Monthly CABS Costs})}{\Sigma(\text{Sample Weight} \times \text{Total Monthly TS Revenue Requirements})} \\ &= 1 - 0.112552 \\ &= 0.887448 \end{aligned}$$

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 first determine a separate settlement formula for SS7 and then to determine separate formulae for local switching and transport. Therefore, NECA removed SS7 costs from these revenue requirements to avoid double recovery. Using 2006 settlement

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

⁸ Ibid.

data, corresponding to 2006 accounts which are the basis of this study, NECA calculated the test period Traffic Sensitive revenue requirement adjustment ratio as:

$$\begin{aligned}SS7 \text{ Adjustment Factor} &= 1 - \frac{\Sigma(SS7 \text{ Settlements})}{\Sigma(\text{Traffic Sensitive Switched Settlements})} \\ &= 1 - 0.03319 \\ &= 0.96681\end{aligned}$$

The summations are over all average schedule study areas over all months of 2006. 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 2006 average schedule contract rate reported by average schedule companies, NECA calculated the total cost of the interstate portion of long route leased facilities.

$$\begin{aligned}\text{Total Leased Cost} &= \text{Average Contract Rate} \times \text{Long Route Circuit Miles} \\ &= 0.01127 \times 1,071,691 \\ &= \$12,078\end{aligned}$$

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 data, described in Section III.F. These costs 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 2008 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 2010.

Each year NECA analyzes and estimates relationships between access cost and access demand and proposes formula revisions, where necessary, to reflect changes in these relationships.

Settlement formulas can be revised for several reasons, such as:

- FCC rule changes
- Cost and demand growth
- Technology changes
- Network structure changes
- Tariff changes

B. Outlier Analysis

For each formula that uses sample data from average schedule study areas, outlier analysis was performed. Most settlement formulas are developed either by linear regression or ratio estimates, which use outlier accommodation methods described in Section IV.C. The Common Line Access Line formula is a non-linear model which requires an additional step to develop the *DFFITS*¹ statistic required by the outlier accommodation method.

C. Common Line Access Line Formula

Common Line formulas include the Common Line Access Line formula (described here in Section VII.C), the Common Line Universal Service Contribution Reimbursement formula (Section VII.D), the Common Line Line Port and Common Line Transport formulas (Section VII.M), and the Common Line Rate of Return Factor formula (Section VII.K).

The Common Line Access Line formula has the same structure as in the last study. It is designed to compensate average schedule companies for interstate costs associated with

¹ See Section IV.C for a discussion of outlier methods.

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, each corresponding to a designated range of 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. 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 range of lines per exchange from those above (K_1), the midrange values of lines per exchange from those above (K_2), and the upper range 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,

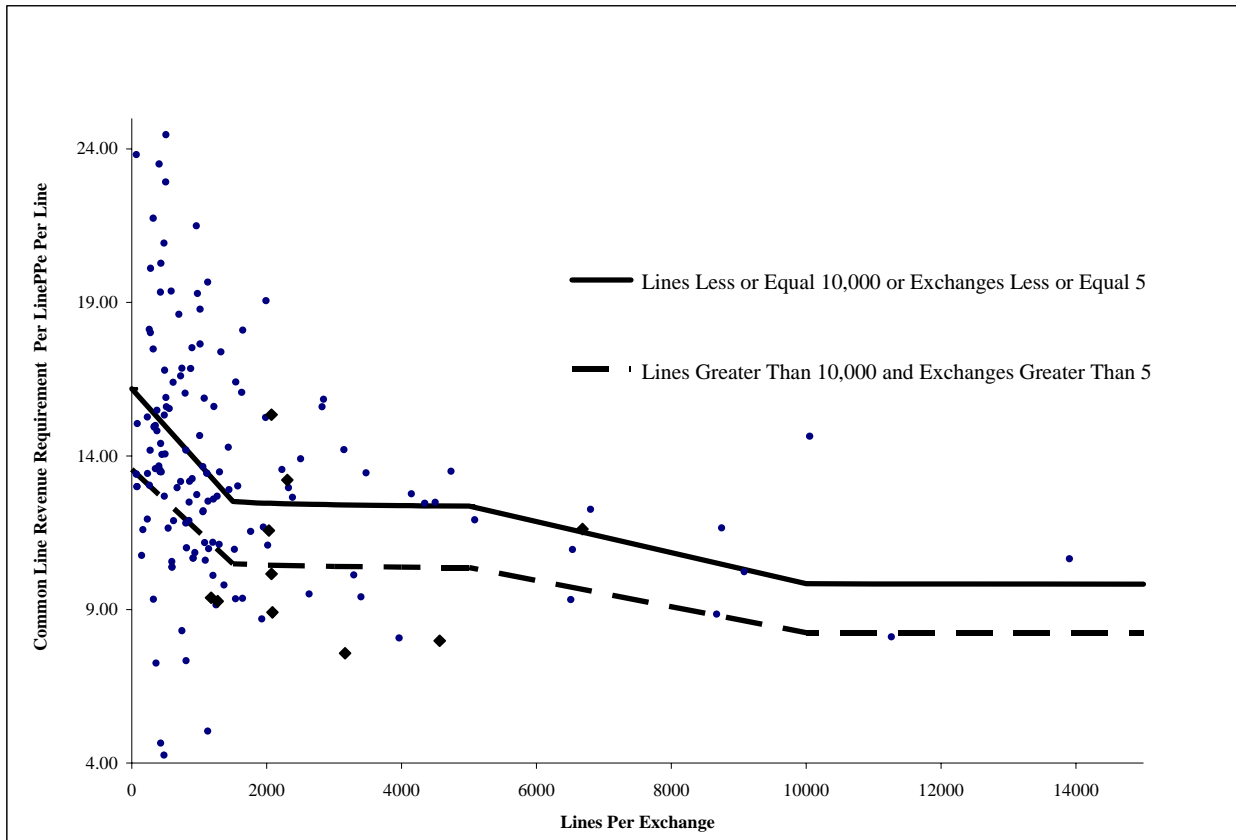
which is estimated by regression methods.

- For the formula component that transitions between the mid-range line and upper range curve, 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 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 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 range of 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.

$$\delta_{1i} = 1 \text{ if } LPE_i < 1,500; \text{ otherwise } \delta_{1i} = 0.$$

$$\delta_{2i} = 1 \text{ if } 1,500 \leq LPE_i < 5,000; \text{ otherwise } \delta_{2i} = 0.$$

$$\delta_{3i} = 1 \text{ if } 5,000 \leq LPE_i < 10,000; \text{ otherwise } \delta_{3i} = 0.$$

$$\delta_{4i} = 1 \text{ if } 10,000 \leq LPE_i; \text{ otherwise } \delta_{4i} = 0.$$

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:

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

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)² solves for parameters a_1 , b_1 , b_2 , M and CL Adjustment that best fit the data.

The resulting line and curve model produces two stable, continuous parts of the settlement formula with an *R-Square* statistic of 0.1661, a *t-statistic* of 22.49 for a_1 , a *t-statistic* of 2.89 for b_1 , a *t-statistic* of 0.1 for b_2 , a *t-statistic* of 4.55 for M , and a *t-statistic* of 8.15 for CL Adjustment. The proposed formula is shown in Section VIII.

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

² SAS Institute Inc., SAS/STAT® User's Guide, Version 6, 1,135 (4th ed. SAS Institute Inc., 1990).

telecommunications service providers, including average schedule companies, are required to contribute to the universal service funds.³

The Universal Service Order⁴ directs carriers to assign all contributions to federal universal service programs to the interstate jurisdiction, and prescribes that the appropriate contribution costs (based on revenues from regulated services) borne by exchange carriers not subject to federal price caps be assigned to their common line revenue requirement. Accordingly, cost companies will assign these costs to the interstate jurisdiction in their cost separations studies, and will recover these costs from end user charges.⁵

In the December 1997 Filing,⁶ NECA proposed that the same principles apply to average schedule companies and filed a common line universal service contribution settlement formula equal to the portion of the contribution paid that is associated with the regulated revenues of the average schedule company. This amount is assigned to the common line revenue requirement according to Commission rules⁷. The Commission initially approved this method in a 1998 order,⁸ and in all subsequent years.

³ Under section 54.708 of the Commission's rules, there is an exemption for companies whose contribution would be *de minimus*.

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

⁵ MAG Order at ¶ 177.

⁶ National Exchange Carrier Association, Inc. Proposed Modifications to the 1998-99 Interstate Average Schedule Formulas, AAD 98-20, *Order*, 13 FCC Rcd 17351 (1998).

⁷ Because the NECA Tariff is designed to produce FUSC charges equal to the allowable contribution expense, NECA flows the amount of reported FUSC revenues to each company as its settlement.

⁸ *June 1998 Order*.

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.

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 3,500 and 25,000 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 large 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. Access minutes for coefficient a_3 were limited to 2000 minutes per line less minutes in the normal volume category and the first high volume category.
- 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 2006 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, 2006 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.

$$\text{CABS Cost} = 3,815.23 + 83.84 \times \text{Exchanges} + 0.00144 \times \text{Normal Volume Minutes}$$

$$\begin{array}{llll} R^2 = 0.1048 & t\text{-statistic (Minutes)} & = & 3.48 & F\text{-statistic} = 11.77 \\ & t\text{-statistic (Exchanges)} & = & 1.14 & \\ & t\text{-statistic (Intercept)} & = & 6.52 & \end{array}$$

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	\$38,006
B. Interstate CABS Expense	\$18,885

Interstate Indirect Costs Calculation

Depreciation & Amortization Expense	\$315,756
State and Local Tax Expense	\$40,942
General & Administrative Expense	\$291,171
C. Total Interstate Indirect Costs	\$647,869

Unseparated Indirect Costs Calculation

Depreciation & Amortization Expense	\$845,616
State and Local Tax Expense	\$115,510
General & Administrative Expense	\$762,093
D. Total Unseparated Indirect Costs	\$1,723,220
E. Total Unseparated Expenses	\$3,125,319
F. Unseparated Expense Less Unseparated Indirect Costs (Line E - Line D)	\$1,402,100
G. CABS Indirect Costs Fraction (Line A / Line F)	0.027107
H. Interstate CABS Indirect Costs (Line G x Line C)	\$17,562
I. Total Interstate CABS Cost (Line B + Line H)	\$36,447

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 cost company, NECA obtained the total amount of unseparated COE investment and the subcomponent 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.⁹

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 their highest access line counts reported to NECA for settlements since 1996. All companies with more than 50,000 access lines were assigned to the support group with more than 50,000 access lines. All other companies with more than 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.

⁹ The equation for this estimate is expressed as follows.

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

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	\$1,445,991,239	\$555,847,269	0.408246
10,000 to 20,000 Lines	\$783,918,448	\$266,950,831	0.367828
20,000 to 50,000 Lines	\$428,620,347	\$164,721,828	0.384307
More Than 50,000 Lines	\$184,018,334	\$58,718,911	0.319093
More than 280 Minutes of Use Per Line Per Month	\$493,900,011	\$200,985,564	0.401482

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	0.603936	0.201312	0.401006
10,000 to 20,000 Lines	0.432638	0.173055	0.259115
20,000 to 50,000 Lines	0.350951	0.175475	0.175475
More Than 50,000 Lines	0.179799	0.179799	0.000000
More than 280 Minutes of Use Per Line Per Month	0.749803	0.276787	0.469510

The LSS factors¹⁰ 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 local switching 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:

- Support amount (the product of a study area's unseparated local switching revenue requirement and its local switching support factor).
- Imputed support based on the study area's line size band (the product of a study area's interstate local switching revenue requirement and the average support fraction of normal volume study areas in its line size band).

These sums were taken 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

¹⁰ This calculation is done for each study area. Data for study areas with capped weighted DEM cause this calculation not to be precise in aggregate.

fractions.

High Volume Support Fraction Adjustment

$$= \frac{\sum_{\text{High Volume ECs}} (\text{LS Support Based On Cost Study})}{\sum_{\text{High Volume ECs}} (\text{Imputed Support Based on Normal Volume Support Fraction})}$$
$$= 0.967165$$

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 25,000 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 25,000 access lines. This calculation produced a baseline cost per minute equal to 0.009832. 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 3,500:

$$\text{Access Line Factor} = 6.080564 - (0.000985751 \times \text{Access Lines})$$

For study areas with common line access lines between 3,501 and 25,000:

$$\text{Access Line Factor} = 2.895857 - (0.000075834 \times \text{Access Lines})$$

For study areas with common line access lines greater than or equal to 25,000:

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

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 volume study areas are described in Section III.F. 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.

$$\text{Basic Cost}_i = \frac{\text{Monthly Central Office Revenue Requirement}_i}{\text{Model Access Line Factor}_i}$$

$$\text{Basic Cost per Minute}_i = \frac{\text{Basic Cost}_i}{\text{Access Minutes}_i}$$

$$\text{Band } j \text{ Basic Cost per Minute} = \frac{\sum_j \text{Basic Cost Per Minute}_j}{\sum_j \text{Access Minutes}_j}$$

Where i corresponds to the i th study area and j corresponds to the j th band. Access minutes in the third band were capped at 2000 minutes per line.

A High Volume Access Line Multiplier component of the formula helps produce settlements for high traffic volumes with equivalent accuracy across all access line size ranges. NECA's tests show that without the High Volume Access Line Multiplier, average schedule study areas with high traffic volumes and low access line counts would tend to receive settlements below their modeled revenue requirements, while study areas with high traffic volumes and higher access line counts would tend to receive settlements above their revenue requirements. The High Volume Access Line Multiplier corrects this condition by causing the effective settlement rate to decrease as access lines increase. NECA continued to use the same structure for the High Volume Access Line Multiplier as it had in prior filings since 1995.

If Access Minutes per line > K_1 then

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

Else High Volume Access Line Multiplier = 1.0

The coefficient of the High Volume Access Line Multiplier was chosen by an iterative method described in the following section.

The iterative method repeats the calculation of model parameters once for each of many possible combinations of model parameter values. The accuracy of the model's fit to the data is evaluated for each of these iterations. The set of coefficients of all parameters tested that produced the most accurate model was chosen.

NECA defined the parameters for each iteration as follows. Trial values were chosen for each of the two high volume minutes per line thresholds, for the two ratios of settlement rates described in Step 5 of Exhibit 7.5, and for the numerator of the High Volume Access Line Multiplier (HVALM). This method assures that all settlement rates are positive, assures that the high volume settlement rates relate logically to the normal volume settlement rate, and allows testing of alternatives to find the one that fits the data best.

For each iteration NECA tested the fit of the resulting CO settlement formula to the CO revenue requirements of all high traffic volume study areas. The steps of this iterative process are detailed in Exhibit 7.5.

EXHIBIT 7.5
ITERATIVE PROCESS FOR DETERMINING
INITIAL CENTRAL OFFICE FORMULA COEFFICIENTS

1. Choose a numerator for the High Volume Access Line Multiplier, between 300 and 1000.
 2. Choose a lower limit (K_2) for the highest high traffic volume tier (Band 3).
 3. Choose a lower limit (K_1) for the middle high traffic volume tier (Band 2), between 280 and K_2 .
-
4. For each study area, calculate:
 $E = \text{Minutes per line in Band } 1$
 $F = \text{Minutes per line in Band } 2 \times \text{HV Access Line Multiplier}$
 $G = \text{Minutes per line in Band } 3 \times \text{HV Access Line Multiplier}$
 $\text{Total Minutes Multiplied} = E + F + G$

 $M_1 = E / \text{Total Minutes Multiplied}$
 $M_2 = F / \text{Total Minutes Multiplied}$
 $M_3 = G / \text{Total Minutes Multiplied}$

 $\text{Exch} = \text{Exchange Count} / \text{Total Minutes Multiplied}$
 $Y = \text{Basic Cost} / \text{Total Minutes Multiplied}$
 5. Select trial ratios of settlement rates:
 $R_2 = \text{Band } 2 \text{ Rate} / \text{Band } 1 \text{ Rate (e.g., 0.2)}$
 $R_3 = \text{Band } 3 \text{ Rate} / \text{Band } 2 \text{ Rate (e.g., 0.05)}$
 6. Run constrained regression and validate results

 $Y = a_1 \times M_1 + a_2 \times M_2 + a_3 \times M_3 + b \times \text{Exchanges}$
 Constraint 1: $a_2 = R_2 \times a_1$
 Constraint 2: $a_3 = R_3 \times a_2$

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

$$a_1 = 0.012158 \qquad b = 82.59$$

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 0.1151, a *t-statistic* for a_1 , and b of 25.90 and 3.38, respectively, and an *F-statistic* of 586.89. 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

Access minutes up to 2,000 per line are eligible for settlements.

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

Basic Settlement = (\$0.012158 x Access Minutes) + (\$82.59 x Exchanges)

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

Basic Settlement = (\$0.012158 x 280 x Access Lines)
+ \$0.002432 x [Access Minutes – (280 x Access Lines)] x High
Volume
Access Line Multiplier + (\$82.59 x Exchanges)

For Study Areas with Minutes Per Line Greater Than 600:

Basic Settlement = (\$0.012158 x 280 x Access Lines)
+ {\$0.002432 x (600 – 280) x Access Lines
+ \$0.000122 x [Access Minutes – (600 x Access Lines)]} x High
Volume Access Line Multiplier + (\$82.59 x Exchanges)

Access Line Factor

For Study Areas with Access Lines Less Or Equal to 3,500:

Access Line Factor = 6.08056 – 0.000985751 x Access Lines

For Study Areas with Access Lines Between 3,501 and 25,000:

Access Line Factor = 2.89586 – 0.000075834 x Access Lines

For Study Areas with Access Lines Greater Than 25,000:

Access Line Factor = 1.0

High Volume Access Line Multiplier = (650 / 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.¹¹ The methods used by NECA in developing the LSS formula in this filing are the same as those filed and approved by the Commission each year since 1997.¹²

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

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

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 2008 DEM Weight

For cost companies, the DEM Weight in this equation was based on the highest access line count occurring since January 1, 1997 per the *Separations Freeze Order*.¹³

¹¹ NECA also expects that USAC will use these fractions, together with the Central Office Formula (Local Switching Only), to determine the average schedule Local Switching Support Formula for its filing scheduled for October 1, 2008.

¹² See, for example, National Exchange Carrier Association, Inc. Proposed 2008 Modification of Average Schedule Formulas, WC Docket No. 04-437, *Order*, 20 FCC Rcd 10002 (2008).

¹³ Jurisdictional Separations and Referral to the Federal-State Joint Board, CC Docket No. 80-286, *Report and Order*, 16 FCC Rcd 11382 (2001).

NECA used accounting data, projected in Section V of this filing, to develop unseparated local switching revenue requirements for sample average schedule companies. These calculations made use of the cost company categorization factors from Exhibit 7.3 to assign COE investment to the Local Switching category. Other costs were assigned to the Local Switching category in proportions prescribed by Part 69 rules for calculation of access costs, as described in Exhibit 7.7. For 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.

Similarly, the “Interstate Local Switching Proportion” was calculated for each account for each study. This proportion is the fraction of the study area’s account that NECA allocated to the interstate local switching category. Details are 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 account that uses it for allocation, accounts 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 Local Switching Revenue Requirement was calculated for each sample average schedule company.

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.

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 Local Switching Revenue Requirement. Unique support fractions were developed for each support group.

EXHIBIT 7.7
Unseparated Local Switching Revenue Requirement

	(A)	(B)= (C)/(A)	(C)	(D)= (E)/(A)	(E)	
Account	Weighted Total	Local Switching Proportion	Local Switching Cost	Interstate Local Switching Proportion	Interstate Local Switching Cost	Basis
1 Telecommunications Plant in Service	\$5,794,711,995	0.1577	\$913,735,314	0.0768	\$445,275,972	
2 Central Office Equipment	\$2,066,266,084	0.3782	\$781,393,440	0.1829	\$377,984,622	
3 COE Category 3	\$781,393,440	1.0000	\$781,393,440	0.4837	\$377,984,622	Cost Studies
4 All Other COE	\$1,284,872,644	0.0000	\$0	0.0000	\$0	
5 Cable & Wire Facilities	\$2,913,054,023	0.0000	\$0	0.0000	\$0	
6 General Support Facilities	\$782,968,997	0.1616	\$126,548,426	0.0827	\$64,758,866	2+5
7 Amortizable Tangible Assets	\$8,242,327	0.1575	\$1,298,489	0.0696	\$573,872	2+5
8 Intangibles	\$24,180,564	0.1859	\$4,494,959	0.0810	\$1,958,613	2+5
9 General Support Expense	\$46,380,659	0.1608	\$7,458,906	0.0812	\$3,765,146	2+5
10 Telecommunications Plant--Other	\$120,913,370	0.1624	\$19,635,562	0.0883	\$10,680,426	1
11 Materials & Supplies	\$46,351,033	0.1539	\$7,132,204	0.0738	\$3,422,374	1
12 Cash Working Capital	\$33,284,109	0.1590	\$5,293,761	0.0799	\$2,660,123	1
13 Accumulated Amortization	\$149,999,660	0.1275	\$19,118,884	0.0690	\$10,342,899	1
14 Net Deferred Income Taxes	\$85,197,603	0.1650	\$14,061,337	0.0747	\$6,368,023	1
15 Network Support Expense	\$5,075,516	0.1542	\$782,879	0.0788	\$399,867	1
16 Other Property Plant & Equipment Exp.	\$1,855,082	0.1715	\$318,141	0.0835	\$154,965	1
17 Network Operations Expense	\$84,076,990	0.1517	\$12,757,626	0.0703	\$5,906,617	1
18 Marketing Expense	\$19,919,734	0.1580	\$3,148,084	0.0747	\$1,488,115	1
19 Services Expense	\$100,161,777	0.1612	\$16,141,874	0.0833	\$8,344,256	1
20 Operating Taxes	\$62,635,680	0.1589	\$9,952,633	0.0767	\$4,801,248	1
21 Federal Investment Tax Credits	\$22,185	0.1584	\$3,513	0.0794	\$1,761	1
22 Provision for Def. Op. Income Taxes-Net	(\$5,192,505)	0.1608	(\$835,155)	0.0892	(\$463,123)	1
23 Interest & Related Items	\$52,055,342	0.1652	\$8,600,866	0.0845	\$4,400,925	1
24 Allow. for Funds Used Dur. Constr.	\$2,520,216	0.1560	\$393,241	0.0835	\$210,453	1
25 Charitable Contributions	\$1,003,172	0.1622	\$162,763	0.0846	\$84,888	1
26 Other Non Current Assets	\$458,073	0.1495	\$68,460	0.0393	\$17,995	1
27 Customer Deposits	\$284,740	0.1652	\$47,046	0.0845	\$24,073	1
28 Other Long Term Liabilities	\$90,304,780	0.1496	\$13,513,370	0.0624	\$5,638,363	1
29 Accumulated Depreciation	\$4,500,190,389	0.1586	\$713,761,547	0.0772	\$347,229,895	1
30 Depreciation and Amortization Expense	\$315,445,572	0.1628	\$51,354,527	0.0851	\$26,858,617	1
31 COE Expense	\$77,814,078	0.3870	\$30,116,024	0.2029	\$15,792,047	2
32 CWF Expense	\$109,165,178	0.0000	\$0	0.0000	\$0	5
33 General & Administrative Expense	\$245,959,815	0.1601	\$39,379,738	0.0836	\$20,553,701	17+18+19+31+32
34 Net Plant Investment	\$1,702,508,255	0.1089	\$185,410,163	0.0543	\$92,477,710	
35 Return on Investment	\$191,532,179	0.1089	\$20,858,643	0.0543	\$10,403,742	
36 FIT Taxable Income	\$141,974,867	0.0891	\$12,647,505	0.0438	\$6,211,510	
37 Federal Income Taxes	\$81,979,131	0.1030	\$8,442,034	0.0507	\$4,159,238	
38 Expenses & Other Taxes	\$1,032,180,603	0.1662	\$171,573,195	0.0854	\$88,149,468	
39 Revenue Requirement	\$1,303,171,697	0.1538	\$200,480,631	0.0787	\$102,501,995	

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 Local Switching Revenue Requirement	Unseparated Local Switching Revenue Requirement	Local Switching Support Factor	Support Amounts	Support Fraction
Less Than 10,000 Lines	\$74,665,455	\$122,236,974	0.401006	\$49,017,760	0.656499
10,000 to 20,000 Lines	\$12,457,521	\$26,177,627	0.259115	\$6,783,016	0.544493
20,000 to 50,000 Lines	\$3,908,600	\$10,220,629	0.175475	\$1,793,465	0.458852
More Than 50,000 Lines	\$4,925,695	\$33,032,736	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	0.656499	0.967165	0.634942
10,000 to 20,000 Lines	0.544493	0.967165	0.526614
20,000 to 50,000 Lines	0.458852	0.967165	0.443786
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 3,500

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

For study areas with access lines between 3,501 and 25,000:

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

For study areas with access lines greater than or equal to 25,000:

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

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 3,500:

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

For study areas with access lines between 3,501 and 25,000:

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

For study areas with access lines greater than or equal to 25,000:

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

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

Final Central Office Formula (After Folding-in CABS)

$$\begin{aligned} &= (\text{Adjusted Initial CO Cost}) \times (\text{Final Access Line Factor}) \\ &\quad + \text{CABS Study Area Factor} \\ &= [(a + d) \times \text{Min} + (b+e) \times E] \times \text{Final Access Line Factor} + c \end{aligned}$$

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 25,000 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

	Preliminary (Before Combining <u>CABS</u>)	Final (After Combining <u>CABS</u>)
Per Access Minute	0.012158	0.013599
Per Exchange	82.59	166.43
Access Line Factor		
First Segment Intercept	6.08056	5.7475
First Segment Slope	-0.000985751	-0.00094931
Second Segment Intercept	2.89586	2.656888
Second Segment Slope	-0.000075834	-0.00006628

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 \$0.013599. Between 280 and 600 minutes per line, the proposed incremental rate drops by 82% to \$0.002432. 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, with three companies reporting more than 2000 minutes per line. While companies may incur some incremental costs for switching higher volumes minutes per line, NECA does not have sufficient data to determine what this cost might be. Accordingly, NECA continues to propose 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 was used in prior study as a measure of tandem capacity, but in this study the variable ITD circuits per access line was found to have higher correlation with ITD costs. This change is primarily driven by the fact that some companies have begun reporting relatively high levels of intertoll circuits, and the ITD formula based on ITD circuits per access line can better target cost efficiencies of such arrangements. The proposed formula, therefore, pays an amount per ITD circuit that depends on the study area ratio of ITD circuits per line and an additional lump sum amount per study area.

Costs used in this formula as the dependent variable are the ITD transport monthly revenue requirements developed in Section VI.D and VI.F. The ITD circuits used in this formula as an independent variable, ITD circuits per line, were monthly projected ITD circuits as described in Section V.E divided by projected access lines.

The ITD regression formula consists of a per study area component, a sloping line between 0 and 0.12 ITD Circuits per line, and a connected horizontal line for higher values of ITD Circuits per line. The resulting formula, shown in Section VIII, had an *R-Square* statistic of 0.543, *F-statistic* of 37.7, and significant coefficients.

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

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

This model continues use of a circuit density factor for study areas with average route lengths of less than 350 miles, a rate per circuit mile based on graduated downward curve related to route length, and access minutes of up to 280 minutes per line. The access minute variable represents 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.

- $Cost\ per\ Circuit\ Mile = \frac{Distance\ Sensitive\ Revenue\ Requirement}{Interstate\ Circuit\ Miles}$
- $Route\ Length = \frac{Interstate\ Circuit\ Miles}{Interstate\ Circuits}$
- $Minutes\ per\ Circuit\ Mile = \frac{Access\ Minutes\ up\ to\ 280\ Minutes\ per\ Line}{Interstate\ Circuit\ Miles}$

The proposed formula was developed in two stages: a formula relating cost per circuit mile to average route length and minutes 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, BP₁ being the intersection of the two straight lines, and BP₂ 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.

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

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

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, a density factor model is 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 circuits on very long line haul routes are usually leased 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

$$\begin{aligned}
 &Density\ Factor_i \\
 &= \gamma_{1i} \times (a_1 + b_1 \times Circuit\ Density_i) + \gamma_{2i} \times (a_2 + b_2 \times Circuit\ Density_i) \\
 &\quad + \gamma_{3i} \times (a_3 + b_3 \times Circuit\ Density_i) + \gamma_{4i}
 \end{aligned}$$

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 73.75% and the t statistics of all regression slope coefficients are statistically significant with 95% confidence, ranging in absolute value from 2.25 to 12.62, except for the slope of the third connecting line of the density factor model whose t-statistic is 1.63 (90% significant) . 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 and filing, just as in two previous filings, 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 similar to the current formula structure in that it pays an amount per interstate switched circuit termination. However, in this year's study, the payment depends on the study area ratio of circuit terminations per access line, as opposed to the ratio of circuit terminations per exchange used in prior year studies. The new independent variable fits the study data significantly better than the circuit terminations per exchange ratio.

Costs used in the proposed formula were the Non-Distance Sensitive (NDS) Transport monthly revenue requirements described in Section VI.D and VI.F. Switched interstate circuit terminations were projected to the test period as described in Section V.E.

A regression model of revenue requirement per termination was fit to the terminations per line data. This method computed a two-part formula: part one, a sloping line for relatively low terminations per line, and part two, a reciprocal curve for higher terminations per line values. The line and curve were constrained to connect at the best fitting breakpoint of 0.1 terminations per line. The resulting formula, shown in Section VIII, had an *R-Square* statistic of 0.232, *F-statistic* of 293.83, and significant parameter coefficients.

NECA proposes that the same limit (3000 interstate circuits per exchange) be applied in the

calculation of settlements based on this formula as described in the Glossary and 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 for 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 for 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. As an additional step this year's proposed formula includes a special access revenue adjustment for study areas that withdraw DSL service from NECA's tariff. This adjustment maintains the retention ratio of each of these study areas at the level it would have been if they had continued to report DSL service revenues to NECA. Not including this adjustment would allow retention ratios of these study areas to be artificially inflated as a result of not reporting this revenue. The adjustment method is explained in section VII.I.1 below.

1. Development of the adjustment factor for DSL revenues not reported to NECA

Some study areas withdrew DSL service from NECA's tariff and stopped reporting DSL revenue to NECA starting in 2006, which is one of the accounting data years used in this study. Additional study areas have withdrawn DSL service from NECA's tariff at later dates. These tariff elections have the effect that these study areas report less special access revenue to NECA than they would if they continued to include all interstate special access services in NECA's tariff.

The special access retention ratio calculation depends on a study area's reported special access revenues per exchange. Lower revenues per exchange produce a higher retention ratio. Consequently, when a study area discontinues reporting DSL revenues to NECA, its retention ratio could increase for services remaining under NECA's tariff, even though its costs of providing these services did not change.

To prevent a settlement increase unrelated to cost changes, NECA proposes a Revenue Adjustment Factor in the 2009 formula. This factor will impute DSL revenues for each of these study areas as a share of its special access revenues reported to NECA. Following is a discussion of the derivation of this factor.

NECA used data reported by 43 average schedule study areas that withdrew DSL from the tariff in 2007. Data included total special access revenues and DSL revenues for each of the six months preceding the study area's withdrawal of

DSL.¹⁴ The Revenue Adjustment Factor is the average amount by which DSL revenues increased total special access revenues for these study areas. Data and factor derivation are shown in Appendix H. The resulting factor is 1.4275.

Projected special access revenues of each study area that provided 2006 accounts for this study and that withdrew DSL from NECA's tariff in 2006 were multiplied by this adjustment factor to impute the DSL portion of special access revenues. Thus, the revenues used to derive the proposed special access formula reflect this adjustment. Use of this revenue data to develop the special access formula is explained in Section VIII.

In addition, this factor was used in the calculation of proposed special access settlements for any study area that has withdrawn DSL service from NECA's tariff. Proposed settlements that include this adjustment are displayed in Appendix E.

¹⁴ Because NECA did not require separate reporting DSL revenues until July 2006, data of study areas that withdrew DSL from the tariff before 2007 could not be used in this calculation.

2. 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 \$3,000 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.

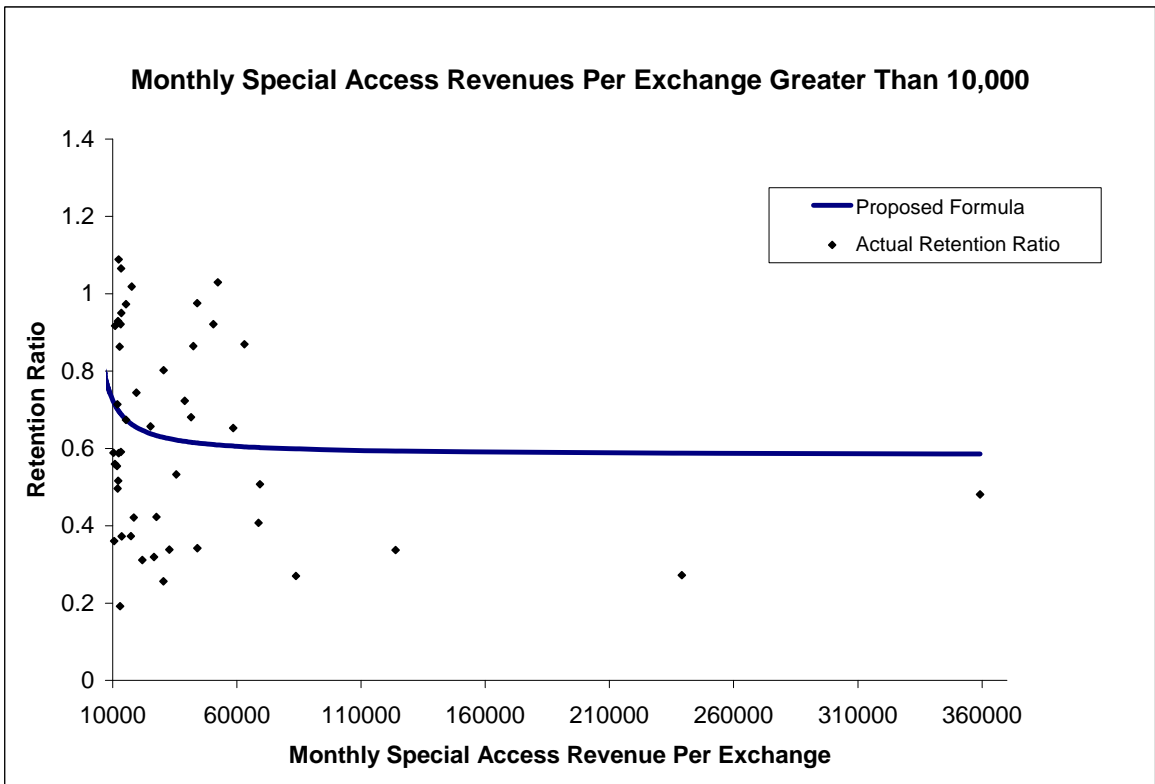
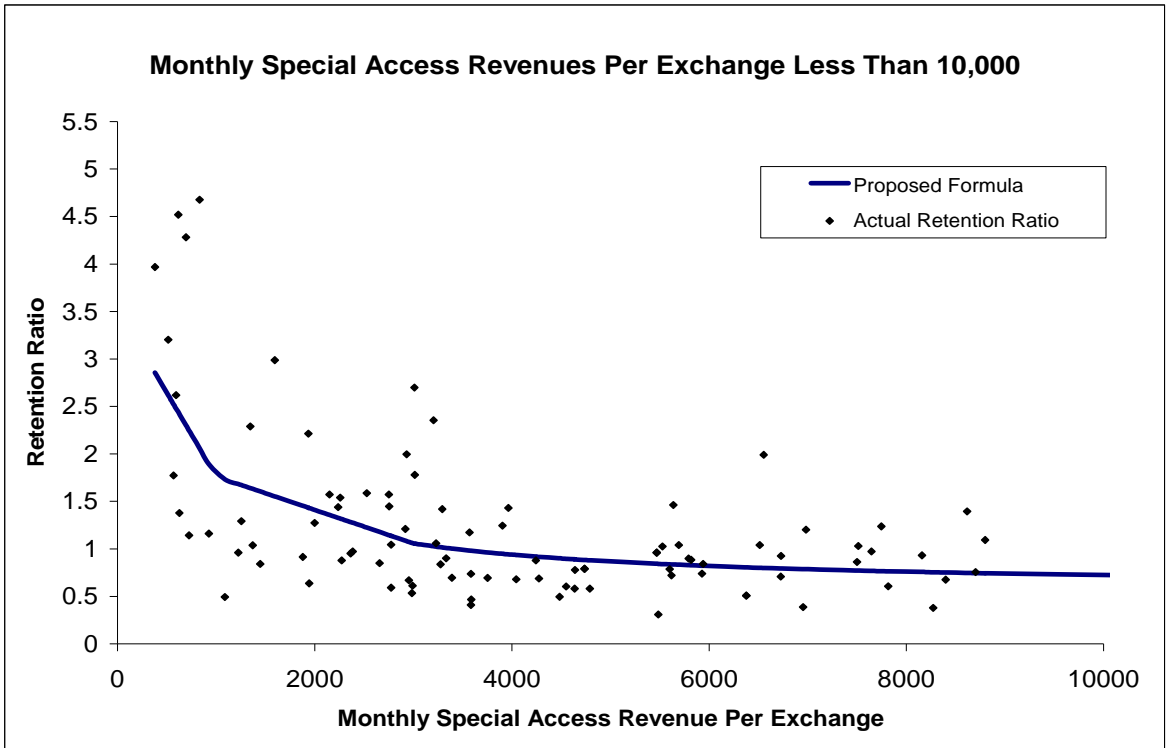
$$a_1 + 2 \times b_1 \times BP_1 \geq 0$$

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

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 .4652, with significant *t*-statistics ranging between 5.15 and 22.83 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



3. 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. A TRI for each study area is defined as follows.

$$\text{Tariff Rate Index} = \frac{1}{1 + \text{Special Access Relative Tariff Rate Change Since 12/2008}}$$

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.¹⁵ 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.

¹⁵ 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, 2008 ([2008 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 METHOD¹⁶

A.	Illustrative Traffic Sensitive Test Period Special Access Revenues at December 31, 2008 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, 2009 [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. A settlement rate applies for each SSP connected to the nationwide signaling network. Because there are no average schedule companies with SSPs not yet connected to the nationwide signaling network, the partially connected SS7 rate is discontinued in this filing.

¹⁶ 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 this year's study the SS7 rate is calculated by regression, a method introduced in last year's filing, using data from sample study areas with normal volume minutes, as follows:

Switched Access Revenue Requirement

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

$$\begin{aligned} a &= 0.04149 \quad (t\text{-statistic: } 12.75) \\ b &= 0.21281 \quad (t\text{-statistic: } 4.20) \\ c &= 1,761.22 \quad (t\text{-statistic: } 14.97) \\ d &= 3,129.67 \quad (t\text{-statistic: } 8.37) \\ R\text{-Squared} &= 0.7109 \end{aligned}$$

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.

$$\text{Fully Connected Settlement Rate} = d - c = \$1,368$$

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 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 rate of return factor was computed corresponding to each of these rates of return.

The rate of return factor equals the quotient of revenue requirement at a test rate of return divided by the revenue requirement at the authorized rate of return.

The third step in the derivation of these formulas computed straight line regression models relating the rate of return factors 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:

$$\text{Common Line Factor} = 0.778458 + 1.969262 \times \text{ROR}$$

$$\text{Traffic Sensitive Factor} = 0.853037 + 1.306338 \times \text{ROR}$$

Exhibit 7.13 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 98.52 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 102.46 percent of the revenue requirement at 11.25 percent.

EXHIBIT 7.13
REVENUE REQUIREMENT RATIOS UNDERLYING ROR FORMULAS

Test Rate Of Return	Common Line Ratio	Traffic Sensitive Ratio
0.0700	0.9163	0.8521
0.0725	0.9212	0.8553
0.0750	0.9262	0.8586
0.0775	0.9311	0.8619
0.0800	0.9360	0.8651
0.0825	0.9409	0.8684
0.0850	0.9458	0.8717
0.0875	0.9508	0.8749
0.0900	0.9557	0.8782
0.0925	0.9606	0.8815
0.0950	0.9655	0.8847
0.0975	0.9705	0.8880
0.1000	0.9754	0.8913
0.1025	0.9803	0.8945
0.1050	0.9852	0.8978
0.1075	0.9902	0.9011
0.1100	0.9951	0.9043
0.1125	1.0000	0.9076
0.1150	1.0049	0.9109
0.1175	1.0098	0.9141
0.1200	1.0148	0.9174
0.1225	1.0197	0.9207
0.1250	1.0246	0.9239
0.1275	1.0295	0.9272
0.1300	1.0345	0.9305
0.1325	1.0394	0.9337
0.1350	1.0443	0.9370
0.1375	1.0492	0.9403
0.1400	1.0542	0.9435
0.1425	1.0591	0.9468
0.1450	1.0640	0.9500
0.1475	1.0689	0.9533
0.1500	1.0738	0.9566

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

EXHIBIT 7.14

CALCULATION OF THE EQUAL ACCESS INVESTMENT
MONTHLY CARRYING CHARGE FACTOR

A.	Illustrative Interstate Equal Access Investment	\$10,000
B.	Average Interstate Depreciation Reserve Over First Year (8 yr.) [(Line A / 8) / 2]	\$625
C.	Average Net Interstate Investment (Line A - Line B)	\$9,375
D.	Interstate Authorized Rate of Return	11.25%
E.	Return on Average Net Interstate Investment (Line C x Line D)	\$1,055
F.	Federal Income Tax @ 35% (Line E x 0.538462)	\$568
G.	State Income Tax @ 7.8% (Line E x 0.084599)	\$89
H.	Interstate Depreciation Expense (8 yr.) (Line A / 8)	\$1,250
I.	Total Interstate Return, Taxes and Depreciation (Lines E + F + G + H)	\$2,962
J.	Monthly Interstate Return, Taxes and Depreciation (Line I / 12)	\$247
K.	Monthly Interstate Carrying Charge Factor (Line J / Line A)	0.0247

M. Development of MAG Shift Factors

NECA further adjusted the formulas described in Sections VII.B through VII.L to account for allocation rules described in the MAG Order. NECA made adjustments to account for two changes: (1) Reallocation of Switching Line Port costs from the Central Office to the Common Line access category; and (2) Reallocation of Transport Interconnection Charge costs from Transport to Common Line.

NECA developed “shift factors” to move amounts from one access category to another. The description of the development and use of each shift factor is described in the following sections.

1. Switching Line Ports

The MAG Order specifies that costs associated with Switching Line Ports be allocated to Common Line rather than to CO.¹⁷ 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

b.

Using the population of average schedule study areas, NECA used total central office settlements from the 2008 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.

$$\begin{aligned} \textit{Line Port Shift Factor} &= \frac{\textit{Line Port Component}}{\textit{Total Central Office Settlements}} \\ &= \frac{\$23,534,732}{\$130,845,015} \\ &= 0.179867 \end{aligned}$$

¹⁷ MAG Order at ¶ 90.

c. 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 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 0.169903, as documented in the 2007 Filing. Proposed Common Line Line Port settlements were calculated using the proposed factor of 0.179867. 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 7.15, 7.16 and 7.17. For the average schedule population, this reallocation assigned \$1,945,250 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.¹⁸ For average schedule tariff revenue requirements parts of the transport settlement formulas are shifted to other access categories. The shift from the transport category to the common line category could affect slightly the monthly settlements to a carrier. In contrast, shifts between traffic sensitive categories would not affect carrier's monthly settlements.

a. Development of Common Line TIC Shift Factors

From the 2008 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

¹⁸ MAG Order at ¶ 98.

Transport settlements for the population to produce the Common Line (CL) TIC Shift Factor.

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

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

$$= \frac{\$22,384,510}{\$61,593,585}$$

$$= 0.363423$$

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 0.316227, as documented in the 2007 Filing. Proposed Common Line Transport settlements were calculated using the proposed

factor of 0.363423. In developing Appendix E and exhibits 7.15, 7.16 and 7.17, 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 \$1,580,158 of proposed transport settlements to the common line pool.¹⁹

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.M. Beginning July 2009, carriers can expect, on average, an overall settlement increase of 2.09 percent as a result of the new formulas, or a gain of \$0.53 per line. This estimate is based on a comparison of settlements to become effective July 1, 2009 and those that became effective July 1, 2008, with demand held constant at the July 2008 level as reported to NECA in September 2008.

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 7.15 summarizes the average change to each formula calculated by applying proposed and current formulas to constant demand. Exhibit 7.16 summarizes the effects of these changes for average schedule companies by access line grouping. Exhibit 7.17 summarizes proposed settlements by formula based on demand levels taken from the September

¹⁹ 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.

2008 view of the July 2008 settlement month. Settlement effects for individual study areas are shown 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 NECA projects some declines in access demand. Eighty two study areas, accounting for about 19% of companies, are expected to see a decrease in their settlement rates, at constant demand. For most of these companies the settlement rate decrease will be less than 5%, holding demand constant.

EXHIBIT 7.15

SUMMARY OF PROPOSED AVERAGE FORMULA CHANGES

	Proposed Average Formula Change	Formula Percent of Total
	<hr/>	<hr/>
Common Line Basic	11.67%	44.67%
CL Universal Service Contribution	0.00%	3.87%
Central Office	-8.56%	22.55%
CL Central Office		4.49%
TS Central Office		18.07%
Distance Sensitive	-5.21%	3.89%
Non-Distance Sensitive	-4.5%	4.93%
Intertoll Switching	-17.9%	0.80%
Total Transport		9.96%
CL Transport		3.56%
TS Transport		6.40%
Special Access	0.35%	17.42%
Signaling System 7	-1.72%	1.43%
Equal Access	0.00%	0.01%
Overall CL Average	10.64%	56.68%
Overall TS Average	-4.98%	43.32%
Overall Average	2.09%	100.00%

EXHIBIT 7.16
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	73	8.15%	-1.30%	0.78%	\$0.51
501 - 1000	92	8.81%	2.20%	4.34%	\$1.89
1001 - 2500	138	10.07%	7.54%	8.52%	\$3.00
2501 - 5000	59	11.96%	-7.71%	1.07%	\$0.31
5001 - 10000	45	12.32%	-9.87%	0.47%	\$0.12
10001 - 20000	17	10.47%	-9.10%	-0.10%	-\$0.02
> 20000	15	9.97%	-9.42%	0.68%	\$0.13
Total	439	10.64%	-4.98%	2.09%	\$0.53

EXHIBIT 7.17

SETTLEMENTS BY MAJOR SETTLEMENT ELEMENT

Common Line Basic	\$21,978,449
CL Universal Service	\$1,898,930
Central Office	\$11,071,805
<u>Central Office Line Port Shifts</u>	
- CL Central Office	\$1,945,250
- CL Central Office Not In TS Pool	\$256,883
- TS Central Office	\$8,869,672
Distance Sensitive Transport	\$1,911,023
Non-Distance Sensitive Transport	\$2,422,413
Intertoll Dial Transport	\$393,163
Total Transport	\$4,889,334
<u>TIC Reallocation Shifts</u>	
- CL Transport	\$1,580,158
- CL Transport Not in TS Pool	\$162,735
- TS Transport	\$3,309,176
Special Access	\$8,552,695
Signaling System 7	\$701,784
Equal Access	\$174
Overall CL Total	\$27,822,405
Overall TS Total	\$21,270,767
Overall Total	\$49,093,172

**VIII. CURRENT AND PROPOSED
AVERAGE SCHEDULE SETTLEMENT
FORMULAS**

A. COMMON LINE FORMULAS

COMMON LINE FORMULA

Current Formula:

Settlement = Access Lines x Settlement per Access Line x CL Adjustment

Settlement per Line

If Lines per Exchange less than 1,500 then,

$\$15.099231 - (\$0.002700 \times \text{Lines per Exchange})$

If Lines per Exchange between 1,500 and 5,000 then,

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

If Lines per Exchange between 5,000 and 10,000 then,

$\$11.488415 - (\$0.000240 \times \text{Lines per Exchange})$

If Lines per Exchange 10,000 or more then,

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

CL Adjustment

If Lines greater than 10,000 and Exchanges greater than 5 then: 0.8825

Else: 1

Proposed Formula:

Settlement = Access Lines x Settlement per Access Line x CL Adjustment

Settlement per Line

If Lines per Exchange less than 1,500 then,

$\$16.189065 - (\$0.002447 \times \text{Lines per Exchange})$

If Lines per Exchange between 1,500 and 5,000 then,

$\$12.308213 + (\$315.528292 / \text{Lines per Exchange})$

If Lines per Exchange between 5,000, and 10,000, then,

$\$14.904143 - (\$0.000507 \times \text{Lines per Exchange})$

If Lines per Exchange 10,000 or more, then,

$0.7973 \times \{ \$12.308213 + (\$315.528292 / \text{Lines per Exchange}) \}$

CL Adjustment

If Lines greater than 10,000 and Exchanges greater than 5 then: 0.8379

Else: 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:

$$0.782223 + (1.935796 \times \text{ROR})$$

Proposed Formula:

$$0.778458 + (1.969262 \times \text{ROR})$$

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:

$$0.169903 \times \text{Central Office Formula}$$

Proposed Formula:

$$0.179867 \times \text{Central Office Formula}$$

COMMON LINE TRANSPORT FORMULAS

Current Formula:

$$0.316227 \times \{ \text{Line Haul Distance Sensitive Formula} + \text{Line Haul Non-Distance Sensitive Formula} \\ + \text{Intertoll Switching Formula} \}$$

Proposed Formula:

$$0.363423 \times \{ \text{Line Haul Distance Sensitive Formula} + \text{Line Haul Non-Distance Sensitive Formula} \\ + \text{Intertoll Switching Formula} \}$$

B. TRAFFIC SENSITIVE FORMULAS

CENTRAL OFFICE FORMULA

Current Formula:

For central office settlements, eligible access minutes are up to 2,000 per line.

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

Basic Settlement

For study areas with Minutes per Line less than or equal to 280:
 $(\$0.017802 \times \text{Access Minutes}) + (\$292.59 \times \text{Exchanges})$

For study areas with Minutes per Line between 280 and 600:
 $(\$0.017802 \times 280 \times \text{Access Lines})$
 $+ \{ \$0.003325 \times [\text{Access Minutes} - (280 \times \text{Access Lines})] \}$
 $\times \text{High Volume Access Line Multiplier} + (\$292.59 \times \text{Exchanges})$

For study areas with Minutes per Line greater than 600:
 $(\$0.017802 \times 280 \times \text{Access Lines})$
 $+ \{ \$0.003325 \times (600 - 280) \times \text{Access Lines} \}$
 $+ \$0.000166 \times [\text{Access Minutes} - (600 \times \text{Access Lines})] \}$
 $\times \text{High Volume Access Line Multiplier} + (\$292.59 \times \text{Exchanges})$

Access Line Factor:

For study areas with Common Line Access Lines less than or equal to 1,500:
 $4.960214 - (0.00165573 \times \text{Common Line Access Lines})$

For study areas with Common Line Access Lines between 1,501 and 22,000:
 $2.584663 - (0.000072 \times \text{Common Line Access Lines})$

For study areas with Common Line Access Lines greater than 22,000: 1.0

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

Proposed Formula:

For central office settlements, eligible access minutes are up to 2,000 per line.

$$\text{Settlement} = (\text{Basic Settlement} \times \text{Access Line Factor}) + \$3,815.23$$

Basic Settlement

For study areas with Minutes per Line less than or equal to 280:
($\$0.013599 \times \text{Access Minutes}$) + ($\$166.43 \times \text{Exchanges}$)

For study areas with Minutes per Line between 280 and 600:
($\$0.013599 \times 280 \times \text{Access Lines}$)
+ { $\$0.002432 \times [\text{Access Minutes} - (280 \times \text{Access Lines})]$ }
x High Volume Access Line Multiplier + ($\$166.43 \times \text{Exchanges}$)

For study areas with Minutes per Line greater than 600:
($\$0.013599 \times 280 \times \text{Access Lines}$)
+ { $\$0.002432 \times (600 - 280) \times \text{Access Lines}$ }
+ $\$0.000122 \times [\text{Access Minutes} - (600 \times \text{Access Lines})]$
x High Volume Access Line Multiplier + ($\$166.43 \times \text{Exchanges}$)

Access Line Factor:

For study areas with Common Line Access Lines less than or equal to 3,500:
 $5.747505 - (0.00094931 \times \text{Common Line Access Lines})$

For study areas with Common Line Access Lines between 3,501 and 25,000:
 $2.656883 - (0.00006628 \times \text{Common Line Access Lines})$

For study areas with Common Line Access Lines greater than 25,000: 1.0

$$\text{High Volume Access Line Multiplier} = (650 / \text{Common Line Access Lines})$$

TRAFFIC SENSITIVE CENTRAL OFFICE FORMULA

Current Formula:

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

Proposed Formula:

$$(1 - 0.179867) \times \text{Central Office Formula}$$

INTERTOLL DIAL SWITCHING FORMULA

Current Formula:

For study areas with ITD Circuits up to 400:

$$(\$22.80 - \$0.028505 \times \text{ITD Circuits}) \times \text{ITD Circuits}$$

For study areas with ITD Circuits greater than 400:

$$\$11.40 \times \text{ITD Circuits}$$

Proposed Formula:

For study areas with ITD Circuits per Line (ITD/L) less than or equal to 0.12 then

$$\$366.51 + (\$19.42 - \$137.47 \times \text{ITD/L}) \times \text{ITD Circuits}$$

For study areas with ITD Circuits per Line greater than 0.12 then

$$\$366.51 + (\$2.93 \times \text{ITD Circuits})$$

LINE HAUL DISTANCE SENSITIVE FORMULA

Current Formula:

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

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

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

Circuit Mile Rate

$$0.770227 - 0.012837 \times \text{CM/C}, \text{ if CM/C less than or equal to 30}$$

$$0.453075 - 0.002265 \times \text{CM/C}, \text{ if CM/C between 30 and 100}$$

$$0.01127 + 21.526727 / \text{CM/C}, \text{ if CM/C greater than 100}$$

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

$$1.728331 - 0.010864 \times \text{C/E}, \text{ if C/E less than 80}$$

$$0.918929 - 0.000746 \times \text{C/E}, \text{ if C/E between 80 and 200}$$

$$0.949776 - 0.0009 \times \text{C/E}, \text{ if C/E between 200 and 600}$$

$$0.409478, \text{ if C/E greater than or equal to 600}$$

Circuit Limitation Factor: If C/E less than or equal to 3,000, then: 1.0,
Otherwise: 3,000 / (C/E)

If CM/C is greater than or equal to 350, then Density Factor = 1.0

Proposed Formula:

$$\text{Settlement} = [(\text{Circuit Mile Rate} \times \text{Interstate Circuit Miles} \times \text{Circuit Limitation Factor}) + (\$0.000853 \times \text{Access Minutes}^*)] \times \text{Density Factor}$$

* 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):

Circuit Mile Rate

$$3.5095 - 0.350955 \times \text{CM/C}, \text{ if CM/C less than or equal to } 5$$

$$2.3397 - 0.116985 \times \text{CM/C}, \text{ if CM/C greater than } 5 \text{ and less than or equal to } 10$$

$$0.0551 + 11.1477 / \text{CM/C}, \text{ if CM/C greater than } 10$$

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

$$1.9336 - 0.021385 \times \text{C/E}, \text{ if C/E less than } 40$$

$$1.1372 - 0.001473 \times \text{C/E}, \text{ if C/E greater than or equal to } 40 \text{ but less than } 300$$

$$0.9903 - 0.000984 \times \text{C/E}, \text{ if C/E greater than or equal to } 300 \text{ but less than } 600$$

$$0.4001, \text{ if C/E greater than or equal to } 600$$

Circuit Limitation Factor: If C/E less than or equal to 3,000, then: 1.0,
Otherwise: 3,000 / (C/E)

If CM/C is greater than or equal to 350, then Density Factor = 1.0

LINE HAUL NON-DISTANCE SENSITIVE FORMULA

Current Formula:

$$\text{Settlement} = \text{Interstate Circuit Terminations} \times \text{Settlement per Interstate Termination} \times \text{Circuit Limitation Factor}$$

Settlement per Interstate Circuit Termination

If Interstate Circuit Terminations per Exchange less than 70:

$$\$29.97 - \$0.181558 \times \text{Terminations per Exchange}$$

Otherwise: \$17.26

Circuit Limitation Factor: If C/E less than or equal to 3,000, then 1.0,
Otherwise: 3,000 / (C/E)

Proposed Formula:

Settlement = Interstate Circuit Terminations x Settlement per Interstate Termination
x Circuit Limitation Factor

Settlement per Interstate Circuit Termination

If Interstate Circuit Terminations per Line less than or equal to 0.1:

\$29.79 – \$148.69678 x Terminations per Line

Otherwise:

\$13.62 + \$0.12924 / Terminations per Line

Circuit Limitation Factor:

If C/E less than or equal to 3,000, then: 1.0,

Otherwise: 3,000/ (C/E)

TRAFFIC SENSITIVE TRANSPORT FORMULAS

Current Formula:

(1 – 0.316227) x {Line Haul Distance Sensitive Formula
+ Line Haul Non-Distance Sensitive Formula
+ Intertoll Switching Formula}

Proposed Formula:

(1 – 0.363423) x {Line Haul Distance Sensitive Formula
+ Line Haul Non-Distance Sensitive Formula
+ Intertoll Switching Formula}

SPECIAL ACCESS FORMULA

Current Formula:

Settlement = Special Access Revenues x Retention Ratio x Tariff Rate Index

Retention Ratio

If Special Access Revenues per Exchange less than 400:

5.58 – 0.006977 x Special Access Revenues per Exchange

If Special Access Revenues per Exchange between 400 and 800:

3.72 – 0.002326 x Special Access Revenues per Exchange

If Special Access Revenues per Exchange greater than 800:

0.619258 + 992.97 / Special Access Revenues per Exchange

Tariff Rate Index = 1 / (1 + Tariff Special Access Relative Rate Change since 12/07)

Proposed Formula:

Settlement = Special Access Revenues x Retention Ratio x Tariff Rate Index

Retention Ratio

If Adjusted Special Access Revenues per Exchange less than 1,000:

3.53 – 0.001763 x Adjusted Special Access Revenues per Exchange

If Adjusted Special Access Revenues per Exchange between 1,000 and 3,000:

2.12 – 0.000353 x Adjusted Special Access Revenues per Exchange

If Adjusted Special Access Revenues per Exchange greater than 3,000:

0.581510 + 1429.15 / Adjusted Special Access Revenues per Exchange

Adjusted Special Access Revenues

If study area provides DSL outside of NECA tariff, then 1.4275 x Special Access Revenues

Else: Special Access Revenues

Tariff Rate Index = 1 / (1 + Tariff Special Access Relative Rate Change since 12/08)

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:

0.842049 + (1.404009 x ROR)

Proposed Formula:

0.853037 + (1.306338 x ROR)

EQUAL ACCESS IMPLEMENTATION FORMULA

Current Formula:

The interstate portion of initial incremental equal access expenses paid in the month in which they are incurred and $0.0247 \times$ (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 = \$1,392 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.

Proposed Formula:

Settlement = \$1,368 For each end office with SP or SSP equipment in service with 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.

2009 Modification of Average Schedules

Glossary

Term	Definition
Access Line	A 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.). Each BRI ISDN line counts as one access line, and each PRI ISDN line and each DS1 Channel Service count as five 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 smaller study areas. 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 portion of interstate costs of members of a statistical sample of average schedule accounts assigned to access elements, consistent with Part 69 of the Commission's rules.
Average Revenue Requirement Growth Ratio	The annual composite growth ratio unseparated revenue requirements of sample average schedule study areas.
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 the sum of earned revenues, 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.

2009 Modification of Average Schedules

Glossary

Term	Definition
Baseline Cost per Minute	<p>The average monthly central office revenue requirement per minute from a set of average schedule study areas, used to develop the Access line Factor formula.</p> $\text{Baseline Cost per Minute} = \frac{\sum_{i=1}^n (\text{Sample Weight}_i \times \text{Monthly Central Office Revenue Requirement}_i)}{\sum_{i=1}^n (\text{Sample Weight}_i \times \text{Access Minutes}_i)}$
Basic Cost per Minute	<p>A calculation used to develop the Initial Central Office formula. For each study area,</p> $\text{Basic Cost per Minute} = \frac{\text{Central Office Revenue Requirement per Access Minute}}{\text{Model Access Line Factor}}$
Carrier Access Billing System (CABS) Cost Model	<p>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.</p>
Central Office – Local Switching Only	<p>The component of central office settlements that compensate for local switching costs (i.e., that exclude CABS costs).</p>
Common Line TIC Shift Factor	<p>The fraction of a study area’s transport settlements paid from the common line pool pursuant to the MAG Order.</p>
Cost	<p>A component of an exchange carrier's accounts, attributed to a particular service or jurisdiction.</p>
Cost Company Settlement Statements (EC3050)	<p>The reports created by NECA that display a cost company's current month's settlement computation using estimated current month data and prior period adjustments. In addition, these reports show distributions from Interstate Common Line Support and Local Switching Support Funds.</p>
Cost Study Database	<p>NECA’s database of cost company account data, amounts assigned to interstate, and amounts assigned to each access category, determined using NECA's Cost Study program.</p>
Customer Database	<p>NECA’s database of 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.).</p>
Data Projections	<p>The estimated amount of a sample study area’s account or demand variable in a future period.</p>

2009 Modification of Average Schedules

Glossary

Term	Definition
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 Traffic Volume Period	The accounting data period during which a sample study area reported monthly access minutes per line exceeding a high traffic volume threshold.
High Traffic Volume Threshold	Monthly access minutes per line limits for the application of local switching settlement rates.
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 for NECA settlements.
Interstate Circuit Miles	For distance sensitive line haul settlements, 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	Cost separations study factors used to determine the portion of facility costs assigned to interstate.
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 Pool Administration, limited based on a cap of 3000 interstate circuits per exchange.
Line Haul Route	For Line Haul settlements, a route is a path connecting one switch to another, detailed according to NECA's Average Schedule Pool Administration Procedures
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.

2009 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. The balance of the settlement is recovered through NECA's local switching access charges.
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.
Neyman Allocation	A method of allocating the sample size to each stratum in proportion to its 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 sample Annual Growth Ratio calculations.
Outlier Identification	The procedure of identifying data points that are considered to be non-representative or that have undue influence on estimated model parameters.
"Precision" or "Precision of Sample Estimates"	The range of accuracy of an estimate based on sample data.
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.

2009 Modification of Average Schedules

Glossary

Term	Definition
Revenue Requirement	The amount recoverable from interstate tariff charges, providing for expenses, taxes and a return on investment at the authorized rate of return.
Route Miles	The length of a line haul route owned or leased by an exchange carrier for the transport of interstate switched access traffic, measured from switching point to switching point, or from switching point to point of connection.
Sample Design Criteria	A set of nine characteristics of study areas designated to ensure that the selected sample efficiently and accurately represents cost and average schedule study areas. They are used to stratify both populations into sub-groups from which the sample companies are selected.
Sample Weight	The reciprocal of the probability of including a study area in the sample in any given year. The sum of sample weights equals the total count of population units.
Separation Models	The statistically derived formulas used in NECA's average schedule studies to determine the interstate portion of accounts, as mandated by Part 36 of the Commission's rules.
Settlement	The amount of pooled access revenue that each exchange carrier receives for providing interstate access service to interexchange carriers and other users.
Settlement Analysis Workpaper	A report prepared annually by NECA that compares a study area's current and proposed settlements, assuming constant demand.
Settlement Formula	One of a set of statistically derived formulas for use in calculating monthly settlements to average schedule companies, shown in Section VIII of this Filing.
Special Access Average Retention Ratio	An overall average special access retention ratio computed from average schedule sample data.
Special Access Revenues	The amount charged for all Traffic Sensitive Interstate Special Access rate elements.
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 sample strata.
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 sample strata.

2009 Modification of Average Schedules

Glossary

Term	Definition
Test Period	A future time period when the average schedule formulas are proposed to be effective. The test period for the 2009 Modification of Average Schedules is July 1, 2009 through June 30, 2010.
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 by September 1 of each year, 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 also included in NECA's October USF Data Submission.
Variance Weight	A multiplier, which is in inverse proportion to its contribution to total model variance, used to diminish effects of influential points on a regression model.

Appendix A1

2009 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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<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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<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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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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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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<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 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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<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 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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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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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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2009 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 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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2009 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 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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2009 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 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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2009 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

Appendix A1

2009 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

Appendix A1

2009 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 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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2009 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 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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2009 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 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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2009 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 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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2009 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 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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2009 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 6A	11	147,101	383.54	1	0.00	0.00	5	5
COST 6A	12	145,324	381.21	1	0.00	0.00	3	5
COST 6A	13	140,075	374.27	1	0.00	0.00	2	5
COST 6A	14	139,522	373.53	1	0.00	0.00	1	5
COST 6A	15	138,303	371.89	1	0.00	0.00	4	5
COST 6A	16	135,019	367.45	1	0.00	0.00	5	5
COST 6A	17	132,240	363.65	1	0.00	0.00	3	5
COST 6A	18	132,149	363.52	1	0.00	0.00	2	5
COST 6A	19	128,028	357.81	1	0.00	0.00	1	5
COST 6A	20	126,773	356.05	1	0.00	0.00	4	5
COST 6A	21	122,979	350.68	1	0.00	0.00	5	5
COST 6A	22	120,597	347.27	0	347.27	173.28	3	5
COST 6A	23	119,649	345.90	0	693.17	520.75	2	5
COST 6A	24	117,586	342.91	0	1036.08	868.21	1	5
COST 6A	25	115,529	339.90	0	1375.98	1215.68	4	5
COST 6A	26	115,077	339.23	0	1715.21	1563.14	5	5
COST 6A	27	114,083	337.76	0	2052.97	1910.61	3	5
COST 6A	28	113,021	336.19	0	2389.16	2258.07	2	5
COST 6A	29	112,646	335.63	0	2724.78	2605.54	1	5
COST 6A	30	109,950	331.59	0	3056.37	2953.00	4	5
COST 6A	31	108,578	329.51	0	3385.88	3300.47	5	5
COST 6A	32	107,793	328.32	0	3714.20	3647.93	3	5
COST 6A	33	107,578	327.99	0	4042.19	3995.40	2	5
COST 6A	34	107,285	327.54	0	4369.74	4342.86	1	5
COST 6A	35	107,276	327.53	0	4697.27	4690.33	4	5
COST 6A	36	101,458	318.52	0	5015.79	4690.33	0	5
COST 6A	37	101,198	318.12	0	5333.91	5037.79	5	5
COST 6A	38	101,042	317.87	0	5651.78	5385.26	3	5
COST 6A	39	99,927	316.11	0	5967.89	5732.72	2	5
COST 6A	40	99,916	316.09	0	6283.98	6080.19	1	5
COST 6A	41	99,493	315.43	0	6599.41	6427.65	4	5
COST 6A	42	97,957	312.98	0	6912.39	6775.12	5	5
COST 6A	43	95,552	309.11	0	7221.51	7122.58	3	5
COST 6A	44	94,801	307.90	0	7529.40	7470.05	2	5
COST 6A	45	93,849	306.35	0	7835.75	7817.51	1	5
COST 6A	46	93,062	305.06	0	8140.81	7817.51	0	5
COST 6A	47	92,000	303.32	0	8444.13	8164.98	4	5
COST 6A	48	90,969	301.61	0	8745.74	8512.44	5	5
COST 6A	49	88,477	297.45	0	9043.19	8859.91	3	5
COST 6A	50	84,730	291.08	0	9334.27	9207.37	2	5
COST 6A	51	84,094	289.99	0	9624.26	9554.84	1	5
COST 6A	52	83,193	288.43	0	9912.69	9902.30	4	5
COST 6A	53	78,887	280.87	0	10193.56	9902.30	0	5
COST 6A	54	78,741	280.61	0	10474.17	10249.77	5	5

Appendix A1

2009 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 6A	55	78,079	279.43	0	10753.60	10597.23	3	5
COST 6A	56	75,415	274.62	0	11028.21	10944.70	2	5
COST 6A	57	74,786	273.47	0	11301.69	11292.16	1	5
COST 6A	58	74,378	272.72	0	11574.41	11292.16	0	5
COST 6A	59	73,811	271.68	0	11846.09	11639.63	4	5
COST 6A	60	73,515	271.14	0	12117.23	11987.09	5	5
COST 6A	61	73,493	271.10	0	12388.32	12334.56	3	5
COST 6A	62	70,385	265.30	0	12653.62	12334.56	0	5
COST 6A	63	64,356	253.68	0	12907.31	12682.02	2	5
COST 6A	64	63,899	252.78	0	13160.09	13029.49	1	5
COST 6A	65	63,873	252.73	0	13412.82	13376.95	4	5
COST 6A	66	63,866	252.72	0	13665.54	13376.95	0	5
COST 6A	67	63,012	251.02	0	13916.56	13724.42	5	5
COST 6A	68	61,227	247.44	0	14164.00	14071.88	3	5
COST 6A	69	60,862	246.70	0	14410.70	14071.88	0	5
COST 6A	70	59,046	242.99	0	14653.70	14419.35	2	5
COST 6A	71	57,772	240.36	0	14894.06	14766.81	1	5
COST 6A	72	57,550	239.90	0	15133.95	15114.28	4	5
COST 6A	73	56,296	237.27	0	15371.22	15114.28	0	5
COST 6A	74	56,090	236.83	0	15608.05	15461.74	5	5
COST 6A	75	55,908	236.45	0	15844.50	15809.21	3	5
COST 6A	76	55,373	235.31	0	16079.82	15809.21	0	5
COST 6A	77	55,154	234.85	0	16314.67	16156.67	2	5
COST 6A	78	55,082	234.70	0	16549.36	16504.14	1	5
COST 6A	79	54,932	234.38	0	16783.74	16504.14	0	5
COST 6A	80	54,597	233.66	0	17017.40	16851.60	4	5
COST 6A	81	54,487	233.42	0	17250.82	17199.07	5	5
COST 6A	82	54,352	233.14	0	17483.96	17199.07	0	5
COST 6A	83	53,922	232.21	0	17716.17	17546.53	3	5
COST 6A	84	53,449	231.19	0	17947.36	17894.00	2	5
COST 6A	85	53,135	230.51	0	18177.87	17894.00	0	5
COST 6A	86	52,159	228.38	0	18406.25	18241.46	1	5
COST 6A	87	52,088	228.23	0	18634.48	18588.93	4	5
COST 6A	88	50,648	225.05	0	18859.53	18588.93	0	5
COST 6A	89	50,072	223.77	0	19083.30	18936.39	5	5
COST 6A	90	47,967	219.01	0	19302.31	19283.86	3	5
COST 6A	91	47,339	217.58	0	19519.89	19283.86	0	5
COST 6A	92	46,991	216.77	0	19736.66	19631.32	2	5
COST 6A	93	46,782	216.29	0	19952.95	19631.32	0	5
COST 6A	94	45,754	213.90	0	20166.86	19978.79	1	5
COST 6A	95	45,373	213.01	0	20379.86	20326.25	4	5
COST 6A	96	44,981	212.09	0	20591.95	20326.25	0	5
COST 6A	97	44,944	212.00	0	20803.95	20673.72	5	5
COST 6A	98	44,717	211.46	0	21015.42	20673.72	0	5

Appendix A1

2009 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 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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<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	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

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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>
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

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	49,281	12,388	5,994	5,092	570	732	0	1001
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1001
- GENERAL SUPPORT FACILITIES	GSF	1,253,351	457,058	221,155	187,866	21,047	26,990	0	1001
- CENTRAL OFFICE EQUIPMENT	COE	2,850,191	1,413,120	299,385	921,711	70,790	121,234	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	1,351,069	921,711	0	921,711	0	0	0	1001
-- COE CAT 4.11	COE411	121,234	121,234	0	0	0	121,234	0	1001
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1001
-- COE CAT 4.13	COE413	1,208,487	299,385	299,385	0	0	0	0	1001
-- COE CAT 4.2	COE42	129,974	60,849	0	0	60,849	0	0	1001
-- COE CAT 4.3	COE43	39,427	9,940	0	0	9,940	0	0	1001
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1001
- CABLE & WIRE FACILITIES	CWF	3,299,021	829,307	785,652	0	32,469	11,186	0	1001
-- C&WF CAT 1.1	CWF11	28,730	0	0	0	0	0	0	1001
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1001
-- C&WF CAT 1.3	CWF13	3,142,607	785,652	785,652	0	0	0	0	1001
-- C&WF CAT 2	CWF2	45,500	11,186	0	0	0	11,186	0	1001
-- C&WF CAT 3	CWF3	49,106	24,130	0	0	24,130	0	0	1001
-- C&WF CAT 4	CWF4	33,078	8,340	0	0	8,340	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	0	0	0	0	0	0	0	1001
ACCUM DEPRECIATION	ACCDEP	3,379,869	1,376,830	517,389	710,629	61,372	87,440	0	1001
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1001
NET DEFERRED FIT	NTDFIT	282,185	102,906	49,791	42,301	4,738	6,076	0	1001
NETWORK SUPPORT EXP	NETSPX	2,159	787	381	324	36	46	0	1001
GENERAL SUPPORT EXP	GSFX	52,272	19,062	9,223	7,835	878	1,126	0	1001
COE EXPENSE	COEX	148,526	73,639	10,726	52,768	5,801	4,344	0	1001
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1001
C&WF EXPENSE	CWFX	144,371	36,292	34,382	0	1,421	490	0	1001
OTHER PROP & PL EXP	OTHPPX	49	18	9	7	1	1	0	1001
NETWORK OPERATIONS EXP	NETOPX	300,150	109,455	52,962	44,990	5,040	6,464	0	1001
DEPREC & AMORT EXP	DEPAMX	406,036	149,447	71,004	59,205	8,028	11,210	0	1001
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1001
SERVICES EXPENSE	SERVX	111,990	30,874	4,804	12,111	1,357	1,283	11,319	1001
- CABSX EXPENSE	CABSX	21,791	10,896	0	8,677	972	1,247	0	1001
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1001
GENERAL & ADMIN EXP	GENADX	489,551	194,474	87,524	80,080	9,860	9,331	7,679	1001
OTHER TAXES (EXCL FIT & ITC)	OTAXES	81,391	39,755	21,549	14,092	1,862	2,252	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	90,583	29,450	14,250	12,105	1,356	1,739	0	1001

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	111,374	29,155	14,335	8,837	400	5,500	83	1002
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1002
- GENERAL SUPPORT FACILITIES	GSF	3,506,015	1,273,355	620,553	382,537	17,298	238,105	14,862	1002
- CENTRAL OFFICE EQUIPMENT	COE	4,723,012	2,344,205	476,344	1,205,941	34,199	627,720	0	1002
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1002
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1002
-- COE CAT 3	COE3	1,979,403	1,205,941	0	1,205,941	0	0	0	1002
-- COE CAT 4.11	COE411	517,909	517,909	0	0	0	517,909	0	1002
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1002
-- COE CAT 4.13	COE413	1,910,538	476,344	476,344	0	0	0	0	1002
-- COE CAT 4.2	COE42	264,739	136,432	0	0	26,621	109,811	0	1002
-- COE CAT 4.3	COE43	50,423	7,579	0	0	7,579	0	0	1002
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1002
- CABLE & WIRE FACILITIES	CWF	6,200,642	1,623,174	1,479,940	0	20,331	122,902	0	1002
-- C&WF CAT 1.1	CWF11	16,036	0	0	0	0	0	0	1002
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1002
-- C&WF CAT 1.3	CWF13	5,919,761	1,479,940	1,479,940	0	0	0	0	1002
-- C&WF CAT 2	CWF2	119,173	111,068	0	0	0	111,068	0	1002
-- C&WF CAT 3	CWF3	23,207	13,759	0	0	1,925	11,834	0	1002
-- C&WF CAT 4	CWF4	122,464	18,406	0	0	18,406	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	119,848	31,743	28,385	404	399	2,554	0	1002
ACCUM DEPRECIATION	ACCDEP	9,971,509	3,747,257	1,712,507	1,191,734	53,419	777,952	11,646	1002
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1002
NET DEFERRED FIT	NTDFIT	404,750	146,576	72,287	44,535	2,015	27,740	0	1002
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1002
GENERAL SUPPORT EXP	GSFX	219,800	79,830	38,904	23,982	1,084	14,927	932	1002
COE EXPENSE	COEX	368,461	182,881	24,401	124,573	1,752	32,155	0	1002
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1002
C&WF EXPENSE	CWFX	420,374	110,043	100,333	0	1,378	8,332	0	1002
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1002
NETWORK OPERATIONS EXP	NETOPX	180,928	65,712	32,402	19,974	903	12,433	0	1002
DEPREC & AMORT EXP	DEPAMX	718,461	267,427	121,383	106,588	2,874	35,742	839	1002
MARKETING EXPENSE	MRKTX	151,525	55,320	27,200	16,767	758	10,437	157	1002
SERVICES EXPENSE	SERVX	607,335	244,868	23,742	86,922	3,795	48,804	81,605	1002
- CABSX EXPENSE	CABSX	261,513	130,757	0	78,407	3,545	48,804	0	1002
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1002
GENERAL & ADMIN EXP	GENADX	1,743,506	747,166	273,126	262,457	9,324	122,530	79,729	1002
OTHER TAXES (EXCL FIT & ITC)	OTAXES	202,276	71,811	37,794	20,710	951	12,318	38	1002
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1002
NON-OPERATING INC & EXP	NONOPX	44,674	19,145	9,413	5,803	262	3,612	54	1002
INTEREST & RELATED ITEMS(IRI)	INTREL	88,419	29,201	14,358	8,851	400	5,509	83	1002

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COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	73,374	19,860	11,875	1,964	676	5,341	4	1003
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1003
- GENERAL SUPPORT FACILITIES	GSF	5,584,357	1,836,226	1,095,310	181,117	62,395	492,661	4,743	1003
- CENTRAL OFFICE EQUIPMENT	COE	26,856,793	10,813,177	3,739,642	1,876,084	674,021	4,523,430	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	4,928,245	1,636,516	0	1,636,516	0	0	0	1003
-- COE CAT 4.11	COE411	3,371,312	3,371,312	0	0	0	3,371,312	0	1003
-- COE CAT 4.12	COE412	48,771	0	0	0	0	0	0	1003
-- COE CAT 4.13	COE413	15,150,872	3,799,104	3,739,642	0	0	59,462	0	1003
-- COE CAT 4.2	COE42	3,118,025	1,766,677	0	0	674,020	1,092,656	0	1003
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1003
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1003
- CABLE & WIRE FACILITIES	CWF	38,206,226	10,341,023	9,054,799	0	54,822	1,231,402	0	1003
-- C&WF CAT 1.1	CWF11	321,649	0	0	0	0	0	0	1003
-- C&WF CAT 1.2	CWF12	143,976	143,976	0	0	0	143,976	0	1003
-- C&WF CAT 1.3	CWF13	36,219,197	9,054,799	9,054,799	0	0	0	0	1003
-- C&WF CAT 2	CWF2	124,744	0	0	0	0	0	0	1003
-- C&WF CAT 3	CWF3	1,396,660	1,142,247	0	0	54,822	1,087,425	0	1003
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	1,037,446	341,059	203,969	33,728	11,619	91,743	0	1003
ACCUM DEPRECIATION	ACCDEP	60,693,748	19,994,291	11,979,353	1,824,939	698,653	5,488,325	3,022	1003
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1003
NET DEFERRED FIT	NTDFIT	-3,811,596	-1,253,058	-749,386	-123,916	-42,689	-337,067	0	1003
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1003
GENERAL SUPPORT EXP	GSFX	1,511,754	497,089	296,514	49,031	16,891	133,369	1,284	1003
COE EXPENSE	COEX	1,471,315	605,510	84,072	404,592	15,153	101,693	0	1003
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1003
C&WF EXPENSE	CWFX	1,530,340	414,207	362,688	0	2,196	49,323	0	1003
OTHER PROP & PL EXP	OTHPPX	29,661	9,753	5,833	964	332	2,624	0	1003
NETWORK OPERATIONS EXP	NETOPX	1,341,789	441,202	263,859	43,631	15,031	118,681	0	1003
DEPREC & AMORT EXP	DEPAMX	6,180,146	2,153,272	1,166,544	185,174	95,795	705,555	204	1003
MARKETING EXPENSE	MRKTX	381,215	141,840	84,810	14,024	4,831	38,147	29	1003
SERVICES EXPENSE	SERVX	1,920,691	836,401	447,397	95,845	28,290	143,953	120,917	1003
- CABSX EXPENSE	CABSX	100,244	50,122	0	12,331	4,248	33,543	0	1003
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1003
GENERAL & ADMIN EXP	GENADX	3,167,896	1,217,662	680,872	233,015	31,699	225,237	46,838	1003
OTHER TAXES (EXCL FIT & ITC)	OTAXES	967,795	328,732	196,173	35,087	10,899	86,537	36	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	0	0	0	0	0	0	0	1003

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2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	83,040	25,121	9,979	8,227	1,223	5,686	7	1004
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1004
- GENERAL SUPPORT FACILITIES	GSF	2,626,904	1,092,089	432,396	356,465	52,985	246,369	3,874	1004
- CENTRAL OFFICE EQUIPMENT	COE	10,906,930	6,677,930	693,629	4,063,720	496,442	1,424,140	0	1004
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1004
-- COE CAT 2	COE2	546,814	257,332	0	0	257,332	0	0	1004
-- COE CAT 3	COE3	5,305,021	4,063,720	0	4,063,720	0	0	0	1004
-- COE CAT 4.11	COE411	1,183,958	1,134,252	0	0	0	1,134,252	0	1004
-- COE CAT 4.12	COE412	202,600	33,606	0	0	33,606	0	0	1004
-- COE CAT 4.13	COE413	2,904,246	715,041	693,629	0	0	21,413	0	1004
-- COE CAT 4.2	COE42	651,013	446,317	0	0	177,842	268,475	0	1004
-- COE CAT 4.3	COE43	113,278	27,662	0	0	27,662	0	0	1004
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1004
- CABLE & WIRE FACILITIES	CWF	18,933,661	5,727,767	4,235,703	0	107,590	1,384,474	0	1004
-- C&WF CAT 1.1	CWF11	117,715	0	0	0	0	0	0	1004
-- C&WF CAT 1.2	CWF12	24,355	24,355	0	0	0	24,355	0	1004
-- C&WF CAT 1.3	CWF13	16,942,811	4,235,703	4,235,703	0	0	0	0	1004
-- C&WF CAT 2	CWF2	891,216	788,137	0	0	14,241	773,896	0	1004
-- C&WF CAT 3	CWF3	773,973	634,740	0	0	48,517	586,224	0	1004
-- C&WF CAT 4	CWF4	183,591	44,832	0	0	44,832	0	0	1004
- TANGIBLES	TANGIB	72,245	69,806	689	568	84	68,464	0	1004
- INTANGIBLES	INTANG	166,112	69,261	27,513	22,681	3,371	15,676	20	1004
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1004
ACCUM DEPRECIATION	ACCDEP	23,740,179	10,400,753	3,652,740	3,951,091	532,690	2,261,441	2,791	1004
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1004
NET DEFERRED FIT	NTDFIT	1,190,705	492,126	198,067	158,789	23,741	111,529	0	1004
NETWORK SUPPORT EXP	NETSPX	82,315	34,221	13,594	11,207	1,666	7,745	10	1004
GENERAL SUPPORT EXP	GSFX	174,768	72,657	28,767	23,716	3,525	16,391	258	1004
COE EXPENSE	COEX	414,027	253,494	26,489	153,752	18,867	54,386	0	1004
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1004
C&WF EXPENSE	CWFX	374,660	113,341	83,816	0	2,129	27,396	0	1004
OTHER PROP & PL EXP	OTHPPX	-1	0	0	0	0	0	0	1004
NETWORK OPERATIONS EXP	NETOPX	910,731	378,620	150,443	124,024	18,435	85,719	0	1004
DEPREC & AMORT EXP	DEPAMX	1,646,402	732,616	250,077	265,069	37,326	179,969	175	1004
MARKETING EXPENSE	MRKTX	390,890	166,976	66,328	54,681	8,128	37,792	48	1004
SERVICES EXPENSE	SERVX	761,140	211,064	56,155	51,816	7,674	26,540	68,879	1004
- CABSX EXPENSE	CABSX	131,553	65,777	0	35,752	5,314	24,710	0	1004
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1004
GENERAL & ADMIN EXP	GENADX	1,645,697	649,450	272,155	196,525	28,328	120,002	32,440	1004
OTHER TAXES (EXCL FIT & ITC)	OTAXES	112,141	42,508	20,776	9,031	1,814	10,879	9	1004
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1004
NON-OPERATING INC & EXP	NONOPX	1,113	439	174	144	21	99	0	1004
INTEREST & RELATED ITEMS(IRI)	INTREL	617	217	86	71	11	49	0	1004

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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	137,322	34,242	19,724	10,994	217	3,255	52	1005
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1005
- GENERAL SUPPORT FACILITIES	GSF	665,376	237,306	134,443	74,938	1,482	22,184	4,260	1005
- CENTRAL OFFICE EQUIPMENT	COE	2,283,609	1,334,202	263,846	817,454	10,908	241,995	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	961,710	817,454	0	817,454	0	0	0	1005
-- COE CAT 4.11	COE411	241,995	241,995	0	0	0	241,995	0	1005
-- COE CAT 4.12	COE412	4,198	0	0	0	0	0	0	1005
-- COE CAT 4.13	COE413	1,060,432	263,846	263,846	0	0	0	0	1005
-- COE CAT 4.2	COE42	15,274	10,908	0	0	10,908	0	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	4,844,322	1,207,975	1,202,720	0	5,255	0	0	1005
-- C&WF CAT 1.1	CWF11	23,019	0	0	0	0	0	0	1005
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1005
-- C&WF CAT 1.3	CWF13	4,810,879	1,202,720	1,202,720	0	0	0	0	1005
-- C&WF CAT 2	CWF2	3,065	0	0	0	0	0	0	1005
-- C&WF CAT 3	CWF3	7,359	5,255	0	0	5,255	0	0	1005
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1005
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1005
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1005
TELCOM PLANT-OTHER	PLTOTH	521,901	185,851	107,216	59,762	1,182	17,692	0	1005
ACCUM DEPRECIATION	ACCDEP	2,528,131	1,084,542	443,148	542,889	5,567	90,061	2,878	1005
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1005
NET DEFERRED FIT	NTDFIT	371,885	130,726	77,105	40,096	848	12,678	0	1005
NETWORK SUPPORT EXP	NETSPX	1,432	511	294	164	3	49	1	1005
GENERAL SUPPORT EXP	GSFX	72,541	25,872	14,657	8,170	162	2,419	464	1005
COE EXPENSE	COEX	125,902	73,558	19,422	35,437	885	17,814	0	1005
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1005
C&WF EXPENSE	CWFX	127,385	31,765	31,626	0	138	0	0	1005
OTHER PROP & PL EXP	OTHPPX	4,764	1,699	980	546	11	162	0	1005
NETWORK OPERATIONS EXP	NETOPX	85,507	30,496	17,593	9,806	194	2,903	0	1005
DEPREC & AMORT EXP	DEPAMX	355,162	143,378	66,378	58,220	1,001	17,625	154	1005
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1005
SERVICES EXPENSE	SERVX	97,602	49,248	18,263	10,827	214	753	19,191	1005
- CABSX EXPENSE	CABSX	6,566	3,283	0	2,495	49	739	0	1005
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1005
GENERAL & ADMIN EXP	GENADX	418,202	199,543	104,547	55,933	1,384	20,753	16,927	1005
OTHER TAXES (EXCL FIT & ITC)	OTAXES	186,861	66,839	38,559	21,493	425	6,363	0	1005
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1005
NON-OPERATING INC & EXP	NONOPX	485	231	133	74	1	22	0	1005
INTEREST & RELATED ITEMS(IRI)	INTREL	194,421	62,480	35,989	20,060	397	5,939	96	1005

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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	MATSPU	162,938	44,196	17,229	12,685	2,029	12,253	0	1006
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1006
- GENERAL SUPPORT FACILITIES	GSF	7,591,704	3,192,910	1,244,592	916,348	146,582	885,155	233	1006
- CENTRAL OFFICE EQUIPMENT	COE	21,548,500	14,732,971	854,749	7,182,965	721,703	5,973,553	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	10,842,572	7,182,965	0	7,182,965	0	0	0	1006
-- COE CAT 4.11	COE411	5,860,787	5,860,787	0	0	0	5,860,787	0	1006
-- COE CAT 4.12	COE412	124,286	55,142	0	0	0	55,142	0	1006
-- COE CAT 4.13	COE413	3,502,266	887,627	854,749	0	0	32,878	0	1006
-- COE CAT 4.2	COE42	771,213	579,592	0	0	554,846	24,746	0	1006
-- COE CAT 4.3	COE43	447,376	166,856	0	0	166,856	0	0	1006
- INFORMATION ORIG/TERM	IOT	93,203	23,301	23,301	0	0	0	0	1006
- CABLE & WIRE FACILITIES	CWF	37,862,936	10,270,118	8,877,913	0	427,309	964,896	0	1006
-- C&WF CAT 1.1	CWF11	523,391	0	0	0	0	0	0	1006
-- C&WF CAT 1.2	CWF12	341,491	341,491	0	0	0	341,491	0	1006
-- C&WF CAT 1.3	CWF13	35,511,653	8,877,913	8,877,913	0	0	0	0	1006
-- C&WF CAT 2	CWF2	39,678	0	0	0	0	0	0	1006
-- C&WF CAT 3	CWF3	958,309	868,551	0	0	245,146	623,405	0	1006
-- C&WF CAT 4	CWF4	488,414	182,162	0	0	182,162	0	0	1006
- TANGIBLES	TANGIB	446,608	187,834	73,243	53,981	8,610	51,986	14	1006
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1006
TELCOM PLANT-OTHER	PLTOTH	744,396	313,074	122,045	89,858	14,374	86,797	0	1006
ACCUM DEPRECIATION	ACCDEP	43,616,001	19,295,906	6,510,415	7,366,349	768,747	4,650,256	139	1006
ACCUM AMORTIZATION	ACCAMO	280,092	117,792	45,934	33,854	5,400	32,603	0	1006
NET DEFERRED FIT	NTDFIT	2,331,946	977,956	382,795	285,186	44,321	265,654	0	1006
NETWORK SUPPORT EXP	NETSPX	219,646	92,378	36,011	26,514	4,241	25,611	1	1006
GENERAL SUPPORT EXP	GSFX	1,419,325	596,938	232,686	171,318	27,405	165,486	44	1006
COE EXPENSE	COEX	1,743,440	1,192,011	13,152	1,075,840	11,105	91,914	0	1006
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1006
C&WF EXPENSE	CWFX	1,592,668	432,003	373,441	0	17,974	40,587	0	1006
OTHER PROP & PL EXP	OTHPX	76,574	32,205	12,555	9,243	1,479	8,929	0	1006
NETWORK OPERATIONS EXP	NETOPX	1,925,645	809,885	315,715	232,450	37,183	224,537	0	1006
DEPREC & AMORT EXP	DEPAMX	3,945,993	1,971,691	488,554	804,895	85,916	592,321	4	1006
MARKETING EXPENSE	MRKTX	818,199	338,047	131,779	97,024	15,520	93,721	3	1006
SERVICES EXPENSE	SERVX	1,141,010	267,113	24,899	117,487	3,323	30,130	91,273	1006
- CABSX EXPENSE	CABSX	47,002	23,501	0	11,054	1,768	10,678	0	1006
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1006
GENERAL & ADMIN EXP	GENADX	3,903,731	1,690,563	705,727	650,161	44,436	255,917	34,322	1006
OTHER TAXES (EXCL FIT & ITC)	OTAXES	820,546	451,673	202,009	82,579	23,760	143,322	2	1006
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1006
NON-OPERATING INC & EXP	NONOPX	53,072	22,984	8,960	6,597	1,055	6,372	0	1006
INTEREST & RELATED ITEMS(IRI)	INTREL	596,488	224,740	87,609	64,503	10,318	62,308	2	1006

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	5,653	1,479	688	538	18	235	0	1007
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1007
- GENERAL SUPPORT FACILITIES	GSF	1,328,440	525,021	244,228	190,931	6,218	83,226	417	1007
- CENTRAL OFFICE EQUIPMENT	COE	10,208,766	5,570,613	1,184,533	3,132,197	94,889	1,158,994	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	3,684,938	2,991,242	0	2,991,242	0	0	0	1007
-- COE CAT 4.11	COE411	1,005,365	1,005,365	0	0	0	1,005,365	0	1007
-- COE CAT 4.12	COE412	98,071	0	0	0	0	0	0	1007
-- COE CAT 4.13	COE413	4,768,762	1,186,027	1,184,533	0	0	1,494	0	1007
-- COE CAT 4.2	COE42	510,675	247,024	0	0	94,888	152,135	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	12,546,758	3,281,775	3,002,305	0	11,709	267,761	0	1007
-- C&WF CAT 1.1	CWF11	73,850	0	0	0	0	0	0	1007
-- C&WF CAT 1.2	CWF12	3,787	3,787	0	0	0	3,787	0	1007
-- C&WF CAT 1.3	CWF13	12,009,220	3,002,305	3,002,305	0	0	0	0	1007
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1007
-- C&WF CAT 3	CWF3	459,900	275,683	0	0	11,709	263,974	0	1007
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1007
- TANGIBLES	TANGIB	7,293	2,882	1,342	1,049	34	457	0	1007
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1007
TELCOM PLANT-OTHER	PLTOTH	305,295	120,652	56,169	43,912	1,430	19,141	0	1007
ACCUM DEPRECIATION	ACCDEP	20,387,404	8,214,863	3,686,850	3,134,734	97,245	1,295,788	245	1007
ACCUM AMORTIZATION	ACCAMO	3,961	1,565	729	570	19	248	0	1007
NET DEFERRED FIT	NTDFIT	-729,535	-288,311	-134,223	-104,932	-3,417	-45,739	0	1007
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1007
GENERAL SUPPORT EXP	GSFX	572,550	226,281	105,261	82,290	2,680	35,870	180	1007
COE EXPENSE	COEX	550,088	307,761	75,610	152,116	6,057	73,979	0	1007
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1007
C&WF EXPENSE	CWFX	485,007	126,860	116,057	0	453	10,351	0	1007
OTHER PROP & PL EXP	OTHPX	11,311	4,470	2,081	1,627	53	709	0	1007
NETWORK OPERATIONS EXP	NETOPX	488,846	193,200	89,944	70,316	2,290	30,650	0	1007
DEPREC & AMORT EXP	DEPAMX	1,511,273	626,140	266,130	249,126	7,833	103,026	26	1007
MARKETING EXPENSE	MRKTX	147,344	42,891	19,967	15,610	508	6,804	2	1007
SERVICES EXPENSE	SERVX	686,344	402,866	162,086	127,896	4,107	30,542	78,235	1007
- CABSX EXPENSE	CABSX	33,270	16,635	0	11,328	369	4,938	0	1007
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1007
GENERAL & ADMIN EXP	GENADX	1,164,529	568,491	268,292	184,156	6,610	77,332	32,101	1007
OTHER TAXES (EXCL FIT & ITC)	OTAXES	234,330	93,484	46,094	31,307	1,110	14,969	4	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	0	0	0	0	0	0	0	1007

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	39,701	10,416	5,165	3,219	273	1,759	0	1008
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1008
- GENERAL SUPPORT FACILITIES	GSF	2,266,443	773,338	383,462	239,017	20,259	130,600	0	1008
- CENTRAL OFFICE EQUIPMENT	COE	5,004,020	2,140,902	480,849	1,107,373	71,592	481,088	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	2,147,958	1,107,373	0	1,107,373	0	0	0	1008
-- COE CAT 4.11	COE411	326,191	326,191	0	0	0	326,191	0	1008
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1008
-- COE CAT 4.13	COE413	1,939,808	485,084	480,849	0	0	4,235	0	1008
-- COE CAT 4.2	COE42	408,043	192,762	0	0	42,101	150,661	0	1008
-- COE CAT 4.3	COE43	182,020	29,491	0	0	29,491	0	0	1008
- INFORMATION ORIG/TERM	IOT	7,150	1,788	1,788	0	0	0	0	1008
- CABLE & WIRE FACILITIES	CWF	5,489,312	1,440,204	1,293,951	0	22,266	123,986	0	1008
-- C&WF CAT 1.1	CWF11	32,767	0	0	0	0	0	0	1008
-- C&WF CAT 1.2	CWF12	11,397	11,397	0	0	0	11,397	0	1008
-- C&WF CAT 1.3	CWF13	5,175,805	1,293,951	1,293,951	0	0	0	0	1008
-- C&WF CAT 2	CWF2	149,735	111,563	0	0	0	111,563	0	1008
-- C&WF CAT 3	CWF3	42,215	10,753	0	0	9,727	1,026	0	1008
-- C&WF CAT 4	CWF4	77,392	12,539	0	0	12,539	0	0	1008
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1008
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1008
TELCOM PLANT-OTHER	PLTOTH	11,940	4,074	2,020	1,259	107	688	0	1008
ACCUM DEPRECIATION	ACCDEP	6,796,298	2,422,506	1,043,432	1,008,279	50,077	320,717	0	1008
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1008
NET DEFERRED FIT	NTDFIT	949,006	323,821	160,555	100,104	8,482	54,681	0	1008
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1008
GENERAL SUPPORT EXP	GSFX	121,711	41,529	20,592	12,836	1,088	7,013	0	1008
COE EXPENSE	COEX	432,398	184,996	32,094	105,444	15,348	32,110	0	1008
IOT EXPENSE	IOTX	399	100	100	0	0	0	0	1008
C&WF EXPENSE	CWFX	416,099	109,170	98,084	0	1,688	9,398	0	1008
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1008
NETWORK OPERATIONS EXP	NETOPX	328,411	112,058	55,564	34,634	2,935	18,924	0	1008
DEPREC & AMORT EXP	DEPAMX	897,639	322,144	138,407	116,523	8,934	58,280	0	1008
MARKETING EXPENSE	MRKTX	14,748	2,903	1,439	897	76	490	0	1008
SERVICES EXPENSE	SERVX	265,657	85,935	10,431	38,594	3,271	18,753	14,886	1008
- CABSX EXPENSE	CABSX	110,166	55,083	0	33,769	2,862	18,452	0	1008
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1008
GENERAL & ADMIN EXP	GENADX	1,202,111	432,339	186,686	148,451	18,831	66,886	11,485	1008
OTHER TAXES (EXCL FIT & ITC)	OTAXES	263,753	90,445	44,847	27,954	2,369	15,274	0	1008
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1008
NON-OPERATING INC & EXP	NONOPX	2,425	872	432	270	23	147	0	1008
INTEREST & RELATED ITEMS(IRI)	INTREL	145,796	46,682	23,147	14,428	1,223	7,884	0	1008

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	176,441	50,543	22,087	16,984	2,019	9,452	0	1009
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1009
- GENERAL SUPPORT FACILITIES	GSF	2,926,161	1,071,616	468,298	360,098	42,814	200,407	0	1009
- CENTRAL OFFICE EQUIPMENT	COE	4,813,665	2,288,752	342,195	1,403,762	65,454	477,341	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	2,718,682	1,403,762	0	1,403,762	0	0	0	1009
-- COE CAT 4.11	COE411	271,309	271,309	0	0	0	271,309	0	1009
-- COE CAT 4.12	COE412	44,164	0	0	0	0	0	0	1009
-- COE CAT 4.13	COE413	1,374,365	346,061	342,195	0	0	3,866	0	1009
-- COE CAT 4.2	COE42	374,817	261,898	0	0	59,733	202,166	0	1009
-- COE CAT 4.3	COE43	30,328	5,722	0	0	5,722	0	0	1009
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1009
- CABLE & WIRE FACILITIES	CWF	6,593,326	1,888,708	1,483,359	0	101,449	303,900	0	1009
-- C&WF CAT 1.1	CWF11	7,448	0	0	0	0	0	0	1009
-- C&WF CAT 1.2	CWF12	16,758	16,758	0	0	0	16,758	0	1009
-- C&WF CAT 1.3	CWF13	5,933,437	1,483,359	1,483,359	0	0	0	0	1009
-- C&WF CAT 2	CWF2	362,211	283,880	0	0	0	283,880	0	1009
-- C&WF CAT 3	CWF3	252,521	100,758	0	0	97,496	3,261	0	1009
-- C&WF CAT 4	CWF4	20,950	3,952	0	0	3,952	0	0	1009
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1009
- INTANGIBLES	INTANG	60,754	22,249	9,723	7,476	889	4,161	0	1009
TELCOM PLANT-OTHER	PLTOTH	416,787	152,635	66,702	51,290	6,098	28,545	0	1009
ACCUM DEPRECIATION	ACCDEP	8,512,884	3,203,138	1,250,527	1,360,035	109,004	483,573	0	1009
ACCUM AMORTIZATION	ACCAMO	23,333	8,545	3,734	2,871	341	1,598	0	1009
NET DEFERRED FIT	NTDFIT	896,451	328,329	143,454	110,310	13,121	61,444	0	1009
NETWORK SUPPORT EXP	NETSPX	5,866	2,148	939	722	86	402	0	1009
GENERAL SUPPORT EXP	GSFX	405,116	148,361	64,834	49,854	5,928	27,746	0	1009
COE EXPENSE	COEX	189,165	89,942	2,467	59,943	24,091	3,441	0	1009
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1009
C&WF EXPENSE	CWFX	258,456	74,037	58,147	0	3,977	11,913	0	1009
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1009
NETWORK OPERATIONS EXP	NETOPX	177,134	64,870	28,348	21,798	2,592	12,132	0	1009
DEPREC & AMORT EXP	DEPAMX	943,998	377,808	119,837	187,521	11,725	58,726	0	1009
MARKETING EXPENSE	MRKTX	65,841	22,147	9,678	7,442	885	4,142	0	1009
SERVICES EXPENSE	SERVX	469,814	142,671	31,772	37,079	4,409	20,647	48,764	1009
- CABSX EXPENSE	CABSX	81,439	40,720	0	24,304	2,890	13,526	0	1009
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1009
GENERAL & ADMIN EXP	GENADX	624,870	235,916	98,238	69,964	16,603	31,818	19,293	1009
OTHER TAXES (EXCL FIT & ITC)	OTAXES	276,864	102,504	44,794	34,445	4,095	19,170	0	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	84,337	29,373	12,836	9,870	1,174	5,493	0	1009

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	420,468	117,543	46,454	37,047	2,752	31,019	271	1010
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1010
- GENERAL SUPPORT FACILITIES	GSF	5,826,131	2,099,147	822,858	656,223	48,754	549,453	21,859	1010
- CENTRAL OFFICE EQUIPMENT	COE	7,734,901	3,820,527	209,620	2,337,437	68,249	1,205,221	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	5,028,250	2,337,437	0	2,337,437	0	0	0	1010
-- COE CAT 4.11	COE411	887,427	887,427	0	0	0	887,427	0	1010
-- COE CAT 4.12	COE412	176,725	0	0	0	0	0	0	1010
-- COE CAT 4.13	COE413	839,881	210,159	209,620	0	0	539	0	1010
-- COE CAT 4.2	COE42	442,881	349,751	0	0	32,495	317,255	0	1010
-- COE CAT 4.3	COE43	359,737	35,754	0	0	35,754	0	0	1010
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1010
- CABLE & WIRE FACILITIES	CWF	12,801,431	3,578,685	2,721,367	0	105,409	751,908	0	1010
-- C&WF CAT 1.1	CWF11	11,192	0	0	0	0	0	0	1010
-- C&WF CAT 1.2	CWF12	6,995	6,995	0	0	0	6,995	0	1010
-- C&WF CAT 1.3	CWF13	10,885,468	2,721,367	2,721,367	0	0	0	0	1010
-- C&WF CAT 2	CWF2	1,244,236	744,327	0	0	0	744,327	0	1010
-- C&WF CAT 3	CWF3	203,245	61,242	0	0	60,655	586	0	1010
-- C&WF CAT 4	CWF4	450,295	44,754	0	0	44,754	0	0	1010
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1010
- INTANGIBLES	INTANG	264	95	38	30	2	25	0	1010
TELCOM PLANT-OTHER	PLTOTH	2,624,247	943,683	373,676	298,003	22,140	249,517	346	1010
ACCUM DEPRECIATION	ACCDEP	15,536,096	5,786,908	1,866,964	2,738,145	101,228	1,067,518	13,052	1010
ACCUM AMORTIZATION	ACCAMO	245,527	88,259	34,961	27,881	2,071	23,345	0	1010
NET DEFERRED FIT	NTDFIT	2,100,965	755,218	299,158	238,576	17,725	199,759	0	1010
NETWORK SUPPORT EXP	NETSPX	43,120	15,536	6,140	4,897	364	4,100	36	1010
GENERAL SUPPORT EXP	GSFX	261,575	94,245	36,944	29,462	2,189	24,669	981	1010
COE EXPENSE	COEX	811,726	400,939	1,784	388,319	581	10,256	0	1010
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1010
C&WF EXPENSE	CWFX	522,032	145,936	110,975	0	4,299	30,662	0	1010
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1010
NETWORK OPERATIONS EXP	NETOPX	530,593	191,172	75,727	60,392	4,487	50,566	0	1010
DEPREC & AMORT EXP	DEPAMX	1,422,191	540,913	167,613	241,862	10,357	120,053	1,028	1010
MARKETING EXPENSE	MRKTX	7,590	1,161	459	366	27	306	3	1010
SERVICES EXPENSE	SERVX	443,343	108,041	15,914	17,856	1,327	11,223	61,721	1010
- CABSX EXPENSE	CABSX	49,067	24,534	0	12,834	954	10,746	0	1010
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1010
GENERAL & ADMIN EXP	GENADX	911,759	359,643	112,908	174,430	4,618	45,855	21,831	1010
OTHER TAXES (EXCL FIT & ITC)	OTAXES	434,837	154,087	61,037	48,677	3,616	40,757	0	1010
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1010
NON-OPERATING INC & EXP	NONOPX	7,560	2,982	1,179	940	70	787	7	1010
INTEREST & RELATED ITEMS(IRI)	INTREL	23,027	7,904	4,005	574	257	3,050	19	1010

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	25,526	6,434	1,763	3,859	387	425	0	1011
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1011
- GENERAL SUPPORT FACILITIES	GSF	221,168	113,107	31,002	67,842	6,800	7,463	0	1011
- CENTRAL OFFICE EQUIPMENT	COE	944,537	746,034	23,906	600,763	55,278	66,087	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	706,780	600,763	0	600,763	0	0	0	1011
-- COE CAT 4.11	COE411	66,087	66,087	0	0	0	66,087	0	1011
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1011
-- COE CAT 4.13	COE413	96,076	23,906	23,906	0	0	0	0	1011
-- COE CAT 4.2	COE42	75,594	55,278	0	0	55,278	0	0	1011
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1011
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1011
- CABLE & WIRE FACILITIES	CWF	1,013,983	255,569	250,627	0	4,942	0	0	1011
-- C&WF CAT 1.1	CWF11	4,718	0	0	0	0	0	0	1011
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1011
-- C&WF CAT 1.3	CWF13	1,002,507	250,627	250,627	0	0	0	0	1011
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1011
-- C&WF CAT 3	CWF3	6,758	4,942	0	0	4,942	0	0	1011
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1011
- TANGIBLES	TANGIB	44,116	22,562	6,184	13,533	1,357	1,489	0	1011
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1011
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1011
ACCUM DEPRECIATION	ACCDEP	1,113,514	645,227	124,687	472,388	23,174	24,979	0	1011
ACCUM AMORTIZATION	ACCAMO	9,460	4,838	1,326	2,902	291	319	0	1011
NET DEFERRED FIT	NTDFIT	60,437	27,025	10,081	11,631	2,517	2,795	0	1011
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1011
GENERAL SUPPORT EXP	GSFX	75,514	38,618	10,585	23,163	2,322	2,548	0	1011
COE EXPENSE	COEX	178,294	140,824	3,158	121,632	7,303	8,731	0	1011
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1011
C&WF EXPENSE	CWFX	152,007	38,312	37,572	0	741	0	0	1011
OTHER PROP & PL EXP	OTHPPX	8,433	4,313	1,182	2,587	259	285	0	1011
NETWORK OPERATIONS EXP	NETOPX	86,067	44,015	12,064	26,400	2,646	2,904	0	1011
DEPREC & AMORT EXP	DEPAMX	98,582	58,492	10,473	43,963	1,952	2,105	0	1011
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1011
SERVICES EXPENSE	SERVX	26,542	12,653	236	8,151	108	118	4,039	1011
- CABSX EXPENSE	CABSX	2,511	1,256	0	1,037	104	114	0	1011
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1011
GENERAL & ADMIN EXP	GENADX	165,078	103,578	24,078	67,606	4,972	5,420	1,501	1011
OTHER TAXES (EXCL FIT & ITC)	OTAXES	29,590	15,243	4,178	9,142	916	1,006	0	1011
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1011
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1011
INTEREST & RELATED ITEMS(IRI)	INTREL	3,485	1,541	423	925	93	102	0	1011

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	47,411	14,422	4,695	5,803	190	3,735	0	1012
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1012
- GENERAL SUPPORT FACILITIES	GSF	1,320,291	626,632	203,976	252,152	8,237	162,268	0	1012
- CENTRAL OFFICE EQUIPMENT	COE	1,484,420	1,013,295	83,979	634,343	5,081	289,892	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	780,808	594,238	0	594,238	0	0	0	1012
-- COE CAT 4.11	COE411	240,208	240,208	0	0	0	240,208	0	1012
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1012
-- COE CAT 4.13	COE413	340,322	86,916	83,979	0	0	2,937	0	1012
-- COE CAT 4.2	COE42	62,827	51,828	0	0	5,081	46,747	0	1012
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1012
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1012
- CABLE & WIRE FACILITIES	CWF	2,047,058	622,698	461,610	0	16,950	144,138	0	1012
-- C&WF CAT 1.1	CWF11	8,072	0	0	0	0	0	0	1012
-- C&WF CAT 1.2	CWF12	16,144	16,144	0	0	0	16,144	0	1012
-- C&WF CAT 1.3	CWF13	1,846,441	461,610	461,610	0	0	0	0	1012
-- C&WF CAT 2	CWF2	135,190	125,382	0	0	0	125,382	0	1012
-- C&WF CAT 3	CWF3	41,211	19,562	0	0	16,950	2,612	0	1012
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1012
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1012
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1012
TELCOM PLANT-OTHER	PLTOTH	76,369	36,246	11,798	14,585	476	9,386	0	1012
ACCUM DEPRECIATION	ACCDEP	3,152,813	1,512,152	477,729	657,336	19,123	357,964	0	1012
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1012
NET DEFERRED FIT	NTDFIT	214,919	102,004	33,204	41,046	1,341	26,414	0	1012
NETWORK SUPPORT EXP	NETSPX	10,733	5,094	1,658	2,050	67	1,319	0	1012
GENERAL SUPPORT EXP	GSFX	81,944	38,892	12,660	15,650	511	10,071	0	1012
COE EXPENSE	COEX	330,751	234,713	0	234,713	0	0	0	1012
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1012
C&WF EXPENSE	CWFX	344,863	104,904	77,766	0	2,856	24,283	0	1012
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1012
NETWORK OPERATIONS EXP	NETOPX	19,681	9,341	3,041	3,759	123	2,419	0	1012
DEPREC & AMORT EXP	DEPAMX	280,197	134,352	42,394	59,428	1,690	30,841	0	1012
MARKETING EXPENSE	MRKTX	17,079	4,490	1,462	1,807	59	1,163	0	1012
SERVICES EXPENSE	SERVX	157,093	64,414	13,375	17,727	510	5,367	27,437	1012
- CABSX EXPENSE	CABSX	25,577	12,789	0	7,629	249	4,910	0	1012
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1012
GENERAL & ADMIN EXP	GENADX	684,936	348,021	100,703	193,774	2,899	31,361	19,283	1012
OTHER TAXES (EXCL FIT & ITC)	OTAXES	89,338	41,589	13,538	16,735	547	10,770	0	1012
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1012
NON-OPERATING INC & EXP	NONOPX	159	81	26	33	1	21	0	1012
INTEREST & RELATED ITEMS(IRI)	INTREL	21,526	9,999	3,442	3,393	141	3,023	0	1012

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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	486,799	138,367	63,955	41,712	10,479	22,221	0	1013
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1013
- GENERAL SUPPORT FACILITIES	GSF	3,671,965	1,439,517	665,365	433,955	109,021	231,176	0	1013
- CENTRAL OFFICE EQUIPMENT	COE	6,557,972	3,795,437	771,200	2,117,582	63,402	843,253	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	2,491,273	2,117,582	0	2,117,582	0	0	0	1013
-- COE CAT 4.11	COE411	757,194	757,194	0	0	0	757,194	0	1013
-- COE CAT 4.12	COE412	11,760	0	0	0	0	0	0	1013
-- COE CAT 4.13	COE413	3,097,910	778,610	771,200	0	0	7,410	0	1013
-- COE CAT 4.2	COE42	133,537	117,148	0	0	38,499	78,649	0	1013
-- COE CAT 4.3	COE43	66,298	24,903	0	0	24,903	0	0	1013
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1013
- CABLE & WIRE FACILITIES	CWF	11,360,204	3,229,010	2,475,598	0	468,592	284,820	0	1013
-- C&WF CAT 1.1	CWF11	18,297	0	0	0	0	0	0	1013
-- C&WF CAT 1.2	CWF12	23,786	23,786	0	0	0	23,786	0	1013
-- C&WF CAT 1.3	CWF13	9,902,392	2,475,598	2,475,598	0	0	0	0	1013
-- C&WF CAT 2	CWF2	356,893	254,230	0	0	0	254,230	0	1013
-- C&WF CAT 3	CWF3	229,111	163,730	0	0	156,926	6,804	0	1013
-- C&WF CAT 4	CWF4	829,725	311,666	0	0	311,666	0	0	1013
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1013
- INTANGIBLES	INTANG	875	343	159	103	26	55	0	1013
TELCOM PLANT-OTHER	PLTOTH	1,617,571	634,135	293,106	191,166	48,026	101,837	0	1013
ACCUM DEPRECIATION	ACCDEP	13,053,601	5,357,863	2,257,653	2,041,172	381,630	677,407	0	1013
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1013
NET DEFERRED FIT	NTDFIT	1,446,734	567,162	262,150	170,976	42,954	91,082	0	1013
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1013
GENERAL SUPPORT EXP	GSFX	280,491	109,961	50,825	33,149	8,328	17,659	0	1013
COE EXPENSE	COEX	370,375	214,355	8,986	194,805	739	9,825	0	1013
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1013
C&WF EXPENSE	CWFX	463,611	131,776	101,029	0	19,123	11,624	0	1013
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1013
NETWORK OPERATIONS EXP	NETOPX	546,697	214,321	99,062	64,609	16,232	34,418	0	1013
DEPREC & AMORT EXP	DEPAMX	1,109,173	482,812	182,618	202,114	29,344	68,736	0	1013
MARKETING EXPENSE	MRKTX	4,352	1,769	818	533	134	284	0	1013
SERVICES EXPENSE	SERVX	343,740	162,654	37,839	29,485	7,407	6,613	81,312	1013
- CABSX EXPENSE	CABSX	43,379	21,690	0	12,158	3,054	6,477	0	1013
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1013
GENERAL & ADMIN EXP	GENADX	749,858	335,902	135,888	120,312	19,380	29,995	30,327	1013
OTHER TAXES (EXCL FIT & ITC)	OTAXES	332,818	123,360	60,670	30,080	9,745	22,864	0	1013
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1013
NON-OPERATING INC & EXP	NONOPX	4,475	2,005	927	604	152	322	0	1013
INTEREST & RELATED ITEMS(IRI)	INTREL	21,090	7,596	4,005	1,329	630	1,633	0	1013

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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	38,768	10,028	6,774	1,342	253	1,660	0	1014
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1014
- GENERAL SUPPORT FACILITIES	GSF	1,909,120	566,238	382,495	75,761	14,267	93,715	0	1014
- CENTRAL OFFICE EQUIPMENT	COE	6,104,781	2,368,312	623,962	825,771	132,958	785,621	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	2,277,832	825,771	0	825,771	0	0	0	1014
-- COE CAT 4.11	COE411	595,976	595,976	0	0	0	595,976	0	1014
-- COE CAT 4.12	COE412	63,206	0	0	0	0	0	0	1014
-- COE CAT 4.13	COE413	2,532,200	630,694	623,962	0	0	6,732	0	1014
-- COE CAT 4.2	COE42	495,169	301,839	0	0	118,927	182,913	0	1014
-- COE CAT 4.3	COE43	140,398	14,031	0	0	14,031	0	0	1014
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1014
- CABLE & WIRE FACILITIES	CWF	14,704,023	3,803,507	3,545,112	0	22,552	235,843	0	1014
-- C&WF CAT 1.1	CWF11	168,291	0	0	0	0	0	0	1014
-- C&WF CAT 1.2	CWF12	38,248	38,248	0	0	0	38,248	0	1014
-- C&WF CAT 1.3	CWF13	14,180,449	3,545,112	3,545,112	0	0	0	0	1014
-- C&WF CAT 2	CWF2	221,348	197,271	0	0	0	197,271	0	1014
-- C&WF CAT 3	CWF3	43,638	17,674	0	0	17,350	324	0	1014
-- C&WF CAT 4	CWF4	52,049	5,202	0	0	5,202	0	0	1014
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1014
- INTANGIBLES	INTANG	477,812	141,717	95,730	18,961	3,571	23,455	0	1014
TELCOM PLANT-OTHER	PLTOTH	90,236	26,764	18,079	3,581	674	4,430	0	1014
ACCUM DEPRECIATION	ACCDEP	15,966,124	4,802,444	3,115,769	725,480	128,273	832,921	0	1014
ACCUM AMORTIZATION	ACCAMO	477,812	141,717	95,730	18,961	3,571	23,455	0	1014
NET DEFERRED FIT	NTDFIT	848,988	251,819	170,080	33,709	6,346	41,683	0	1014
NETWORK SUPPORT EXP	NETSPX	13,034	3,866	2,611	517	97	640	0	1014
GENERAL SUPPORT EXP	GSFX	342,119	101,471	68,544	13,577	2,557	16,794	0	1014
COE EXPENSE	COEX	313,045	121,444	43	112,607	8,739	54	0	1014
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1014
C&WF EXPENSE	CWFX	554,906	143,538	133,787	0	851	8,900	0	1014
OTHER PROP & PL EXP	OTHPPX	22,294	6,612	4,467	885	167	1,094	0	1014
NETWORK OPERATIONS EXP	NETOPX	401,025	118,943	80,346	15,914	2,997	19,686	0	1014
DEPREC & AMORT EXP	DEPAMX	1,545,424	499,073	264,609	106,440	17,748	110,276	0	1014
MARKETING EXPENSE	MRKTX	132,424	27,652	18,679	3,700	697	4,577	0	1014
SERVICES EXPENSE	SERVX	533,068	181,806	77,345	20,292	3,822	9,938	70,409	1014
- CABSX EXPENSE	CABSX	38,180	19,090	0	7,871	1,482	9,737	0	1014
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1014
GENERAL & ADMIN EXP	GENADX	834,733	279,403	162,498	61,283	7,291	22,569	25,762	1014
OTHER TAXES (EXCL FIT & ITC)	OTAXES	134,975	55,157	38,694	6,452	1,308	8,703	0	1014
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1014
NON-OPERATING INC & EXP	NONOPX	768	257	174	34	6	43	0	1014
INTEREST & RELATED ITEMS(IRI)	INTREL	8,595	2,452	1,656	328	62	406	0	1014

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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	27,762	7,264	3,395	3,274	271	323	0	1015
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1015
- GENERAL SUPPORT FACILITIES	GSF	765,687	292,420	136,696	131,809	10,929	12,986	0	1015
- CENTRAL OFFICE EQUIPMENT	COE	2,057,365	1,154,425	200,539	881,915	19,062	52,909	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	1,119,777	881,915	0	881,915	0	0	0	1015
-- COE CAT 4.11	COE411	40,368	30,391	0	0	0	30,391	0	1015
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1015
-- COE CAT 4.13	COE413	814,978	204,813	200,539	0	0	4,274	0	1015
-- COE CAT 4.2	COE42	82,242	37,306	0	0	19,062	18,244	0	1015
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1015
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1015
- CABLE & WIRE FACILITIES	CWF	3,065,751	802,120	714,077	0	54,063	33,979	0	1015
-- C&WF CAT 1.1	CWF11	30,440	0	0	0	0	0	0	1015
-- C&WF CAT 1.2	CWF12	15,220	15,220	0	0	0	15,220	0	1015
-- C&WF CAT 1.3	CWF13	2,856,309	714,077	714,077	0	0	0	0	1015
-- C&WF CAT 2	CWF2	83,080	17,829	0	0	0	17,829	0	1015
-- C&WF CAT 3	CWF3	80,702	54,993	0	0	54,063	930	0	1015
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	152,718	58,324	27,264	26,290	2,180	2,590	0	1015
ACCUM DEPRECIATION	ACCDEP	3,059,965	1,128,100	565,111	472,265	44,513	46,211	0	1015
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1015
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1015
NETWORK SUPPORT EXP	NETSPX	30,937	11,815	5,523	5,326	442	525	0	1015
GENERAL SUPPORT EXP	GSFX	24,552	9,377	4,383	4,226	350	416	0	1015
COE EXPENSE	COEX	70,927	39,798	864	38,624	82	228	0	1015
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1015
C&WF EXPENSE	CWFX	68,904	18,028	16,049	0	1,215	764	0	1015
OTHER PROP & PL EXP	OTHPPX	49,045	18,731	8,756	8,443	700	832	0	1015
NETWORK OPERATIONS EXP	NETOPX	10,180	3,888	1,817	1,752	145	173	0	1015
DEPREC & AMORT EXP	DEPAMX	371,067	143,129	65,510	65,242	5,313	7,064	0	1015
MARKETING EXPENSE	MRKTX	3,120	911	426	411	34	40	0	1015
SERVICES EXPENSE	SERVX	158,977	69,437	18,642	19,000	1,547	2,321	27,926	1015
- CABSX EXPENSE	CABSX	19,216	9,608	0	8,132	674	801	0	1015
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1015
GENERAL & ADMIN EXP	GENADX	335,790	158,778	64,813	63,267	3,673	4,310	22,715	1015
OTHER TAXES (EXCL FIT & ITC)	OTAXES	31,504	12,032	5,624	5,423	450	534	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	72,205	28,468	13,308	12,832	1,064	1,264	0	1015

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	310,058	87,944	38,228	31,357	4,497	13,862	0	1016
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1016
- GENERAL SUPPORT FACILITIES	GSF	2,668,184	1,064,271	462,627	379,472	54,424	167,748	0	1016
- CENTRAL OFFICE EQUIPMENT	COE	5,138,434	2,872,901	492,818	1,746,894	203,472	429,717	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	2,258,720	1,746,894	0	1,746,894	0	0	0	1016
-- COE CAT 4.11	COE411	224,329	224,329	0	0	0	224,329	0	1016
-- COE CAT 4.12	COE412	104,072	83,257	0	0	0	83,257	0	1016
-- COE CAT 4.13	COE413	1,989,763	500,009	492,818	0	0	7,191	0	1016
-- COE CAT 4.2	COE42	561,550	318,413	0	0	203,472	114,941	0	1016
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1016
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1016
- CABLE & WIRE FACILITIES	CWF	7,144,512	2,026,454	1,636,877	0	47,068	342,509	0	1016
-- C&WF CAT 1.1	CWF11	37,531	0	0	0	0	0	0	1016
-- C&WF CAT 1.2	CWF12	23,884	23,884	0	0	0	23,884	0	1016
-- C&WF CAT 1.3	CWF13	6,547,508	1,636,877	1,636,877	0	0	0	0	1016
-- C&WF CAT 2	CWF2	444,441	316,981	0	0	0	316,981	0	1016
-- C&WF CAT 3	CWF3	91,148	48,712	0	0	47,068	1,644	0	1016
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1016
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1016
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1016
TELCOM PLANT-OTHER	PLTOTH	36,187	14,434	6,274	5,147	738	2,275	0	1016
ACCUM DEPRECIATION	ACCDEP	10,730,376	4,249,728	1,874,908	1,482,790	217,492	674,537	0	1016
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1016
NET DEFERRED FIT	NTDFIT	459,178	182,772	79,793	64,668	9,384	28,928	0	1016
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1016
GENERAL SUPPORT EXP	GSFX	353,953	141,183	61,371	50,340	7,220	22,253	0	1016
COE EXPENSE	COEX	159,154	88,983	12,221	50,717	15,389	10,656	0	1016
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1016
C&WF EXPENSE	CWFX	386,277	109,563	88,500	0	2,545	18,518	0	1016
OTHER PROP & PL EXP	OTHPPX	459	183	80	65	9	29	0	1016
NETWORK OPERATIONS EXP	NETOPX	442,655	176,564	76,750	62,955	9,029	27,830	0	1016
DEPREC & AMORT EXP	DEPAMX	965,029	478,468	123,698	287,903	17,290	49,577	0	1016
MARKETING EXPENSE	MRKTX	6,872	2,444	1,062	871	125	385	0	1016
SERVICES EXPENSE	SERVX	409,799	126,410	11,148	42,821	6,129	18,062	48,250	1016
- CABSX EXPENSE	CABSX	124,036	62,018	0	39,116	5,610	17,292	0	1016
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1016
GENERAL & ADMIN EXP	GENADX	1,287,866	498,712	212,813	150,688	29,334	70,882	34,994	1016
OTHER TAXES (EXCL FIT & ITC)	OTAXES	91,661	44,070	18,871	16,051	2,251	6,897	0	1016
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1016
NON-OPERATING INC & EXP	NONOPX	2,550	987	429	352	50	156	0	1016
INTEREST & RELATED ITEMS(IRI)	INTREL	159,728	63,517	27,610	22,647	3,248	10,011	0	1016

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	106,243	25,996	20,629	2,705	1,393	1,239	29	1017
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1017
- GENERAL SUPPORT FACILITIES	GSF	2,386,348	613,074	477,552	62,616	32,259	28,687	11,959	1017
- CENTRAL OFFICE EQUIPMENT	COE	13,363,097	3,490,789	1,861,250	1,049,973	354,894	224,671	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	3,967,029	1,049,973	0	1,049,973	0	0	0	1017
-- COE CAT 4.11	COE411	536,917	94,427	0	0	0	94,427	0	1017
-- COE CAT 4.12	COE412	61,257	0	0	0	0	0	0	1017
-- COE CAT 4.13	COE413	7,532,212	1,883,344	1,861,250	0	0	22,094	0	1017
-- COE CAT 4.2	COE42	867,578	390,992	0	0	282,841	108,151	0	1017
-- COE CAT 4.3	COE43	398,104	72,053	0	0	72,053	0	0	1017
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1017
- CABLE & WIRE FACILITIES	CWF	25,900,895	6,588,962	6,146,555	0	186,038	256,369	0	1017
-- C&WF CAT 1.1	CWF11	215,045	0	0	0	0	0	0	1017
-- C&WF CAT 1.2	CWF12	72,962	72,962	0	0	0	72,962	0	1017
-- C&WF CAT 1.3	CWF13	24,586,218	6,146,555	6,146,555	0	0	0	0	1017
-- C&WF CAT 2	CWF2	366,736	126,995	0	0	0	126,995	0	1017
-- C&WF CAT 3	CWF3	426,039	200,118	0	0	143,706	56,413	0	1017
-- C&WF CAT 4	CWF4	233,895	42,333	0	0	42,333	0	0	1017
- TANGIBLES	TANGIB	317,528	316,543	270	35	18	316,219	0	1017
- INTANGIBLES	INTANG	211,293	55,367	43,937	5,761	2,968	2,639	62	1017
TELCOM PLANT-OTHER	PLTOTH	297,006	77,828	60,061	7,875	4,057	5,835	0	1017
ACCUM DEPRECIATION	ACCDEP	21,885,895	5,837,831	4,359,076	603,565	307,440	558,850	8,900	1017
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1017
NET DEFERRED FIT	NTDFIT	2,320,969	595,673	474,256	61,277	31,778	28,362	0	1017
NETWORK SUPPORT EXP	NETSPX	16,375	4,204	3,336	437	225	200	5	1017
GENERAL SUPPORT EXP	GSFX	125,979	32,365	25,211	3,306	1,703	1,514	631	1017
COE EXPENSE	COEX	318,200	85,020	35,498	38,468	6,769	4,285	0	1017
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1017
C&WF EXPENSE	CWFX	699,967	178,066	166,110	0	5,028	6,928	0	1017
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1017
NETWORK OPERATIONS EXP	NETOPX	861,023	221,040	175,604	23,025	11,862	10,549	0	1017
DEPREC & AMORT EXP	DEPAMX	2,558,287	684,551	494,661	84,528	37,953	66,619	789	1017
MARKETING EXPENSE	MRKTX	446,999	186,927	148,337	19,450	10,020	8,911	209	1017
SERVICES EXPENSE	SERVX	840,719	222,634	39,889	38,065	19,583	16,179	108,919	1017
- CABSX EXPENSE	CABSX	143,428	60,098	0	30,455	15,690	13,953	0	1017
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1017
GENERAL & ADMIN EXP	GENADX	1,756,453	500,170	340,690	58,216	26,174	23,033	52,057	1017
OTHER TAXES (EXCL FIT & ITC)	OTAXES	305,560	82,681	65,785	8,388	4,346	4,141	20	1017
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1017
NON-OPERATING INC & EXP	NONOPX	1,500	426	338	44	23	20	0	1017
INTEREST & RELATED ITEMS(IRI)	INTREL	5,198	1,335	1,059	139	72	64	1	1017

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	133,973	36,663	20,368	7,134	1,821	7,294	46	1018
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1018
- GENERAL SUPPORT FACILITIES	GSF	6,242,681	1,880,511	1,041,229	364,669	93,114	372,878	8,621	1018
- CENTRAL OFFICE EQUIPMENT	COE	4,649,056	1,733,033	182,206	980,701	159,486	410,641	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	2,886,266	980,701	0	980,701	0	0	0	1018
-- COE CAT 4.11	COE411	355,872	355,872	0	0	0	355,872	0	1018
-- COE CAT 4.12	COE412	37,728	0	0	0	0	0	0	1018
-- COE CAT 4.13	COE413	739,965	182,792	182,206	0	0	586	0	1018
-- COE CAT 4.2	COE42	467,860	196,415	0	0	142,233	54,182	0	1018
-- COE CAT 4.3	COE43	161,365	17,253	0	0	17,253	0	0	1018
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1018
- CABLE & WIRE FACILITIES	CWF	12,062,368	3,301,025	2,617,963	0	90,924	592,138	0	1018
-- C&WF CAT 1.1	CWF11	151,674	0	0	0	0	0	0	1018
-- C&WF CAT 1.2	CWF12	8,426	8,426	0	0	0	8,426	0	1018
-- C&WF CAT 1.3	CWF13	10,471,852	2,617,963	2,617,963	0	0	0	0	1018
-- C&WF CAT 2	CWF2	1,061,059	583,201	0	0	0	583,201	0	1018
-- C&WF CAT 3	CWF3	170,760	70,201	0	0	69,690	511	0	1018
-- C&WF CAT 4	CWF4	198,596	21,233	0	0	21,233	0	0	1018
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1018
- INTANGIBLES	INTANG	1,800	542	301	106	27	108	1	1018
TELCOM PLANT-OTHER	PLTOTH	223,946	67,376	37,478	13,126	3,351	13,421	0	1018
ACCUM DEPRECIATION	ACCDEP	19,696,748	5,942,278	3,237,146	1,261,265	286,023	1,150,910	6,933	1018
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1018
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1018
NETWORK SUPPORT EXP	NETSPX	317,846	95,746	53,192	18,629	4,757	19,049	119	1018
GENERAL SUPPORT EXP	GSFX	412,230	124,178	68,757	24,081	6,149	24,623	569	1018
COE EXPENSE	COEX	530,745	197,846	16,751	126,444	16,899	37,752	0	1018
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1018
C&WF EXPENSE	CWFX	759,856	207,945	164,916	0	5,728	37,301	0	1018
OTHER PROP & PL EXP	OTHPPX	74,742	22,515	12,524	4,386	1,120	4,485	0	1018
NETWORK OPERATIONS EXP	NETOPX	351,391	105,851	58,879	20,621	5,265	21,085	0	1018
DEPREC & AMORT EXP	DEPAMX	541,571	164,109	98,243	14,803	10,786	40,008	268	1018
MARKETING EXPENSE	MRKTX	19,411	3,902	2,168	759	194	776	5	1018
SERVICES EXPENSE	SERVX	708,683	182,369	86,056	27,892	7,122	4,641	56,658	1018
- CABSX EXPENSE	CABSX	20,324	10,162	0	4,461	1,139	4,562	0	1018
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1018
GENERAL & ADMIN EXP	GENADX	1,335,988	439,855	228,811	98,559	20,893	66,223	25,369	1018
OTHER TAXES (EXCL FIT & ITC)	OTAXES	153,848	54,172	30,720	9,578	2,779	11,079	17	1018
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1018
NON-OPERATING INC & EXP	NONOPX	8,500	2,799	1,555	545	139	557	3	1018
INTEREST & RELATED ITEMS(IRI)	INTREL	25,135	7,484	4,158	1,456	372	1,489	9	1018

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	469,986	102,370	83,460	12,030	3,133	3,747	0	1019
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1019
- GENERAL SUPPORT FACILITIES	GSF	8,106,489	2,018,667	1,645,779	237,222	61,773	73,893	0	1019
- CENTRAL OFFICE EQUIPMENT	COE	17,952,340	4,419,144	2,917,232	1,093,372	237,721	170,819	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	3,641,805	1,093,372	0	1,093,372	0	0	0	1019
-- COE CAT 4.11	COE411	1,445,801	0	0	0	0	0	0	1019
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1019
-- COE CAT 4.13	COE413	11,799,030	2,940,753	2,917,232	0	0	23,522	0	1019
-- COE CAT 4.2	COE42	1,065,704	385,019	0	0	237,721	147,298	0	1019
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1019
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1019
- CABLE & WIRE FACILITIES	CWF	19,410,963	4,885,016	4,668,265	0	46,994	169,757	0	1019
-- C&WF CAT 1.1	CWF11	170,557	0	0	0	0	0	0	1019
-- C&WF CAT 1.2	CWF12	37,640	37,640	0	0	0	37,640	0	1019
-- C&WF CAT 1.3	CWF13	18,673,060	4,668,265	4,668,265	0	0	0	0	1019
-- C&WF CAT 2	CWF2	407,394	131,521	0	0	0	131,521	0	1019
-- C&WF CAT 3	CWF3	122,312	47,590	0	0	46,994	596	0	1019
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1019
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1019
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1019
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1019
ACCUM DEPRECIATION	ACCDEP	24,759,715	6,195,837	4,660,013	1,107,104	208,925	219,795	0	1019
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1019
NET DEFERRED FIT	NTDFIT	2,771,428	690,139	562,651	81,108	21,118	25,262	0	1019
NETWORK SUPPORT EXP	NETSPX	46,619	11,609	9,465	1,364	355	425	0	1019
GENERAL SUPPORT EXP	GSFX	1,116,672	278,072	226,707	32,677	8,509	10,179	0	1019
COE EXPENSE	COEX	2,198,581	533,191	373,432	70,414	67,478	21,866	0	1019
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1019
C&WF EXPENSE	CWFX	1,108,032	278,850	266,478	0	2,683	9,690	0	1019
OTHER PROP & PL EXP	OTHPPX	137,746	34,301	27,965	4,031	1,050	1,256	0	1019
NETWORK OPERATIONS EXP	NETOPX	1,374,546	342,288	279,060	40,224	10,474	12,529	0	1019
DEPREC & AMORT EXP	DEPAMX	2,788,163	696,119	534,406	113,246	23,427	25,040	0	1019
MARKETING EXPENSE	MRKTX	627,955	83,814	68,332	9,849	2,565	3,068	0	1019
SERVICES EXPENSE	SERVX	634,391	171,892	75,033	26,373	6,867	6,017	57,602	1019
- CABSX EXPENSE	CABSX	105,900	28,758	0	18,295	4,764	5,699	0	1019
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1019
GENERAL & ADMIN EXP	GENADX	1,769,821	476,141	375,441	45,695	24,704	16,068	14,233	1019
OTHER TAXES (EXCL FIT & ITC)	OTAXES	163,822	68,857	59,972	4,379	1,918	2,589	0	1019
INVESTMENT TAX CREDITS (ITC)	ITC	2,354	586	478	69	18	21	0	1019
NON-OPERATING INC & EXP	NONOPX	11,169	3,042	2,480	358	93	111	0	1019
INTEREST & RELATED ITEMS(IRI)	INTREL	532,964	127,373	103,845	14,968	3,898	4,662	0	1019

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	923,911	241,961	149,118	27,392	17,003	48,449	0	1020
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1020
- GENERAL SUPPORT FACILITIES	GSF	9,928,585	2,924,374	1,802,260	331,060	205,494	585,560	0	1020
- CENTRAL OFFICE EQUIPMENT	COE	19,538,208	7,474,594	790,729	2,407,511	1,350,350	2,926,005	0	1020
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1020
-- COE CAT 2	COE2	215,891	148,761	0	0	148,761	0	0	1020
-- COE CAT 3	COE3	9,726,255	2,407,511	0	2,407,511	0	0	0	1020
-- COE CAT 4.11	COE411	2,259,625	2,259,625	0	0	0	2,259,625	0	1020
-- COE CAT 4.12	COE412	325,394	0	0	0	0	0	0	1020
-- COE CAT 4.13	COE413	3,232,947	800,352	790,729	0	0	9,623	0	1020
-- COE CAT 4.2	COE42	3,753,802	1,855,184	0	0	1,198,427	656,757	0	1020
-- COE CAT 4.3	COE43	24,294	3,162	0	0	3,162	0	0	1020
- INFORMATION ORIG/TERM	IOT	14,044	3,511	3,511	0	0	0	0	1020
- CABLE & WIRE FACILITIES	CWF	52,649,748	13,788,334	12,312,036	0	144,033	1,332,265	0	1020
-- C&WF CAT 1.1	CWF11	940,597	0	0	0	0	0	0	1020
-- C&WF CAT 1.2	CWF12	149,830	149,830	0	0	0	149,830	0	1020
-- C&WF CAT 1.3	CWF13	49,248,144	12,312,036	12,312,036	0	0	0	0	1020
-- C&WF CAT 2	CWF2	1,842,694	1,178,061	0	0	0	1,178,061	0	1020
-- C&WF CAT 3	CWF3	275,641	123,310	0	0	118,935	4,374	0	1020
-- C&WF CAT 4	CWF4	192,843	25,098	0	0	25,098	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	3,466,514	1,021,030	629,250	115,588	71,747	204,445	0	1020
ACCUM DEPRECIATION	ACCDEP	65,542,443	19,706,478	11,381,292	2,465,240	1,569,600	4,290,346	0	1020
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1020
NET DEFERRED FIT	NTDFIT	-2,947,364	-845,109	-612,445	-33,289	-45,850	-153,525	0	1020
NETWORK SUPPORT EXP	NETSPX	93,350	27,495	16,945	3,113	1,932	5,506	0	1020
GENERAL SUPPORT EXP	GSFX	986,600	290,594	179,090	32,897	20,420	58,187	0	1020
COE EXPENSE	COEX	1,532,118	586,132	41,033	230,225	163,038	151,837	0	1020
IOT EXPENSE	IOTX	272	68	68	0	0	0	0	1020
C&WF EXPENSE	CWFX	2,521,523	660,356	589,653	0	6,898	63,805	0	1020
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1020
NETWORK OPERATIONS EXP	NETOPX	2,063,549	607,800	374,580	68,807	42,710	121,702	0	1020
DEPREC & AMORT EXP	DEPAMX	6,527,916	1,890,756	1,163,263	259,620	122,000	345,873	0	1020
MARKETING EXPENSE	MRKTX	140,539	34,551	21,293	3,911	2,428	6,918	0	1020
SERVICES EXPENSE	SERVX	1,248,663	460,554	76,434	69,723	43,275	106,795	164,327	1020
- CABSX EXPENSE	CABSX	399,051	199,526	0	58,866	36,539	104,120	0	1020
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1020
GENERAL & ADMIN EXP	GENADX	2,918,804	1,010,752	532,242	142,903	98,153	179,994	57,461	1020
OTHER TAXES (EXCL FIT & ITC)	OTAXES	532,970	198,850	132,152	19,180	11,746	35,773	0	1020
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1020
NON-OPERATING INC & EXP	NONOPX	34,200	11,843	7,299	1,341	832	2,371	0	1020
INTEREST & RELATED ITEMS(IRI)	INTREL	676,988	186,534	114,959	21,117	13,108	37,351	0	1020

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	108,488	29,265	16,570	6,381	1,238	5,074	2	1021
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1021
- GENERAL SUPPORT FACILITIES	GSF	4,891,006	1,456,339	824,562	317,534	61,632	252,493	119	1021
- CENTRAL OFFICE EQUIPMENT	COE	10,511,449	3,771,253	208,118	2,169,413	340,570	1,052,340	811	1021
-- COE CAT 1	COE1	346,759	25,815	0	25,004	0	0	811	1021
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1021
-- COE CAT 3	COE3	6,970,425	2,144,409	0	2,144,409	0	0	0	1021
-- COE CAT 4.11	COE411	611,303	611,303	0	0	0	611,303	0	1021
-- COE CAT 4.12	COE412	3,829	0	0	0	0	0	0	1021
-- COE CAT 4.13	COE413	840,319	210,370	208,118	0	0	2,252	0	1021
-- COE CAT 4.2	COE42	931,621	669,013	0	0	230,228	438,785	0	1021
-- COE CAT 4.3	COE43	807,193	110,342	0	0	110,342	0	0	1021
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1021
- CABLE & WIRE FACILITIES	CWF	22,904,255	6,178,557	5,425,348	0	80,502	672,707	0	1021
-- C&WF CAT 1.1	CWF11	145,812	0	0	0	0	0	0	1021
-- C&WF CAT 1.2	CWF12	58,704	58,704	0	0	0	58,704	0	1021
-- C&WF CAT 1.3	CWF13	21,701,391	5,425,348	5,425,348	0	0	0	0	1021
-- C&WF CAT 2	CWF2	651,399	610,646	0	0	0	610,646	0	1021
-- C&WF CAT 3	CWF3	100,903	50,225	0	0	46,868	3,358	0	1021
-- C&WF CAT 4	CWF4	246,046	33,634	0	0	33,634	0	0	1021
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1021
- INTANGIBLES	INTANG	102,466	30,510	17,274	6,652	1,291	5,290	2	1021
TELCOM PLANT-OTHER	PLTOTH	1,008,779	300,348	170,067	65,492	12,712	52,077	0	1021
ACCUM DEPRECIATION	ACCDEP	33,218,536	9,951,707	5,805,426	1,891,690	444,478	1,809,802	312	1021
ACCUM AMORTIZATION	ACCAMO	84,222	25,076	14,199	5,468	1,061	4,348	0	1021
NET DEFERRED FIT	NTDFIT	-350,950	-105,402	-60,292	-22,148	-4,505	-18,457	0	1021
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1021
GENERAL SUPPORT EXP	GSFX	290,574	86,521	48,987	18,865	3,662	15,001	7	1021
COE EXPENSE	COEX	689,967	247,543	6,867	143,219	62,538	34,724	195	1021
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1021
C&WF EXPENSE	CWFX	1,973,690	532,414	467,509	0	6,937	57,968	0	1021
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1021
NETWORK OPERATIONS EXP	NETOPX	363,550	108,250	61,290	23,602	4,581	18,768	9	1021
DEPREC & AMORT EXP	DEPAMX	1,936,240	483,946	167,424	236,977	16,138	62,291	1,116	1021
MARKETING EXPENSE	MRKTX	11,451	3,350	1,897	730	142	581	0	1021
SERVICES EXPENSE	SERVX	2,489,091	1,062,498	276,603	343,124	62,768	186,012	193,991	1021
- CABSX EXPENSE	CABSX	907,168	453,584	0	228,016	44,257	181,311	0	1021
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1021
GENERAL & ADMIN EXP	GENADX	2,627,271	955,237	436,951	233,096	61,902	137,802	85,485	1021
OTHER TAXES (EXCL FIT & ITC)	OTAXES	147,395	54,855	29,270	14,877	2,077	8,625	6	1021
INVESTMENT TAX CREDITS (ITC)	ITC	15,483	4,610	2,610	1,005	195	799	0	1021
NON-OPERATING INC & EXP	NONOPX	130	47	27	10	2	8	0	1021
INTEREST & RELATED ITEMS(IRI)	INTREL	195,026	56,210	31,825	12,256	2,379	9,745	5	1021

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	341,943	107,191	53,078	1,383	3,115	49,615	0	1022
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1022
- GENERAL SUPPORT FACILITIES	GSF	6,055,344	2,223,841	1,101,188	28,695	64,626	1,029,331	0	1022
- CENTRAL OFFICE EQUIPMENT	COE	15,526,895	7,396,358	1,668,696	222,860	388,067	5,116,735	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	1,254,044	222,860	0	222,860	0	0	0	1022
-- COE CAT 4.11	COE411	3,566,994	3,566,994	0	0	0	3,566,994	0	1022
-- COE CAT 4.12	COE412	838,769	0	0	0	0	0	0	1022
-- COE CAT 4.13	COE413	6,685,347	1,673,978	1,668,696	0	0	5,282	0	1022
-- COE CAT 4.2	COE42	2,911,680	1,911,102	0	0	366,642	1,544,459	0	1022
-- COE CAT 4.3	COE43	270,061	21,425	0	0	21,425	0	0	1022
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1022
- CABLE & WIRE FACILITIES	CWF	31,501,945	9,875,107	6,883,686	0	113,851	2,877,570	0	1022
-- C&WF CAT 1.1	CWF11	21,788	0	0	0	0	0	0	1022
-- C&WF CAT 1.2	CWF12	21,788	21,788	0	0	0	21,788	0	1022
-- C&WF CAT 1.3	CWF13	27,534,743	6,883,686	6,883,686	0	0	0	0	1022
-- C&WF CAT 2	CWF2	3,607,997	2,854,924	0	0	0	2,854,924	0	1022
-- C&WF CAT 3	CWF3	197,033	105,301	0	0	104,443	858	0	1022
-- C&WF CAT 4	CWF4	118,597	9,409	0	0	9,409	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	740,318	271,884	134,630	3,508	7,901	125,845	0	1022
ACCUM DEPRECIATION	ACCDEP	27,784,028	10,191,481	4,990,738	173,427	298,124	4,729,192	0	1022
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1022
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1022
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1022
GENERAL SUPPORT EXP	GSFX	248,895	91,407	45,263	1,179	2,656	42,309	0	1022
COE EXPENSE	COEX	1,000,897	476,784	53,731	216,070	42,227	164,757	0	1022
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1022
C&WF EXPENSE	CWFX	1,240,381	388,830	271,043	0	4,483	113,304	0	1022
OTHER PROP & PL EXP	OTHPPX	14,983	5,503	2,725	71	160	2,547	0	1022
NETWORK OPERATIONS EXP	NETOPX	717,915	263,656	130,556	3,402	7,662	122,036	0	1022
DEPREC & AMORT EXP	DEPAMX	4,261,742	1,636,799	735,713	20,685	54,454	825,948	0	1022
MARKETING EXPENSE	MRKTX	138,159	32,469	16,078	419	944	15,029	0	1022
SERVICES EXPENSE	SERVX	868,489	264,622	124,342	3,957	8,913	45,728	81,682	1022
- CABSX EXPENSE	CABSX	97,240	48,620	0	1,243	2,799	44,578	0	1022
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1022
GENERAL & ADMIN EXP	GENADX	1,757,997	665,077	306,831	91,686	27,308	205,982	33,270	1022
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,694	622	308	8	18	288	0	1022
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1022
NON-OPERATING INC & EXP	NONOPX	32,097	12,143	6,013	157	353	5,620	0	1022
INTEREST & RELATED ITEMS(IRI)	INTREL	237,995	87,349	43,253	1,127	2,538	40,431	0	1022

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	251,839	67,448	43,953	8,447	1,666	13,382	0	1023
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1023
- GENERAL SUPPORT FACILITIES	GSF	4,344,732	1,342,778	875,025	168,172	33,160	266,420	0	1023
- CENTRAL OFFICE EQUIPMENT	COE	17,107,916	7,151,083	1,906,212	2,411,683	411,534	2,421,654	0	1023
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1023
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1023
-- COE CAT 3	COE3	5,637,921	2,411,683	0	2,411,683	0	0	0	1023
-- COE CAT 4.11	COE411	1,990,442	1,990,442	0	0	0	1,990,442	0	1023
-- COE CAT 4.12	COE412	7,024	0	0	0	0	0	0	1023
-- COE CAT 4.13	COE413	7,736,199	1,938,581	1,906,212	0	0	32,369	0	1023
-- COE CAT 4.2	COE42	1,717,127	806,421	0	0	407,578	398,843	0	1023
-- COE CAT 4.3	COE43	19,203	3,956	0	0	3,956	0	0	1023
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1023
- CABLE & WIRE FACILITIES	CWF	45,197,925	12,105,084	10,642,130	0	63,997	1,398,957	0	1023
-- C&WF CAT 1.1	CWF11	440,937	0	0	0	0	0	0	1023
-- C&WF CAT 1.2	CWF12	180,712	180,712	0	0	0	180,712	0	1023
-- C&WF CAT 1.3	CWF13	42,568,519	10,642,130	10,642,130	0	0	0	0	1023
-- C&WF CAT 2	CWF2	1,857,894	1,216,730	0	0	0	1,216,730	0	1023
-- C&WF CAT 3	CWF3	77,362	50,577	0	0	49,062	1,515	0	1023
-- C&WF CAT 4	CWF4	72,501	14,935	0	0	14,935	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	2,085,949	644,681	420,108	80,741	15,920	127,911	0	1023
ACCUM DEPRECIATION	ACCDEP	31,373,180	9,914,657	6,135,329	1,426,823	271,711	2,080,795	0	1023
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1023
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1023
NETWORK SUPPORT EXP	NETSPX	35,925	11,103	7,235	1,391	274	2,203	0	1023
GENERAL SUPPORT EXP	GSFX	124,251	38,401	25,024	4,809	948	7,619	0	1023
COE EXPENSE	COEX	529,178	221,195	35,608	83,422	56,929	45,237	0	1023
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1023
C&WF EXPENSE	CWFX	1,033,715	276,854	243,395	0	1,464	31,995	0	1023
OTHER PROP & PL EXP	OTHPX	-13,245	-4,093	-2,668	-513	-101	-812	0	1023
NETWORK OPERATIONS EXP	NETOPX	836,708	258,592	168,512	32,387	6,386	51,307	0	1023
DEPREC & AMORT EXP	DEPAMX	3,726,568	1,228,633	690,490	207,088	40,895	290,160	0	1023
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1023
SERVICES EXPENSE	SERVX	1,425,464	381,746	105,489	24,374	4,740	30,774	216,369	1023
- CABSX EXPENSE	CABSX	96,311	48,156	0	17,313	3,414	27,428	0	1023
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1023
GENERAL & ADMIN EXP	GENADX	1,908,937	594,364	327,706	64,699	31,332	74,658	95,969	1023
OTHER TAXES (EXCL FIT & ITC)	OTAXES	59,982	18,538	12,080	2,322	458	3,678	0	1023
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1023
NON-OPERATING INC & EXP	NONOPX	7,425	2,312	1,507	290	57	459	0	1023
INTEREST & RELATED ITEMS(IRI)	INTREL	221,878	67,223	43,806	8,419	1,660	13,338	0	1023

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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	143,842	43,150	24,378	6,518	1,165	10,994	95	1024
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1024
- GENERAL SUPPORT FACILITIES	GSF	3,992,273	1,315,009	737,347	197,150	35,245	332,540	12,727	1024
- CENTRAL OFFICE EQUIPMENT	COE	6,188,196	2,255,375	851,331	676,647	92,448	634,949	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	1,881,593	676,647	0	676,647	0	0	0	1024
-- COE CAT 4.11	COE411	572,002	572,002	0	0	0	572,002	0	1024
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1024
-- COE CAT 4.13	COE413	3,444,895	866,849	851,331	0	0	15,518	0	1024
-- COE CAT 4.2	COE42	289,706	139,877	0	0	92,448	47,430	0	1024
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1024
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1024
- CABLE & WIRE FACILITIES	CWF	7,381,259	2,214,247	1,679,352	0	28,520	506,375	0	1024
-- C&WF CAT 1.1	CWF11	47,446	0	0	0	0	0	0	1024
-- C&WF CAT 1.2	CWF12	30,610	30,610	0	0	0	30,610	0	1024
-- C&WF CAT 1.3	CWF13	6,717,409	1,679,352	1,679,352	0	0	0	0	1024
-- C&WF CAT 2	CWF2	535,064	474,674	0	0	0	474,674	0	1024
-- C&WF CAT 3	CWF3	50,730	29,611	0	0	28,520	1,091	0	1024
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1024
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1024
- INTANGIBLES	INTANG	387	127	72	19	3	32	0	1024
TELCOM PLANT-OTHER	PLTOTH	22,255	7,314	4,141	1,107	198	1,868	0	1024
ACCUM DEPRECIATION	ACCDEP	12,000,280	3,964,547	2,232,445	591,629	110,243	1,023,949	6,282	1024
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1024
NET DEFERRED FIT	NTDFIT	665,696	218,788	123,888	33,126	5,918	55,855	0	1024
NETWORK SUPPORT EXP	NETSPX	11,949	3,936	2,224	595	106	1,003	9	1024
GENERAL SUPPORT EXP	GSFX	543,469	179,012	100,375	26,838	4,798	45,269	1,733	1024
COE EXPENSE	COEX	430,267	156,817	6,008	145,676	652	4,481	0	1024
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1024
C&WF EXPENSE	CWFX	405,295	121,581	92,211	0	1,566	27,804	0	1024
OTHER PROP & PL EXP	OTHPX	1,317	434	246	66	12	111	0	1024
NETWORK OPERATIONS EXP	NETOPX	31,906	10,509	5,950	1,591	284	2,684	0	1024
DEPREC & AMORT EXP	DEPAMX	1,074,627	355,393	170,260	105,335	7,098	71,742	958	1024
MARKETING EXPENSE	MRKTX	122,816	18,283	10,329	2,762	494	4,658	40	1024
SERVICES EXPENSE	SERVX	391,547	95,237	4,329	12,083	2,159	19,609	57,057	1024
- CABSX EXPENSE	CABSX	66,626	33,313	0	11,626	2,078	19,609	0	1024
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1024
GENERAL & ADMIN EXP	GENADX	1,599,143	510,468	211,548	155,650	8,268	86,702	48,300	1024
OTHER TAXES (EXCL FIT & ITC)	OTAXES	331,997	109,728	62,158	16,651	2,950	27,932	36	1024
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1024
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1024
INTEREST & RELATED ITEMS(IRI)	INTREL	6,360	2,075	1,172	313	56	529	5	1024

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	30,945	10,017	4,389	867	824	3,937	0	1025
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1025
- GENERAL SUPPORT FACILITIES	GSF	1,778,894	622,429	273,097	53,081	51,298	244,954	0	1025
- CENTRAL OFFICE EQUIPMENT	COE	2,941,588	1,178,830	177,391	258,265	156,208	586,967	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	798,571	253,235	0	253,235	0	0	0	1025
-- COE CAT 4.11	COE411	531,655	531,655	0	0	0	531,655	0	1025
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1025
-- COE CAT 4.13	COE413	714,491	179,420	177,391	0	0	2,029	0	1025
-- COE CAT 4.2	COE42	328,126	156,373	0	0	103,090	53,283	0	1025
-- COE CAT 4.3	COE43	568,745	53,118	0	0	53,118	0	0	1025
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1025
- CABLE & WIRE FACILITIES	CWF	5,713,658	1,849,613	1,151,370	0	93,382	604,861	0	1025
-- C&WF CAT 1.1	CWF11	18,813	0	0	0	0	0	0	1025
-- C&WF CAT 1.2	CWF12	13,169	13,169	0	0	0	13,169	0	1025
-- C&WF CAT 1.3	CWF13	4,605,480	1,151,370	1,151,370	0	0	0	0	1025
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1025
-- C&WF CAT 3	CWF3	908,628	669,424	0	0	77,732	591,692	0	1025
-- C&WF CAT 4	CWF4	167,568	15,650	0	0	15,650	0	0	1025
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1025
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1025
TELCOM PLANT-OTHER	PLTOTH	96,104	33,626	14,734	2,910	2,768	13,215	0	1025
ACCUM DEPRECIATION	ACCDEP	6,078,741	2,160,066	846,094	261,415	188,989	863,568	0	1025
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1025
NET DEFERRED FIT	NTDFIT	507,224	177,384	77,992	14,735	14,661	69,995	0	1025
NETWORK SUPPORT EXP	NETSPX	47,460	16,606	7,276	1,437	1,367	6,526	0	1025
GENERAL SUPPORT EXP	GSFX	107,039	37,453	16,433	3,194	3,087	14,739	0	1025
COE EXPENSE	COEX	127,811	51,220	6,832	15,766	6,016	22,606	0	1025
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1025
C&WF EXPENSE	CWFX	122,251	39,575	24,635	0	1,998	12,942	0	1025
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1025
NETWORK OPERATIONS EXP	NETOPX	112,338	39,307	17,246	3,352	3,239	15,469	0	1025
DEPREC & AMORT EXP	DEPAMX	562,012	203,315	83,755	8,831	20,166	90,562	0	1025
MARKETING EXPENSE	MRKTX	2,144	610	267	53	50	240	0	1025
SERVICES EXPENSE	SERVX	487,519	101,459	32,525	19,891	20,807	5,837	22,399	1025
- CABSX EXPENSE	CABSX	16,618	8,309	0	1,283	1,217	5,809	0	1025
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1025
GENERAL & ADMIN EXP	GENADX	627,434	192,491	80,493	27,034	22,623	48,482	13,859	1025
OTHER TAXES (EXCL FIT & ITC)	OTAXES	209,162	72,538	33,500	4,963	5,787	28,288	0	1025
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1025
NON-OPERATING INC & EXP	NONOPX	10,329	3,301	1,446	286	272	1,297	0	1025
INTEREST & RELATED ITEMS(IRI)	INTREL	169,062	57,709	29,470	1,791	4,304	22,145	0	1025

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	180,919	43,550	39,740	1,971	909	842	88	1026
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1026
- GENERAL SUPPORT FACILITIES	GSF	2,895,167	731,910	658,874	32,681	15,068	13,967	11,320	1026
- CENTRAL OFFICE EQUIPMENT	COE	4,118,207	1,078,511	779,012	221,218	62,550	15,731	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	544,433	221,218	0	221,218	0	0	0	1026
-- COE CAT 4.11	COE411	191,969	0	0	0	0	0	0	1026
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1026
-- COE CAT 4.13	COE413	3,126,684	779,898	779,012	0	0	886	0	1026
-- COE CAT 4.2	COE42	147,701	61,402	0	0	46,558	14,844	0	1026
-- COE CAT 4.3	COE43	107,420	15,992	0	0	15,992	0	0	1026
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1026
- CABLE & WIRE FACILITIES	CWF	15,187,351	3,799,134	3,680,883	0	39,442	78,810	0	1026
-- C&WF CAT 1.1	CWF11	46,076	0	0	0	0	0	0	1026
-- C&WF CAT 1.2	CWF12	4,189	4,189	0	0	0	4,189	0	1026
-- C&WF CAT 1.3	CWF13	14,723,531	3,680,883	3,680,883	0	0	0	0	1026
-- C&WF CAT 2	CWF2	320,340	74,460	0	0	0	74,460	0	1026
-- C&WF CAT 3	CWF3	63,895	35,238	0	0	35,077	161	0	1026
-- C&WF CAT 4	CWF4	29,320	4,365	0	0	4,365	0	0	1026
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1026
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1026
TELCOM PLANT-OTHER	PLTOTH	57,587	14,521	13,278	659	304	281	0	1026
ACCUM DEPRECIATION	ACCDEP	13,029,602	3,287,368	2,990,141	149,197	76,013	63,251	8,766	1026
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1026
NET DEFERRED FIT	NTDFIT	1,458,242	367,714	336,218	16,680	7,688	7,127	0	1026
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1026
GENERAL SUPPORT EXP	GSFX	86,500	21,868	19,685	976	450	417	338	1026
COE EXPENSE	COEX	874,910	258,674	45,610	205,971	6,172	921	0	1026
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1026
C&WF EXPENSE	CWFX	320,104	80,074	77,582	0	831	1,661	0	1026
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1026
NETWORK OPERATIONS EXP	NETOPX	229,622	58,015	53,046	2,631	1,213	1,124	0	1026
DEPREC & AMORT EXP	DEPAMX	1,246,318	316,680	279,252	22,636	8,609	5,881	303	1026
MARKETING EXPENSE	MRKTX	6,422	1,556	1,420	70	32	30	3	1026
SERVICES EXPENSE	SERVX	306,996	96,961	47,056	6,970	3,214	2,133	37,588	1026
- CABSX EXPENSE	CABSX	27,015	9,236	0	4,891	2,255	2,090	0	1026
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1026
GENERAL & ADMIN EXP	GENADX	875,204	278,647	143,874	107,038	5,886	3,106	18,742	1026
OTHER TAXES (EXCL FIT & ITC)	OTAXES	205,030	69,796	63,885	3,159	1,373	1,356	23	1026
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1026
NON-OPERATING INC & EXP	NONOPX	1,046	331	302	15	7	6	1	1026
INTEREST & RELATED ITEMS(IRI)	INTREL	4,017	1,003	916	45	21	19	2	1026

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	33,321	12,167	5,969	1,173	341	4,661	23	1027
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1027
- GENERAL SUPPORT FACILITIES	GSF	2,311,556	865,865	419,255	82,386	23,961	327,346	12,917	1027
- CENTRAL OFFICE EQUIPMENT	COE	6,168,750	2,402,381	972,153	575,122	83,736	771,369	0	1027
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1027
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1027
-- COE CAT 3	COE3	1,252,741	575,122	0	575,122	0	0	0	1027
-- COE CAT 4.11	COE411	631,525	631,525	0	0	0	631,525	0	1027
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1027
-- COE CAT 4.13	COE413	3,911,726	984,994	972,153	0	0	12,840	0	1027
-- COE CAT 4.2	COE42	372,758	210,740	0	0	83,736	127,004	0	1027
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1027
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1027
- CABLE & WIRE FACILITIES	CWF	9,727,162	3,551,924	1,954,604	0	83,533	1,513,787	0	1027
-- C&WF CAT 1.1	CWF11	20,653	0	0	0	0	0	0	1027
-- C&WF CAT 1.2	CWF12	25,816	25,816	0	0	0	25,816	0	1027
-- C&WF CAT 1.3	CWF13	7,818,416	1,954,604	1,954,604	0	0	0	0	1027
-- C&WF CAT 2	CWF2	1,711,562	1,483,467	0	0	0	1,483,467	0	1027
-- C&WF CAT 3	CWF3	150,715	88,037	0	0	83,533	4,504	0	1027
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1027
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1027
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1027
TELCOM PLANT-OTHER	PLTOTH	368,797	137,883	67,774	13,318	3,873	52,917	0	1027
ACCUM DEPRECIATION	ACCDEP	9,854,969	3,724,210	1,736,777	527,351	97,213	1,355,147	7,722	1027
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1027
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1027
NETWORK SUPPORT EXP	NETSPX	13,387	5,015	2,460	483	141	1,921	9	1027
GENERAL SUPPORT EXP	GSFX	128,938	48,298	23,386	4,595	1,337	18,259	721	1027
COE EXPENSE	COEX	298,658	116,310	25,411	68,548	2,189	20,163	0	1027
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1027
C&WF EXPENSE	CWFX	345,978	126,336	69,522	0	2,971	53,843	0	1027
OTHER PROP & PL EXP	OTHPX	29,508	11,053	5,433	1,068	311	4,242	0	1027
NETWORK OPERATIONS EXP	NETOPX	397,725	148,980	73,229	14,390	4,185	57,176	0	1027
DEPREC & AMORT EXP	DEPAMX	1,308,834	494,387	233,508	61,910	14,921	183,008	1,040	1027
MARKETING EXPENSE	MRKTX	45,144	9,393	4,608	906	263	3,598	18	1027
SERVICES EXPENSE	SERVX	512,630	146,892	2,320	8,815	1,338	18,276	116,143	1027
- CABSX EXPENSE	CABSX	45,410	22,705	0	4,313	1,254	17,137	0	1027
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1027
GENERAL & ADMIN EXP	GENADX	801,220	311,929	118,315	47,129	6,074	84,655	55,756	1027
OTHER TAXES (EXCL FIT & ITC)	OTAXES	89,183	33,343	16,389	3,221	937	12,796	0	1027
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1027
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1027
INTEREST & RELATED ITEMS(IRI)	INTREL	301,861	111,932	54,914	10,791	3,138	42,876	212	1027

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	186,189	50,670	30,057	5,477	1,896	13,059	181	1028
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1028
- GENERAL SUPPORT FACILITIES	GSF	3,292,425	1,118,549	649,391	118,333	40,968	282,138	27,719	1028
- CENTRAL OFFICE EQUIPMENT	COE	8,842,715	3,726,190	1,392,790	719,578	207,433	1,406,389	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	1,280,509	719,578	0	719,578	0	0	0	1028
-- COE CAT 4.11	COE411	1,217,684	1,217,684	0	0	0	1,217,684	0	1028
-- COE CAT 4.12	COE412	23,433	0	0	0	0	0	0	1028
-- COE CAT 4.13	COE413	5,592,221	1,398,807	1,392,790	0	0	6,017	0	1028
-- COE CAT 4.2	COE42	559,319	358,361	0	0	175,673	182,688	0	1028
-- COE CAT 4.3	COE43	169,549	31,760	0	0	31,760	0	0	1028
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1028
- CABLE & WIRE FACILITIES	CWF	10,682,282	2,907,117	2,556,139	0	41,695	309,283	0	1028
-- C&WF CAT 1.1	CWF11	27,608	0	0	0	0	0	0	1028
-- C&WF CAT 1.2	CWF12	11,043	11,043	0	0	0	11,043	0	1028
-- C&WF CAT 1.3	CWF13	10,224,557	2,556,139	2,556,139	0	0	0	0	1028
-- C&WF CAT 2	CWF2	220,974	220,974	0	0	0	220,974	0	1028
-- C&WF CAT 3	CWF3	178,231	115,239	0	0	37,973	77,266	0	1028
-- C&WF CAT 4	CWF4	19,869	3,722	0	0	3,722	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	525,723	177,967	105,947	19,306	6,684	46,030	0	1028
ACCUM DEPRECIATION	ACCDEP	10,169,662	3,577,129	1,955,287	580,241	130,822	899,550	11,230	1028
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1028
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1028
NETWORK SUPPORT EXP	NETSPX	77,485	26,324	15,615	2,845	985	6,784	94	1028
GENERAL SUPPORT EXP	GSFX	176,740	60,045	34,860	6,352	2,199	15,145	1,488	1028
COE EXPENSE	COEX	345,158	145,445	29,447	81,877	4,386	29,735	0	1028
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1028
C&WF EXPENSE	CWFX	437,626	119,097	104,719	0	1,708	12,671	0	1028
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1028
NETWORK OPERATIONS EXP	NETOPX	293,921	99,855	59,446	10,832	3,750	25,827	0	1028
DEPREC & AMORT EXP	DEPAMX	1,570,976	575,794	288,545	107,768	22,707	155,541	1,233	1028
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1028
SERVICES EXPENSE	SERVX	605,600	167,143	1,154	9,509	3,292	22,672	130,516	1028
- CABSX EXPENSE	CABSX	69,468	34,734	0	9,311	3,224	22,200	0	1028
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1028
GENERAL & ADMIN EXP	GENADX	1,354,571	492,158	222,241	80,696	11,821	81,724	95,676	1028
OTHER TAXES (EXCL FIT & ITC)	OTAXES	145,940	48,076	28,621	5,215	1,806	12,435	0	1028
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1028
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1028
INTEREST & RELATED ITEMS(IRI)	INTREL	136,140	44,878	26,621	4,851	1,679	11,566	160	1028

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	841,285	219,654	166,482	16,045	2,947	33,859	321	1029
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1029
- GENERAL SUPPORT FACILITIES	GSF	9,019,638	2,550,426	1,918,135	184,866	33,959	390,108	23,358	1029
- CENTRAL OFFICE EQUIPMENT	COE	15,149,432	4,985,017	2,384,682	982,816	101,836	1,515,682	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	3,667,075	982,816	0	982,816	0	0	0	1029
-- COE CAT 4.11	COE411	1,371,382	1,371,382	0	0	0	1,371,382	0	1029
-- COE CAT 4.12	COE412	27,899	0	0	0	0	0	0	1029
-- COE CAT 4.13	COE413	9,594,608	2,398,471	2,384,682	0	0	13,788	0	1029
-- COE CAT 4.2	COE42	422,611	217,064	0	0	86,552	130,512	0	1029
-- COE CAT 4.3	COE43	65,857	15,284	0	0	15,284	0	0	1029
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1029
- CABLE & WIRE FACILITIES	CWF	32,363,224	8,449,837	7,812,853	0	78,702	558,281	0	1029
-- C&WF CAT 1.1	CWF11	137,902	0	0	0	0	0	0	1029
-- C&WF CAT 1.2	CWF12	45,175	45,175	0	0	0	45,175	0	1029
-- C&WF CAT 1.3	CWF13	31,251,412	7,812,853	7,812,853	0	0	0	0	1029
-- C&WF CAT 2	CWF2	705,210	511,771	0	0	0	511,771	0	1029
-- C&WF CAT 3	CWF3	140,501	60,770	0	0	59,435	1,336	0	1029
-- C&WF CAT 4	CWF4	83,024	19,268	0	0	19,268	0	0	1029
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1029
- INTANGIBLES	INTANG	67,976	19,221	14,568	1,404	258	2,963	28	1029
TELCOM PLANT-OTHER	PLTOTH	3,841,344	1,084,605	823,254	79,343	14,575	167,433	0	1029
ACCUM DEPRECIATION	ACCDEP	34,635,490	10,013,529	7,261,704	805,218	146,675	1,790,029	9,903	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	12,901	3,648	2,765	266	49	562	5	1029
GENERAL SUPPORT EXP	GSFX	402,085	113,695	85,508	8,241	1,514	17,391	1,041	1029
COE EXPENSE	COEX	1,280,071	421,215	81,919	278,624	8,605	52,067	0	1029
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1029
C&WF EXPENSE	CWFX	958,785	250,333	231,462	0	2,332	16,539	0	1029
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1029
NETWORK OPERATIONS EXP	NETOPX	1,133,613	320,545	243,305	23,449	4,307	49,483	0	1029
DEPREC & AMORT EXP	DEPAMX	3,977,693	1,168,576	835,588	82,624	18,321	230,920	1,123	1029
MARKETING EXPENSE	MRKTX	120,735	29,691	22,503	2,169	398	4,577	43	1029
SERVICES EXPENSE	SERVX	991,641	317,311	65,519	13,653	2,508	26,402	209,230	1029
- CABSX EXPENSE	CABSX	80,711	40,356	0	12,252	2,251	25,854	0	1029
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1029
GENERAL & ADMIN EXP	GENADX	1,591,835	521,152	282,085	107,860	6,514	55,192	69,501	1029
OTHER TAXES (EXCL FIT & ITC)	OTAXES	539,583	101,606	77,122	7,433	1,365	15,685	0	1029
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1029
NON-OPERATING INC & EXP	NONOPX	11,330	3,709	2,811	271	50	572	5	1029
INTEREST & RELATED ITEMS(IRI)	INTREL	297,282	81,404	61,698	5,946	1,092	12,548	119	1029

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	182,055	44,542	30,794	5,886	1,929	5,903	30	1030
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1030
- GENERAL SUPPORT FACILITIES	GSF	5,232,921	1,433,396	986,101	188,497	61,767	189,028	8,002	1030
- CENTRAL OFFICE EQUIPMENT	COE	10,934,803	3,720,903	990,107	1,309,719	202,132	1,218,946	0	1030
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1030
-- COE CAT 2	COE2	143,225	17,554	0	0	17,554	0	0	1030
-- COE CAT 3	COE3	4,416,225	1,246,229	0	1,246,229	0	0	0	1030
-- COE CAT 4.11	COE411	611,386	585,261	0	0	0	585,261	0	1030
-- COE CAT 4.12	COE412	353,305	56,132	0	0	0	56,132	0	1030
-- COE CAT 4.13	COE413	3,992,600	996,177	990,107	0	0	6,071	0	1030
-- COE CAT 4.2	COE42	1,121,220	728,994	0	0	157,512	571,482	0	1030
-- COE CAT 4.3	COE43	210,512	27,066	0	0	27,066	0	0	1030
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1030
- CABLE & WIRE FACILITIES	CWF	26,974,378	6,599,650	6,193,676	0	247,845	158,129	0	1030
-- C&WF CAT 1.1	CWF11	163,291	0	0	0	0	0	0	1030
-- C&WF CAT 1.2	CWF12	37,975	37,975	0	0	0	37,975	0	1030
-- C&WF CAT 1.3	CWF13	24,774,703	6,193,676	6,193,676	0	0	0	0	1030
-- C&WF CAT 2	CWF2	611,577	83,637	0	0	0	83,637	0	1030
-- C&WF CAT 3	CWF3	536,938	175,092	0	0	138,574	36,517	0	1030
-- C&WF CAT 4	CWF4	849,894	109,271	0	0	109,271	0	0	1030
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1030
- INTANGIBLES	INTANG	3,383	927	641	122	40	123	1	1030
TELCOM PLANT-OTHER	PLTOTH	291,004	79,658	55,108	10,534	3,452	10,564	0	1030
ACCUM DEPRECIATION	ACCDEP	19,837,596	5,571,470	3,502,632	985,694	243,509	836,699	2,936	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	0	0	0	0	0	0	0	1030
GENERAL SUPPORT EXP	GSFX	244,305	66,920	46,037	8,800	2,884	8,825	374	1030
COE EXPENSE	COEX	434,353	150,324	16,863	108,175	4,526	20,760	0	1030
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1030
C&WF EXPENSE	CWFX	620,899	151,911	142,567	0	5,705	3,640	0	1030
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1030
NETWORK OPERATIONS EXP	NETOPX	311,106	85,218	58,955	11,269	3,693	11,301	0	1030
DEPREC & AMORT EXP	DEPAMX	2,662,941	772,238	473,692	108,301	37,405	152,620	221	1030
MARKETING EXPENSE	MRKTX	69,899	23,227	16,058	3,070	1,006	3,078	16	1030
SERVICES EXPENSE	SERVX	575,486	172,051	27,276	29,666	9,235	24,139	81,736	1030
- CABSX EXPENSE	CABSX	100,797	50,399	0	21,626	7,086	21,687	0	1030
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1030
GENERAL & ADMIN EXP	GENADX	1,108,472	363,553	195,535	79,110	13,293	35,257	40,359	1030
OTHER TAXES (EXCL FIT & ITC)	OTAXES	347,551	95,136	65,816	12,581	4,123	12,616	0	1030
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1030
NON-OPERATING INC & EXP	NONOPX	44	14	10	2	1	2	0	1030
INTEREST & RELATED ITEMS(IRI)	INTREL	514,636	137,876	103,262	12,547	5,920	16,035	112	1030

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	698,995	176,777	120,633	21,724	13,250	21,023	148	1031
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1031
- GENERAL SUPPORT FACILITIES	GSF	9,145,647	2,619,786	1,773,153	319,315	194,755	309,013	23,550	1031
- CENTRAL OFFICE EQUIPMENT	COE	33,117,969	11,372,516	3,728,428	3,147,096	1,793,900	2,703,091	0	1031
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1031
-- COE CAT 2	COE2	663,423	503,832	0	0	503,832	0	0	1031
-- COE CAT 3	COE3	11,825,676	3,147,096	0	3,147,096	0	0	0	1031
-- COE CAT 4.11	COE411	2,451,727	2,451,727	0	0	0	2,451,727	0	1031
-- COE CAT 4.12	COE412	254,057	0	0	0	0	0	0	1031
-- COE CAT 4.13	COE413	14,977,537	3,738,046	3,728,428	0	0	9,617	0	1031
-- COE CAT 4.2	COE42	2,226,721	1,465,146	0	0	1,223,400	241,747	0	1031
-- COE CAT 4.3	COE43	718,828	66,668	0	0	66,668	0	0	1031
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1031
- CABLE & WIRE FACILITIES	CWF	56,209,303	14,215,429	13,747,387	0	125,565	342,477	0	1031
-- C&WF CAT 1.1	CWF11	199,868	0	0	0	0	0	0	1031
-- C&WF CAT 1.2	CWF12	35,460	35,460	0	0	0	35,460	0	1031
-- C&WF CAT 1.3	CWF13	54,989,546	13,747,387	13,747,387	0	0	0	0	1031
-- C&WF CAT 2	CWF2	660,978	306,469	0	0	0	306,469	0	1031
-- C&WF CAT 3	CWF3	148,749	109,910	0	0	109,362	548	0	1031
-- C&WF CAT 4	CWF4	174,701	16,203	0	0	16,203	0	0	1031
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1031
- INTANGIBLES	INTANG	50,465	14,456	9,865	1,776	1,083	1,719	12	1031
TELCOM PLANT-OTHER	PLTOTH	1,629,015	466,244	318,431	57,344	34,975	55,494	0	1031
ACCUM DEPRECIATION	ACCDEP	52,569,733	15,028,628	10,377,271	1,754,380	1,106,675	1,777,716	12,586	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	208,982	59,863	40,851	7,357	4,487	7,119	50	1031
GENERAL SUPPORT EXP	GSFX	273,766	78,421	53,078	9,558	5,830	9,250	705	1031
COE EXPENSE	COEX	772,462	265,259	32,692	170,291	38,575	23,701	0	1031
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1031
C&WF EXPENSE	CWFX	2,163,316	547,106	529,093	0	4,833	13,181	0	1031
OTHER PROP & PL EXP	OTHPPX	128,115	36,699	25,064	4,514	2,753	4,368	0	1031
NETWORK OPERATIONS EXP	NETOPX	678,304	194,301	132,702	23,897	14,575	23,126	0	1031
DEPREC & AMORT EXP	DEPAMX	6,560,918	1,930,768	1,192,863	301,213	171,533	263,334	1,824	1031
MARKETING EXPENSE	MRKTX	630	175	119	22	13	21	0	1031
SERVICES EXPENSE	SERVX	780,719	193,849	86,444	14,738	8,989	9,795	73,883	1031
- CABSX EXPENSE	CABSX	49,203	24,602	0	9,544	5,821	9,236	0	1031
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1031
GENERAL & ADMIN EXP	GENADX	2,905,245	841,185	589,976	121,676	42,282	47,831	39,421	1031
OTHER TAXES (EXCL FIT & ITC)	OTAXES	684,682	151,015	103,139	18,574	11,328	17,974	0	1031
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1031
NON-OPERATING INC & EXP	NONOPX	63,261	18,317	12,499	2,251	1,373	2,178	15	1031
INTEREST & RELATED ITEMS(IRI)	INTREL	1,193,930	342,167	233,495	42,048	25,646	40,692	286	1031

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	244,695	66,040	39,663	4,886	3,365	18,037	90	1032
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1032
- GENERAL SUPPORT FACILITIES	GSF	2,926,236	952,022	567,485	69,906	48,139	258,067	8,425	1032
- CENTRAL OFFICE EQUIPMENT	COE	4,206,844	2,030,914	316,232	389,240	139,605	1,185,838	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	1,525,204	389,240	0	389,240	0	0	0	1032
-- COE CAT 4.11	COE411	1,153,034	1,151,042	0	0	0	1,151,042	0	1032
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1032
-- COE CAT 4.13	COE413	1,282,410	321,553	316,232	0	0	5,321	0	1032
-- COE CAT 4.2	COE42	246,196	169,079	0	0	139,605	29,474	0	1032
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1032
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1032
- CABLE & WIRE FACILITIES	CWF	11,942,331	3,223,064	2,843,542	0	128,436	251,085	0	1032
-- C&WF CAT 1.1	CWF11	109,367	0	0	0	0	0	0	1032
-- C&WF CAT 1.2	CWF12	47,848	47,848	0	0	0	47,848	0	1032
-- C&WF CAT 1.3	CWF13	11,374,169	2,843,542	2,843,542	0	0	0	0	1032
-- C&WF CAT 2	CWF2	208,109	198,725	0	0	0	198,725	0	1032
-- C&WF CAT 3	CWF3	202,838	132,948	0	0	128,436	4,512	0	1032
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	200,593	65,202	39,195	4,828	3,325	17,824	30	1032
ACCUM DEPRECIATION	ACCDEP	12,131,535	3,654,141	2,408,693	359,073	163,351	716,758	6,266	1032
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1032
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1032
NETWORK SUPPORT EXP	NETSPX	14,231	4,630	2,781	343	236	1,265	6	1032
GENERAL SUPPORT EXP	GSFX	114,492	37,249	22,203	2,735	1,884	10,097	330	1032
COE EXPENSE	COEX	691,302	333,736	21,013	224,648	9,277	78,798	0	1032
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1032
C&WF EXPENSE	CWFX	346,545	93,528	82,514	0	3,727	7,286	0	1032
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1032
NETWORK OPERATIONS EXP	NETOPX	632,080	205,641	123,674	15,235	10,491	56,241	0	1032
DEPREC & AMORT EXP	DEPAMX	1,016,021	347,585	157,293	61,491	17,596	110,828	377	1032
MARKETING EXPENSE	MRKTX	121,423	42,427	25,481	3,139	2,162	11,588	58	1032
SERVICES EXPENSE	SERVX	707,817	168,795	69,040	14,586	6,842	18,768	59,559	1032
- CABSX EXPENSE	CABSX	53,299	26,606	0	4,945	3,405	18,255	0	1032
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1032
GENERAL & ADMIN EXP	GENADX	1,192,502	434,868	191,639	117,571	15,613	83,005	27,039	1032
OTHER TAXES (EXCL FIT & ITC)	OTAXES	415,158	140,306	81,292	9,123	7,481	42,375	34	1032
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1032
NON-OPERATING INC & EXP	NONOPX	13,005	4,743	2,848	351	242	1,295	6	1032
INTEREST & RELATED ITEMS(IRI)	INTREL	4,648	1,688	1,014	125	86	461	2	1032

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	254,935	64,474	38,078	13,414	2,792	10,190	0	1033
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1033
- GENERAL SUPPORT FACILITIES	GSF	11,625,455	3,245,664	1,916,870	675,278	140,534	512,981	0	1033
- CENTRAL OFFICE EQUIPMENT	COE	22,020,194	6,852,869	1,420,243	3,009,757	530,774	1,892,096	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	11,463,403	3,046,516	179,070	2,867,446	0	0	0	1033
-- COE CAT 4.11	COE411	1,743,949	1,743,949	0	0	0	1,743,949	0	1033
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1033
-- COE CAT 4.13	COE413	5,113,107	1,270,565	1,241,173	0	0	29,392	0	1033
-- COE CAT 4.2	COE42	1,104,460	322,555	0	0	203,801	118,754	0	1033
-- COE CAT 4.3	COE43	2,367,689	326,973	0	0	326,973	0	0	1033
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1033
- CABLE & WIRE FACILITIES	CWF	32,245,182	8,154,951	7,527,337	0	125,214	502,400	0	1033
-- C&WF CAT 1.1	CWF11	721,848	0	0	0	0	0	0	1033
-- C&WF CAT 1.2	CWF12	178,256	178,256	0	0	0	178,256	0	1033
-- C&WF CAT 1.3	CWF13	30,109,347	7,527,337	7,527,337	0	0	0	0	1033
-- C&WF CAT 2	CWF2	336,459	273,601	0	0	0	273,601	0	1033
-- C&WF CAT 3	CWF3	294,497	92,239	0	0	41,695	50,544	0	1033
-- C&WF CAT 4	CWF4	604,775	83,518	0	0	83,518	0	0	1033
- TANGIBLES	TANGIB	1,300,861	400,113	192,628	47,165	34,937	125,382	0	1033
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1033
TELCOM PLANT-OTHER	PLTOTH	333,370	93,255	54,859	19,223	4,125	15,047	0	1033
ACCUM DEPRECIATION	ACCDEP	57,152,753	16,055,396	9,176,613	3,521,816	723,041	2,633,926	0	1033
ACCUM AMORTIZATION	ACCAMO	1,104,740	308,428	182,156	64,170	13,355	48,747	0	1033
NET DEFERRED FIT	NTDFIT	-1,639,794	-458,910	-403,697	103,529	-34,216	-124,526	0	1033
NETWORK SUPPORT EXP	NETSPX	799,346	223,166	131,801	46,431	9,663	35,272	0	1033
GENERAL SUPPORT EXP	GSFX	1,456,346	406,591	240,130	84,594	17,605	64,262	0	1033
COE EXPENSE	COEX	757,686	240,695	22,979	194,419	5,104	18,193	0	1033
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1033
C&WF EXPENSE	CWFX	913,050	230,914	213,143	0	3,546	14,226	0	1033
OTHER PROP & PL EXP	OTHPPX	19,211	5,374	3,174	1,118	233	849	0	1033
NETWORK OPERATIONS EXP	NETOPX	577,188	161,143	95,170	33,527	6,977	25,469	0	1033
DEPREC & AMORT EXP	DEPAMX	3,373,120	966,473	628,831	253,783	17,529	66,330	0	1033
MARKETING EXPENSE	MRKTX	36,331	13,401	7,915	2,788	580	2,118	0	1033
SERVICES EXPENSE	SERVX	790,996	173,062	22,583	85,179	772	1,089	63,439	1033
- CABSX EXPENSE	CABSX	3,842	1,921	0	976	203	742	0	1033
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1033
GENERAL & ADMIN EXP	GENADX	3,699,050	1,003,131	554,150	280,393	27,835	101,053	39,700	1033
OTHER TAXES (EXCL FIT & ITC)	OTAXES	588,278	166,699	102,224	30,749	7,258	26,468	0	1033
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1033
NON-OPERATING INC & EXP	NONOPX	34,933	9,505	5,614	1,978	412	1,502	0	1033
INTEREST & RELATED ITEMS(IRI)	INTREL	329,266	90,783	53,616	18,888	3,931	14,348	0	1033

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	68,418	17,863	7,940	7,471	1,539	913	0	1034
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1034
- GENERAL SUPPORT FACILITIES	GSF	3,044,312	950,295	422,390	397,435	81,892	48,577	0	1034
- CENTRAL OFFICE EQUIPMENT	COE	6,802,121	2,526,447	179,111	1,918,577	321,453	107,306	0	1034
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1034
-- COE CAT 2	COE2	452,089	131,472	0	0	131,472	0	0	1034
-- COE CAT 3	COE3	4,835,354	1,918,577	0	1,918,577	0	0	0	1034
-- COE CAT 4.11	COE411	28,970	20,209	0	0	0	20,209	0	1034
-- COE CAT 4.12	COE412	30,137	0	0	0	0	0	0	1034
-- COE CAT 4.13	COE413	722,947	181,602	179,111	0	0	2,491	0	1034
-- COE CAT 4.2	COE42	732,624	274,587	0	0	189,981	84,606	0	1034
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1034
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1034
- CABLE & WIRE FACILITIES	CWF	7,893,983	2,061,003	1,859,935	0	73,873	127,195	0	1034
-- C&WF CAT 1.1	CWF11	41,675	0	0	0	0	0	0	1034
-- C&WF CAT 1.2	CWF12	25,867	25,867	0	0	0	25,867	0	1034
-- C&WF CAT 1.3	CWF13	7,439,739	1,859,935	1,859,935	0	0	0	0	1034
-- C&WF CAT 2	CWF2	142,612	99,486	0	0	0	99,486	0	1034
-- C&WF CAT 3	CWF3	244,089	75,715	0	0	73,873	1,842	0	1034
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1034
- TANGIBLES	TANGIB	149,992	46,821	20,811	19,581	4,035	2,393	0	1034
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1034
TELCOM PLANT-OTHER	PLTOTH	231,275	72,193	32,089	30,193	6,221	3,690	0	1034
ACCUM DEPRECIATION	ACCDEP	14,203,789	4,462,567	1,912,089	1,893,523	416,576	240,379	0	1034
ACCUM AMORTIZATION	ACCAMO	95,344	29,762	13,229	12,447	2,565	1,521	0	1034
NET DEFERRED FIT	NTDFIT	334,307	104,319	46,470	43,684	8,884	5,281	0	1034
NETWORK SUPPORT EXP	NETSPX	83,365	26,023	11,567	10,883	2,243	1,330	0	1034
GENERAL SUPPORT EXP	GSFX	147,189	45,946	20,422	19,216	3,959	2,349	0	1034
COE EXPENSE	COEX	1,027,651	381,692	54,261	222,145	72,777	32,508	0	1034
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1034
C&WF EXPENSE	CWFX	470,958	122,960	110,964	0	4,407	7,589	0	1034
OTHER PROP & PL EXP	OTHPPX	9,185	2,867	1,274	1,199	247	147	0	1034
NETWORK OPERATIONS EXP	NETOPX	264,870	82,680	36,750	34,579	7,125	4,226	0	1034
DEPREC & AMORT EXP	DEPAMX	1,030,726	338,414	111,712	179,892	31,507	15,303	0	1034
MARKETING EXPENSE	MRKTX	75,781	25,081	11,148	10,489	2,161	1,282	0	1034
SERVICES EXPENSE	SERVX	462,882	120,500	20,655	45,019	9,276	4,359	41,192	1034
- CABSX EXPENSE	CABSX	83,816	41,908	0	31,551	6,501	3,856	0	1034
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1034
GENERAL & ADMIN EXP	GENADX	1,055,534	359,542	134,040	143,270	42,621	22,433	17,179	1034
OTHER TAXES (EXCL FIT & ITC)	OTAXES	382,001	119,937	54,385	49,750	9,855	5,947	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	0	0	0	0	0	0	0	1034

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 SEPARATIONS/ALLOCATION RULES

NAME	PART	TOTAL COMPANY	TOTAL INTERSTATE	COMMON LINE	CENTRAL OFFICE	TRANSPORT	SPECIAL ACCESS	NON- ACCESS	SEQ
MATERIALS AND SUPPLIES	MATSUP	77,743	18,917	12,032	4,581	755	1,549	0	1035
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1035
- GENERAL SUPPORT FACILITIES	GSF	2,129,426	572,633	364,212	138,684	22,846	46,891	0	1035
- CENTRAL OFFICE EQUIPMENT	COE	5,479,660	1,776,400	321,022	1,127,694	137,918	189,766	0	1035
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1035
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1035
-- COE CAT 3	COE3	3,120,997	1,127,694	0	1,127,694	0	0	0	1035
-- COE CAT 4.11	COE411	112,976	112,976	0	0	0	112,976	0	1035
-- COE CAT 4.12	COE412	27,881	0	0	0	0	0	0	1035
-- COE CAT 4.13	COE413	1,334,106	328,465	321,022	0	0	7,443	0	1035
-- COE CAT 4.2	COE42	814,754	195,979	0	0	126,632	69,346	0	1035
-- COE CAT 4.3	COE43	68,946	11,285	0	0	11,285	0	0	1035
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1035
- CABLE & WIRE FACILITIES	CWF	11,835,482	2,879,892	2,640,518	0	47,854	191,520	0	1035
-- C&WF CAT 1.1	CWF11	350,192	0	0	0	0	0	0	1035
-- C&WF CAT 1.2	CWF12	61,222	61,222	0	0	0	61,222	0	1035
-- C&WF CAT 1.3	CWF13	10,562,073	2,640,518	2,640,518	0	0	0	0	1035
-- C&WF CAT 2	CWF2	640,624	128,235	0	0	0	128,235	0	1035
-- C&WF CAT 3	CWF3	148,631	38,010	0	0	35,948	2,062	0	1035
-- C&WF CAT 4	CWF4	72,740	11,906	0	0	11,906	0	0	1035
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1035
- INTANGIBLES	INTANG	15,000	4,034	2,566	977	161	330	0	1035
TELCOM PLANT-OTHER	PLTOTH	591,029	158,936	101,088	38,492	6,341	13,015	0	1035
ACCUM DEPRECIATION	ACCDEP	16,087,289	4,383,845	2,633,136	1,191,444	189,544	369,721	0	1035
ACCUM AMORTIZATION	ACCAMO	3,583	964	613	233	38	79	0	1035
NET DEFERRED FIT	NTDFIT	330,702	89,013	56,410	21,803	3,538	7,262	0	1035
NETWORK SUPPORT EXP	NETSPX	47,379	12,741	8,104	3,086	508	1,043	0	1035
GENERAL SUPPORT EXP	GSFX	140,725	37,843	24,069	9,165	1,510	3,099	0	1035
COE EXPENSE	COEX	274,304	88,924	9,010	70,717	3,871	5,326	0	1035
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1035
C&WF EXPENSE	CWFX	550,151	133,867	122,740	0	2,224	8,902	0	1035
OTHER PROP & PL EXP	OTHPPX	10,016	2,693	1,713	652	107	221	0	1035
NETWORK OPERATIONS EXP	NETOPX	639,282	171,912	109,341	41,635	6,859	14,077	0	1035
DEPREC & AMORT EXP	DEPAMX	1,562,230	419,610	267,852	99,198	17,365	35,195	0	1035
MARKETING EXPENSE	MRKTX	14,033	3,781	2,405	916	151	310	0	1035
SERVICES EXPENSE	SERVX	492,341	117,740	26,060	23,699	3,904	7,078	56,999	1035
- CABSX EXPENSE	CABSX	61,654	30,826	0	20,512	3,379	6,935	0	1035
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1035
GENERAL & ADMIN EXP	GENADX	789,200	231,471	129,937	57,194	7,302	15,286	21,752	1035
OTHER TAXES (EXCL FIT & ITC)	OTAXES	351,611	93,452	60,935	21,380	3,587	7,549	0	1035
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1035
NON-OPERATING INC & EXP	NONOPX	8,666	2,542	1,617	616	101	208	0	1035
INTEREST & RELATED ITEMS(IRI)	INTREL	95,076	24,033	15,286	5,821	959	1,968	0	1035

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	191,342	47,314	34,102	8,655	1,543	3,014	0	1036
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1036
- GENERAL SUPPORT FACILITIES	GSF	5,476,384	1,446,182	1,042,341	264,552	47,174	92,115	0	1036
- CENTRAL OFFICE EQUIPMENT	COE	12,892,793	3,927,183	1,339,143	2,125,214	201,371	261,455	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	5,705,350	2,125,214	0	2,125,214	0	0	0	1036
-- COE CAT 4.11	COE411	70,974	70,974	0	0	0	70,974	0	1036
-- COE CAT 4.12	COE412	56,363	0	0	0	0	0	0	1036
-- COE CAT 4.13	COE413	5,476,287	1,347,694	1,339,143	0	0	8,551	0	1036
-- COE CAT 4.2	COE42	1,146,712	326,259	0	0	144,330	181,930	0	1036
-- COE CAT 4.3	COE43	437,108	57,041	0	0	57,041	0	0	1036
- INFORMATION ORIG/TERM	IOT	1	0	0	0	0	0	0	1036
- CABLE & WIRE FACILITIES	CWF	31,100,320	7,690,348	7,034,234	0	177,590	478,524	0	1036
-- C&WF CAT 1.1	CWF11	583,914	0	0	0	0	0	0	1036
-- C&WF CAT 1.2	CWF12	44,916	44,916	0	0	0	44,916	0	1036
-- C&WF CAT 1.3	CWF13	28,136,934	7,034,234	7,034,234	0	0	0	0	1036
-- C&WF CAT 2	CWF2	1,521,036	429,151	0	0	1,393	427,758	0	1036
-- C&WF CAT 3	CWF3	550,091	147,670	0	0	141,821	5,850	0	1036
-- C&WF CAT 4	CWF4	263,429	34,377	0	0	34,377	0	0	1036
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1036
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1036
TELCOM PLANT-OTHER	PLTOTH	901,201	237,986	171,529	43,535	7,763	15,159	0	1036
ACCUM DEPRECIATION	ACCDEP	34,174,365	9,244,690	6,055,725	2,289,917	318,607	580,442	0	1036
ACCUM AMORTIZATION	ACCAMO	237,933	62,832	45,287	11,494	2,050	4,002	0	1036
NET DEFERRED FIT	NTDFIT	256,854	67,811	48,925	12,355	2,211	4,320	0	1036
NETWORK SUPPORT EXP	NETSPX	57,162	15,095	10,880	2,761	492	961	0	1036
GENERAL SUPPORT EXP	GSFX	516,041	136,274	98,220	24,929	4,445	8,680	0	1036
COE EXPENSE	COEX	1,052,920	320,723	23,785	288,717	3,577	4,644	0	1036
IOT EXPENSE	IOTX	2,784	0	0	0	0	0	0	1036
C&WF EXPENSE	CWFX	996,410	246,388	225,367	0	5,690	15,331	0	1036
OTHER PROP & PL EXP	OTHPPX	5,412	1,429	1,030	261	47	91	0	1036
NETWORK OPERATIONS EXP	NETOPX	845,612	223,306	160,949	40,850	7,284	14,223	0	1036
DEPREC & AMORT EXP	DEPAMX	4,308,850	1,159,572	768,018	268,812	44,732	78,011	0	1036
MARKETING EXPENSE	MRKTX	859	240	173	44	8	15	0	1036
SERVICES EXPENSE	SERVX	840,609	262,816	77,077	49,357	8,794	13,524	114,064	1036
- CABSX EXPENSE	CABSX	116,545	58,273	0	38,174	6,807	13,292	0	1036
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1036
GENERAL & ADMIN EXP	GENADX	1,057,392	333,779	174,624	106,380	7,931	15,024	29,820	1036
OTHER TAXES (EXCL FIT & ITC)	OTAXES	806,898	214,745	159,357	34,770	6,876	13,742	0	1036
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1036
NON-OPERATING INC & EXP	NONOPX	15,040	4,748	3,422	868	155	302	0	1036
INTEREST & RELATED ITEMS(IRI)	INTREL	332,133	83,043	72,217	3,003	2,362	5,460	0	1036

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	569,475	146,017	107,219	23,400	2,388	12,381	630	1037
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1037
- GENERAL SUPPORT FACILITIES	GSF	6,917,017	1,883,902	1,322,475	288,630	29,452	152,710	90,635	1037
- CENTRAL OFFICE EQUIPMENT	COE	27,631,230	8,205,682	3,840,533	3,080,361	219,426	1,065,362	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	10,069,237	3,080,361	0	3,080,361	0	0	0	1037
-- COE CAT 4.11	COE411	1,057,023	1,057,023	0	0	0	1,057,023	0	1037
-- COE CAT 4.12	COE412	211,377	0	0	0	0	0	0	1037
-- COE CAT 4.13	COE413	15,374,630	3,847,674	3,840,533	0	0	7,141	0	1037
-- COE CAT 4.2	COE42	258,085	80,531	0	0	79,334	1,198	0	1037
-- COE CAT 4.3	COE43	660,878	140,093	0	0	140,093	0	0	1037
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1037
- CABLE & WIRE FACILITIES	CWF	42,638,027	10,932,685	10,273,377	0	94,896	564,412	0	1037
-- C&WF CAT 1.1	CWF11	14,327	0	0	0	0	0	0	1037
-- C&WF CAT 1.2	CWF12	19,102	19,102	0	0	0	19,102	0	1037
-- C&WF CAT 1.3	CWF13	41,093,507	10,273,377	10,273,377	0	0	0	0	1037
-- C&WF CAT 2	CWF2	588,205	73,949	0	0	0	73,949	0	1037
-- C&WF CAT 3	CWF3	632,675	504,738	0	0	33,377	471,361	0	1037
-- C&WF CAT 4	CWF4	290,211	61,519	0	0	61,519	0	0	1037
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1037
- INTANGIBLES	INTANG	1,444,843	393,514	288,952	63,064	6,435	33,366	1,697	1037
TELCOM PLANT-OTHER	PLTOTH	6,147,741	1,667,165	1,229,479	268,334	27,381	141,971	0	1037
ACCUM DEPRECIATION	ACCDEP	24,359,226	6,702,488	4,484,254	1,577,336	100,604	521,239	19,055	1037
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1037
NET DEFERRED FIT	NTDFIT	6,061,893	1,644,160	1,213,187	263,980	26,998	139,995	0	1037
NETWORK SUPPORT EXP	NETSPX	41,760	11,374	8,352	1,823	186	964	49	1037
GENERAL SUPPORT EXP	GSFX	233,545	63,608	44,652	9,745	994	5,156	3,060	1037
COE EXPENSE	COEX	411,840	122,305	52,785	51,861	3,016	14,643	0	1037
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1037
C&WF EXPENSE	CWFX	1,560,677	400,168	376,036	0	3,473	20,659	0	1037
OTHER PROP & PL EXP	OTHPPX	72,745	19,813	14,611	3,189	325	1,687	0	1037
NETWORK OPERATIONS EXP	NETOPX	449,345	122,383	90,253	19,698	2,010	10,422	0	1037
DEPREC & AMORT EXP	DEPAMX	4,423,291	1,252,000	724,632	384,613	23,059	115,819	3,877	1037
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1037
SERVICES EXPENSE	SERVX	1,166,780	303,188	4,667	0	0	0	298,520	1037
- CABSX EXPENSE	CABSX	0	0	0	0	0	0	0	1037
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1037
GENERAL & ADMIN EXP	GENADX	1,103,346	354,677	220,404	25,671	2,976	15,920	89,706	1037
OTHER TAXES (EXCL FIT & ITC)	OTAXES	910,005	249,085	187,401	35,473	4,167	21,609	435	1037
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1037
NON-OPERATING INC & EXP	NONOPX	9,031	2,903	2,132	465	47	246	13	1037
INTEREST & RELATED ITEMS(IRI)	INTREL	2,640,116	715,757	525,571	114,706	11,705	60,689	3,086	1037

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	51,982	14,509	8,321	1,037	401	4,750	0	1038
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1038
- GENERAL SUPPORT FACILITIES	GSF	903,668	293,529	168,336	20,985	8,107	96,102	0	1038
- CENTRAL OFFICE EQUIPMENT	COE	4,607,473	1,838,725	512,563	280,862	98,643	946,656	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	1,002,023	280,862	0	280,862	0	0	0	1038
-- COE CAT 4.11	COE411	238,830	238,830	0	0	0	238,830	0	1038
-- COE CAT 4.12	COE412	268,248	104,711	0	0	0	104,711	0	1038
-- COE CAT 4.13	COE413	2,060,693	517,784	512,563	0	0	5,221	0	1038
-- COE CAT 4.2	COE42	843,221	677,622	0	0	79,727	597,895	0	1038
-- COE CAT 4.3	COE43	194,458	18,916	0	0	18,916	0	0	1038
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1038
- CABLE & WIRE FACILITIES	CWF	7,487,385	2,089,915	1,740,471	0	9,858	339,586	0	1038
-- C&WF CAT 1.1	CWF11	17,727	0	0	0	0	0	0	1038
-- C&WF CAT 1.2	CWF12	17,727	17,727	0	0	0	17,727	0	1038
-- C&WF CAT 1.3	CWF13	6,961,883	1,740,471	1,740,471	0	0	0	0	1038
-- C&WF CAT 2	CWF2	193,376	109,117	0	0	0	109,117	0	1038
-- C&WF CAT 3	CWF3	220,522	215,193	0	0	2,451	212,742	0	1038
-- C&WF CAT 4	CWF4	76,150	7,408	0	0	7,408	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	286,197	92,962	53,313	6,646	2,567	30,436	0	1038
ACCUM DEPRECIATION	ACCDEP	7,584,137	2,482,302	1,393,747	185,685	71,191	831,679	0	1038
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1038
NET DEFERRED FIT	NTDFIT	896,379	323,232	134,570	37,114	13,414	138,134	0	1038
NETWORK SUPPORT EXP	NETSPX	974	316	181	23	9	104	0	1038
GENERAL SUPPORT EXP	GSFX	64,801	21,049	12,071	1,505	581	6,891	0	1038
COE EXPENSE	COEX	238,497	95,178	14,962	49,704	2,879	27,633	0	1038
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1038
C&WF EXPENSE	CWFX	317,122	88,517	73,716	0	418	14,383	0	1038
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1038
NETWORK OPERATIONS EXP	NETOPX	246,752	80,150	45,965	5,730	2,214	26,241	0	1038
DEPREC & AMORT EXP	DEPAMX	966,142	323,860	169,829	27,537	10,349	116,145	0	1038
MARKETING EXPENSE	MRKTX	18,840	6,349	3,641	454	175	2,079	0	1038
SERVICES EXPENSE	SERVX	863,723	313,825	80,575	34,687	12,831	126,738	58,994	1038
- CABSX EXPENSE	CABSX	327,070	163,534	0	27,411	10,589	125,534	0	1038
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1038
GENERAL & ADMIN EXP	GENADX	798,785	283,529	121,869	39,781	8,253	88,144	25,481	1038
OTHER TAXES (EXCL FIT & ITC)	OTAXES	118,471	39,201	23,437	2,539	998	12,226	0	1038
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1038
NON-OPERATING INC & EXP	NONOPX	25	9	5	1	0	3	0	1038
INTEREST & RELATED ITEMS(IRI)	INTREL	331	104	60	7	3	34	0	1038

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	16,040	5,164	2,414	1,168	202	1,355	25	1039
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1039
- GENERAL SUPPORT FACILITIES	GSF	2,852,473	1,026,331	474,114	229,371	39,665	266,065	17,116	1039
- CENTRAL OFFICE EQUIPMENT	COE	2,659,105	1,116,376	269,811	561,973	56,018	228,574	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	1,106,787	561,973	0	561,973	0	0	0	1039
-- COE CAT 4.11	COE411	120,065	120,065	0	0	0	120,065	0	1039
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1039
-- COE CAT 4.13	COE413	1,089,813	272,453	269,811	0	0	2,643	0	1039
-- COE CAT 4.2	COE42	342,440	161,884	0	0	56,018	105,866	0	1039
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1039
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1039
- CABLE & WIRE FACILITIES	CWF	4,213,078	1,356,261	891,798	0	41,163	423,300	0	1039
-- C&WF CAT 1.1	CWF11	26,204	0	0	0	0	0	0	1039
-- C&WF CAT 1.2	CWF12	8,735	8,735	0	0	0	8,735	0	1039
-- C&WF CAT 1.3	CWF13	3,567,193	891,798	891,798	0	0	0	0	1039
-- C&WF CAT 2	CWF2	442,404	413,235	0	0	0	413,235	0	1039
-- C&WF CAT 3	CWF3	168,543	42,494	0	0	41,163	1,331	0	1039
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	0	0	0	0	0	0	0	1039
ACCUM DEPRECIATION	ACCDEP	5,391,382	1,936,107	910,640	450,856	69,543	495,712	9,356	1039
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1039
NET DEFERRED FIT	NTDFIT	-159,812	-55,786	-28,460	-9,296	-2,284	-15,747	0	1039
NETWORK SUPPORT EXP	NETSPX	6,512	2,343	1,095	530	92	615	11	1039
GENERAL SUPPORT EXP	GSFX	193,460	69,608	32,155	15,556	2,690	18,045	1,161	1039
COE EXPENSE	COEX	252,651	106,071	25,982	48,506	9,571	22,011	0	1039
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1039
C&WF EXPENSE	CWFX	253,967	81,756	53,758	0	2,481	25,517	0	1039
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1039
NETWORK OPERATIONS EXP	NETOPX	151,337	54,452	25,581	12,376	2,140	14,355	0	1039
DEPREC & AMORT EXP	DEPAMX	655,495	246,707	98,344	72,671	11,725	63,257	710	1039
MARKETING EXPENSE	MRKTX	30,982	4,137	1,934	936	162	1,085	20	1039
SERVICES EXPENSE	SERVX	514,402	121,828	50,642	21,484	3,715	17,576	28,411	1039
- CABSX EXPENSE	CABSX	70,044	35,022	0	15,012	2,596	17,414	0	1039
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1039
GENERAL & ADMIN EXP	GENADX	961,003	314,871	144,984	67,797	14,224	67,672	20,194	1039
OTHER TAXES (EXCL FIT & ITC)	OTAXES	120,937	43,655	20,508	9,922	1,716	11,509	0	1039
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1039
NON-OPERATING INC & EXP	NONOPX	19,385	6,351	2,969	1,436	248	1,666	31	1039
INTEREST & RELATED ITEMS(IRI)	INTREL	55,593	20,024	9,361	4,529	783	5,253	98	1039

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	66,321	16,721	10,624	4,043	123	1,930	0	1040
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1040
- GENERAL SUPPORT FACILITIES	GSF	1,086,904	330,677	210,105	79,960	2,441	38,171	0	1040
- CENTRAL OFFICE EQUIPMENT	COE	1,129,620	492,118	81,750	323,773	5,527	81,068	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	622,936	323,773	0	323,773	0	0	0	1040
-- COE CAT 4.11	COE411	35,783	0	0	0	0	0	0	1040
-- COE CAT 4.12	COE412	614	0	0	0	0	0	0	1040
-- COE CAT 4.13	COE413	333,215	83,662	81,750	0	0	1,912	0	1040
-- COE CAT 4.2	COE42	128,211	83,378	0	0	4,222	79,156	0	1040
-- COE CAT 4.3	COE43	8,861	1,305	0	0	1,305	0	0	1040
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1040
- CABLE & WIRE FACILITIES	CWF	3,271,429	846,846	768,998	0	4,355	73,493	0	1040
-- C&WF CAT 1.1	CWF11	40,474	0	0	0	0	0	0	1040
-- C&WF CAT 1.2	CWF12	17,988	17,988	0	0	0	17,988	0	1040
-- C&WF CAT 1.3	CWF13	3,075,991	768,998	768,998	0	0	0	0	1040
-- C&WF CAT 2	CWF2	120,922	54,987	0	0	0	54,987	0	1040
-- C&WF CAT 3	CWF3	10,576	4,066	0	0	3,548	518	0	1040
-- C&WF CAT 4	CWF4	5,478	807	0	0	807	0	0	1040
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1040
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1040
TELCOM PLANT-OTHER	PLTOTH	45,312	13,786	8,759	3,333	102	1,591	0	1040
ACCUM DEPRECIATION	ACCDEP	3,266,204	956,048	665,402	167,204	7,394	116,047	0	1040
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1040
NET DEFERRED FIT	NTDFIT	298,980	90,941	57,814	21,972	670	10,485	0	1040
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1040
GENERAL SUPPORT EXP	GSFX	23,865	7,261	4,613	1,756	54	838	0	1040
COE EXPENSE	COEX	68,919	31,511	1,591	26,230	2,113	1,578	0	1040
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1040
C&WF EXPENSE	CWFX	472,945	122,427	111,173	0	630	10,625	0	1040
OTHER PROP & PL EXP	OTHPX	41,468	12,616	8,016	3,051	93	1,456	0	1040
NETWORK OPERATIONS EXP	NETOPX	67,287	20,471	13,007	4,950	151	2,363	0	1040
DEPREC & AMORT EXP	DEPAMX	384,715	122,763	69,080	37,100	1,011	15,572	0	1040
MARKETING EXPENSE	MRKTX	2,397	608	386	147	4	70	0	1040
SERVICES EXPENSE	SERVX	142,869	52,206	17,076	6,673	204	2,497	25,756	1040
- CABSX EXPENSE	CABSX	16,620	7,743	0	5,135	157	2,451	0	1040
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1040
GENERAL & ADMIN EXP	GENADX	718,141	236,864	154,742	38,529	2,924	17,486	23,182	1040
OTHER TAXES (EXCL FIT & ITC)	OTAXES	84,116	25,915	16,466	6,266	191	2,991	0	1040
INVESTMENT TAX CREDITS (ITC)	ITC	7,639	2,324	1,477	562	17	268	0	1040
NON-OPERATING INC & EXP	NONOPX	3,711	1,203	764	291	9	139	0	1040
INTEREST & RELATED ITEMS(IRI)	INTREL	23,677	7,601	4,829	1,838	56	877	0	1040

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	33,249	9,057	3,819	3,510	390	1,337	0	1041
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1041
- GENERAL SUPPORT FACILITIES	GSF	1,392,549	512,811	216,272	198,769	22,088	75,681	0	1041
- CENTRAL OFFICE EQUIPMENT	COE	4,033,652	2,124,066	221,573	1,526,666	97,531	278,296	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	2,347,038	1,526,666	0	1,526,666	0	0	0	1041
-- COE CAT 4.11	COE411	134,463	134,463	0	0	0	134,463	0	1041
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1041
-- COE CAT 4.13	COE413	924,508	228,200	221,573	0	0	6,627	0	1041
-- COE CAT 4.2	COE42	337,053	178,687	0	0	41,481	137,206	0	1041
-- COE CAT 4.3	COE43	290,590	56,050	0	0	56,050	0	0	1041
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1041
- CABLE & WIRE FACILITIES	CWF	6,661,946	1,814,622	1,439,521	0	72,120	302,981	0	1041
-- C&WF CAT 1.1	CWF11	205,236	0	0	0	0	0	0	1041
-- C&WF CAT 1.2	CWF12	43,056	43,056	0	0	0	43,056	0	1041
-- C&WF CAT 1.3	CWF13	5,758,086	1,439,521	1,439,521	0	0	0	0	1041
-- C&WF CAT 2	CWF2	304,406	256,321	0	0	0	256,321	0	1041
-- C&WF CAT 3	CWF3	96,697	26,641	0	0	23,037	3,604	0	1041
-- C&WF CAT 4	CWF4	254,465	49,082	0	0	49,082	0	0	1041
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1041
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1041
TELCOM PLANT-OTHER	PLTOTH	59,670	21,974	9,267	8,517	946	3,243	0	1041
ACCUM DEPRECIATION	ACCDEP	8,308,913	3,155,463	1,239,697	1,365,267	123,915	426,584	0	1041
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1041
NET DEFERRED FIT	NTDFIT	391,711	144,269	60,833	55,981	6,201	21,255	0	1041
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1041
GENERAL SUPPORT EXP	GSFX	152,257	56,069	23,646	21,733	2,415	8,275	0	1041
COE EXPENSE	COEX	352,527	185,636	10,425	148,414	13,703	13,094	0	1041
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1041
C&WF EXPENSE	CWFX	327,565	89,224	70,781	0	3,546	14,897	0	1041
OTHER PROP & PL EXP	OTHPX	19,303	7,108	2,998	2,755	306	1,049	0	1041
NETWORK OPERATIONS EXP	NETOPX	212,649	78,309	33,026	30,353	3,373	11,557	0	1041
DEPREC & AMORT EXP	DEPAMX	573,382	231,518	75,729	110,657	10,695	34,437	0	1041
MARKETING EXPENSE	MRKTX	2,694	780	329	302	34	115	0	1041
SERVICES EXPENSE	SERVX	347,806	117,859	27,858	45,348	4,959	10,686	29,007	1041
- CABSX EXPENSE	CABSX	82,216	41,108	0	27,555	3,062	10,491	0	1041
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1041
GENERAL & ADMIN EXP	GENADX	1,014,421	402,367	144,220	175,595	19,990	42,098	20,464	1041
OTHER TAXES (EXCL FIT & ITC)	OTAXES	109,134	40,859	17,232	15,837	1,760	6,030	0	1041
INVESTMENT TAX CREDITS (ITC)	ITC	19,298	7,107	2,997	2,755	306	1,049	0	1041
NON-OPERATING INC & EXP	NONOPX	3,252	1,290	544	500	56	190	0	1041
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1041

APPENDIX B1

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COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	39,545	11,168	4,286	4,933	230	1,719	0	1042
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1042
- GENERAL SUPPORT FACILITIES	GSF	2,568,827	1,097,565	421,246	484,829	22,571	168,919	0	1042
- CENTRAL OFFICE EQUIPMENT	COE	2,937,246	1,872,627	242,649	1,359,092	40,951	229,936	0	1042
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1042
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1042
-- COE CAT 3	COE3	1,605,751	1,359,092	0	1,359,092	0	0	0	1042
-- COE CAT 4.11	COE411	178,146	178,146	0	0	0	178,146	0	1042
-- COE CAT 4.12	COE412	5,068	0	0	0	0	0	0	1042
-- COE CAT 4.13	COE413	1,008,541	253,433	242,649	0	0	10,784	0	1042
-- COE CAT 4.2	COE42	139,740	81,956	0	0	40,951	41,005	0	1042
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1042
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1042
- CABLE & WIRE FACILITIES	CWF	4,263,796	1,204,113	938,206	0	22,322	243,585	0	1042
-- C&WF CAT 1.1	CWF11	105,017	0	0	0	0	0	0	1042
-- C&WF CAT 1.2	CWF12	41,698	41,698	0	0	0	41,698	0	1042
-- C&WF CAT 1.3	CWF13	3,752,825	938,206	938,206	0	0	0	0	1042
-- C&WF CAT 2	CWF2	320,095	200,644	0	0	0	200,644	0	1042
-- C&WF CAT 3	CWF3	44,161	23,565	0	0	22,322	1,243	0	1042
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1042
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1042
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1042
TELCOM PLANT-OTHER	PLTOTH	90,621	38,719	14,860	17,103	796	5,959	0	1042
ACCUM DEPRECIATION	ACCDEP	5,092,942	1,969,293	914,684	721,473	34,624	298,512	0	1042
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1042
NET DEFERRED FIT	NTDFIT	416,602	178,010	68,311	78,668	3,656	27,374	0	1042
NETWORK SUPPORT EXP	NETSPX	65,315	27,907	10,711	12,327	574	4,295	0	1042
GENERAL SUPPORT EXP	GSFX	268,142	114,567	43,971	50,608	2,356	17,632	0	1042
COE EXPENSE	COEX	220,781	140,758	20,959	92,575	7,362	19,861	0	1042
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1042
C&WF EXPENSE	CWFX	662,332	187,045	145,740	0	3,467	37,838	0	1042
OTHER PROP & PL EXP	OTHPX	3,046	1,301	499	575	27	200	0	1042
NETWORK OPERATIONS EXP	NETOPX	47,237	20,183	7,746	8,915	415	3,106	0	1042
DEPREC & AMORT EXP	DEPAMX	571,062	293,208	74,472	179,900	4,858	33,978	0	1042
MARKETING EXPENSE	MRKTX	90,222	29,849	11,456	13,185	614	4,594	0	1042
SERVICES EXPENSE	SERVX	414,270	138,109	19,452	58,093	2,705	16,128	41,730	1042
- CABSX EXPENSE	CABSX	127,534	63,766	0	45,712	2,128	15,926	0	1042
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1042
GENERAL & ADMIN EXP	GENADX	1,091,538	423,274	177,830	145,279	10,773	63,734	25,658	1042
OTHER TAXES (EXCL FIT & ITC)	OTAXES	120,098	51,738	19,857	22,854	1,064	7,963	0	1042
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1042
NON-OPERATING INC & EXP	NONOPX	8,405	3,259	1,251	1,440	67	502	0	1042
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1042

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	478,749	134,683	60,869	50,140	9,218	14,198	258	1043
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1043
- GENERAL SUPPORT FACILITIES	GSF	7,372,131	2,667,502	1,196,226	985,373	181,160	279,025	25,717	1043
- CENTRAL OFFICE EQUIPMENT	COE	14,175,192	6,365,422	1,308,691	3,997,537	609,953	449,241	0	1043
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1043
-- COE CAT 2	COE2	375,550	192,450	0	0	192,450	0	0	1043
-- COE CAT 3	COE3	6,998,367	3,979,827	0	3,979,827	0	0	0	1043
-- COE CAT 4.11	COE411	434,330	409,869	0	0	0	409,869	0	1043
-- COE CAT 4.12	COE412	197,203	0	0	0	0	0	0	1043
-- COE CAT 4.13	COE413	5,289,924	1,339,335	1,308,691	0	0	30,644	0	1043
-- COE CAT 4.2	COE42	752,014	402,736	0	0	394,008	8,728	0	1043
-- COE CAT 4.3	COE43	94,470	23,495	0	0	23,495	0	0	1043
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1043
- CABLE & WIRE FACILITIES	CWF	15,575,500	4,381,739	3,565,747	0	128,247	687,744	0	1043
-- C&WF CAT 1.1	CWF11	66,796	0	0	0	0	0	0	1043
-- C&WF CAT 1.2	CWF12	83,495	83,495	0	0	0	83,495	0	1043
-- C&WF CAT 1.3	CWF13	14,262,989	3,565,747	3,565,747	0	0	0	0	1043
-- C&WF CAT 2	CWF2	844,331	598,952	0	0	0	598,952	0	1043
-- C&WF CAT 3	CWF3	181,056	99,514	0	0	94,217	5,297	0	1043
-- C&WF CAT 4	CWF4	136,833	34,031	0	0	34,031	0	0	1043
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1043
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1043
TELCOM PLANT-OTHER	PLTOTH	625,647	225,948	102,312	84,278	15,494	23,865	0	1043
ACCUM DEPRECIATION	ACCDEP	22,804,541	8,203,113	3,767,707	3,055,118	508,880	847,278	24,129	1043
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1043
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1043
NETWORK SUPPORT EXP	NETSPX	8,774	3,175	1,435	1,182	217	335	6	1043
GENERAL SUPPORT EXP	GSFX	1,475,153	533,763	239,363	197,172	36,250	55,833	5,146	1043
COE EXPENSE	COEX	801,007	360,696	98,919	187,286	40,534	33,956	0	1043
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1043
C&WF EXPENSE	CWFX	730,418	205,483	167,217	0	6,014	32,252	0	1043
OTHER PROP & PL EXP	OTHPPX	138,635	50,163	22,714	18,711	3,440	5,298	0	1043
NETWORK OPERATIONS EXP	NETOPX	351,294	127,111	57,557	47,412	8,717	13,425	0	1043
DEPREC & AMORT EXP	DEPAMX	1,745,573	685,515	242,351	332,605	49,656	60,026	877	1043
MARKETING EXPENSE	MRKTX	78,967	36,099	16,315	13,439	2,471	3,805	69	1043
SERVICES EXPENSE	SERVX	458,795	135,123	43,985	38,661	4,471	6,886	41,119	1043
- CABSX EXPENSE	CABSX	38,745	19,373	0	13,205	2,428	3,739	0	1043
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1043
GENERAL & ADMIN EXP	GENADX	2,121,701	849,648	413,097	273,548	55,438	82,408	25,158	1043
OTHER TAXES (EXCL FIT & ITC)	OTAXES	506,014	187,202	84,403	69,796	13,126	19,863	14	1043
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1043
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1043
INTEREST & RELATED ITEMS(IRI)	INTREL	561	203	92	76	14	21	0	1043

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	287,331	78,156	40,203	19,747	3,619	14,323	264	1044
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1044
- GENERAL SUPPORT FACILITIES	GSF	4,152,398	1,496,716	759,331	372,979	68,349	270,530	25,527	1044
- CENTRAL OFFICE EQUIPMENT	COE	6,092,426	3,144,561	588,091	1,536,869	190,341	829,260	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	2,474,873	1,536,869	0	1,536,869	0	0	0	1044
-- COE CAT 4.11	COE411	645,667	645,667	0	0	0	645,667	0	1044
-- COE CAT 4.12	COE412	14,074	0	0	0	0	0	0	1044
-- COE CAT 4.13	COE413	2,371,277	593,068	588,091	0	0	4,977	0	1044
-- COE CAT 4.2	COE42	586,535	368,957	0	0	190,341	178,616	0	1044
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1044
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1044
- CABLE & WIRE FACILITIES	CWF	10,725,807	2,917,505	2,540,749	0	91,292	285,464	0	1044
-- C&WF CAT 1.1	CWF11	60,212	0	0	0	0	0	0	1044
-- C&WF CAT 1.2	CWF12	21,504	21,504	0	0	0	21,504	0	1044
-- C&WF CAT 1.3	CWF13	10,162,996	2,540,749	2,540,749	0	0	0	0	1044
-- C&WF CAT 2	CWF2	293,830	263,176	0	0	0	263,176	0	1044
-- C&WF CAT 3	CWF3	187,264	92,076	0	0	91,292	783	0	1044
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1044
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1044
- INTANGIBLES	INTANG	55,346	19,949	10,262	5,040	924	3,656	67	1044
TELCOM PLANT-OTHER	PLTOTH	535,013	192,192	99,197	48,725	8,929	35,341	0	1044
ACCUM DEPRECIATION	ACCDEP	10,459,751	3,804,426	1,908,508	1,053,943	167,059	658,621	16,295	1044
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1044
NET DEFERRED FIT	NTDFIT	2,239,585	804,532	415,173	204,117	37,363	147,879	0	1044
NETWORK SUPPORT EXP	NETSPX	346	125	64	32	6	23	0	1044
GENERAL SUPPORT EXP	GSFX	362,444	130,642	66,279	32,556	5,966	23,613	2,228	1044
COE EXPENSE	COEX	603,717	311,604	86,754	71,215	31,306	122,330	0	1044
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1044
C&WF EXPENSE	CWFX	222,646	60,561	52,741	0	1,895	5,926	0	1044
OTHER PROP & PL EXP	OTHPX	1,060	382	197	97	18	70	0	1044
NETWORK OPERATIONS EXP	NETOPX	350,468	126,325	65,201	32,026	5,869	23,229	0	1044
DEPREC & AMORT EXP	DEPAMX	1,008,630	388,558	172,562	118,310	19,065	77,412	1,208	1044
MARKETING EXPENSE	MRKTX	219,031	64,824	33,345	16,379	3,001	11,880	219	1044
SERVICES EXPENSE	SERVX	485,019	146,139	33,437	18,313	3,356	8,386	82,647	1044
- CABSX EXPENSE	CABSX	43,537	21,769	0	11,406	2,090	8,273	0	1044
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1044
GENERAL & ADMIN EXP	GENADX	2,154,193	839,185	357,209	163,621	49,308	187,443	81,605	1044
OTHER TAXES (EXCL FIT & ITC)	OTAXES	168,835	68,944	35,953	16,666	3,277	12,991	57	1044
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1044
NON-OPERATING INC & EXP	NONOPX	2,482	967	497	244	45	177	3	1044
INTEREST & RELATED ITEMS(IRI)	INTREL	43,048	15,236	7,837	3,849	705	2,792	51	1044

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	49,619	16,089	7,505	2,522	507	5,556	0	1045
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1045
- GENERAL SUPPORT FACILITIES	GSF	1,302,842	497,361	231,988	77,949	15,687	171,738	0	1045
- CENTRAL OFFICE EQUIPMENT	COE	1,716,884	858,778	165,545	314,950	23,762	354,521	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	595,742	300,277	0	300,277	0	0	0	1045
-- COE CAT 4.11	COE411	25,953	24,808	0	0	0	24,808	0	1045
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1045
-- COE CAT 4.13	COE413	677,064	176,613	165,545	0	0	11,068	0	1045
-- COE CAT 4.2	COE42	393,912	342,407	0	0	23,762	318,645	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	3,792,461	1,229,746	815,464	0	42,574	371,708	0	1045
-- C&WF CAT 1.1	CWF11	18,800	0	0	0	0	0	0	1045
-- C&WF CAT 1.2	CWF12	54,521	54,521	0	0	0	54,521	0	1045
-- C&WF CAT 1.3	CWF13	3,261,858	815,464	815,464	0	0	0	0	1045
-- C&WF CAT 2	CWF2	127,842	122,202	0	0	0	122,202	0	1045
-- C&WF CAT 3	CWF3	329,440	237,559	0	0	42,574	194,985	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	4,949,998	1,915,351	871,306	298,107	61,077	684,862	0	1045
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1045
NET DEFERRED FIT	NTDFIT	-23,613	-9,028	-4,173	-1,514	-281	-3,060	0	1045
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1045
GENERAL SUPPORT EXP	GSFX	41,516	15,849	7,392	2,484	500	5,473	0	1045
COE EXPENSE	COEX	100,126	50,938	3,071	40,849	441	6,577	0	1045
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1045
C&WF EXPENSE	CWFX	45,885	14,879	9,866	0	515	4,497	0	1045
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1045
NETWORK OPERATIONS EXP	NETOPX	50,411	19,244	8,976	3,016	607	6,645	0	1045
DEPREC & AMORT EXP	DEPAMX	392,903	151,309	64,921	41,093	4,022	41,273	0	1045
MARKETING EXPENSE	MRKTX	1,360	270	126	42	9	93	0	1045
SERVICES EXPENSE	SERVX	124,611	44,444	7,718	5,758	1,159	12,685	17,125	1045
- CABSX EXPENSE	CABSX	38,458	19,229	0	5,648	1,137	12,444	0	1045
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1045
GENERAL & ADMIN EXP	GENADX	356,405	175,368	57,966	56,441	3,496	38,931	18,535	1045
OTHER TAXES (EXCL FIT & ITC)	OTAXES	55,963	21,294	10,217	3,365	663	7,048	0	1045
INVESTMENT TAX CREDITS (ITC)	ITC	3,752	1,432	668	224	45	495	0	1045
NON-OPERATING INC & EXP	NONOPX	2,459	1,210	564	190	38	418	0	1045
INTEREST & RELATED ITEMS(IRI)	INTREL	36,841	13,521	6,716	2,159	414	4,232	0	1045

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	510,234	141,558	77,312	22,339	6,411	35,143	353	1046
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1046
- GENERAL SUPPORT FACILITIES	GSF	8,449,249	2,634,837	1,426,447	412,168	118,285	648,404	29,534	1046
- CENTRAL OFFICE EQUIPMENT	COE	11,272,793	4,113,773	1,367,107	1,426,801	345,703	974,162	0	1046
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1046
-- COE CAT 2	COE2	322,538	176,680	0	0	176,680	0	0	1046
-- COE CAT 3	COE3	2,849,358	1,397,893	0	1,397,893	0	0	0	1046
-- COE CAT 4.11	COE411	303,542	298,872	0	0	0	298,872	0	1046
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1046
-- COE CAT 4.13	COE413	6,082,049	1,372,711	1,367,107	0	0	5,604	0	1046
-- COE CAT 4.2	COE42	1,627,416	820,624	0	0	150,938	669,686	0	1046
-- COE CAT 4.3	COE43	36,291	18,085	0	0	18,085	0	0	1046
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1046
- CABLE & WIRE FACILITIES	CWF	18,234,083	5,058,826	3,670,870	0	72,060	1,315,896	0	1046
-- C&WF CAT 1.1	CWF11	1,632,612	0	0	0	0	0	0	1046
-- C&WF CAT 1.2	CWF12	15,047	15,047	0	0	0	15,047	0	1046
-- C&WF CAT 1.3	CWF13	14,683,480	3,670,870	3,670,870	0	0	0	0	1046
-- C&WF CAT 2	CWF2	815,052	802,512	0	0	0	802,512	0	1046
-- C&WF CAT 3	CWF3	1,074,252	563,600	0	0	65,263	498,336	0	1046
-- C&WF CAT 4	CWF4	13,639	6,797	0	0	6,797	0	0	1046
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1046
- INTANGIBLES	INTANG	17,217	5,369	2,932	847	243	1,333	13	1046
TELCOM PLANT-OTHER	PLTOTH	2,975	925	507	146	42	230	0	1046
ACCUM DEPRECIATION	ACCDEP	19,260,545	6,143,522	3,161,269	1,145,349	312,999	1,514,306	9,598	1046
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1046
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1046
NETWORK SUPPORT EXP	NETSPX	3,415	1,065	582	168	48	264	3	1046
GENERAL SUPPORT EXP	GSFX	271,998	84,821	45,920	13,268	3,808	20,873	951	1046
COE EXPENSE	COEX	231,291	84,998	0	75,798	9,200	0	0	1046
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1046
C&WF EXPENSE	CWFX	270,243	74,976	54,405	0	1,068	19,503	0	1046
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1046
NETWORK OPERATIONS EXP	NETOPX	233,907	72,942	39,937	11,540	3,312	18,154	0	1046
DEPREC & AMORT EXP	DEPAMX	2,240,537	712,378	369,747	129,350	35,815	176,318	1,148	1046
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1046
SERVICES EXPENSE	SERVX	780,755	195,502	53,513	22,976	6,359	34,860	77,793	1046
- CABSX EXPENSE	CABSX	124,263	62,132	0	21,723	6,234	34,174	0	1046
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1046
GENERAL & ADMIN EXP	GENADX	1,152,337	387,228	171,740	83,348	16,026	63,077	53,037	1046
OTHER TAXES (EXCL FIT & ITC)	OTAXES	351,659	109,389	59,892	17,306	4,966	27,225	0	1046
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1046
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1046
INTEREST & RELATED ITEMS(IRI)	INTREL	346,417	105,238	60,922	13,484	4,148	26,319	364	1046

APPENDIX B1

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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	78,058	19,567	12,258	5,451	1,343	515	0	1047
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1047
- GENERAL SUPPORT FACILITIES	GSF	2,127,871	633,040	396,574	176,366	43,437	16,663	0	1047
- CENTRAL OFFICE EQUIPMENT	COE	5,576,296	2,030,669	634,465	1,135,121	219,443	41,640	0	1047
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1047
-- COE CAT 2	COE2	120,005	46,232	0	0	46,232	0	0	1047
-- COE CAT 3	COE3	2,159,591	1,115,567	0	1,115,567	0	0	0	1047
-- COE CAT 4.11	COE411	18,919	10,811	0	0	0	10,811	0	1047
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1047
-- COE CAT 4.13	COE413	2,567,590	636,267	634,465	0	0	1,802	0	1047
-- COE CAT 4.2	COE42	667,962	202,239	0	0	173,211	29,027	0	1047
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1047
- INFORMATION ORIG/TERM	IOT	30,047	7,512	7,512	0	0	0	0	1047
- CABLE & WIRE FACILITIES	CWF	8,324,942	2,086,812	1,954,417	0	64,943	67,452	0	1047
-- C&WF CAT 1.1	CWF11	86,030	0	0	0	0	0	0	1047
-- C&WF CAT 1.2	CWF12	5,550	5,550	0	0	0	5,550	0	1047
-- C&WF CAT 1.3	CWF13	7,817,667	1,954,417	1,954,417	0	0	0	0	1047
-- C&WF CAT 2	CWF2	58,279	33,302	0	0	0	33,302	0	1047
-- C&WF CAT 3	CWF3	357,415	93,542	0	0	64,943	28,599	0	1047
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1047
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1047
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1047
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1047
ACCUM DEPRECIATION	ACCDEP	6,620,460	1,935,950	1,276,779	494,173	114,381	50,617	0	1047
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1047
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1047
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1047
GENERAL SUPPORT EXP	GSFX	56,417	16,784	10,515	4,676	1,152	442	0	1047
COE EXPENSE	COEX	204,901	75,335	24,412	41,014	8,307	1,602	0	1047
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1047
C&WF EXPENSE	CWFX	128,906	32,313	30,263	0	1,006	1,044	0	1047
OTHER PROP & PL EXP	OTHPPX	773	230	144	64	16	6	0	1047
NETWORK OPERATIONS EXP	NETOPX	63,571	18,912	11,848	5,269	1,298	498	0	1047
DEPREC & AMORT EXP	DEPAMX	1,018,260	332,843	162,050	139,350	24,147	7,296	0	1047
MARKETING EXPENSE	MRKTX	4,281	443	277	123	30	12	0	1047
SERVICES EXPENSE	SERVX	323,710	109,425	11,099	37,821	9,315	3,573	47,616	1047
- CABSX EXPENSE	CABSX	100,143	50,072	0	37,345	9,198	3,528	0	1047
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1047
GENERAL & ADMIN EXP	GENADX	615,017	228,079	92,264	73,283	17,399	5,912	39,221	1047
OTHER TAXES (EXCL FIT & ITC)	OTAXES	176,226	52,427	32,843	14,606	3,597	1,380	0	1047
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1047
NON-OPERATING INC & EXP	NONOPX	3,049	1,131	708	315	78	30	0	1047
INTEREST & RELATED ITEMS(IRI)	INTREL	372,498	111,991	70,158	31,201	7,685	2,948	0	1047

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	905,882	256,667	126,337	51,910	8,530	69,173	717	1048
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1048
- GENERAL SUPPORT FACILITIES	GSF	8,670,911	2,906,547	1,392,453	572,132	94,019	762,408	85,535	1048
- CENTRAL OFFICE EQUIPMENT	COE	36,566,317	14,239,023	3,101,103	5,211,142	782,660	5,144,117	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	15,943,138	4,799,020	0	4,799,020	0	0	0	1048
-- COE CAT 4.11	COE411	2,290,021	2,290,021	0	0	0	2,290,021	0	1048
-- COE CAT 4.12	COE412	49,573	0	0	0	0	0	0	1048
-- COE CAT 4.13	COE413	12,686,897	3,145,904	3,101,103	0	0	44,802	0	1048
-- COE CAT 4.2	COE42	4,599,698	3,518,242	0	0	708,948	2,809,294	0	1048
-- COE CAT 4.3	COE43	358,599	73,713	0	0	73,713	0	0	1048
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1048
- CABLE & WIRE FACILITIES	CWF	46,148,692	13,075,477	10,584,768	0	141,412	2,349,297	0	1048
-- C&WF CAT 1.1	CWF11	811,272	0	0	0	0	0	0	1048
-- C&WF CAT 1.2	CWF12	152,918	152,918	0	0	0	152,918	0	1048
-- C&WF CAT 1.3	CWF13	42,339,072	10,584,768	10,584,768	0	0	0	0	1048
-- C&WF CAT 2	CWF2	2,490,933	2,190,688	0	0	0	2,190,688	0	1048
-- C&WF CAT 3	CWF3	201,741	115,703	0	0	110,012	5,691	0	1048
-- C&WF CAT 4	CWF4	152,755	31,400	0	0	31,400	0	0	1048
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1048
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1048
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1048
ACCUM DEPRECIATION	ACCDEP	57,106,912	19,504,747	8,305,540	5,458,000	643,588	5,045,248	52,371	1048
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1048
NET DEFERRED FIT	NTDFIT	1,280,654	427,523	212,330	85,521	14,205	115,467	0	1048
NETWORK SUPPORT EXP	NETSPX	47,758	16,009	7,880	3,238	532	4,314	45	1048
GENERAL SUPPORT EXP	GSFX	560,813	187,988	90,060	37,004	6,081	49,311	5,532	1048
COE EXPENSE	COEX	1,660,445	665,296	68,689	452,320	30,344	113,942	0	1048
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1048
C&WF EXPENSE	CWFX	1,118,240	316,835	256,482	0	3,427	56,926	0	1048
OTHER PROP & PL EXP	OTHPPX	27,950	9,369	4,625	1,900	312	2,532	0	1048
NETWORK OPERATIONS EXP	NETOPX	1,948,241	653,063	322,352	132,448	21,765	176,497	0	1048
DEPREC & AMORT EXP	DEPAMX	7,750,774	2,775,904	1,374,347	239,236	137,207	1,019,468	5,645	1048
MARKETING EXPENSE	MRKTX	1,348,388	289,398	142,448	58,529	9,618	77,994	808	1048
SERVICES EXPENSE	SERVX	1,678,841	462,675	66,798	59,717	9,813	70,265	256,082	1048
- CABSX EXPENSE	CABSX	254,804	127,402	0	51,024	8,385	67,993	0	1048
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1048
GENERAL & ADMIN EXP	GENADX	2,227,038	856,475	360,647	225,108	24,739	166,691	79,290	1048
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,045,688	352,615	192,844	49,355	11,812	98,322	282	1048
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1048
NON-OPERATING INC & EXP	NONOPX	61,911	23,810	11,720	4,815	791	6,417	66	1048
INTEREST & RELATED ITEMS(IRI)	INTREL	1,126,865	364,153	179,244	73,648	12,103	98,142	1,017	1048

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	19,444	4,433	1,075	1,737	459	1,162	0	1049
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1049
- GENERAL SUPPORT FACILITIES	GSF	901,030	392,857	95,252	153,935	40,641	103,030	0	1049
- CENTRAL OFFICE EQUIPMENT	COE	861,869	597,763	11,336	329,536	39,555	217,336	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	515,876	329,536	0	329,536	0	0	0	1049
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1049
-- COE CAT 4.12	COE412	216,443	216,443	0	0	0	216,443	0	1049
-- COE CAT 4.13	COE413	45,588	11,499	11,336	0	0	163	0	1049
-- COE CAT 4.2	COE42	83,962	40,285	0	0	39,555	730	0	1049
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1049
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1049
- CABLE & WIRE FACILITIES	CWF	1,067,007	243,245	192,574	0	47,446	3,225	0	1049
-- C&WF CAT 1.1	CWF11	1,388	0	0	0	0	0	0	1049
-- C&WF CAT 1.2	CWF12	2,776	2,776	0	0	0	2,776	0	1049
-- C&WF CAT 1.3	CWF13	770,295	192,574	192,574	0	0	0	0	1049
-- C&WF CAT 2	CWF2	203,370	5,120	0	0	5,120	0	0	1049
-- C&WF CAT 3	CWF3	89,178	42,775	0	0	42,326	449	0	1049
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1049
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1049
- INTANGIBLES	INTANG	79	34	8	13	4	9	0	1049
TELCOM PLANT-OTHER	PLTOTH	6,188	2,698	654	1,057	279	708	0	1049
ACCUM DEPRECIATION	ACCDEP	1,816,268	859,504	172,510	321,775	88,809	276,410	0	1049
ACCUM AMORTIZATION	ACCAMO	79	34	8	13	4	9	0	1049
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1049
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1049
GENERAL SUPPORT EXP	GSFX	18,169	7,922	1,921	3,104	820	2,078	0	1049
COE EXPENSE	COEX	147,477	102,285	650	86,910	2,267	12,458	0	1049
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1049
C&WF EXPENSE	CWFX	93,782	21,379	16,926	0	4,170	283	0	1049
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1049
NETWORK OPERATIONS EXP	NETOPX	60,184	26,241	6,362	10,282	2,715	6,882	0	1049
DEPREC & AMORT EXP	DEPAMX	176,823	79,573	16,611	43,176	6,325	13,462	0	1049
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1049
SERVICES EXPENSE	SERVX	116,509	23,147	6,556	6,091	1,550	3,726	5,224	1049
- CABSX EXPENSE	CABSX	18,017	9,009	0	4,660	1,230	3,119	0	1049
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1049
GENERAL & ADMIN EXP	GENADX	161,902	80,099	14,347	47,087	5,099	11,254	2,312	1049
OTHER TAXES (EXCL FIT & ITC)	OTAXES	7,370	3,213	779	1,259	332	843	0	1049
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1049
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1049
INTEREST & RELATED ITEMS(IRI)	INTREL	184	68	16	26	7	18	0	1049

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	6,891	1,928	745	629	87	467	0	1050
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1050
- GENERAL SUPPORT FACILITIES	GSF	257,419	113,913	44,040	37,160	5,114	27,598	0	1050
- CENTRAL OFFICE EQUIPMENT	COE	2,442,748	1,505,420	250,525	729,015	61,941	463,939	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	857,665	729,015	0	729,015	0	0	0	1050
-- COE CAT 4.11	COE411	443,760	443,760	0	0	0	443,760	0	1050
-- COE CAT 4.12	COE412	1,043	1,043	0	0	0	1,043	0	1050
-- COE CAT 4.13	COE413	1,007,762	254,771	250,525	0	0	4,246	0	1050
-- COE CAT 4.2	COE42	132,518	76,830	0	0	61,941	14,889	0	1050
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1050
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1050
- CABLE & WIRE FACILITIES	CWF	2,607,411	729,370	613,478	0	38,392	77,499	0	1050
-- C&WF CAT 1.1	CWF11	3,466	0	0	0	0	0	0	1050
-- C&WF CAT 1.2	CWF12	10,398	10,398	0	0	0	10,398	0	1050
-- C&WF CAT 1.3	CWF13	2,453,913	613,478	613,478	0	0	0	0	1050
-- C&WF CAT 2	CWF2	65,974	65,974	0	0	0	65,974	0	1050
-- C&WF CAT 3	CWF3	73,660	39,519	0	0	38,392	1,127	0	1050
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1050
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1050
- INTANGIBLES	INTANG	1,325	586	227	191	26	142	0	1050
TELCOM PLANT-OTHER	PLTOTH	239,098	105,805	40,906	34,515	4,750	25,634	0	1050
ACCUM DEPRECIATION	ACCDEP	1,870,325	917,204	284,676	349,148	40,011	243,368	0	1050
ACCUM AMORTIZATION	ACCAMO	1,310	580	224	189	26	140	0	1050
NET DEFERRED FIT	NTDFIT	279,945	125,741	47,068	45,118	5,330	28,225	0	1050
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1050
GENERAL SUPPORT EXP	GSFX	18,989	8,403	3,249	2,741	377	2,036	0	1050
COE EXPENSE	COEX	93,565	57,662	7,389	34,762	1,827	13,684	0	1050
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1050
C&WF EXPENSE	CWFX	44,629	12,484	10,500	0	657	1,326	0	1050
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1050
NETWORK OPERATIONS EXP	NETOPX	26,786	11,853	4,583	3,867	532	2,872	0	1050
DEPREC & AMORT EXP	DEPAMX	365,638	191,389	50,712	84,793	7,650	48,234	0	1050
MARKETING EXPENSE	MRKTX	10,708	2,677	1,035	873	120	649	0	1050
SERVICES EXPENSE	SERVX	67,423	31,810	1,229	6,390	429	1,635	22,127	1050
- CABSX EXPENSE	CABSX	8,188	4,094	0	2,177	300	1,617	0	1050
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1050
GENERAL & ADMIN EXP	GENADX	173,485	89,467	20,048	34,839	2,824	15,905	15,851	1050
OTHER TAXES (EXCL FIT & ITC)	OTAXES	45,480	19,336	8,338	5,656	886	4,457	0	1050
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1050
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1050
INTEREST & RELATED ITEMS(IRI)	INTREL	64,910	26,977	10,430	8,800	1,211	6,536	0	1050

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	46,740	16,294	6,706	4,083	997	4,509	0	1051
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1051
- GENERAL SUPPORT FACILITIES	GSF	870,599	373,665	153,775	93,623	22,858	103,410	0	1051
- CENTRAL OFFICE EQUIPMENT	COE	1,403,076	806,757	160,781	428,173	35,607	182,196	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	500,451	415,167	0	415,167	0	0	0	1051
-- COE CAT 4.11	COE411	20,376	20,376	0	0	0	20,376	0	1051
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1051
-- COE CAT 4.13	COE413	656,495	174,153	160,781	0	0	13,372	0	1051
-- COE CAT 4.2	COE42	206,353	184,056	0	0	35,607	148,449	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	2,699,464	941,067	563,855	0	72,107	305,104	0	1051
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1051
-- C&WF CAT 1.2	CWF12	46,895	46,895	0	0	0	46,895	0	1051
-- C&WF CAT 1.3	CWF13	2,255,421	563,855	563,855	0	0	0	0	1051
-- C&WF CAT 2	CWF2	71,459	71,459	0	0	0	71,459	0	1051
-- C&WF CAT 3	CWF3	325,689	258,857	0	0	72,107	186,750	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	1,860	798	329	200	49	221	0	1051
TELCOM PLANT-OTHER	PLTOTH	363,066	155,830	64,129	39,043	9,532	43,125	0	1051
ACCUM DEPRECIATION	ACCDEP	2,678,913	1,156,023	470,606	298,140	70,070	317,207	0	1051
ACCUM AMORTIZATION	ACCAMO	1,860	798	329	200	49	221	0	1051
NET DEFERRED FIT	NTDFIT	305,578	131,415	53,859	33,449	7,990	36,117	0	1051
NETWORK SUPPORT EXP	NETSPX	1,585	680	280	170	42	188	0	1051
GENERAL SUPPORT EXP	GSFX	22,196	9,527	3,921	2,387	583	2,636	0	1051
COE EXPENSE	COEX	102,765	60,042	1,251	57,095	277	1,418	0	1051
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1051
C&WF EXPENSE	CWFX	45,398	15,826	9,483	0	1,213	5,131	0	1051
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1051
NETWORK OPERATIONS EXP	NETOPX	18,046	7,745	3,187	1,941	474	2,144	0	1051
DEPREC & AMORT EXP	DEPAMX	330,557	140,847	59,323	23,361	10,108	48,054	0	1051
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1051
SERVICES EXPENSE	SERVX	95,010	25,601	12,439	2,693	658	2,975	6,837	1051
- CABSX EXPENSE	CABSX	12,425	6,213	0	2,645	646	2,922	0	1051
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1051
GENERAL & ADMIN EXP	GENADX	308,968	164,730	42,156	88,677	4,477	19,990	9,430	1051
OTHER TAXES (EXCL FIT & ITC)	OTAXES	90,945	39,039	16,151	9,646	2,398	10,844	0	1051
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1051
NON-OPERATING INC & EXP	NONOPX	15,933	8,495	3,496	2,128	520	2,351	0	1051
INTEREST & RELATED ITEMS(IRI)	INTREL	20,681	8,819	3,673	2,137	545	2,465	0	1051

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	17,841	5,610	2,895	949	239	1,526	0	1052
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1052
- GENERAL SUPPORT FACILITIES	GSF	78,936	30,193	15,581	5,110	1,287	8,214	0	1052
- CENTRAL OFFICE EQUIPMENT	COE	1,389,793	609,869	232,857	163,468	34,204	179,340	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	192,315	144,115	0	144,115	0	0	0	1052
-- COE CAT 4.11	COE411	106,624	106,624	0	0	0	106,624	0	1052
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1052
-- COE CAT 4.13	COE413	935,134	236,564	232,857	0	0	3,707	0	1052
-- COE CAT 4.2	COE42	130,665	103,213	0	0	34,204	69,009	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	1,434,440	451,042	324,628	0	11,853	114,560	0	1052
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1052
-- C&WF CAT 1.2	CWF12	5,168	5,168	0	0	0	5,168	0	1052
-- C&WF CAT 1.3	CWF13	1,298,514	324,628	324,628	0	0	0	0	1052
-- C&WF CAT 2	CWF2	85,478	85,478	0	0	0	85,478	0	1052
-- C&WF CAT 3	CWF3	45,280	35,767	0	0	11,853	23,914	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	0	0	0	0	0	0	0	1052
TELCOM PLANT-OTHER	PLTOTH	64,850	24,805	12,801	4,198	1,058	6,749	0	1052
ACCUM DEPRECIATION	ACCDEP	2,006,209	790,463	386,217	149,752	35,877	218,617	0	1052
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1052
NET DEFERRED FIT	NTDFIT	141,666	60,940	25,049	21,691	1,845	12,355	0	1052
NETWORK SUPPORT EXP	NETSPX	828	317	163	54	14	86	0	1052
GENERAL SUPPORT EXP	GSFX	11,135	4,259	2,198	721	182	1,159	0	1052
COE EXPENSE	COEX	50,171	22,715	8,620	6,189	1,266	6,639	0	1052
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1052
C&WF EXPENSE	CWFX	98,440	30,953	22,278	0	813	7,862	0	1052
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1052
NETWORK OPERATIONS EXP	NETOPX	8,972	3,432	1,771	581	146	934	0	1052
DEPREC & AMORT EXP	DEPAMX	215,753	111,338	30,190	62,100	2,628	16,420	0	1052
MARKETING EXPENSE	MRKTX	556	173	89	29	7	47	0	1052
SERVICES EXPENSE	SERVX	194,096	103,711	50,880	22,751	5,847	22,206	2,028	1052
- CABSX EXPENSE	CABSX	73,999	37,000	0	12,939	3,260	20,801	0	1052
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1052
GENERAL & ADMIN EXP	GENADX	178,501	102,776	56,650	17,581	4,798	22,571	1,176	1052
OTHER TAXES (EXCL FIT & ITC)	OTAXES	38,111	14,454	8,123	1,801	583	3,948	0	1052
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1052
NON-OPERATING INC & EXP	NONOPX	11,688	6,730	3,473	1,139	287	1,831	0	1052
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1052

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	2,542	846	139	556	141	10	0	1053
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1053
- GENERAL SUPPORT FACILITIES	GSF	1,425,883	832,483	137,161	546,649	138,587	10,086	0	1053
- CENTRAL OFFICE EQUIPMENT	COE	927,938	760,105	1,790	689,282	67,856	1,177	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	810,920	689,282	0	689,282	0	0	0	1053
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1053
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1053
-- COE CAT 4.13	COE413	7,225	1,829	1,790	0	0	39	0	1053
-- COE CAT 4.2	COE42	109,793	68,993	0	0	67,856	1,138	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	869,990	289,592	171,160	0	106,892	11,540	0	1053
-- C&WF CAT 1.1	CWF11	2,517	0	0	0	0	0	0	1053
-- C&WF CAT 1.2	CWF12	3,776	3,776	0	0	0	3,776	0	1053
-- C&WF CAT 1.3	CWF13	684,640	171,160	171,160	0	0	0	0	1053
-- C&WF CAT 2	CWF2	2,985	2,985	0	0	0	2,985	0	1053
-- C&WF CAT 3	CWF3	176,072	111,671	0	0	106,892	4,779	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	701	409	67	269	68	5	0	1053
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1053
ACCUM DEPRECIATION	ACCDEP	2,205,000	1,216,837	240,583	738,889	220,040	17,325	0	1053
ACCUM AMORTIZATION	ACCAMO	690	403	66	265	67	5	0	1053
NET DEFERRED FIT	NTDFIT	27,248	18,045	1,222	10,584	6,072	166	0	1053
NETWORK SUPPORT EXP	NETSPX	9,796	5,719	942	3,756	952	69	0	1053
GENERAL SUPPORT EXP	GSFX	28,693	16,752	2,760	11,000	2,789	203	0	1053
COE EXPENSE	COEX	220,156	180,337	1,366	126,270	51,802	899	0	1053
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1053
C&WF EXPENSE	CWFX	26,971	8,978	5,306	0	3,314	358	0	1053
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1053
NETWORK OPERATIONS EXP	NETOPX	12,973	7,574	1,248	4,974	1,261	92	0	1053
DEPREC & AMORT EXP	DEPAMX	141,668	92,948	9,489	69,738	12,970	751	0	1053
MARKETING EXPENSE	MRKTX	31,163	13,255	2,184	8,704	2,207	161	0	1053
SERVICES EXPENSE	SERVX	94,862	36,242	4,623	18,136	4,598	199	8,686	1053
- CABSX EXPENSE	CABSX	27,250	13,625	0	10,712	2,716	198	0	1053
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1053
GENERAL & ADMIN EXP	GENADX	341,490	223,333	15,309	143,573	55,591	1,645	7,215	1053
OTHER TAXES (EXCL FIT & ITC)	OTAXES	49,071	29,427	4,417	20,014	4,668	328	0	1053
INVESTMENT TAX CREDITS (ITC)	ITC	3,600	2,102	346	1,380	350	25	0	1053
NON-OPERATING INC & EXP	NONOPX	3,473	2,271	374	1,491	378	28	0	1053
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1053

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	11,689	3,457	781	2,239	22	414	2	1054
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1054
- GENERAL SUPPORT FACILITIES	GSF	306,209	153,395	34,532	99,004	981	18,286	592	1054
- CENTRAL OFFICE EQUIPMENT	COE	1,187,511	747,806	46,131	627,353	6,219	68,103	0	1054
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1054
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1054
-- COE CAT 3	COE3	910,434	627,353	0	627,353	0	0	0	1054
-- COE CAT 4.11	COE411	25,667	25,667	0	0	0	25,667	0	1054
-- COE CAT 4.12	COE412	890	890	0	0	0	890	0	1054
-- COE CAT 4.13	COE413	192,726	52,510	46,131	0	0	6,379	0	1054
-- COE CAT 4.2	COE42	57,794	41,386	0	0	6,219	35,167	0	1054
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1054
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1054
- CABLE & WIRE FACILITIES	CWF	745,343	220,456	172,688	0	0	47,768	0	1054
-- C&WF CAT 1.1	CWF11	6,822	0	0	0	0	0	0	1054
-- C&WF CAT 1.2	CWF12	23,878	23,878	0	0	0	23,878	0	1054
-- C&WF CAT 1.3	CWF13	690,753	172,688	172,688	0	0	0	0	1054
-- C&WF CAT 2	CWF2	7,217	7,217	0	0	0	7,217	0	1054
-- C&WF CAT 3	CWF3	16,673	16,673	0	0	0	16,673	0	1054
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1054
- TANGIBLES	TANGIB	100	69	0	69	0	0	0	1054
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1054
TELCOM PLANT-OTHER	PLTOTH	362,245	181,374	40,986	117,519	1,165	21,703	0	1054
ACCUM DEPRECIATION	ACCDEP	1,632,908	828,619	176,743	574,004	2,880	74,521	470	1054
ACCUM AMORTIZATION	ACCAMO	100	69	0	69	0	0	0	1054
NET DEFERRED FIT	NTDFIT	56,134	26,312	7,365	15,715	121	3,112	0	1054
NETWORK SUPPORT EXP	NETSPX	1,190	596	135	386	4	71	0	1054
GENERAL SUPPORT EXP	GSFX	60,219	30,167	6,791	19,470	193	3,596	116	1054
COE EXPENSE	COEX	73,923	46,551	951	44,068	128	1,404	0	1054
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1054
C&WF EXPENSE	CWFX	54,565	16,139	12,642	0	0	3,497	0	1054
OTHER PROP & PL EXP	OTHPX	4,183	2,096	474	1,358	13	251	0	1054
NETWORK OPERATIONS EXP	NETOPX	30,613	15,336	3,466	9,936	98	1,835	0	1054
DEPREC & AMORT EXP	DEPAMX	130,582	77,907	7,298	66,062	254	4,281	12	1054
MARKETING EXPENSE	MRKTX	7,626	1,490	337	965	10	178	1	1054
SERVICES EXPENSE	SERVX	26,052	12,405	1,150	7,781	77	1,226	2,171	1054
- CABSX EXPENSE	CABSX	15,633	7,818	0	6,544	65	1,209	0	1054
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1054
GENERAL & ADMIN EXP	GENADX	124,850	74,651	15,522	50,233	313	7,214	1,369	1054
OTHER TAXES (EXCL FIT & ITC)	OTAXES	13,030	6,358	1,437	4,120	41	761	0	1054
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1054
NON-OPERATING INC & EXP	NONOPX	100	60	14	39	0	7	0	1054
INTEREST & RELATED ITEMS(IRI)	INTREL	33,751	16,581	3,745	10,738	106	1,983	9	1054

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	380,359	152,137	45,524	42,888	1,473	61,629	625	1055
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1055
- GENERAL SUPPORT FACILITIES	GSF	2,320,331	1,117,098	325,629	306,772	10,533	440,823	33,341	1055
- CENTRAL OFFICE EQUIPMENT	COE	6,074,157	3,614,493	472,341	1,982,429	33,627	1,126,096	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	2,910,912	1,982,429	0	1,982,429	0	0	0	1055
-- COE CAT 4.11	COE411	186,514	184,092	0	0	0	184,092	0	1055
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1055
-- COE CAT 4.13	COE413	1,909,145	481,626	472,341	0	0	9,285	0	1055
-- COE CAT 4.2	COE42	981,757	945,605	0	0	12,887	932,719	0	1055
-- COE CAT 4.3	COE43	85,829	20,741	0	0	20,741	0	0	1055
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1055
- CABLE & WIRE FACILITIES	CWF	8,472,820	3,388,989	1,631,946	0	34,439	1,722,604	0	1055
-- C&WF CAT 1.1	CWF11	36,265	0	0	0	0	0	0	1055
-- C&WF CAT 1.2	CWF12	32,081	32,081	0	0	0	32,081	0	1055
-- C&WF CAT 1.3	CWF13	6,527,786	1,631,946	1,631,946	0	0	0	0	1055
-- C&WF CAT 2	CWF2	644,410	636,042	0	0	0	636,042	0	1055
-- C&WF CAT 3	CWF3	1,153,608	1,069,909	0	0	15,428	1,054,481	0	1055
-- C&WF CAT 4	CWF4	78,670	19,011	0	0	19,011	0	0	1055
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1055
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1055
TELCOM PLANT-OTHER	PLTOTH	49,514	23,740	7,133	6,720	231	9,656	0	1055
ACCUM DEPRECIATION	ACCDEP	13,701,734	6,580,672	1,984,568	1,834,247	63,772	2,675,449	22,635	1055
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1055
NET DEFERRED FIT	NTDFIT	-319,629	-154,749	-44,692	-49,568	-1,393	-59,097	0	1055
NETWORK SUPPORT EXP	NETSPX	831	400	120	113	4	162	2	1055
GENERAL SUPPORT EXP	GSFX	124,459	59,919	17,466	16,455	565	23,645	1,788	1055
COE EXPENSE	COEX	175,051	104,166	11,873	63,143	845	28,306	0	1055
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1055
C&WF EXPENSE	CWFX	236,312	94,521	45,516	0	961	48,044	0	1055
OTHER PROP & PL EXP	OTHPX	4,457	2,146	645	607	21	873	0	1055
NETWORK OPERATIONS EXP	NETOPX	274,512	132,161	39,709	37,410	1,284	53,757	0	1055
DEPREC & AMORT EXP	DEPAMX	1,183,891	569,664	170,919	160,088	5,526	231,316	1,815	1055
MARKETING EXPENSE	MRKTX	23,091	4,530	1,356	1,277	44	1,835	19	1055
SERVICES EXPENSE	SERVX	263,871	73,713	14,012	4,245	146	6,100	49,211	1055
- CABSX EXPENSE	CABSX	20,162	10,081	0	4,079	140	5,862	0	1055
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1055
GENERAL & ADMIN EXP	GENADX	581,599	264,431	93,563	61,783	1,940	81,570	25,575	1055
OTHER TAXES (EXCL FIT & ITC)	OTAXES	102,754	50,001	15,023	14,153	486	20,338	0	1055
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1055
NON-OPERATING INC & EXP	NONOPX	17,951	8,162	2,442	2,301	79	3,306	34	1055
INTEREST & RELATED ITEMS(IRI)	INTREL	1,775	848	246	251	8	338	5	1055

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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	13,693	3,656	1,944	1,319	213	179	1	1056
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1056
- GENERAL SUPPORT FACILITIES	GSF	1,230,701	413,459	219,632	149,056	24,039	20,259	473	1056
- CENTRAL OFFICE EQUIPMENT	COE	2,737,516	1,196,855	285,345	819,198	37,707	54,604	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	1,263,686	819,198	0	819,198	0	0	0	1056
-- COE CAT 4.11	COE411	158,113	0	0	0	0	0	0	1056
-- COE CAT 4.12	COE412	13,321	0	0	0	0	0	0	1056
-- COE CAT 4.13	COE413	1,187,354	315,235	285,345	0	0	29,890	0	1056
-- COE CAT 4.2	COE42	64,488	38,560	0	0	13,846	24,714	0	1056
-- COE CAT 4.3	COE43	50,554	23,861	0	0	23,861	0	0	1056
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1056
- CABLE & WIRE FACILITIES	CWF	4,018,558	1,072,876	921,729	0	94,408	56,739	0	1056
-- C&WF CAT 1.1	CWF11	30,557	0	0	0	0	0	0	1056
-- C&WF CAT 1.2	CWF12	40,106	40,106	0	0	0	40,106	0	1056
-- C&WF CAT 1.3	CWF13	3,686,916	921,729	921,729	0	0	0	0	1056
-- C&WF CAT 2	CWF2	9,669	0	0	0	0	0	0	1056
-- C&WF CAT 3	CWF3	217,704	95,179	0	0	78,547	16,632	0	1056
-- C&WF CAT 4	CWF4	33,605	15,861	0	0	15,861	0	0	1056
- TANGIBLES	TANGIB	52,653	24,839	467	0	22,370	2,002	0	1056
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1056
TELCOM PLANT-OTHER	PLTOTH	500	168	89	60	11	8	0	1056
ACCUM DEPRECIATION	ACCDEP	4,711,192	1,687,392	786,432	725,132	107,020	68,500	308	1056
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1056
NET DEFERRED FIT	NTDFIT	46,257	17,804	6,526	9,622	778	879	0	1056
NETWORK SUPPORT EXP	NETSPX	2,049	688	366	248	40	34	0	1056
GENERAL SUPPORT EXP	GSFX	42,965	14,434	7,668	5,204	839	707	17	1056
COE EXPENSE	COEX	286,383	125,208	2,799	121,504	370	536	0	1056
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1056
C&WF EXPENSE	CWFX	120,908	32,280	27,732	0	2,840	1,707	0	1056
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1056
NETWORK OPERATIONS EXP	NETOPX	114,408	38,436	20,441	13,872	2,237	1,885	0	1056
DEPREC & AMORT EXP	DEPAMX	468,705	164,452	74,025	50,576	30,504	9,325	22	1056
MARKETING EXPENSE	MRKTX	24,755	7,760	4,126	2,800	452	381	1	1056
SERVICES EXPENSE	SERVX	125,784	42,898	8,554	14,474	1,533	2,860	15,477	1056
- CABSX EXPENSE	CABSX	12,338	6,169	0	4,756	767	646	0	1056
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1056
GENERAL & ADMIN EXP	GENADX	604,288	253,390	81,062	143,383	7,537	7,355	14,052	1056
OTHER TAXES (EXCL FIT & ITC)	OTAXES	45,721	14,602	9,166	3,550	967	923	-3	1056
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1056
NON-OPERATING INC & EXP	NONOPX	8,135	3,411	1,814	1,231	199	167	1	1056
INTEREST & RELATED ITEMS(IRI)	INTREL	84,018	25,659	13,644	9,259	1,493	1,259	5	1056

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	32,200	8,274	4,479	2,613	203	979	0	1057
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1057
- GENERAL SUPPORT FACILITIES	GSF	2,011,107	582,637	315,437	184,013	14,268	68,919	0	1057
- CENTRAL OFFICE EQUIPMENT	COE	2,134,170	734,457	96,853	519,718	29,209	88,678	0	1057
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1057
-- COE CAT 2	COE2	95,333	20,202	0	0	20,202	0	0	1057
-- COE CAT 3	COE3	1,357,217	519,718	0	519,718	0	0	0	1057
-- COE CAT 4.11	COE411	60,410	0	0	0	0	0	0	1057
-- COE CAT 4.12	COE412	1,037	0	0	0	0	0	0	1057
-- COE CAT 4.13	COE413	399,673	100,032	96,853	0	0	3,179	0	1057
-- COE CAT 4.2	COE42	209,907	93,481	0	0	7,983	85,499	0	1057
-- COE CAT 4.3	COE43	10,593	1,024	0	0	1,024	0	0	1057
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1057
- CABLE & WIRE FACILITIES	CWF	3,545,902	911,115	794,052	0	11,089	105,974	0	1057
-- C&WF CAT 1.1	CWF11	74,471	0	0	0	0	0	0	1057
-- C&WF CAT 1.2	CWF12	26,065	26,065	0	0	0	26,065	0	1057
-- C&WF CAT 1.3	CWF13	3,176,208	794,052	794,052	0	0	0	0	1057
-- C&WF CAT 2	CWF2	505	0	0	0	0	0	0	1057
-- C&WF CAT 3	CWF3	260,880	90,247	0	0	10,338	79,909	0	1057
-- C&WF CAT 4	CWF4	7,773	752	0	0	752	0	0	1057
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1057
- INTANGIBLES	INTANG	87	25	14	8	1	3	0	1057
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1057
ACCUM DEPRECIATION	ACCDEP	4,875,526	1,441,342	713,590	553,542	35,841	138,369	0	1057
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1057
NET DEFERRED FIT	NTDFIT	361,381	107,641	51,001	42,477	2,822	11,341	0	1057
NETWORK SUPPORT EXP	NETSPX	41,279	11,959	6,475	3,777	293	1,415	0	1057
GENERAL SUPPORT EXP	GSFX	116,749	33,823	18,312	10,682	828	4,001	0	1057
COE EXPENSE	COEX	112,130	38,589	290	36,584	1,449	266	0	1057
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1057
C&WF EXPENSE	CWFX	258,103	66,319	57,798	0	807	7,714	0	1057
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1057
NETWORK OPERATIONS EXP	NETOPX	28,475	8,249	4,466	2,605	202	976	0	1057
DEPREC & AMORT EXP	DEPAMX	421,680	127,712	55,020	54,885	3,596	14,211	0	1057
MARKETING EXPENSE	MRKTX	38,871	8,290	4,488	2,618	203	981	0	1057
SERVICES EXPENSE	SERVX	188,309	63,764	10,399	19,212	1,088	4,470	28,595	1057
- CABSX EXPENSE	CABSX	23,643	11,822	0	8,142	631	3,049	0	1057
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1057
GENERAL & ADMIN EXP	GENADX	330,668	125,239	59,012	38,820	2,505	10,195	14,707	1057
OTHER TAXES (EXCL FIT & ITC)	OTAXES	50,481	14,292	8,817	2,955	341	2,179	1	1057
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1057
NON-OPERATING INC & EXP	NONOPX	15,915	6,028	3,263	1,904	148	713	0	1057
INTEREST & RELATED ITEMS(IRI)	INTREL	2,575	0	0	0	0	0	0	1057

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	753,630	191,155	117,092	18,721	11,075	44,267	0	1058
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1058
- GENERAL SUPPORT FACILITIES	GSF	8,751,109	2,703,961	1,656,310	264,811	156,665	626,175	0	1058
- CENTRAL OFFICE EQUIPMENT	COE	20,596,246	8,918,714	1,905,272	2,020,245	998,202	3,994,995	0	1058
-- COE CAT 1	COE1	262,086	0	0	0	0	0	0	1058
-- COE CAT 2	COE2	446,281	187,855	0	0	187,855	0	0	1058
-- COE CAT 3	COE3	4,460,490	2,020,245	0	2,020,245	0	0	0	1058
-- COE CAT 4.11	COE411	1,419,241	1,385,036	0	0	0	1,385,036	0	1058
-- COE CAT 4.12	COE412	865,040	0	0	0	0	0	0	1058
-- COE CAT 4.13	COE413	7,842,850	1,931,725	1,905,272	0	0	26,453	0	1058
-- COE CAT 4.2	COE42	4,305,155	3,184,503	0	0	600,996	2,583,506	0	1058
-- COE CAT 4.3	COE43	995,103	209,351	0	0	209,351	0	0	1058
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1058
- CABLE & WIRE FACILITIES	CWF	46,166,016	11,709,819	10,730,724	0	196,995	782,100	0	1058
-- C&WF CAT 1.1	CWF11	1,100,014	0	0	0	0	0	0	1058
-- C&WF CAT 1.2	CWF12	148,986	148,986	0	0	0	148,986	0	1058
-- C&WF CAT 1.3	CWF13	42,922,894	10,730,724	10,730,724	0	0	0	0	1058
-- C&WF CAT 2	CWF2	872,270	303,687	0	0	0	303,687	0	1058
-- C&WF CAT 3	CWF3	728,584	443,687	0	0	114,259	329,427	0	1058
-- C&WF CAT 4	CWF4	393,268	82,736	0	0	82,736	0	0	1058
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1058
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1058
TELCOM PLANT-OTHER	PLTOTH	34,277	10,591	6,488	1,037	614	2,453	0	1058
ACCUM DEPRECIATION	ACCDEP	40,504,111	12,031,776	7,871,031	1,435,400	591,650	2,133,695	0	1058
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1058
NET DEFERRED FIT	NTDFIT	2,934,988	1,276,242	263,628	305,408	142,852	564,354	0	1058
NETWORK SUPPORT EXP	NETSPX	1,397,765	431,888	264,553	42,297	25,023	100,015	0	1058
GENERAL SUPPORT EXP	GSFX	645,889	199,570	122,246	19,545	11,563	46,216	0	1058
COE EXPENSE	COEX	623,787	270,116	16,894	192,694	25,103	35,424	0	1058
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1058
C&WF EXPENSE	CWFX	1,212,569	307,563	281,847	0	5,174	20,542	0	1058
OTHER PROP & PL EXP	OTHPPX	151,993	46,964	28,768	4,599	2,721	10,876	0	1058
NETWORK OPERATIONS EXP	NETOPX	674,962	208,553	127,749	20,425	12,083	48,296	0	1058
DEPREC & AMORT EXP	DEPAMX	4,789,167	1,494,141	876,270	179,911	89,950	348,010	0	1058
MARKETING EXPENSE	MRKTX	882,414	196,204	120,185	19,215	11,368	45,436	0	1058
SERVICES EXPENSE	SERVX	1,821,026	442,099	189,559	51,086	22,919	30,143	148,393	1058
- CABSX EXPENSE	CABSX	95,788	47,894	0	12,106	7,162	28,626	0	1058
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1058
GENERAL & ADMIN EXP	GENADX	3,520,127	1,006,729	588,016	154,014	51,045	148,330	65,325	1058
OTHER TAXES (EXCL FIT & ITC)	OTAXES	561,870	196,949	120,954	11,067	12,097	52,808	23	1058
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1058
NON-OPERATING INC & EXP	NONOPX	84,126	24,059	14,738	2,356	1,394	5,572	0	1058
INTEREST & RELATED ITEMS(IRI)	INTREL	759,217	236,257	144,719	23,138	13,688	54,712	0	1058

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	87,039	23,742	11,635	6,419	446	5,241	0	1059
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1059
- GENERAL SUPPORT FACILITIES	GSF	597,981	232,211	113,798	62,788	4,362	51,263	0	1059
- CENTRAL OFFICE EQUIPMENT	COE	5,606,858	2,781,739	815,217	1,137,957	70,537	758,028	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	1,338,773	1,137,957	0	1,137,957	0	0	0	1059
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1059
-- COE CAT 4.12	COE412	51,174	0	0	0	0	0	0	1059
-- COE CAT 4.13	COE413	3,283,365	824,761	815,217	0	0	9,545	0	1059
-- COE CAT 4.2	COE42	933,546	819,021	0	0	70,537	748,483	0	1059
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1059
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1059
- CABLE & WIRE FACILITIES	CWF	5,230,901	1,426,827	1,247,250	0	8,527	171,050	0	1059
-- C&WF CAT 1.1	CWF11	19,818	0	0	0	0	0	0	1059
-- C&WF CAT 1.2	CWF12	14,603	14,603	0	0	0	14,603	0	1059
-- C&WF CAT 1.3	CWF13	4,989,000	1,247,250	1,247,250	0	0	0	0	1059
-- C&WF CAT 2	CWF2	173,288	141,329	0	0	0	141,329	0	1059
-- C&WF CAT 3	CWF3	34,192	23,645	0	0	8,527	15,118	0	1059
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	231,980	90,083	44,147	24,358	1,692	19,887	0	1059
ACCUM DEPRECIATION	ACCDEP	5,940,679	2,443,402	1,073,679	748,018	50,009	571,695	0	1059
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1059
NET DEFERRED FIT	NTDFIT	1,104,056	457,060	198,446	164,332	7,359	86,923	0	1059
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1059
GENERAL SUPPORT EXP	GSFX	120,150	46,657	22,865	12,616	877	10,300	0	1059
COE EXPENSE	COEX	152,181	75,502	5,727	63,953	496	5,326	0	1059
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1059
C&WF EXPENSE	CWFX	469,047	127,941	111,839	0	765	15,338	0	1059
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1059
NETWORK OPERATIONS EXP	NETOPX	29,306	11,380	5,577	3,077	214	2,512	0	1059
DEPREC & AMORT EXP	DEPAMX	929,175	444,033	142,383	208,802	7,582	85,265	0	1059
MARKETING EXPENSE	MRKTX	10,581	5,873	2,878	1,588	110	1,296	0	1059
SERVICES EXPENSE	SERVX	439,293	241,256	94,833	81,094	5,634	51,511	8,183	1059
- CABSX EXPENSE	CABSX	223,600	111,800	0	59,281	4,119	48,400	0	1059
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1059
GENERAL & ADMIN EXP	GENADX	834,871	381,502	208,332	106,121	5,292	56,407	5,350	1059
OTHER TAXES (EXCL FIT & ITC)	OTAXES	79,873	31,643	17,673	6,698	553	6,720	0	1059
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1059
NON-OPERATING INC & EXP	NONOPX	1,898	867	425	235	16	191	0	1059
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1059

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	37,498	9,231	5,403	3,067	28	732	0	1060
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1060
- GENERAL SUPPORT FACILITIES	GSF	620,213	205,895	120,519	68,419	622	16,335	0	1060
- CENTRAL OFFICE EQUIPMENT	COE	1,528,774	764,031	162,359	498,452	2,363	100,857	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	708,011	498,452	0	498,452	0	0	0	1060
-- COE CAT 4.11	COE411	72,811	72,811	0	0	0	72,811	0	1060
-- COE CAT 4.12	COE412	45,515	0	0	0	0	0	0	1060
-- COE CAT 4.13	COE413	671,757	177,568	162,359	0	0	15,209	0	1060
-- COE CAT 4.2	COE42	30,680	15,200	0	0	2,363	12,837	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	2,989,683	735,979	715,664	0	2,166	18,149	0	1060
-- C&WF CAT 1.1	CWF11	18,182	0	0	0	0	0	0	1060
-- C&WF CAT 1.2	CWF12	10,101	10,101	0	0	0	10,101	0	1060
-- C&WF CAT 1.3	CWF13	2,862,657	715,664	715,664	0	0	0	0	1060
-- C&WF CAT 2	CWF2	2,156	0	0	0	0	0	0	1060
-- C&WF CAT 3	CWF3	96,587	10,214	0	0	2,166	8,048	0	1060
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1060
- TANGIBLES	TANGIB	28,203	7,909	32	0	1,670	6,207	0	1060
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1060
TELCOM PLANT-OTHER	PLTOTH	18,470	6,126	3,570	2,026	24	506	0	1060
ACCUM DEPRECIATION	ACCDEP	3,587,964	1,079,877	749,130	220,728	5,472	104,548	0	1060
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1060
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1060
NETWORK SUPPORT EXP	NETSPX	2,490	827	484	275	2	66	0	1060
GENERAL SUPPORT EXP	GSFX	31,192	10,355	6,061	3,441	31	822	0	1060
COE EXPENSE	COEX	69,215	34,591	2,559	30,405	37	1,590	0	1060
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1060
C&WF EXPENSE	CWFX	103,762	25,543	24,838	0	75	630	0	1060
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1060
NETWORK OPERATIONS EXP	NETOPX	30,303	10,060	5,888	3,343	30	798	0	1060
DEPREC & AMORT EXP	DEPAMX	364,852	132,679	59,252	54,280	1,876	17,271	0	1060
MARKETING EXPENSE	MRKTX	24,180	6,716	3,931	2,232	20	533	0	1060
SERVICES EXPENSE	SERVX	143,751	49,009	9,334	19,880	143	2,992	16,660	1060
- CABSX EXPENSE	CABSX	25,223	12,612	0	10,107	92	2,413	0	1060
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1060
GENERAL & ADMIN EXP	GENADX	397,455	165,314	77,690	62,142	355	7,750	17,378	1060
OTHER TAXES (EXCL FIT & ITC)	OTAXES	6,743	2,237	1,309	743	7	177	0	1060
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1060
NON-OPERATING INC & EXP	NONOPX	1,687	702	411	233	2	56	0	1060
INTEREST & RELATED ITEMS(IRI)	INTREL	64,058	25,441	14,892	8,454	77	2,018	0	1060

APPENDIX B1

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COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 SEPARATIONS/ALLOCATION RULES

NAME	PART	TOTAL COMPANY	TOTAL INTERSTATE	COMMON LINE	CENTRAL OFFICE	TRANSPORT	SPECIAL ACCESS	NON- ACCESS	SEQ
MATERIALS AND SUPPLIES	MATSUP	356,146	89,736	54,098	17,646	3,190	14,783	19	1061
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1061
- GENERAL SUPPORT FACILITIES	GSF	6,936,892	2,083,649	1,253,735	408,958	73,927	342,608	4,421	1061
- CENTRAL OFFICE EQUIPMENT	COE	20,423,153	8,125,219	1,989,404	3,636,121	386,243	2,113,452	0	1061
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1061
-- COE CAT 2	COE2	113,829	38,202	0	0	38,202	0	0	1061
-- COE CAT 3	COE3	8,279,340	3,636,121	0	3,636,121	0	0	0	1061
-- COE CAT 4.11	COE411	457,336	293,210	0	0	0	293,210	0	1061
-- COE CAT 4.12	COE412	24,603	0	0	0	0	0	0	1061
-- COE CAT 4.13	COE413	9,205,689	3,024,888	1,989,404	0	0	1,035,484	0	1061
-- COE CAT 4.2	COE42	1,629,788	931,649	0	0	146,892	784,757	0	1061
-- COE CAT 4.3	COE43	712,568	201,149	0	0	201,149	0	0	1061
- INFORMATION ORIG/TERM	IOT	1,125	281	281	0	0	0	0	1061
- CABLE & WIRE FACILITIES	CWF	41,122,013	10,361,287	9,157,498	0	271,052	932,738	0	1061
-- C&WF CAT 1.1	CWF11	978,575	0	0	0	0	0	0	1061
-- C&WF CAT 1.2	CWF12	272,148	272,148	0	0	0	272,148	0	1061
-- C&WF CAT 1.3	CWF13	36,629,990	9,157,498	9,157,498	0	0	0	0	1061
-- C&WF CAT 2	CWF2	34,831	0	0	0	0	0	0	1061
-- C&WF CAT 3	CWF3	2,813,482	820,707	0	0	160,117	660,590	0	1061
-- C&WF CAT 4	CWF4	392,986	110,935	0	0	110,935	0	0	1061
- TANGIBLES	TANGIB	73,998	40,859	0	0	7,972	32,887	0	1061
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1061
TELCOM PLANT-OTHER	PLTOTH	2,703,228	812,535	488,971	159,499	29,147	134,918	0	1061
ACCUM DEPRECIATION	ACCDEP	40,047,478	12,675,030	6,310,008	4,399,699	378,368	1,583,612	3,343	1061
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1061
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1061
NETWORK SUPPORT EXP	NETSPX	15,634	4,696	2,831	923	167	774	1	1061
GENERAL SUPPORT EXP	GSFX	534,676	160,602	96,634	31,521	5,698	26,407	341	1061
COE EXPENSE	COEX	1,042,599	414,791	78,910	235,770	16,282	83,830	0	1061
IOT EXPENSE	IOTX	506	126	126	0	0	0	0	1061
C&WF EXPENSE	CWFX	786,408	198,147	175,126	0	5,184	17,837	0	1061
OTHER PROP & PL EXP	OTHPPX	23,715	7,130	4,299	1,402	253	1,175	0	1061
NETWORK OPERATIONS EXP	NETOPX	1,477,748	443,874	267,648	87,305	15,782	73,140	0	1061
DEPREC & AMORT EXP	DEPAMX	3,376,575	1,045,964	606,967	143,943	50,251	244,483	320	1061
MARKETING EXPENSE	MRKTX	232,696	55,021	33,170	10,820	1,956	9,064	12	1061
SERVICES EXPENSE	SERVX	1,012,738	298,463	76,841	98,268	8,002	22,940	92,413	1061
- CABSX EXPENSE	CABSX	91,027	45,514	0	22,548	4,076	18,890	0	1061
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1061
GENERAL & ADMIN EXP	GENADX	2,054,773	682,783	356,811	179,289	20,515	90,477	35,690	1061
OTHER TAXES (EXCL FIT & ITC)	OTAXES	55,706	16,829	9,905	3,466	654	2,750	55	1061
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1061
NON-OPERATING INC & EXP	NONOPX	7,037	2,338	1,410	460	83	385	1	1061
INTEREST & RELATED ITEMS(IRI)	INTREL	274,434	76,836	46,321	15,109	2,731	12,658	17	1061

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	561,369	203,979	56,706	35,311	6,998	104,965	0	1062
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1062
- GENERAL SUPPORT FACILITIES	GSF	7,567,461	3,518,497	978,132	609,092	120,708	1,810,566	0	1062
- CENTRAL OFFICE EQUIPMENT	COE	16,220,252	9,493,178	554,451	2,849,558	539,373	5,549,797	0	1062
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1062
-- COE CAT 2	COE2	1,090,478	428,133	0	0	428,133	0	0	1062
-- COE CAT 3	COE3	6,324,759	2,839,125	0	2,839,125	0	0	0	1062
-- COE CAT 4.11	COE411	276,119	274,731	0	0	0	274,731	0	1062
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1062
-- COE CAT 4.13	COE413	2,275,248	597,838	554,451	0	0	43,388	0	1062
-- COE CAT 4.2	COE42	6,217,042	5,342,918	0	0	111,240	5,231,678	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	19,312,753	7,017,491	4,038,367	0	27,411	2,951,713	0	1062
-- C&WF CAT 1.1	CWF11	102,389	0	0	0	0	0	0	1062
-- C&WF CAT 1.2	CWF12	316,016	316,016	0	0	0	316,016	0	1062
-- C&WF CAT 1.3	CWF13	16,153,467	4,038,367	4,038,367	0	0	0	0	1062
-- C&WF CAT 2	CWF2	2,011,125	2,001,013	0	0	0	2,001,013	0	1062
-- C&WF CAT 3	CWF3	729,756	662,095	0	0	27,411	634,684	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	5,706	2,653	738	459	91	1,365	0	1062
TELCOM PLANT-OTHER	PLTOTH	622,178	289,282	80,420	50,078	9,924	148,860	0	1062
ACCUM DEPRECIATION	ACCDEP	29,919,147	14,384,320	3,495,054	2,783,347	544,973	7,560,947	0	1062
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1062
NET DEFERRED FIT	NTDFIT	78,956	36,802	10,191	6,304	1,255	19,052	0	1062
NETWORK SUPPORT EXP	NETSPX	23,843	11,086	3,082	1,919	380	5,705	0	1062
GENERAL SUPPORT EXP	GSFX	329,761	153,323	42,623	26,542	5,260	78,898	0	1062
COE EXPENSE	COEX	759,683	445,106	16,392	227,322	37,318	164,074	0	1062
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1062
C&WF EXPENSE	CWFX	877,468	318,837	183,482	0	1,245	134,110	0	1062
OTHER PROP & PL EXP	OTHPPX	8,361	3,887	1,081	673	133	2,000	0	1062
NETWORK OPERATIONS EXP	NETOPX	189,680	88,192	24,517	15,267	3,026	45,382	0	1062
DEPREC & AMORT EXP	DEPAMX	2,580,188	1,248,604	292,721	251,488	48,859	655,536	0	1062
MARKETING EXPENSE	MRKTX	321,060	39,032	10,851	6,757	1,339	20,085	0	1062
SERVICES EXPENSE	SERVX	935,643	237,037	57,137	11,192	2,218	33,575	132,916	1062
- CABSX EXPENSE	CABSX	90,769	45,385	0	10,882	2,156	32,346	0	1062
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1062
GENERAL & ADMIN EXP	GENADX	2,298,323	894,274	290,510	182,688	32,114	305,137	83,826	1062
OTHER TAXES (EXCL FIT & ITC)	OTAXES	310,386	138,818	46,736	19,403	3,945	68,734	0	1062
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1062
NON-OPERATING INC & EXP	NONOPX	2,817	1,096	305	190	38	564	0	1062
INTEREST & RELATED ITEMS(IRI)	INTREL	262,474	112,986	40,298	14,387	2,968	55,334	0	1062

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	14,862	4,512	3,040	376	35	1,061	0	1063
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1063
- GENERAL SUPPORT FACILITIES	GSF	131,633	42,981	28,956	3,582	335	10,108	0	1063
- CENTRAL OFFICE EQUIPMENT	COE	432,866	159,014	88,273	32,743	927	37,071	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	38,521	32,743	0	32,743	0	0	0	1063
-- COE CAT 4.11	COE411	28,645	28,645	0	0	0	28,645	0	1063
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1063
-- COE CAT 4.13	COE413	355,123	89,626	88,273	0	0	1,353	0	1063
-- COE CAT 4.2	COE42	10,577	8,000	0	0	927	7,073	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	770,441	233,889	176,425	0	2,132	55,332	0	1063
-- C&WF CAT 1.1	CWF11	1,352	0	0	0	0	0	0	1063
-- C&WF CAT 1.2	CWF12	2,704	2,704	0	0	0	2,704	0	1063
-- C&WF CAT 1.3	CWF13	705,700	176,425	176,425	0	0	0	0	1063
-- C&WF CAT 2	CWF2	36,365	36,365	0	0	0	36,365	0	1063
-- C&WF CAT 3	CWF3	24,320	18,395	0	0	2,132	16,263	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	642	210	141	17	2	49	0	1063
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1063
ACCUM DEPRECIATION	ACCDEP	747,719	249,529	162,247	28,393	1,870	57,020	0	1063
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1063
NET DEFERRED FIT	NTDFIT	61,626	20,197	13,549	1,450	152	5,046	0	1063
NETWORK SUPPORT EXP	NETSPX	528	172	116	14	1	41	0	1063
GENERAL SUPPORT EXP	GSFX	9,299	3,036	2,046	253	24	714	0	1063
COE EXPENSE	COEX	7,357	2,703	61	2,615	1	26	0	1063
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1063
C&WF EXPENSE	CWFX	69,839	21,202	15,993	0	193	5,016	0	1063
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1063
NETWORK OPERATIONS EXP	NETOPX	10,241	3,344	2,253	279	26	786	0	1063
DEPREC & AMORT EXP	DEPAMX	91,868	34,647	18,279	9,462	207	6,700	0	1063
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1063
SERVICES EXPENSE	SERVX	54,910	33,151	17,526	4,839	452	9,860	474	1063
- CABSX EXPENSE	CABSX	26,839	13,420	0	3,427	320	9,672	0	1063
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1063
GENERAL & ADMIN EXP	GENADX	148,751	80,338	47,987	10,104	881	20,767	599	1063
OTHER TAXES (EXCL FIT & ITC)	OTAXES	10,952	3,843	2,700	182	31	930	0	1063
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1063
NON-OPERATING INC & EXP	NONOPX	350	189	127	16	1	44	0	1063
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1063

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	118,142	37,059	17,905	5,376	562	13,216	0	1064
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1064
- GENERAL SUPPORT FACILITIES	GSF	1,150,881	391,155	188,985	56,739	5,932	139,499	0	1064
- CENTRAL OFFICE EQUIPMENT	COE	4,871,118	1,863,036	536,369	630,650	23,633	672,384	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	1,701,243	630,650	0	630,650	0	0	0	1064
-- COE CAT 4.11	COE411	61,548	61,548	0	0	0	61,548	0	1064
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1064
-- COE CAT 4.13	COE413	2,366,914	544,397	536,369	0	0	8,028	0	1064
-- COE CAT 4.2	COE42	723,769	618,938	0	0	16,130	602,808	0	1064
-- COE CAT 4.3	COE43	17,644	7,503	0	0	7,503	0	0	1064
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1064
- CABLE & WIRE FACILITIES	CWF	7,920,813	2,484,611	1,564,176	0	42,299	878,135	0	1064
-- C&WF CAT 1.1	CWF11	622,354	0	0	0	0	0	0	1064
-- C&WF CAT 1.2	CWF12	23,411	23,411	0	0	0	23,411	0	1064
-- C&WF CAT 1.3	CWF13	6,256,706	1,564,176	1,564,176	0	0	0	0	1064
-- C&WF CAT 2	CWF2	179,488	179,488	0	0	0	179,488	0	1064
-- C&WF CAT 3	CWF3	818,939	709,066	0	0	33,830	675,236	0	1064
-- C&WF CAT 4	CWF4	19,915	8,469	0	0	8,469	0	0	1064
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1064
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1064
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1064
ACCUM DEPRECIATION	ACCDEP	7,964,555	2,758,890	1,195,212	588,701	38,840	936,137	0	1064
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1064
NET DEFERRED FIT	NTDFIT	793,342	269,510	128,972	41,953	4,032	94,553	0	1064
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1064
GENERAL SUPPORT EXP	GSFX	38,226	12,992	6,277	1,885	197	4,633	0	1064
COE EXPENSE	COEX	138,225	52,866	1,723	48,907	76	2,160	0	1064
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1064
C&WF EXPENSE	CWFX	97,599	30,615	19,274	0	521	10,820	0	1064
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1064
NETWORK OPERATIONS EXP	NETOPX	253,155	86,041	41,570	12,481	1,305	30,685	0	1064
DEPREC & AMORT EXP	DEPAMX	853,971	296,333	133,951	50,496	4,416	107,470	0	1064
MARKETING EXPENSE	MRKTX	15,633	2,988	1,444	433	45	1,066	0	1064
SERVICES EXPENSE	SERVX	138,079	33,269	12,698	1,143	120	2,811	16,497	1064
- CABSX EXPENSE	CABSX	7,645	3,823	0	1,073	112	2,638	0	1064
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1064
GENERAL & ADMIN EXP	GENADX	368,179	139,115	64,829	35,478	1,238	28,544	9,025	1064
OTHER TAXES (EXCL FIT & ITC)	OTAXES	94,648	31,957	17,400	1,947	527	12,082	0	1064
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1064
NON-OPERATING INC & EXP	NONOPX	3,749	1,417	684	205	21	505	0	1064
INTEREST & RELATED ITEMS(IRI)	INTREL	129,392	42,684	23,973	1,578	721	16,412	0	1064

APPENDIX B1

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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	520,878	133,710	112,722	5,750	1,359	13,879	0	1065
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1065
- GENERAL SUPPORT FACILITIES	GSF	4,800,999	1,178,450	993,475	50,675	11,977	122,324	0	1065
- CENTRAL OFFICE EQUIPMENT	COE	15,173,008	3,407,173	2,290,886	457,978	55,323	602,986	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	1,775,776	457,978	0	457,978	0	0	0	1065
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1065
-- COE CAT 4.12	COE412	1,213,479	0	0	0	0	0	0	1065
-- COE CAT 4.13	COE413	11,423,265	2,417,326	2,290,886	0	0	126,440	0	1065
-- COE CAT 4.2	COE42	760,488	531,868	0	0	55,323	476,545	0	1065
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1065
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1065
- CABLE & WIRE FACILITIES	CWF	28,216,306	7,243,141	6,687,700	0	52,920	502,521	0	1065
-- C&WF CAT 1.1	CWF11	72,152	0	0	0	0	0	0	1065
-- C&WF CAT 1.2	CWF12	369,113	369,113	0	0	0	369,113	0	1065
-- C&WF CAT 1.3	CWF13	26,750,799	6,687,700	6,687,700	0	0	0	0	1065
-- C&WF CAT 2	CWF2	48,807	0	0	0	0	0	0	1065
-- C&WF CAT 3	CWF3	975,436	186,328	0	0	52,920	133,408	0	1065
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1065
- TANGIBLES	TANGIB	59,398	43,449	0	0	10,587	32,862	0	1065
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1065
TELCOM PLANT-OTHER	PLTOTH	158,237	38,935	32,704	1,668	429	4,134	0	1065
ACCUM DEPRECIATION	ACCDEP	23,057,988	5,645,619	4,479,320	460,640	69,093	636,566	0	1065
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1065
NET DEFERRED FIT	NTDFIT	3,002,852	731,163	583,516	61,011	7,651	78,986	0	1065
NETWORK SUPPORT EXP	NETSPX	69,001	16,937	14,278	728	172	1,758	0	1065
GENERAL SUPPORT EXP	GSFX	687,153	168,668	142,193	7,253	1,714	17,508	0	1065
COE EXPENSE	COEX	1,256,702	282,199	96,242	158,301	2,324	25,332	0	1065
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1065
C&WF EXPENSE	CWFX	681,549	174,954	161,538	0	1,278	12,138	0	1065
OTHER PROP & PL EXP	OTHPPX	63,748	15,686	13,224	675	159	1,628	0	1065
NETWORK OPERATIONS EXP	NETOPX	651,879	160,010	134,894	6,881	1,626	16,609	0	1065
DEPREC & AMORT EXP	DEPAMX	2,900,717	759,679	557,977	28,840	28,738	144,123	0	1065
MARKETING EXPENSE	MRKTX	187,917	45,584	38,429	1,960	463	4,732	0	1065
SERVICES EXPENSE	SERVX	1,582,710	586,106	212,873	39,211	4,230	74,229	255,563	1065
- CABSX EXPENSE	CABSX	56,578	28,289	0	7,750	1,832	18,707	0	1065
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1065
GENERAL & ADMIN EXP	GENADX	2,119,325	727,869	436,595	98,396	5,477	70,446	116,955	1065
OTHER TAXES (EXCL FIT & ITC)	OTAXES	447,278	99,080	87,069	1,065	984	9,962	0	1065
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1065
NON-OPERATING INC & EXP	NONOPX	4,970	1,707	1,439	73	17	177	0	1065
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1065

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	75,075	28,433	10,992	5,249	251	11,941	0	1066
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1066
- GENERAL SUPPORT FACILITIES	GSF	1,961,433	793,931	306,919	146,576	6,996	333,440	0	1066
- CENTRAL OFFICE EQUIPMENT	COE	8,371,773	3,728,619	891,902	1,601,125	11,417	1,224,176	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	3,217,491	1,601,125	0	1,601,125	0	0	0	1066
-- COE CAT 4.11	COE411	303,562	301,758	0	0	0	301,758	0	1066
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1066
-- COE CAT 4.13	COE413	3,783,406	909,935	891,902	0	0	18,033	0	1066
-- COE CAT 4.2	COE42	1,067,314	915,801	0	0	11,417	904,384	0	1066
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1066
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1066
- CABLE & WIRE FACILITIES	CWF	13,053,998	4,943,907	2,460,739	0	65,004	2,418,164	0	1066
-- C&WF CAT 1.1	CWF11	545,633	0	0	0	0	0	0	1066
-- C&WF CAT 1.2	CWF12	49,754	49,754	0	0	0	49,754	0	1066
-- C&WF CAT 1.3	CWF13	9,842,958	2,460,739	2,460,739	0	0	0	0	1066
-- C&WF CAT 2	CWF2	837,522	832,545	0	0	0	832,545	0	1066
-- C&WF CAT 3	CWF3	1,778,131	1,600,868	0	0	65,004	1,535,865	0	1066
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1066
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1066
- INTANGIBLES	INTANG	1,589	643	249	119	6	270	0	1066
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1066
ACCUM DEPRECIATION	ACCDEP	15,303,323	6,292,594	2,273,722	1,425,769	49,255	2,543,848	0	1066
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1066
NET DEFERRED FIT	NTDFIT	1,185,430	479,856	185,453	88,685	4,227	201,491	0	1066
NETWORK SUPPORT EXP	NETSPX	7	3	1	1	0	1	0	1066
GENERAL SUPPORT EXP	GSFX	66,167	26,782	10,354	4,945	236	11,248	0	1066
COE EXPENSE	COEX	268,196	119,449	25,961	57,523	332	35,633	0	1066
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1066
C&WF EXPENSE	CWFX	404,713	153,276	76,290	0	2,015	74,970	0	1066
OTHER PROP & PL EXP	OTHPPX	9,283	3,757	1,453	694	33	1,578	0	1066
NETWORK OPERATIONS EXP	NETOPX	278,754	112,831	43,619	20,831	994	47,388	0	1066
DEPREC & AMORT EXP	DEPAMX	1,216,912	497,154	184,571	104,872	4,099	203,612	0	1066
MARKETING EXPENSE	MRKTX	22,858	2,936	1,135	542	26	1,233	0	1066
SERVICES EXPENSE	SERVX	270,344	65,764	13,423	7,494	358	17,048	27,441	1066
- CABSX EXPENSE	CABSX	46,956	23,478	0	7,066	337	16,075	0	1066
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1066
GENERAL & ADMIN EXP	GENADX	535,338	220,610	93,277	37,491	1,627	77,036	11,179	1066
OTHER TAXES (EXCL FIT & ITC)	OTAXES	113,238	45,297	19,787	4,591	488	20,432	0	1066
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1066
NON-OPERATING INC & EXP	NONOPX	2,618	1,079	417	199	10	453	0	1066
INTEREST & RELATED ITEMS(IRI)	INTREL	149,653	58,443	25,940	5,229	645	26,630	0	1066

APPENDIX B1

2009 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	59,610	15,637	7,434	2,130	859	5,214	0	1067
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1067
- GENERAL SUPPORT FACILITIES	GSF	1,375,014	501,872	238,591	68,362	27,567	167,352	0	1067
- CENTRAL OFFICE EQUIPMENT	COE	4,965,985	2,998,206	303,765	821,064	157,371	1,716,006	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	1,435,017	821,064	0	821,064	0	0	0	1067
-- COE CAT 4.11	COE411	398,620	382,229	0	0	0	382,229	0	1067
-- COE CAT 4.12	COE412	20,289	0	0	0	0	0	0	1067
-- COE CAT 4.13	COE413	1,234,051	304,482	303,765	0	0	717	0	1067
-- COE CAT 4.2	COE42	1,438,464	1,369,045	0	0	35,985	1,333,060	0	1067
-- COE CAT 4.3	COE43	439,544	121,387	0	0	121,387	0	0	1067
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1067
- CABLE & WIRE FACILITIES	CWF	11,548,633	3,029,533	2,561,834	0	173,720	293,979	0	1067
-- C&WF CAT 1.1	CWF11	154,118	0	0	0	0	0	0	1067
-- C&WF CAT 1.2	CWF12	6,044	6,044	0	0	0	6,044	0	1067
-- C&WF CAT 1.3	CWF13	10,247,336	2,561,834	2,561,834	0	0	0	0	1067
-- C&WF CAT 2	CWF2	275,581	60,688	0	0	0	60,688	0	1067
-- C&WF CAT 3	CWF3	464,659	290,254	0	0	63,007	227,247	0	1067
-- C&WF CAT 4	CWF4	400,894	110,713	0	0	110,713	0	0	1067
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1067
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1067
TELCOM PLANT-OTHER	PLTOTH	11,841	4,322	2,055	589	237	1,441	0	1067
ACCUM DEPRECIATION	ACCDEP	10,465,327	3,922,430	1,751,070	661,959	208,251	1,301,150	0	1067
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1067
NET DEFERRED FIT	NTDFIT	989,996	417,562	142,715	90,955	21,553	162,340	0	1067
NETWORK SUPPORT EXP	NETSPX	86,994	31,752	15,095	4,325	1,744	10,588	0	1067
GENERAL SUPPORT EXP	GSFX	78,346	28,596	13,594	3,895	1,571	9,535	0	1067
COE EXPENSE	COEX	79,636	48,080	1,865	34,717	966	10,533	0	1067
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1067
C&WF EXPENSE	CWFX	221,025	57,981	49,030	0	3,325	5,626	0	1067
OTHER PROP & PL EXP	OTHPX	28,390	10,362	4,926	1,411	569	3,455	0	1067
NETWORK OPERATIONS EXP	NETOPX	154,926	56,547	26,883	7,703	3,106	18,856	0	1067
DEPREC & AMORT EXP	DEPAMX	1,000,669	398,548	157,209	70,055	21,388	149,896	0	1067
MARKETING EXPENSE	MRKTX	201,372	64,115	30,481	8,733	3,522	21,380	0	1067
SERVICES EXPENSE	SERVX	240,643	91,443	27,252	12,212	3,751	4,558	43,670	1067
- CABSX EXPENSE	CABSX	14,054	7,027	0	1,825	736	4,467	0	1067
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1067
GENERAL & ADMIN EXP	GENADX	863,357	339,529	161,109	59,267	15,064	68,632	35,456	1067
OTHER TAXES (EXCL FIT & ITC)	OTAXES	114,251	43,632	23,918	2,913	2,557	14,244	0	1067
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1067
NON-OPERATING INC & EXP	NONOPX	22,174	8,720	4,146	1,188	479	2,908	0	1067
INTEREST & RELATED ITEMS(IRI)	INTREL	126,875	43,091	20,486	5,870	2,367	14,369	0	1067

APPENDIX B1

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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	149,418	41,517	18,523	11,387	7,449	4,159	0	1068
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1068
- GENERAL SUPPORT FACILITIES	GSF	2,355,643	825,271	368,193	226,339	148,063	82,677	0	1068
- CENTRAL OFFICE EQUIPMENT	COE	4,187,871	1,997,578	248,461	1,105,544	457,888	185,684	0	1068
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1068
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1068
-- COE CAT 3	COE3	1,794,507	1,105,544	0	1,105,544	0	0	0	1068
-- COE CAT 4.11	COE411	2,623	2,623	0	0	0	2,623	0	1068
-- COE CAT 4.12	COE412	72,366	0	0	0	0	0	0	1068
-- COE CAT 4.13	COE413	1,020,873	256,570	248,461	0	0	8,108	0	1068
-- COE CAT 4.2	COE42	1,123,989	602,299	0	0	427,346	174,953	0	1068
-- COE CAT 4.3	COE43	173,513	30,542	0	0	30,542	0	0	1068
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1068
- CABLE & WIRE FACILITIES	CWF	7,318,194	2,033,434	1,549,966	0	265,321	218,148	0	1068
-- C&WF CAT 1.1	CWF11	118,024	0	0	0	0	0	0	1068
-- C&WF CAT 1.2	CWF12	50,582	50,582	0	0	0	50,582	0	1068
-- C&WF CAT 1.3	CWF13	6,209,267	1,549,966	1,549,966	0	0	0	0	1068
-- C&WF CAT 2	CWF2	90,387	81,779	0	0	0	81,779	0	1068
-- C&WF CAT 3	CWF3	577,325	303,123	0	0	217,336	85,787	0	1068
-- C&WF CAT 4	CWF4	272,610	47,985	0	0	47,985	0	0	1068
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1068
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1068
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1068
ACCUM DEPRECIATION	ACCDEP	11,041,988	3,882,067	1,702,184	1,031,868	744,152	403,864	0	1068
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1068
NET DEFERRED FIT	NTDFIT	-110,642	-38,762	-17,294	-10,631	-6,954	-3,883	0	1068
NETWORK SUPPORT EXP	NETSPX	2,994	1,049	468	288	188	105	0	1068
GENERAL SUPPORT EXP	GSFX	76,212	26,700	11,912	7,323	4,790	2,675	0	1068
COE EXPENSE	COEX	683,510	326,028	20,383	252,847	37,564	15,233	0	1068
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1068
C&WF EXPENSE	CWFX	591,129	164,251	125,199	0	21,431	17,621	0	1068
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1068
NETWORK OPERATIONS EXP	NETOPX	170,649	59,785	26,673	16,397	10,726	5,989	0	1068
DEPREC & AMORT EXP	DEPAMX	531,863	214,775	63,475	96,352	36,656	18,292	0	1068
MARKETING EXPENSE	MRKTX	10,866	2,994	1,336	821	537	300	0	1068
SERVICES EXPENSE	SERVX	228,834	88,489	1,098	16,200	10,598	5,918	54,676	1068
- CABSX EXPENSE	CABSX	62,479	31,240	0	15,469	10,120	5,651	0	1068
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1068
GENERAL & ADMIN EXP	GENADX	1,373,643	568,441	174,453	240,101	70,129	39,087	44,671	1068
OTHER TAXES (EXCL FIT & ITC)	OTAXES	105,996	36,795	16,812	10,528	5,967	3,487	0	1068
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1068
NON-OPERATING INC & EXP	NONOPX	9,043	3,742	1,670	1,026	671	375	0	1068
INTEREST & RELATED ITEMS(IRI)	INTREL	25,052	8,578	3,827	2,352	1,539	859	0	1068

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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	22,067	5,435	1,777	2,445	344	868	0	1069
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1069
- GENERAL SUPPORT FACILITIES	GSF	1,146,327	413,060	135,055	185,851	26,146	66,008	0	1069
- CENTRAL OFFICE EQUIPMENT	COE	1,904,976	877,254	62,526	583,226	34,257	197,245	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	1,271,875	575,801	0	575,801	0	0	0	1069
-- COE CAT 4.11	COE411	192,533	188,778	0	0	0	188,778	0	1069
-- COE CAT 4.12	COE412	9,307	10	0	0	0	10	0	1069
-- COE CAT 4.13	COE413	255,646	63,582	62,526	0	0	1,055	0	1069
-- COE CAT 4.2	COE42	136,285	38,110	0	0	30,708	7,402	0	1069
-- COE CAT 4.3	COE43	19,898	3,549	0	0	3,549	0	0	1069
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1069
- CABLE & WIRE FACILITIES	CWF	1,738,156	428,064	366,691	0	48,837	12,535	0	1069
-- C&WF CAT 1.1	CWF11	26,303	0	0	0	0	0	0	1069
-- C&WF CAT 1.2	CWF12	6,189	6,189	0	0	0	6,189	0	1069
-- C&WF CAT 1.3	CWF13	1,466,765	366,691	366,691	0	0	0	0	1069
-- C&WF CAT 2	CWF2	21,569	4,029	0	0	0	4,029	0	1069
-- C&WF CAT 3	CWF3	190,316	46,336	0	0	44,019	2,317	0	1069
-- C&WF CAT 4	CWF4	27,014	4,818	0	0	4,818	0	0	1069
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1069
- INTANGIBLES	INTANG	512	184	60	83	12	29	0	1069
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1069
ACCUM DEPRECIATION	ACCDEP	4,045,211	1,464,618	460,787	685,025	89,721	229,084	0	1069
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1069
NET DEFERRED FIT	NTDFIT	120,583	43,450	14,207	19,550	2,750	6,943	0	1069
NETWORK SUPPORT EXP	NETSPX	2,033	733	240	330	46	117	0	1069
GENERAL SUPPORT EXP	GSFX	51,677	18,621	6,088	8,378	1,179	2,976	0	1069
COE EXPENSE	COEX	220,119	102,224	3,155	87,390	1,728	9,951	0	1069
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1069
C&WF EXPENSE	CWFX	184,673	45,480	38,960	0	5,189	1,332	0	1069
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1069
NETWORK OPERATIONS EXP	NETOPX	226,081	81,465	26,636	36,654	5,157	13,018	0	1069
DEPREC & AMORT EXP	DEPAMX	328,752	123,843	33,668	63,676	6,932	19,567	0	1069
MARKETING EXPENSE	MRKTX	22,851	4,373	1,430	1,968	277	699	0	1069
SERVICES EXPENSE	SERVX	98,618	34,177	6,937	9,353	1,292	3,261	13,335	1069
- CABSX EXPENSE	CABSX	26,900	13,450	0	8,992	1,265	3,193	0	1069
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1069
GENERAL & ADMIN EXP	GENADX	655,861	257,798	81,452	124,769	12,875	27,153	11,548	1069
OTHER TAXES (EXCL FIT & ITC)	OTAXES	17,512	6,322	2,295	2,509	439	1,079	0	1069
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1069
NON-OPERATING INC & EXP	NONOPX	8,538	3,356	1,097	1,510	212	536	0	1069
INTEREST & RELATED ITEMS(IRI)	INTREL	24,830	8,230	2,691	3,703	521	1,315	0	1069

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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	47,026	13,781	4,475	4,692	3,283	1,331	0	1070
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1070
- GENERAL SUPPORT FACILITIES	GSF	398,948	149,934	48,689	51,052	35,714	14,478	0	1070
- CENTRAL OFFICE EQUIPMENT	COE	3,320,834	2,050,456	25,211	1,665,392	180,175	179,678	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	2,526,085	1,665,392	0	1,665,392	0	0	0	1070
-- COE CAT 4.11	COE411	78,562	78,562	0	0	0	78,562	0	1070
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1070
-- COE CAT 4.13	COE413	103,247	26,044	25,211	0	0	833	0	1070
-- COE CAT 4.2	COE42	433,339	227,739	0	0	127,456	100,283	0	1070
-- COE CAT 4.3	COE43	179,601	52,719	0	0	52,719	0	0	1070
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1070
- CABLE & WIRE FACILITIES	CWF	9,693,334	2,840,569	1,563,094	0	984,853	292,621	0	1070
-- C&WF CAT 1.1	CWF11	97,383	0	0	0	0	0	0	1070
-- C&WF CAT 1.2	CWF12	51,673	51,673	0	0	0	51,673	0	1070
-- C&WF CAT 1.3	CWF13	6,252,376	1,563,094	1,563,094	0	0	0	0	1070
-- C&WF CAT 2	CWF2	155,083	65,562	0	0	0	65,562	0	1070
-- C&WF CAT 3	CWF3	1,975,817	819,447	0	0	644,060	175,387	0	1070
-- C&WF CAT 4	CWF4	1,161,003	340,794	0	0	340,794	0	0	1070
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1070
- INTANGIBLES	INTANG	232,509	87,382	28,376	29,754	20,814	8,438	0	1070
TELCOM PLANT-OTHER	PLTOTH	5,127	1,927	626	656	459	186	0	1070
ACCUM DEPRECIATION	ACCDEP	9,068,956	3,672,985	990,072	1,635,362	739,259	308,291	0	1070
ACCUM AMORTIZATION	ACCAMO	210,364	79,060	25,674	26,920	18,832	7,634	0	1070
NET DEFERRED FIT	NTDFIT	413,496	155,401	50,465	52,914	37,016	15,006	0	1070
NETWORK SUPPORT EXP	NETSPX	19,592	7,363	2,391	2,507	1,754	711	0	1070
GENERAL SUPPORT EXP	GSFX	211,860	79,622	25,856	27,111	18,966	7,689	0	1070
COE EXPENSE	COEX	190,158	117,413	875	104,047	6,254	6,237	0	1070
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1070
C&WF EXPENSE	CWFX	290,439	85,111	46,835	0	29,509	8,768	0	1070
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1070
NETWORK OPERATIONS EXP	NETOPX	307,326	115,500	37,507	39,328	27,512	11,153	0	1070
DEPREC & AMORT EXP	DEPAMX	796,189	316,922	90,953	145,735	60,164	20,070	0	1070
MARKETING EXPENSE	MRKTX	93,369	30,767	9,991	10,476	7,329	2,971	0	1070
SERVICES EXPENSE	SERVX	299,310	93,723	5,945	13,778	8,730	3,539	61,730	1070
- CABSX EXPENSE	CABSX	48,592	24,296	0	12,251	8,570	3,474	0	1070
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1070
GENERAL & ADMIN EXP	GENADX	746,701	310,821	90,383	108,675	55,125	22,627	34,011	1070
OTHER TAXES (EXCL FIT & ITC)	OTAXES	142,778	50,269	18,981	12,073	13,752	5,462	0	1070
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1070
NON-OPERATING INC & EXP	NONOPX	6,438	2,687	872	915	640	259	0	1070
INTEREST & RELATED ITEMS(IRI)	INTREL	48,455	14,509	4,712	4,940	3,456	1,401	0	1070

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	94,043	28,487	11,375	9,482	5,641	1,989	0	1071
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1071
- GENERAL SUPPORT FACILITIES	GSF	1,311,174	551,954	220,400	183,724	109,299	38,531	0	1071
- CENTRAL OFFICE EQUIPMENT	COE	1,096,806	811,373	48,470	568,726	95,181	98,997	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	669,089	568,726	0	568,726	0	0	0	1071
-- COE CAT 4.11	COE411	93,553	93,553	0	0	0	93,553	0	1071
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1071
-- COE CAT 4.13	COE413	201,258	49,422	48,470	0	0	952	0	1071
-- COE CAT 4.2	COE42	132,906	99,673	0	0	95,181	4,492	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	2,961,998	897,227	633,789	0	243,161	20,276	0	1071
-- C&WF CAT 1.1	CWF11	84,038	0	0	0	0	0	0	1071
-- C&WF CAT 1.2	CWF12	12,450	12,450	0	0	0	12,450	0	1071
-- C&WF CAT 1.3	CWF13	2,535,158	633,789	633,789	0	0	0	0	1071
-- C&WF CAT 2	CWF2	8,193	7,448	0	0	0	7,448	0	1071
-- C&WF CAT 3	CWF3	322,159	243,539	0	0	243,161	378	0	1071
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1071
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1071
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1071
TELCOM PLANT-OTHER	PLTOTH	4,442	1,870	747	622	370	131	0	1071
ACCUM DEPRECIATION	ACCDEP	2,953,672	1,310,082	470,393	519,479	235,343	84,867	0	1071
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1071
NET DEFERRED FIT	NTDFIT	385,732	162,378	64,839	54,049	32,155	11,335	0	1071
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1071
GENERAL SUPPORT EXP	GSFX	43,055	18,124	7,237	6,033	3,589	1,265	0	1071
COE EXPENSE	COEX	251,092	185,748	7,910	146,150	15,533	16,155	0	1071
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1071
C&WF EXPENSE	CWFX	169,142	51,235	36,192	0	13,885	1,158	0	1071
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1071
NETWORK OPERATIONS EXP	NETOPX	174,009	73,251	29,250	24,382	14,505	5,113	0	1071
DEPREC & AMORT EXP	DEPAMX	317,307	137,334	51,874	49,152	26,391	9,916	0	1071
MARKETING EXPENSE	MRKTX	17,767	6,768	2,702	2,253	1,340	472	0	1071
SERVICES EXPENSE	SERVX	127,464	67,969	6,831	25,502	13,056	4,603	17,977	1071
- CABSX EXPENSE	CABSX	76,385	38,193	0	21,164	12,590	4,438	0	1071
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1071
GENERAL & ADMIN EXP	GENADX	635,527	352,114	93,797	168,638	51,097	23,743	14,838	1071
OTHER TAXES (EXCL FIT & ITC)	OTAXES	60,102	24,933	10,619	7,250	5,240	1,823	0	1071
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1071
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1071
INTEREST & RELATED ITEMS(IRI)	INTREL	73,491	28,251	11,281	9,404	5,594	1,972	0	1071

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	20,347	5,134	2,855	1,699	160	419	0	1072
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1072
- GENERAL SUPPORT FACILITIES	GSF	401,706	143,730	79,932	47,569	4,491	11,738	0	1072
- CENTRAL OFFICE EQUIPMENT	COE	1,249,092	676,577	155,881	405,782	19,685	95,229	0	1072
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1072
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1072
-- COE CAT 3	COE3	477,391	405,782	0	405,782	0	0	0	1072
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1072
-- COE CAT 4.12	COE412	92,255	92,255	0	0	0	92,255	0	1072
-- COE CAT 4.13	COE413	632,099	156,738	155,881	0	0	858	0	1072
-- COE CAT 4.2	COE42	47,347	21,801	0	0	19,685	2,116	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	2,177,610	549,491	525,967	0	18,627	4,897	0	1072
-- C&WF CAT 1.1	CWF11	26,045	0	0	0	0	0	0	1072
-- C&WF CAT 1.2	CWF12	2,894	2,894	0	0	0	2,894	0	1072
-- C&WF CAT 1.3	CWF13	2,103,867	525,967	525,967	0	0	0	0	1072
-- C&WF CAT 2	CWF2	2,005	1,640	0	0	0	1,640	0	1072
-- C&WF CAT 3	CWF3	42,799	18,990	0	0	18,627	363	0	1072
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1072
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1072
- INTANGIBLES	INTANG	324	116	64	38	4	9	0	1072
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1072
ACCUM DEPRECIATION	ACCDEP	2,921,346	1,030,797	587,184	301,499	35,998	106,117	0	1072
ACCUM AMORTIZATION	ACCAMO	324	116	64	38	4	9	0	1072
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1072
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1072
GENERAL SUPPORT EXP	GSFX	5,387	1,927	1,072	638	60	157	0	1072
COE EXPENSE	COEX	73,410	39,763	15,670	12,540	1,979	9,573	0	1072
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1072
C&WF EXPENSE	CWFX	33,943	8,565	8,198	0	290	76	0	1072
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1072
NETWORK OPERATIONS EXP	NETOPX	13,130	4,698	2,613	1,555	147	384	0	1072
DEPREC & AMORT EXP	DEPAMX	117,070	52,879	18,845	32,977	695	361	0	1072
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1072
SERVICES EXPENSE	SERVX	36,075	15,351	3,273	7,106	616	1,611	2,745	1072
- CABSX EXPENSE	CABSX	16,989	8,495	0	6,334	598	1,563	0	1072
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1072
GENERAL & ADMIN EXP	GENADX	231,237	121,802	53,406	37,837	5,358	20,446	4,755	1072
OTHER TAXES (EXCL FIT & ITC)	OTAXES	15,047	5,529	3,075	1,830	173	452	0	1072
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1072
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1072
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1072

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	172,839	47,530	17,228	13,239	5,456	11,587	20	1073
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1073
- GENERAL SUPPORT FACILITIES	GSF	4,334,115	1,581,884	570,975	438,786	180,829	384,028	7,265	1073
- CENTRAL OFFICE EQUIPMENT	COE	15,013,826	7,910,968	778,347	4,274,772	755,784	2,102,065	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	7,489,102	4,274,772	0	4,274,772	0	0	0	1073
-- COE CAT 4.11	COE411	948,593	948,593	0	0	0	948,593	0	1073
-- COE CAT 4.12	COE412	274,329	0	0	0	0	0	0	1073
-- COE CAT 4.13	COE413	3,191,059	789,998	778,347	0	0	11,650	0	1073
-- COE CAT 4.2	COE42	2,722,662	1,823,011	0	0	681,190	1,141,821	0	1073
-- COE CAT 4.3	COE43	388,081	74,595	0	0	74,595	0	0	1073
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1073
- CABLE & WIRE FACILITIES	CWF	27,016,391	7,429,398	4,784,248	0	1,005,906	1,639,244	0	1073
-- C&WF CAT 1.1	CWF11	405,799	0	0	0	0	0	0	1073
-- C&WF CAT 1.2	CWF12	71,612	71,612	0	0	0	71,612	0	1073
-- C&WF CAT 1.3	CWF13	19,136,992	4,784,248	4,784,248	0	0	0	0	1073
-- C&WF CAT 2	CWF2	2,193,541	298,960	0	0	0	298,960	0	1073
-- C&WF CAT 3	CWF3	3,488,509	1,943,982	0	0	675,310	1,268,672	0	1073
-- C&WF CAT 4	CWF4	1,719,939	330,596	0	0	330,596	0	0	1073
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1073
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1073
TELCOM PLANT-OTHER	PLTOTH	405,399	147,901	53,631	41,214	16,985	36,071	0	1073
ACCUM DEPRECIATION	ACCDEP	33,839,880	12,752,515	4,211,766	4,405,836	1,324,631	2,804,099	6,184	1073
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1073
NET DEFERRED FIT	NTDFIT	485,550	177,142	64,234	49,363	20,343	43,203	0	1073
NETWORK SUPPORT EXP	NETSPX	37,911	13,837	5,015	3,854	1,588	3,373	6	1073
GENERAL SUPPORT EXP	GSFX	272,853	99,587	35,946	27,624	11,384	24,176	457	1073
COE EXPENSE	COEX	880,907	464,161	45,982	249,347	44,649	124,183	0	1073
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1073
C&WF EXPENSE	CWFX	767,639	211,098	135,939	0	28,582	46,577	0	1073
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1073
NETWORK OPERATIONS EXP	NETOPX	440,100	160,630	58,246	44,761	18,447	39,175	0	1073
DEPREC & AMORT EXP	DEPAMX	2,779,081	1,062,941	336,170	395,033	106,159	225,150	429	1073
MARKETING EXPENSE	MRKTX	12,689	4,529	1,642	1,262	520	1,104	2	1073
SERVICES EXPENSE	SERVX	259,487	73,508	6,758	4,204	939	1,995	59,612	1073
- CABSX EXPENSE	CABSX	9,064	4,532	0	1,981	817	1,734	0	1073
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1073
GENERAL & ADMIN EXP	GENADX	1,032,045	426,530	145,550	126,072	40,409	91,620	22,879	1073
OTHER TAXES (EXCL FIT & ITC)	OTAXES	382,326	133,846	53,950	26,012	17,208	36,665	11	1073
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1073
NON-OPERATING INC & EXP	NONOPX	9,555	3,949	1,431	1,100	453	963	2	1073
INTEREST & RELATED ITEMS(IRI)	INTREL	171,556	54,672	19,816	15,229	6,276	13,328	23	1073

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	40,049	11,006	4,829	2,254	796	3,126	0	1074
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1074
- GENERAL SUPPORT FACILITIES	GSF	5,122,962	1,829,117	802,632	374,562	132,373	519,549	0	1074
- CENTRAL OFFICE EQUIPMENT	COE	13,134,856	6,806,705	826,586	2,839,823	295,501	2,844,795	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	5,276,501	2,814,705	0	2,814,705	0	0	0	1074
-- COE CAT 4.11	COE411	1,421,189	1,398,521	0	0	0	1,398,521	0	1074
-- COE CAT 4.12	COE412	449,213	449,213	0	0	0	449,213	0	1074
-- COE CAT 4.13	COE413	3,375,129	827,509	826,586	0	0	923	0	1074
-- COE CAT 4.2	COE42	2,203,162	1,220,793	0	0	224,655	996,138	0	1074
-- COE CAT 4.3	COE43	354,373	70,846	0	0	70,846	0	0	1074
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1074
- CABLE & WIRE FACILITIES	CWF	26,049,524	7,158,677	5,312,569	0	716,993	1,129,115	0	1074
-- C&WF CAT 1.1	CWF11	436,162	0	0	0	0	0	0	1074
-- C&WF CAT 1.2	CWF12	5,934	5,934	0	0	0	5,934	0	1074
-- C&WF CAT 1.3	CWF13	21,250,276	5,312,569	5,312,569	0	0	0	0	1074
-- C&WF CAT 2	CWF2	293,645	56,222	0	0	0	56,222	0	1074
-- C&WF CAT 3	CWF3	2,463,125	1,464,005	0	0	397,047	1,066,959	0	1074
-- C&WF CAT 4	CWF4	1,600,382	319,947	0	0	319,947	0	0	1074
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1074
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1074
TELCOM PLANT-OTHER	PLTOTH	389,791	139,172	61,070	28,499	10,072	39,531	0	1074
ACCUM DEPRECIATION	ACCDEP	16,293,178	5,954,112	2,396,024	1,760,235	385,603	1,412,251	0	1074
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1074
NET DEFERRED FIT	NTDFIT	260,944	112,530	26,633	54,173	5,043	26,681	0	1074
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1074
GENERAL SUPPORT EXP	GSFX	111,198	39,702	17,422	8,130	2,873	11,277	0	1074
COE EXPENSE	COEX	571,698	297,357	13,765	231,296	4,921	47,374	0	1074
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1074
C&WF EXPENSE	CWFX	617,234	169,622	125,879	0	16,989	26,754	0	1074
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1074
NETWORK OPERATIONS EXP	NETOPX	211,955	75,677	33,208	15,497	5,477	21,496	0	1074
DEPREC & AMORT EXP	DEPAMX	2,048,075	808,923	272,888	237,966	49,933	248,136	0	1074
MARKETING EXPENSE	MRKTX	17,607	5,984	2,626	1,225	433	1,700	0	1074
SERVICES EXPENSE	SERVX	339,018	164,154	24,524	18,635	6,506	16,454	98,035	1074
- CABSX EXPENSE	CABSX	63,625	31,813	0	11,608	4,102	16,102	0	1074
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1074
GENERAL & ADMIN EXP	GENADX	1,010,215	452,677	156,479	152,111	20,592	69,226	54,269	1074
OTHER TAXES (EXCL FIT & ITC)	OTAXES	284,468	102,672	45,053	21,025	7,430	29,163	0	1074
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1074
NON-OPERATING INC & EXP	NONOPX	5,134	2,301	1,009	471	166	653	0	1074
INTEREST & RELATED ITEMS(IRI)	INTREL	1,009,639	354,186	155,420	72,529	25,632	100,604	0	1074

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	1,730	949	362	169	250	0	1075
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1075
- GENERAL SUPPORT FACILITIES	GSF	2,800,579	1,000,476	548,990	209,408	97,462	144,616	0	1075
- CENTRAL OFFICE EQUIPMENT	COE	3,154,749	1,858,515	346,567	915,952	89,033	506,962	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	1,077,591	915,952	0	915,952	0	0	0	1075
-- COE CAT 4.11	COE411	477,989	477,989	0	0	0	477,989	0	1075
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1075
-- COE CAT 4.13	COE413	1,410,042	354,373	346,567	0	0	7,806	0	1075
-- COE CAT 4.2	COE42	163,642	106,683	0	0	85,516	21,167	0	1075
-- COE CAT 4.3	COE43	25,485	3,517	0	0	3,517	0	0	1075
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1075
- CABLE & WIRE FACILITIES	CWF	9,094,981	2,517,565	2,054,713	0	337,265	125,587	0	1075
-- C&WF CAT 1.1	CWF11	94,663	0	0	0	0	0	0	1075
-- C&WF CAT 1.2	CWF12	46,280	46,280	0	0	0	46,280	0	1075
-- C&WF CAT 1.3	CWF13	8,218,853	2,054,713	2,054,713	0	0	0	0	1075
-- C&WF CAT 2	CWF2	65,251	45,241	0	0	0	45,241	0	1075
-- C&WF CAT 3	CWF3	547,899	354,490	0	0	320,424	34,066	0	1075
-- C&WF CAT 4	CWF4	122,035	16,841	0	0	16,841	0	0	1075
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1075
- INTANGIBLES	INTANG	13,225	4,724	2,592	989	460	683	0	1075
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1075
ACCUM DEPRECIATION	ACCDEP	12,329,235	4,248,740	2,470,661	877,425	426,898	473,756	0	1075
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1075
NET DEFERRED FIT	NTDFIT	-16,059	-5,737	-3,148	-1,201	-559	-829	0	1075
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1075
GENERAL SUPPORT EXP	GSFX	54,608	19,508	10,705	4,083	1,900	2,820	0	1075
COE EXPENSE	COEX	459,314	270,589	33,164	180,394	8,520	48,512	0	1075
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1075
C&WF EXPENSE	CWFX	434,084	120,158	98,067	0	16,097	5,994	0	1075
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1075
NETWORK OPERATIONS EXP	NETOPX	260,273	92,980	51,021	19,461	9,058	13,440	0	1075
DEPREC & AMORT EXP	DEPAMX	829,542	323,654	152,564	84,950	28,256	57,884	0	1075
MARKETING EXPENSE	MRKTX	27,655	20,026	10,989	4,192	1,951	2,895	0	1075
SERVICES EXPENSE	SERVX	180,837	60,335	16,872	10,205	4,749	7,047	21,462	1075
- CABSX EXPENSE	CABSX	39,206	19,603	0	9,092	4,232	6,279	0	1075
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1075
GENERAL & ADMIN EXP	GENADX	1,485,288	654,821	278,214	226,656	43,886	83,784	22,280	1075
OTHER TAXES (EXCL FIT & ITC)	OTAXES	108,307	41,152	20,727	8,771	3,836	7,817	0	1075
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1075
NON-OPERATING INC & EXP	NONOPX	17,263	7,900	4,335	1,653	770	1,142	0	1075
INTEREST & RELATED ITEMS(IRI)	INTREL	33,517	13,861	7,606	2,901	1,350	2,004	0	1075

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	539,449	166,125	72,615	26,722	10,824	55,963	0	1076
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1076
- GENERAL SUPPORT FACILITIES	GSF	6,242,900	2,470,126	1,079,723	397,339	160,942	832,123	0	1076
- CENTRAL OFFICE EQUIPMENT	COE	16,515,338	9,297,641	1,405,170	3,051,198	669,190	4,172,083	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	4,960,379	3,036,267	0	3,036,267	0	0	0	1076
-- COE CAT 4.11	COE411	3,341,505	3,341,505	0	0	0	3,341,505	0	1076
-- COE CAT 4.12	COE412	12,464	0	0	0	0	0	0	1076
-- COE CAT 4.13	COE413	5,649,665	1,431,671	1,405,170	0	0	26,501	0	1076
-- COE CAT 4.2	COE42	1,472,193	1,138,554	0	0	334,477	804,077	0	1076
-- COE CAT 4.3	COE43	1,059,512	334,713	0	0	334,713	0	0	1076
- INFORMATION ORIG/TERM	IOT	16,107	4,027	4,027	0	0	0	0	1076
- CABLE & WIRE FACILITIES	CWF	31,642,952	9,744,550	6,922,672	0	572,745	2,249,133	0	1076
-- C&WF CAT 1.1	CWF11	12,240	0	0	0	0	0	0	1076
-- C&WF CAT 1.2	CWF12	130,559	130,559	0	0	0	130,559	0	1076
-- C&WF CAT 1.3	CWF13	27,690,687	6,922,672	6,922,672	0	0	0	0	1076
-- C&WF CAT 2	CWF2	937,891	916,365	0	0	0	916,365	0	1076
-- C&WF CAT 3	CWF3	1,727,599	1,413,559	0	0	211,350	1,202,209	0	1076
-- C&WF CAT 4	CWF4	1,143,976	361,396	0	0	361,396	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	986,960	390,510	170,697	62,817	25,444	131,553	0	1076
ACCUM DEPRECIATION	ACCDEP	24,523,917	10,421,977	3,827,772	2,341,661	665,310	3,587,234	0	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	37,599	14,877	6,503	2,393	969	5,012	0	1076
GENERAL SUPPORT EXP	GSFX	203,314	80,445	35,164	12,940	5,241	27,100	0	1076
COE EXPENSE	COEX	810,421	456,976	36,480	269,271	42,911	108,313	0	1076
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1076
C&WF EXPENSE	CWFX	750,259	231,045	164,138	0	13,580	53,327	0	1076
OTHER PROP & PL EXP	OTHPPX	5,676	2,246	982	361	146	757	0	1076
NETWORK OPERATIONS EXP	NETOPX	178,192	70,505	30,819	11,341	4,594	23,751	0	1076
DEPREC & AMORT EXP	DEPAMX	4,184,742	1,836,139	643,591	302,072	134,613	755,863	0	1076
MARKETING EXPENSE	MRKTX	44,999	11,089	4,847	1,784	722	3,735	0	1076
SERVICES EXPENSE	SERVX	772,950	255,135	33,723	40,472	16,393	68,643	95,905	1076
- CABSX EXPENSE	CABSX	224,661	112,330	0	32,101	13,002	67,227	0	1076
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1076
GENERAL & ADMIN EXP	GENADX	1,609,586	694,430	230,126	194,150	48,489	166,667	54,997	1076
OTHER TAXES (EXCL FIT & ITC)	OTAXES	2,474	2,474	1,081	398	161	833	0	1076
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1076
NON-OPERATING INC & EXP	NONOPX	32,868	14,181	6,198	2,281	924	4,777	0	1076
INTEREST & RELATED ITEMS(IRI)	INTREL	677,856	251,683	110,014	40,485	16,398	84,786	0	1076

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	434,141	133,400	53,379	32,124	15,709	32,189	0	1077
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1077
- GENERAL SUPPORT FACILITIES	GSF	6,325,254	2,602,872	1,041,509	626,797	306,502	628,064	0	1077
- CENTRAL OFFICE EQUIPMENT	COE	13,208,159	7,535,944	1,143,884	3,305,463	1,059,924	2,026,673	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	4,408,124	3,305,463	0	3,305,463	0	0	0	1077
-- COE CAT 4.11	COE411	1,352,934	1,352,934	0	0	0	1,352,934	0	1077
-- COE CAT 4.12	COE412	159,705	0	0	0	0	0	0	1077
-- COE CAT 4.13	COE413	4,647,354	1,173,178	1,143,884	0	0	29,294	0	1077
-- COE CAT 4.2	COE42	1,734,760	1,316,694	0	0	672,249	644,445	0	1077
-- COE CAT 4.3	COE43	905,282	387,674	0	0	387,674	0	0	1077
- INFORMATION ORIG/TERM	IOT	11,099	2,775	2,775	0	0	0	0	1077
- CABLE & WIRE FACILITIES	CWF	20,137,457	6,187,726	4,345,819	0	556,438	1,285,468	0	1077
-- C&WF CAT 1.1	CWF11	161,555	0	0	0	0	0	0	1077
-- C&WF CAT 1.2	CWF12	111,293	111,293	0	0	0	111,293	0	1077
-- C&WF CAT 1.3	CWF13	17,383,277	4,345,819	4,345,819	0	0	0	0	1077
-- C&WF CAT 2	CWF2	389,253	298,807	0	0	0	298,807	0	1077
-- C&WF CAT 3	CWF3	1,121,513	1,016,175	0	0	140,807	875,368	0	1077
-- C&WF CAT 4	CWF4	970,566	415,631	0	0	415,631	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	35,351	14,547	5,821	3,503	1,713	3,510	0	1077
ACCUM DEPRECIATION	ACCDEP	27,468,398	11,725,624	4,317,114	3,454,696	1,298,570	2,655,244	0	1077
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1077
NET DEFERRED FIT	NTDFIT	681,286	280,363	112,174	67,534	33,011	67,644	0	1077
NETWORK SUPPORT EXP	NETSPX	13,234	5,446	2,179	1,311	641	1,314	0	1077
GENERAL SUPPORT EXP	GSFX	261,070	107,432	42,987	25,871	12,651	25,923	0	1077
COE EXPENSE	COEX	541,265	308,820	10,793	266,163	12,742	19,122	0	1077
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1077
C&WF EXPENSE	CWFX	715,918	219,983	154,501	0	19,782	45,700	0	1077
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1077
NETWORK OPERATIONS EXP	NETOPX	257,516	105,969	42,402	25,518	12,478	25,570	0	1077
DEPREC & AMORT EXP	DEPAMX	2,137,888	994,598	295,777	349,241	116,593	232,987	0	1077
MARKETING EXPENSE	MRKTX	160,279	43,572	17,435	10,493	5,131	10,514	0	1077
SERVICES EXPENSE	SERVX	626,523	162,939	19,633	34,065	16,658	30,173	62,410	1077
- CABSX EXPENSE	CABSX	146,731	73,366	0	29,452	14,402	29,512	0	1077
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1077
GENERAL & ADMIN EXP	GENADX	1,104,657	458,998	160,968	163,061	35,932	71,034	28,002	1077
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,764	1,764	706	425	208	426	0	1077
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1077
NON-OPERATING INC & EXP	NONOPX	52,150	21,669	8,671	5,218	2,552	5,229	0	1077
INTEREST & RELATED ITEMS(IRI)	INTREL	213,610	79,581	31,843	19,164	9,371	19,203	0	1077

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	956,213	268,813	82,155	75,133	60,283	51,242	0	1078
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1078
- GENERAL SUPPORT FACILITIES	GSF	8,894,580	3,584,897	1,095,620	1,001,977	803,932	683,369	0	1078
- CENTRAL OFFICE EQUIPMENT	COE	15,760,733	8,819,974	457,043	4,055,532	2,006,078	2,301,322	0	1078
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1078
-- COE CAT 2	COE2	432,280	220,443	0	0	220,443	0	0	1078
-- COE CAT 3	COE3	6,210,273	4,055,532	0	4,055,532	0	0	0	1078
-- COE CAT 4.11	COE411	2,091,992	2,091,992	0	0	0	2,091,992	0	1078
-- COE CAT 4.12	COE412	70,564	0	0	0	0	0	0	1078
-- COE CAT 4.13	COE413	1,893,118	480,777	457,043	0	0	23,734	0	1078
-- COE CAT 4.2	COE42	2,800,808	1,378,798	0	0	1,193,203	185,596	0	1078
-- COE CAT 4.3	COE43	2,261,698	592,431	0	0	592,431	0	0	1078
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1078
- CABLE & WIRE FACILITIES	CWF	20,240,363	5,690,011	3,977,513	0	1,247,862	464,636	0	1078
-- C&WF CAT 1.1	CWF11	358,647	0	0	0	0	0	0	1078
-- C&WF CAT 1.2	CWF12	206,551	206,551	0	0	0	206,551	0	1078
-- C&WF CAT 1.3	CWF13	15,910,052	3,977,513	3,977,513	0	0	0	0	1078
-- C&WF CAT 2	CWF2	108,080	108,080	0	0	0	108,080	0	1078
-- C&WF CAT 3	CWF3	2,659,086	1,136,464	0	0	986,459	150,006	0	1078
-- C&WF CAT 4	CWF4	997,947	261,403	0	0	261,403	0	0	1078
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1078
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1078
TELCOM PLANT-OTHER	PLTOTH	125,047	50,399	15,403	14,087	11,302	9,607	0	1078
ACCUM DEPRECIATION	ACCDEP	31,993,839	12,489,386	4,208,481	3,530,853	2,671,556	2,078,497	0	1078
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1078
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1078
NETWORK SUPPORT EXP	NETSPX	22,053	8,888	2,716	2,484	1,993	1,694	0	1078
GENERAL SUPPORT EXP	GSFX	606,368	244,392	74,691	68,307	54,806	46,587	0	1078
COE EXPENSE	COEX	585,921	327,891	4,704	266,627	32,872	23,687	0	1078
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1078
C&WF EXPENSE	CWFX	917,414	257,905	180,285	0	56,561	21,060	0	1078
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1078
NETWORK OPERATIONS EXP	NETOPX	788,393	317,756	97,113	88,813	71,258	60,572	0	1078
DEPREC & AMORT EXP	DEPAMX	3,102,703	1,420,957	285,301	578,852	290,890	265,914	0	1078
MARKETING EXPENSE	MRKTX	201,413	71,441	21,834	19,968	16,021	13,618	0	1078
SERVICES EXPENSE	SERVX	697,982	243,488	61,145	52,431	32,183	9,514	88,215	1078
- CABSX EXPENSE	CABSX	56,435	28,218	0	11,358	9,113	7,746	0	1078
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1078
GENERAL & ADMIN EXP	GENADX	1,821,587	729,645	253,416	230,708	122,933	81,772	40,816	1078
OTHER TAXES (EXCL FIT & ITC)	OTAXES	565	228	70	64	51	43	0	1078
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1078
NON-OPERATING INC & EXP	NONOPX	30,622	12,322	3,766	3,444	2,763	2,349	0	1078
INTEREST & RELATED ITEMS(IRI)	INTREL	70	30	9	8	7	6	0	1078

APPENDIX B1

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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	1,257,459	366,687	165,035	92,756	31,495	77,401	0	1079
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1079
- GENERAL SUPPORT FACILITIES	GSF	9,014,344	3,441,086	1,548,735	870,446	295,556	726,348	0	1079
- CENTRAL OFFICE EQUIPMENT	COE	17,051,634	8,895,471	1,710,704	4,203,264	949,980	2,031,522	0	1079
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1079
-- COE CAT 2	COE2	141,318	96,929	0	0	96,929	0	0	1079
-- COE CAT 3	COE3	6,055,355	4,203,264	0	4,203,264	0	0	0	1079
-- COE CAT 4.11	COE411	1,341,059	1,341,059	0	0	0	1,341,059	0	1079
-- COE CAT 4.12	COE412	79,744	0	0	0	0	0	0	1079
-- COE CAT 4.13	COE413	7,026,817	1,746,267	1,710,704	0	0	35,563	0	1079
-- COE CAT 4.2	COE42	1,983,313	1,345,516	0	0	690,616	654,900	0	1079
-- COE CAT 4.3	COE43	424,028	162,435	0	0	162,435	0	0	1079
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1079
- CABLE & WIRE FACILITIES	CWF	26,477,402	7,721,062	5,767,927	0	477,221	1,475,913	0	1079
-- C&WF CAT 1.1	CWF11	500,482	0	0	0	0	0	0	1079
-- C&WF CAT 1.2	CWF12	119,907	119,907	0	0	0	119,907	0	1079
-- C&WF CAT 1.3	CWF13	23,071,710	5,767,927	5,767,927	0	0	0	0	1079
-- C&WF CAT 2	CWF2	503,834	372,236	0	0	0	372,236	0	1079
-- C&WF CAT 3	CWF3	1,875,178	1,305,351	0	0	321,580	983,770	0	1079
-- C&WF CAT 4	CWF4	406,291	155,641	0	0	155,641	0	0	1079
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1079
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1079
TELCOM PLANT-OTHER	PLTOTH	1,055,222	402,815	181,295	101,895	34,598	85,027	0	1079
ACCUM DEPRECIATION	ACCDEP	32,645,596	12,043,513	5,826,316	2,627,624	1,022,917	2,566,657	0	1079
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1079
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1079
NETWORK SUPPORT EXP	NETSPX	18,749	7,157	3,221	1,810	615	1,511	0	1079
GENERAL SUPPORT EXP	GSFX	586,326	223,821	100,735	56,617	19,224	47,244	0	1079
COE EXPENSE	COEX	1,131,035	590,037	113,619	273,279	68,212	134,926	0	1079
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1079
C&WF EXPENSE	CWFX	883,318	257,584	192,425	0	15,921	49,238	0	1079
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1079
NETWORK OPERATIONS EXP	NETOPX	544,764	207,955	93,595	52,604	17,861	43,895	0	1079
DEPREC & AMORT EXP	DEPAMX	3,554,470	1,465,154	554,887	468,966	131,598	309,703	0	1079
MARKETING EXPENSE	MRKTX	42,280	11,388	5,126	2,881	978	2,404	0	1079
SERVICES EXPENSE	SERVX	927,754	316,944	57,857	67,999	23,089	37,955	130,044	1079
- CABSX EXPENSE	CABSX	185,210	92,605	0	42,596	14,463	35,545	0	1079
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1079
GENERAL & ADMIN EXP	GENADX	1,917,362	805,489	310,011	215,143	68,959	149,911	61,465	1079
OTHER TAXES (EXCL FIT & ITC)	OTAXES	8,073	4,984	2,243	1,261	428	1,052	0	1079
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1079
NON-OPERATING INC & EXP	NONOPX	22,868	9,607	4,324	2,430	825	2,028	0	1079
INTEREST & RELATED ITEMS(IRI)	INTREL	530,216	209,685	94,373	53,041	18,010	44,261	0	1079

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	71,821	23,142	11,437	3,380	5,482	2,844	0	1080
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1080
- GENERAL SUPPORT FACILITIES	GSF	3,965,754	1,411,316	697,456	206,100	334,300	173,459	0	1080
- CENTRAL OFFICE EQUIPMENT	COE	6,940,042	2,921,347	916,024	1,057,981	592,862	354,479	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	1,772,629	1,057,981	0	1,057,981	0	0	0	1080
-- COE CAT 4.11	COE411	199,697	184,497	0	0	0	184,497	0	1080
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1080
-- COE CAT 4.13	COE413	3,798,528	934,604	916,024	0	0	18,580	0	1080
-- COE CAT 4.2	COE42	803,169	605,272	0	0	453,870	151,402	0	1080
-- COE CAT 4.3	COE43	366,019	138,992	0	0	138,992	0	0	1080
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1080
- CABLE & WIRE FACILITIES	CWF	13,417,499	4,323,409	2,664,251	0	1,123,211	535,946	0	1080
-- C&WF CAT 1.1	CWF11	336,955	0	0	0	0	0	0	1080
-- C&WF CAT 1.2	CWF12	54,040	54,040	0	0	0	54,040	0	1080
-- C&WF CAT 1.3	CWF13	10,657,005	2,664,251	2,664,251	0	0	0	0	1080
-- C&WF CAT 2	CWF2	166,964	130,232	0	0	0	130,232	0	1080
-- C&WF CAT 3	CWF3	1,675,717	1,274,831	0	0	923,157	351,674	0	1080
-- C&WF CAT 4	CWF4	526,818	200,054	0	0	200,054	0	0	1080
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1080
- INTANGIBLES	INTANG	738	263	130	38	62	32	0	1080
TELCOM PLANT-OTHER	PLTOTH	1,345,241	478,739	236,587	69,912	113,399	58,840	0	1080
ACCUM DEPRECIATION	ACCDEP	13,732,030	4,756,548	2,506,526	466,187	1,178,951	604,884	0	1080
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1080
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1080
NETWORK SUPPORT EXP	NETSPX	5,443	1,937	957	283	459	238	0	1080
GENERAL SUPPORT EXP	GSFX	151,577	53,943	26,658	7,877	12,777	6,630	0	1080
COE EXPENSE	COEX	389,193	163,827	15,419	132,462	9,979	5,967	0	1080
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1080
C&WF EXPENSE	CWFX	365,144	117,657	72,505	0	30,567	14,585	0	1080
OTHER PROP & PL EXP	OTHPPX	59,510	21,178	10,466	3,093	5,016	2,603	0	1080
NETWORK OPERATIONS EXP	NETOPX	318,155	113,224	55,954	16,535	26,819	13,916	0	1080
DEPREC & AMORT EXP	DEPAMX	1,249,442	454,199	213,293	79,729	105,468	55,709	0	1080
MARKETING EXPENSE	MRKTX	39,313	24,364	12,040	3,558	5,771	2,995	0	1080
SERVICES EXPENSE	SERVX	465,708	150,037	25,833	18,536	30,065	15,600	60,003	1080
- CABSX EXPENSE	CABSX	125,546	62,774	0	18,124	29,397	15,253	0	1080
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1080
GENERAL & ADMIN EXP	GENADX	683,314	270,045	99,271	73,040	48,650	25,049	24,035	1080
OTHER TAXES (EXCL FIT & ITC)	OTAXES	0	0	0	0	0	0	0	1080
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1080
NON-OPERATING INC & EXP	NONOPX	1,888	746	369	109	177	92	0	1080
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1080

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	864,696	265,315	123,626	47,376	10,527	83,675	111	1081
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1081
- GENERAL SUPPORT FACILITIES	GSF	14,271,720	5,281,331	2,454,621	940,650	209,020	1,661,377	15,664	1081
- CENTRAL OFFICE EQUIPMENT	COE	28,716,670	14,290,297	2,356,731	5,728,828	859,235	5,345,502	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	11,294,385	5,728,828	0	5,728,828	0	0	0	1081
-- COE CAT 4.11	COE411	4,409,585	4,409,585	0	0	0	4,409,585	0	1081
-- COE CAT 4.12	COE412	225,213	0	0	0	0	0	0	1081
-- COE CAT 4.13	COE413	9,686,607	2,382,823	2,356,731	0	0	26,093	0	1081
-- COE CAT 4.2	COE42	2,277,335	1,534,734	0	0	624,909	909,825	0	1081
-- COE CAT 4.3	COE43	823,545	234,327	0	0	234,327	0	0	1081
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1081
- CABLE & WIRE FACILITIES	CWF	57,944,430	17,779,138	12,592,619	0	413,755	4,772,764	0	1081
-- C&WF CAT 1.1	CWF11	1,248,141	0	0	0	0	0	0	1081
-- C&WF CAT 1.2	CWF12	139,420	139,420	0	0	0	139,420	0	1081
-- C&WF CAT 1.3	CWF13	50,370,474	12,592,619	12,592,619	0	0	0	0	1081
-- C&WF CAT 2	CWF2	3,353,576	3,280,385	0	0	0	3,280,385	0	1081
-- C&WF CAT 3	CWF3	1,920,755	1,507,201	0	0	154,242	1,352,959	0	1081
-- C&WF CAT 4	CWF4	912,063	259,513	0	0	259,513	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	5,654,899	2,091,750	975,081	373,667	83,032	659,971	0	1081
ACCUM DEPRECIATION	ACCDEP	61,933,195	22,880,891	10,354,876	5,444,595	759,699	6,313,463	8,258	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	80,173	29,668	13,824	5,298	1,177	9,357	12	1081
GENERAL SUPPORT EXP	GSFX	1,020,638	377,693	175,542	67,270	14,948	118,813	1,120	1081
COE EXPENSE	COEX	1,772,682	882,141	71,741	614,538	33,139	162,722	0	1081
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1081
C&WF EXPENSE	CWFX	3,028,034	929,094	658,059	0	21,622	249,413	0	1081
OTHER PROP & PL EXP	OTHPPX	22,901	8,475	3,951	1,514	336	2,674	0	1081
NETWORK OPERATIONS EXP	NETOPX	959,565	355,093	165,528	63,433	14,095	112,036	0	1081
DEPREC & AMORT EXP	DEPAMX	6,196,375	2,477,781	933,906	617,393	111,524	814,331	627	1081
MARKETING EXPENSE	MRKTX	643,387	215,481	100,406	38,477	8,550	67,958	90	1081
SERVICES EXPENSE	SERVX	414,867	127,364	59,447	8,167	1,814	2,159	55,778	1081
- CABSX EXPENSE	CABSX	5,491	2,746	0	919	204	1,623	0	1081
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1081
GENERAL & ADMIN EXP	GENADX	3,020,019	1,220,559	565,544	312,052	37,383	283,310	22,270	1081
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,114,866	416,919	194,349	74,478	16,550	131,543	0	1081
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1081
NON-OPERATING INC & EXP	NONOPX	78,928	31,899	14,864	5,696	1,266	10,060	13	1081
INTEREST & RELATED ITEMS(IRI)	INTREL	360,108	133,127	62,032	23,772	5,282	41,985	56	1081

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	111,717	28,942	14,176	8,954	4,558	1,159	95	1082
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1082
- GENERAL SUPPORT FACILITIES	GSF	4,112,182	1,419,637	676,011	426,973	217,351	55,255	44,048	1082
- CENTRAL OFFICE EQUIPMENT	COE	12,768,891	6,287,253	862,631	3,705,265	1,453,267	266,090	0	1082
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1082
-- COE CAT 2	COE2	1,867,439	730,269	0	0	730,269	0	0	1082
-- COE CAT 3	COE3	5,481,656	3,705,265	0	3,705,265	0	0	0	1082
-- COE CAT 4.11	COE411	197,612	197,612	0	0	0	197,612	0	1082
-- COE CAT 4.12	COE412	287,098	0	0	0	0	0	0	1082
-- COE CAT 4.13	COE413	3,506,962	869,775	862,631	0	0	7,144	0	1082
-- COE CAT 4.2	COE42	1,428,124	784,331	0	0	722,997	61,334	0	1082
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1082
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1082
- CABLE & WIRE FACILITIES	CWF	21,809,340	5,650,095	5,003,779	0	432,904	213,413	0	1082
-- C&WF CAT 1.1	CWF11	285,930	0	0	0	0	0	0	1082
-- C&WF CAT 1.2	CWF12	41,439	41,439	0	0	0	41,439	0	1082
-- C&WF CAT 1.3	CWF13	20,015,117	5,003,779	5,003,779	0	0	0	0	1082
-- C&WF CAT 2	CWF2	423,521	66,511	0	0	0	66,511	0	1082
-- C&WF CAT 3	CWF3	1,043,333	538,366	0	0	432,904	105,462	0	1082
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1082
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1082
- INTANGIBLES	INTANG	1	0	0	0	0	0	0	1082
TELCOM PLANT-OTHER	PLTOTH	292,639	100,694	49,484	31,255	15,910	4,045	0	1082
ACCUM DEPRECIATION	ACCDEP	21,071,619	7,824,870	3,196,468	3,067,279	1,262,517	271,230	27,377	1082
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1082
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1082
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1082
GENERAL SUPPORT EXP	GSFX	80,398	27,756	13,217	8,348	4,249	1,080	861	1082
COE EXPENSE	COEX	217,177	106,935	3,620	82,839	19,360	1,117	0	1082
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1082
C&WF EXPENSE	CWFX	618,315	160,185	141,862	0	12,273	6,050	0	1082
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1082
NETWORK OPERATIONS EXP	NETOPX	94,778	32,720	16,080	10,156	5,170	1,314	0	1082
DEPREC & AMORT EXP	DEPAMX	2,465,451	926,874	364,179	358,837	163,194	37,093	3,571	1082
MARKETING EXPENSE	MRKTX	96,824	19,003	9,308	5,879	2,993	761	63	1082
SERVICES EXPENSE	SERVX	462,556	109,174	3,750	29,921	6,687	1,700	67,115	1082
- CABSX EXPENSE	CABSX	37,639	18,820	0	11,486	5,847	1,486	0	1082
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1082
GENERAL & ADMIN EXP	GENADX	699,111	242,505	126,606	59,322	21,945	5,200	29,431	1082
OTHER TAXES (EXCL FIT & ITC)	OTAXES	3,439	3,428	1,684	1,064	542	138	0	1082
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1082
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1082
INTEREST & RELATED ITEMS(IRI)	INTREL	638,052	200,448	98,182	62,012	31,568	8,025	661	1082

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	44,844	13,658	5,618	2,498	681	4,861	0	1083
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1083
- GENERAL SUPPORT FACILITIES	GSF	3,887,521	1,572,144	646,693	287,517	78,382	559,552	0	1083
- CENTRAL OFFICE EQUIPMENT	COE	14,624,029	8,162,442	1,444,445	2,747,117	402,655	3,568,225	0	1083
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1083
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1083
-- COE CAT 3	COE3	3,886,955	2,747,117	0	2,747,117	0	0	0	1083
-- COE CAT 4.11	COE411	1,758,331	1,758,331	0	0	0	1,758,331	0	1083
-- COE CAT 4.12	COE412	85,338	8,355	0	0	0	8,355	0	1083
-- COE CAT 4.13	COE413	6,020,056	1,471,761	1,444,445	0	0	27,315	0	1083
-- COE CAT 4.2	COE42	2,132,580	1,888,564	0	0	114,341	1,774,224	0	1083
-- COE CAT 4.3	COE43	740,769	288,314	0	0	288,314	0	0	1083
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1083
- CABLE & WIRE FACILITIES	CWF	22,519,765	6,858,798	4,734,460	0	346,253	1,778,085	0	1083
-- C&WF CAT 1.1	CWF11	704,573	0	0	0	0	0	0	1083
-- C&WF CAT 1.2	CWF12	89,531	89,531	0	0	0	89,531	0	1083
-- C&WF CAT 1.3	CWF13	18,937,838	4,734,460	4,734,460	0	0	0	0	1083
-- C&WF CAT 2	CWF2	218,117	60,946	0	0	0	60,946	0	1083
-- C&WF CAT 3	CWF3	1,965,174	1,738,572	0	0	110,965	1,627,607	0	1083
-- C&WF CAT 4	CWF4	604,531	235,289	0	0	235,289	0	0	1083
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1083
- INTANGIBLES	INTANG	61,833	25,006	10,286	4,573	1,247	8,900	0	1083
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1083
ACCUM DEPRECIATION	ACCDEP	19,623,508	9,166,914	2,656,421	3,180,451	385,399	2,944,644	0	1083
ACCUM AMORTIZATION	ACCAMO	57,448	23,232	9,557	4,249	1,158	8,269	0	1083
NET DEFERRED FIT	NTDFIT	-8,270	-3,344	-1,376	-612	-167	-1,190	0	1083
NETWORK SUPPORT EXP	NETSPX	8,313	3,362	1,383	615	168	1,197	0	1083
GENERAL SUPPORT EXP	GSFX	218,145	88,220	36,289	16,134	4,398	31,399	0	1083
COE EXPENSE	COEX	547,095	305,363	70,329	41,693	19,605	173,735	0	1083
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1083
C&WF EXPENSE	CWFX	189,889	57,834	39,921	0	2,920	14,993	0	1083
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1083
NETWORK OPERATIONS EXP	NETOPX	254,626	102,973	42,357	18,832	5,134	36,650	0	1083
DEPREC & AMORT EXP	DEPAMX	2,938,802	1,298,065	442,548	273,983	66,598	514,935	0	1083
MARKETING EXPENSE	MRKTX	54,006	20,715	8,521	3,788	1,033	7,373	0	1083
SERVICES EXPENSE	SERVX	528,293	146,302	9,757	29,664	6,585	47,008	53,288	1083
- CABSX EXPENSE	CABSX	152,640	76,320	0	23,711	6,464	46,145	0	1083
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1083
GENERAL & ADMIN EXP	GENADX	868,023	362,405	117,749	52,478	18,883	148,039	25,256	1083
OTHER TAXES (EXCL FIT & ITC)	OTAXES	7,481	1,325	545	242	66	472	0	1083
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1083
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1083
INTEREST & RELATED ITEMS(IRI)	INTREL	853,171	295,998	121,757	54,133	14,757	105,351	0	1083

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	386,777	125,129	55,260	32,118	9,968	27,783	0	1084
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1084
- GENERAL SUPPORT FACILITIES	GSF	3,003,223	1,209,942	534,338	310,567	96,387	268,649	0	1084
- CENTRAL OFFICE EQUIPMENT	COE	8,634,236	4,944,217	937,205	2,801,506	363,774	841,732	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	3,295,889	2,801,506	0	2,801,506	0	0	0	1084
-- COE CAT 4.11	COE411	677,618	677,618	0	0	0	677,618	0	1084
-- COE CAT 4.12	COE412	18,319	0	0	0	0	0	0	1084
-- COE CAT 4.13	COE413	3,838,340	944,168	937,205	0	0	6,963	0	1084
-- COE CAT 4.2	COE42	413,536	329,214	0	0	172,063	157,152	0	1084
-- COE CAT 4.3	COE43	390,534	191,711	0	0	191,711	0	0	1084
- INFORMATION ORIG/TERM	IOT	11,296	2,824	2,824	0	0	0	0	1084
- CABLE & WIRE FACILITIES	CWF	18,445,348	5,967,364	3,880,023	0	505,693	1,581,648	0	1084
-- C&WF CAT 1.1	CWF11	341,780	0	0	0	0	0	0	1084
-- C&WF CAT 1.2	CWF12	28,825	28,825	0	0	0	28,825	0	1084
-- C&WF CAT 1.3	CWF13	15,520,092	3,880,023	3,880,023	0	0	0	0	1084
-- C&WF CAT 2	CWF2	1,076,012	1,026,291	0	0	0	1,026,291	0	1084
-- C&WF CAT 3	CWF3	740,192	669,725	0	0	143,193	526,532	0	1084
-- C&WF CAT 4	CWF4	738,448	362,500	0	0	362,500	0	0	1084
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1084
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1084
TELCOM PLANT-OTHER	PLTOTH	2,809,899	1,132,055	499,942	290,576	90,182	251,356	0	1084
ACCUM DEPRECIATION	ACCDEP	17,967,683	7,457,767	3,107,162	2,135,796	592,255	1,622,554	0	1084
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1084
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1084
NETWORK SUPPORT EXP	NETSPX	2,468	994	439	255	79	221	0	1084
GENERAL SUPPORT EXP	GSFX	163,568	65,898	29,102	16,915	5,250	14,632	0	1084
COE EXPENSE	COEX	573,695	328,515	99,127	100,178	40,180	89,029	0	1084
IOT EXPENSE	IOTX	1,473	368	368	0	0	0	0	1084
C&WF EXPENSE	CWFX	581,806	188,224	122,384	0	15,951	49,889	0	1084
OTHER PROP & PL EXP	OTHPX	-33,070	-13,323	-5,884	-3,420	-1,061	-2,958	0	1084
NETWORK OPERATIONS EXP	NETOPX	144,562	58,241	25,721	14,949	4,640	12,932	0	1084
DEPREC & AMORT EXP	DEPAMX	1,665,581	721,947	275,835	248,942	52,757	144,413	0	1084
MARKETING EXPENSE	MRKTX	45,798	13,940	6,156	3,578	1,110	3,095	0	1084
SERVICES EXPENSE	SERVX	413,884	159,957	18,224	36,555	11,345	27,822	66,012	1084
- CABSX EXPENSE	CABSX	133,571	66,786	0	30,701	9,528	26,557	0	1084
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1084
GENERAL & ADMIN EXP	GENADX	815,820	385,260	158,808	75,463	34,600	86,916	29,474	1084
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,780	1,780	786	457	142	395	0	1084
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1084
NON-OPERATING INC & EXP	NONOPX	26,082	12,317	5,439	3,161	981	2,735	0	1084
INTEREST & RELATED ITEMS(IRI)	INTREL	486,502	188,077	83,059	48,276	14,983	41,760	0	1084

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	39,963	11,234	6,010	3,039	817	1,367	0	1085
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1085
- GENERAL SUPPORT FACILITIES	GSF	1,914,274	654,832	350,315	177,167	47,643	79,707	0	1085
- CENTRAL OFFICE EQUIPMENT	COE	6,165,589	3,123,215	344,593	2,109,960	253,933	414,729	0	1085
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1085
-- COE CAT 2	COE2	57,309	36,551	0	0	36,551	0	0	1085
-- COE CAT 3	COE3	3,734,331	2,109,960	0	2,109,960	0	0	0	1085
-- COE CAT 4.11	COE411	442,257	404,561	0	0	0	404,561	0	1085
-- COE CAT 4.12	COE412	85,566	0	0	0	0	0	0	1085
-- COE CAT 4.13	COE413	1,390,735	351,100	344,593	0	0	6,508	0	1085
-- COE CAT 4.2	COE42	297,299	175,432	0	0	171,772	3,660	0	1085
-- COE CAT 4.3	COE43	158,092	45,610	0	0	45,610	0	0	1085
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1085
- CABLE & WIRE FACILITIES	CWF	16,632,307	4,675,454	3,827,455	0	313,466	534,532	0	1085
-- C&WF CAT 1.1	CWF11	65,056	0	0	0	0	0	0	1085
-- C&WF CAT 1.2	CWF12	72,284	72,284	0	0	0	72,284	0	1085
-- C&WF CAT 1.3	CWF13	15,309,821	3,827,455	3,827,455	0	0	0	0	1085
-- C&WF CAT 2	CWF2	627,455	450,616	0	0	0	450,616	0	1085
-- C&WF CAT 3	CWF3	528,177	316,583	0	0	304,951	11,632	0	1085
-- C&WF CAT 4	CWF4	29,514	8,515	0	0	8,515	0	0	1085
- TANGIBLES	TANGIB	50,955	17,431	9,325	4,716	1,268	2,122	0	1085
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1085
TELCOM PLANT-OTHER	PLTOTH	15,472	5,293	2,831	1,432	385	644	0	1085
ACCUM DEPRECIATION	ACCDEP	17,326,434	6,085,674	3,038,411	1,966,579	410,014	670,670	0	1085
ACCUM AMORTIZATION	ACCAMO	43,343	14,827	7,932	4,011	1,079	1,805	0	1085
NET DEFERRED FIT	NTDFIT	1,391,721	476,078	254,687	128,805	34,637	57,949	0	1085
NETWORK SUPPORT EXP	NETSPX	6,689	2,288	1,224	619	166	279	0	1085
GENERAL SUPPORT EXP	GSFX	144,168	49,317	26,383	13,343	3,588	6,003	0	1085
COE EXPENSE	COEX	132,703	67,221	4,116	54,609	3,543	4,954	0	1085
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1085
C&WF EXPENSE	CWFX	283,069	79,573	65,140	0	5,335	9,097	0	1085
OTHER PROP & PL EXP	OTHPPX	5,611	1,919	1,027	519	140	234	0	1085
NETWORK OPERATIONS EXP	NETOPX	248,203	84,905	45,422	22,971	6,177	10,335	0	1085
DEPREC & AMORT EXP	DEPAMX	1,119,680	407,499	186,515	134,113	32,311	54,561	0	1085
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1085
SERVICES EXPENSE	SERVX	521,041	187,482	17,592	65,438	16,630	27,053	60,769	1085
- CABSX EXPENSE	CABSX	200,266	100,133	0	58,257	15,666	26,210	0	1085
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1085
GENERAL & ADMIN EXP	GENADX	791,547	305,436	143,457	81,820	18,483	30,107	31,569	1085
OTHER TAXES (EXCL FIT & ITC)	OTAXES	138,990	45,788	26,833	8,943	3,684	6,328	0	1085
INVESTMENT TAX CREDITS (ITC)	ITC	20,863	7,137	3,818	1,931	519	869	0	1085
NON-OPERATING INC & EXP	NONOPX	13,208	5,097	2,727	1,379	371	620	0	1085
INTEREST & RELATED ITEMS(IRI)	INTREL	106,232	33,514	17,929	9,067	2,438	4,079	0	1085

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	201,161	55,228	35,597	7,583	2,624	9,233	192	1086
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1086
- GENERAL SUPPORT FACILITIES	GSF	3,102,954	978,997	620,035	132,079	45,698	160,828	20,357	1086
- CENTRAL OFFICE EQUIPMENT	COE	3,967,548	1,721,306	462,056	670,800	142,557	445,893	0	1086
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1086
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1086
-- COE CAT 3	COE3	1,379,593	670,800	0	670,800	0	0	0	1086
-- COE CAT 4.11	COE411	450,197	433,795	0	0	0	433,795	0	1086
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1086
-- COE CAT 4.13	COE413	1,862,438	470,878	462,056	0	0	8,822	0	1086
-- COE CAT 4.2	COE42	201,155	106,532	0	0	103,256	3,276	0	1086
-- COE CAT 4.3	COE43	74,165	39,301	0	0	39,301	0	0	1086
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1086
- CABLE & WIRE FACILITIES	CWF	11,463,955	3,147,405	2,686,958	0	89,531	370,916	0	1086
-- C&WF CAT 1.1	CWF11	31,351	0	0	0	0	0	0	1086
-- C&WF CAT 1.2	CWF12	51,302	51,302	0	0	0	51,302	0	1086
-- C&WF CAT 1.3	CWF13	10,747,831	2,686,958	2,686,958	0	0	0	0	1086
-- C&WF CAT 2	CWF2	451,955	309,049	0	0	0	309,049	0	1086
-- C&WF CAT 3	CWF3	29,964	19,787	0	0	9,222	10,565	0	1086
-- C&WF CAT 4	CWF4	151,551	80,309	0	0	80,309	0	0	1086
- TANGIBLES	TANGIB	99,221	31,305	19,826	4,223	1,461	5,143	651	1086
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1086
TELCOM PLANT-OTHER	PLTOTH	20,071	6,310	4,081	869	301	1,059	0	1086
ACCUM DEPRECIATION	ACCDEP	11,601,780	3,734,254	2,250,381	754,553	156,653	556,056	16,611	1086
ACCUM AMORTIZATION	ACCAMO	28,772	8,889	5,749	1,225	424	1,491	0	1086
NET DEFERRED FIT	NTDFIT	530,115	165,967	108,508	22,092	7,804	27,563	0	1086
NETWORK SUPPORT EXP	NETSPX	25,849	8,155	5,256	1,120	387	1,363	28	1086
GENERAL SUPPORT EXP	GSFX	425,270	134,175	84,978	18,102	6,263	22,042	2,790	1086
COE EXPENSE	COEX	236,733	102,706	4,516	92,439	1,393	4,358	0	1086
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1086
C&WF EXPENSE	CWFX	349,027	95,825	81,806	0	2,726	11,293	0	1086
OTHER PROP & PL EXP	OTHPPX	83,417	26,318	17,022	3,626	1,255	4,415	0	1086
NETWORK OPERATIONS EXP	NETOPX	51,712	16,315	10,553	2,248	778	2,737	0	1086
DEPREC & AMORT EXP	DEPAMX	1,402,343	467,403	265,076	90,897	24,735	84,379	2,315	1086
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1086
SERVICES EXPENSE	SERVX	224,737	51,249	15,934	3,280	957	1,902	29,175	1086
- CABSX EXPENSE	CABSX	7,703	3,852	0	1,502	520	1,829	0	1086
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1086
GENERAL & ADMIN EXP	GENADX	2,364,992	743,791	399,766	193,608	22,049	77,098	51,270	1086
OTHER TAXES (EXCL FIT & ITC)	OTAXES	137,671	41,434	28,543	2,924	2,212	7,729	27	1086
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1086
NON-OPERATING INC & EXP	NONOPX	36,382	11,442	7,375	1,571	544	1,913	40	1086
INTEREST & RELATED ITEMS(IRI)	INTREL	201,850	61,235	39,468	8,407	2,909	10,237	213	1086

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	17,607	4,653	2,650	1,584	27	392	0	1087
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1087
- GENERAL SUPPORT FACILITIES	GSF	1,425,098	504,201	287,121	171,661	2,944	42,475	0	1087
- CENTRAL OFFICE EQUIPMENT	COE	2,553,155	1,338,861	316,592	893,530	8,697	120,042	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	1,138,540	893,530	0	893,530	0	0	0	1087
-- COE CAT 4.11	COE411	121,827	118,316	0	0	0	118,316	0	1087
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1087
-- COE CAT 4.13	COE413	1,269,526	318,171	316,592	0	0	1,579	0	1087
-- COE CAT 4.2	COE42	23,262	8,844	0	0	8,697	147	0	1087
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1087
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1087
- CABLE & WIRE FACILITIES	CWF	4,864,750	1,285,603	1,177,928	0	6,628	101,047	0	1087
-- C&WF CAT 1.1	CWF11	5,875	0	0	0	0	0	0	1087
-- C&WF CAT 1.2	CWF12	5,875	5,875	0	0	0	5,875	0	1087
-- C&WF CAT 1.3	CWF13	4,711,712	1,177,928	1,177,928	0	0	0	0	1087
-- C&WF CAT 2	CWF2	123,560	95,060	0	0	0	95,060	0	1087
-- C&WF CAT 3	CWF3	17,728	6,740	0	0	6,628	112	0	1087
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1087
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1087
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1087
TELCOM PLANT-OTHER	PLTOTH	113,538	40,170	22,875	13,676	235	3,384	0	1087
ACCUM DEPRECIATION	ACCDEP	3,984,061	1,518,023	753,432	625,820	9,083	129,687	0	1087
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1087
NET DEFERRED FIT	NTDFIT	422,251	149,393	85,073	50,863	872	12,585	0	1087
NETWORK SUPPORT EXP	NETSPX	2,956	1,046	596	356	6	88	0	1087
GENERAL SUPPORT EXP	GSFX	42,077	14,887	8,477	5,068	87	1,254	0	1087
COE EXPENSE	COEX	113,937	59,748	36,146	8,903	993	13,706	0	1087
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1087
C&WF EXPENSE	CWFX	901,501	238,239	218,285	0	1,228	18,725	0	1087
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1087
NETWORK OPERATIONS EXP	NETOPX	156,037	55,206	31,438	18,796	322	4,651	0	1087
DEPREC & AMORT EXP	DEPAMX	468,444	163,993	95,317	51,939	1,092	15,645	0	1087
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1087
SERVICES EXPENSE	SERVX	116,267	29,816	10,413	10,621	167	2,113	6,503	1087
- CABSX EXPENSE	CABSX	20,857	10,429	0	8,247	141	2,041	0	1087
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1087
GENERAL & ADMIN EXP	GENADX	545,881	173,737	135,012	18,101	1,160	16,774	2,691	1087
OTHER TAXES (EXCL FIT & ITC)	OTAXES	41,218	14,523	9,141	4,090	83	1,209	0	1087
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1087
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1087
INTEREST & RELATED ITEMS(IRI)	INTREL	197,360	65,072	37,056	22,155	380	5,482	0	1087

APPENDIX B1

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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	320,776	92,412	43,281	25,287	837	22,974	33	1088
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1088
- GENERAL SUPPORT FACILITIES	GSF	5,108,913	1,967,644	919,605	537,282	17,787	488,134	4,836	1088
- CENTRAL OFFICE EQUIPMENT	COE	10,935,544	6,108,482	957,946	3,213,337	82,862	1,854,337	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	4,623,021	3,213,337	0	3,213,337	0	0	0	1088
-- COE CAT 4.11	COE411	666,268	621,690	0	0	0	621,690	0	1088
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1088
-- COE CAT 4.13	COE413	3,854,292	968,950	957,946	0	0	11,004	0	1088
-- COE CAT 4.2	COE42	1,717,715	1,285,610	0	0	63,967	1,221,643	0	1088
-- COE CAT 4.3	COE43	74,248	18,895	0	0	18,895	0	0	1088
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1088
- CABLE & WIRE FACILITIES	CWF	19,544,387	5,630,544	4,541,965	0	23,517	1,065,062	0	1088
-- C&WF CAT 1.1	CWF11	54,544	0	0	0	0	0	0	1088
-- C&WF CAT 1.2	CWF12	52,172	52,172	0	0	0	52,172	0	1088
-- C&WF CAT 1.3	CWF13	18,167,859	4,541,965	4,541,965	0	0	0	0	1088
-- C&WF CAT 2	CWF2	273,060	156,713	0	0	0	156,713	0	1088
-- C&WF CAT 3	CWF3	930,373	862,802	0	0	6,625	856,177	0	1088
-- C&WF CAT 4	CWF4	66,379	16,892	0	0	16,892	0	0	1088
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1088
- INTANGIBLES	INTANG	575,100	221,494	103,737	60,608	2,006	55,064	78	1088
TELCOM PLANT-OTHER	PLTOTH	1,175,985	452,759	212,124	123,934	4,103	112,597	0	1088
ACCUM DEPRECIATION	ACCDEP	26,213,742	10,676,734	4,411,446	3,504,676	100,412	2,657,226	2,974	1088
ACCUM AMORTIZATION	ACCAMO	427,432	164,563	77,100	45,046	1,491	40,925	0	1088
NET DEFERRED FIT	NTDFIT	455,692	121,594	110,739	-4,349	56	15,147	0	1088
NETWORK SUPPORT EXP	NETSPX	63,789	24,568	11,506	6,723	223	6,108	9	1088
GENERAL SUPPORT EXP	GSFX	431,554	166,209	77,680	45,385	1,502	41,233	408	1088
COE EXPENSE	COEX	387,903	216,679	17,113	164,959	1,480	33,126	0	1088
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1088
C&WF EXPENSE	CWFX	523,038	150,682	121,550	0	629	28,503	0	1088
OTHER PROP & PL EXP	OTHPPX	7,243	2,790	1,307	764	25	694	0	1088
NETWORK OPERATIONS EXP	NETOPX	647,962	249,556	116,921	68,311	2,261	62,062	0	1088
DEPREC & AMORT EXP	DEPAMX	2,103,077	763,331	406,483	133,826	7,824	214,966	232	1088
MARKETING EXPENSE	MRKTX	101,911	32,063	15,017	8,774	290	7,971	11	1088
SERVICES EXPENSE	SERVX	438,688	123,319	29,321	14,773	152	14,425	64,647	1088
- CABSX EXPENSE	CABSX	17,130	8,565	0	4,411	146	4,008	0	1088
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1088
GENERAL & ADMIN EXP	GENADX	3,252,654	1,225,342	560,175	357,970	7,588	224,387	75,222	1088
OTHER TAXES (EXCL FIT & ITC)	OTAXES	669,304	225,183	139,698	26,735	1,871	56,761	118	1088
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1088
NON-OPERATING INC & EXP	NONOPX	51,403	19,365	9,069	5,299	175	4,814	7	1088
INTEREST & RELATED ITEMS(IRI)	INTREL	263,665	87,273	40,874	23,881	791	21,697	31	1088

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	332,102	88,234	56,805	16,844	1,777	12,648	161	1089
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1089
- GENERAL SUPPORT FACILITIES	GSF	3,734,041	1,183,396	750,159	222,439	23,461	167,028	20,309	1089
- CENTRAL OFFICE EQUIPMENT	COE	10,566,330	4,421,021	1,377,306	1,908,927	136,088	998,701	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	3,643,518	1,908,927	0	1,908,927	0	0	0	1089
-- COE CAT 4.11	COE411	980,107	979,326	0	0	0	979,326	0	1089
-- COE CAT 4.12	COE412	101,228	0	0	0	0	0	0	1089
-- COE CAT 4.13	COE413	5,539,258	1,394,634	1,377,306	0	0	17,328	0	1089
-- COE CAT 4.2	COE42	302,219	138,135	0	0	136,088	2,047	0	1089
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1089
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1089
- CABLE & WIRE FACILITIES	CWF	20,928,560	5,560,372	5,060,420	0	65,247	434,704	0	1089
-- C&WF CAT 1.1	CWF11	46,689	0	0	0	0	0	0	1089
-- C&WF CAT 1.2	CWF12	63,666	63,666	0	0	0	63,666	0	1089
-- C&WF CAT 1.3	CWF13	20,241,682	5,060,420	5,060,420	0	0	0	0	1089
-- C&WF CAT 2	CWF2	431,700	370,131	0	0	0	370,131	0	1089
-- C&WF CAT 3	CWF3	144,823	66,154	0	0	65,247	906	0	1089
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1089
- TANGIBLES	TANGIB	95,339	30,215	19,153	5,679	599	4,265	519	1089
- INTANGIBLES	INTANG	771	244	157	47	5	35	0	1089
TELCOM PLANT-OTHER	PLTOTH	822,944	260,323	167,901	49,786	5,251	37,384	0	1089
ACCUM DEPRECIATION	ACCDEP	21,671,614	7,147,615	4,134,566	1,979,867	125,730	893,985	13,468	1089
ACCUM AMORTIZATION	ACCAMO	38,136	11,879	7,661	2,272	240	1,706	0	1089
NET DEFERRED FIT	NTDFIT	1,277,918	405,885	258,871	82,010	8,009	56,994	0	1089
NETWORK SUPPORT EXP	NETSPX	147,260	46,670	30,046	8,909	940	6,690	85	1089
GENERAL SUPPORT EXP	GSFX	431,337	136,700	86,654	25,695	2,710	19,294	2,346	1089
COE EXPENSE	COEX	462,381	193,463	56,644	90,149	5,597	41,073	0	1089
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1089
C&WF EXPENSE	CWFX	711,860	189,129	172,124	0	2,219	14,786	0	1089
OTHER PROP & PL EXP	OTHPX	36,381	11,530	7,436	2,205	233	1,656	0	1089
NETWORK OPERATIONS EXP	NETOPX	335,975	106,478	68,675	20,364	2,148	15,291	0	1089
DEPREC & AMORT EXP	DEPAMX	2,909,844	964,902	559,737	235,998	20,424	146,343	2,399	1089
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1089
SERVICES EXPENSE	SERVX	731,735	228,824	123,513	43,046	3,667	11,507	47,092	1089
- CABSX EXPENSE	CABSX	54,960	27,480	0	14,803	1,561	11,116	0	1089
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1089
GENERAL & ADMIN EXP	GENADX	1,116,319	392,340	249,747	73,824	6,792	42,773	19,205	1089
OTHER TAXES (EXCL FIT & ITC)	OTAXES	314,543	98,591	69,525	10,932	2,221	15,828	85	1089
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1089
NON-OPERATING INC & EXP	NONOPX	35,050	12,319	7,931	2,352	248	1,766	22	1089
INTEREST & RELATED ITEMS(IRI)	INTREL	23,393	6,897	4,440	1,317	139	989	13	1089

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	176,265	49,315	26,246	9,259	3,125	10,684	0	1090
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1090
- GENERAL SUPPORT FACILITIES	GSF	2,878,449	993,616	528,812	186,560	62,972	215,272	0	1090
- CENTRAL OFFICE EQUIPMENT	COE	10,326,276	4,956,018	891,548	2,044,643	435,507	1,584,319	0	1090
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1090
-- COE CAT 2	COE2	109,823	39,721	0	0	39,721	0	0	1090
-- COE CAT 3	COE3	3,670,925	2,044,643	0	2,044,643	0	0	0	1090
-- COE CAT 4.11	COE411	1,041,776	1,041,776	0	0	0	1,041,776	0	1090
-- COE CAT 4.12	COE412	72,777	0	0	0	0	0	0	1090
-- COE CAT 4.13	COE413	3,590,047	898,808	891,548	0	0	7,260	0	1090
-- COE CAT 4.2	COE42	1,128,114	810,194	0	0	274,910	535,283	0	1090
-- COE CAT 4.3	COE43	712,814	120,876	0	0	120,876	0	0	1090
- INFORMATION ORIG/TERM	IOT	110,664	27,666	27,666	0	0	0	0	1090
- CABLE & WIRE FACILITIES	CWF	21,109,935	5,906,031	4,876,393	0	254,648	774,990	0	1090
-- C&WF CAT 1.1	CWF11	90,763	0	0	0	0	0	0	1090
-- C&WF CAT 1.2	CWF12	39,709	39,709	0	0	0	39,709	0	1090
-- C&WF CAT 1.3	CWF13	19,505,572	4,876,393	4,876,393	0	0	0	0	1090
-- C&WF CAT 2	CWF2	908,110	728,582	0	0	0	728,582	0	1090
-- C&WF CAT 3	CWF3	317,306	219,212	0	0	212,512	6,700	0	1090
-- C&WF CAT 4	CWF4	248,475	42,135	0	0	42,135	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	341,212	117,784	62,685	22,115	7,465	25,518	0	1090
ACCUM DEPRECIATION	ACCDEP	25,591,841	8,981,340	4,583,570	1,895,398	567,758	1,934,615	0	1090
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1090
NET DEFERRED FIT	NTDFIT	19,792	6,847	3,604	1,464	409	1,370	0	1090
NETWORK SUPPORT EXP	NETSPX	16,858	5,819	3,097	1,093	369	1,261	0	1090
GENERAL SUPPORT EXP	GSFX	1,429,702	493,521	262,656	92,663	31,278	106,924	0	1090
COE EXPENSE	COEX	793,764	380,961	19,209	305,226	22,391	34,135	0	1090
IOT EXPENSE	IOTX	212	53	53	0	0	0	0	1090
C&WF EXPENSE	CWFX	685,373	191,750	158,321	0	8,268	25,161	0	1090
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1090
NETWORK OPERATIONS EXP	NETOPX	619,003	213,675	113,720	40,119	13,542	46,294	0	1090
DEPREC & AMORT EXP	DEPAMX	2,693,346	948,206	479,317	209,433	59,147	200,310	0	1090
MARKETING EXPENSE	MRKTX	23,992	8,271	4,402	1,553	524	1,792	0	1090
SERVICES EXPENSE	SERVX	1,014,163	416,945	50,364	107,757	36,373	117,790	104,660	1090
- CABSX EXPENSE	CABSX	504,250	252,125	0	101,196	34,158	116,770	0	1090
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1090
GENERAL & ADMIN EXP	GENADX	1,489,015	601,782	231,437	184,776	37,987	112,318	35,263	1090
OTHER TAXES (EXCL FIT & ITC)	OTAXES	198,035	66,051	37,481	9,922	4,204	14,445	0	1090
INVESTMENT TAX CREDITS (ITC)	ITC	12,483	4,309	2,293	809	273	934	0	1090
NON-OPERATING INC & EXP	NONOPX	1,050	424	226	80	27	92	0	1090
INTEREST & RELATED ITEMS(IRI)	INTREL	194,828	63,937	34,028	12,005	4,052	13,852	0	1090

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	87,805	22,790	11,601	6,506	2,035	2,648	0	1091
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1091
- GENERAL SUPPORT FACILITIES	GSF	5,761,264	1,966,064	1,000,780	561,284	175,568	228,432	0	1091
- CENTRAL OFFICE EQUIPMENT	COE	5,291,933	2,526,079	417,551	1,374,342	369,287	364,900	0	1091
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1091
-- COE CAT 2	COE2	391,951	262,106	0	0	262,106	0	0	1091
-- COE CAT 3	COE3	2,460,112	1,374,342	0	1,374,342	0	0	0	1091
-- COE CAT 4.11	COE411	392,316	358,577	0	0	0	358,577	0	1091
-- COE CAT 4.12	COE412	10,255	0	0	0	0	0	0	1091
-- COE CAT 4.13	COE413	1,698,879	421,521	417,551	0	0	3,970	0	1091
-- COE CAT 4.2	COE42	338,420	109,533	0	0	107,181	2,353	0	1091
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1091
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1091
- CABLE & WIRE FACILITIES	CWF	8,814,900	2,287,958	2,032,924	0	60,604	194,430	0	1091
-- C&WF CAT 1.1	CWF11	120,279	0	0	0	0	0	0	1091
-- C&WF CAT 1.2	CWF12	19,330	19,330	0	0	0	19,330	0	1091
-- C&WF CAT 1.3	CWF13	8,131,696	2,032,924	2,032,924	0	0	0	0	1091
-- C&WF CAT 2	CWF2	301,242	95,895	0	0	0	95,895	0	1091
-- C&WF CAT 3	CWF3	242,353	139,809	0	0	60,604	79,205	0	1091
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1091
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1091
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1091
TELCOM PLANT-OTHER	PLTOTH	299,232	142,242	24,025	77,003	20,709	20,505	0	1091
ACCUM DEPRECIATION	ACCDEP	12,280,210	4,420,728	1,952,491	1,657,465	430,675	380,097	0	1091
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1091
NET DEFERRED FIT	NTDFIT	503,824	220,287	52,676	117,322	28,754	21,535	0	1091
NETWORK SUPPORT EXP	NETSPX	35,728	12,192	6,206	3,481	1,089	1,417	0	1091
GENERAL SUPPORT EXP	GSFX	164,127	56,009	28,510	15,990	5,002	6,508	0	1091
COE EXPENSE	COEX	290,093	138,475	21,936	77,044	20,324	19,170	0	1091
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1091
C&WF EXPENSE	CWFX	255,958	66,435	59,030	0	1,760	5,646	0	1091
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1091
NETWORK OPERATIONS EXP	NETOPX	21,769	7,429	3,781	2,121	663	863	0	1091
DEPREC & AMORT EXP	DEPAMX	1,117,049	395,236	184,825	120,420	38,371	51,620	0	1091
MARKETING EXPENSE	MRKTX	874	461	235	132	41	54	0	1091
SERVICES EXPENSE	SERVX	300,688	95,688	18,685	23,993	7,051	6,432	39,526	1091
- CABSX EXPENSE	CABSX	52,534	26,267	0	15,273	4,778	6,216	0	1091
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1091
GENERAL & ADMIN EXP	GENADX	1,970,039	727,193	313,663	213,026	62,348	69,565	68,590	1091
OTHER TAXES (EXCL FIT & ITC)	OTAXES	155,841	51,226	29,733	9,728	4,136	7,628	0	1091
INVESTMENT TAX CREDITS (ITC)	ITC	9,619	3,283	1,671	937	293	381	0	1091
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1091
INTEREST & RELATED ITEMS(IRI)	INTREL	208,937	64,437	32,800	18,396	5,754	7,487	0	1091

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	53,680	14,759	8,554	2,924	54	3,227	0	1092
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1092
- GENERAL SUPPORT FACILITIES	GSF	2,690,742	949,566	550,360	188,098	3,480	207,628	0	1092
- CENTRAL OFFICE EQUIPMENT	COE	9,933,755	4,699,853	1,526,327	1,762,550	21,766	1,389,211	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	2,254,024	1,736,692	0	1,736,692	0	0	0	1092
-- COE CAT 4.11	COE411	1,157,370	1,157,370	0	0	0	1,157,370	0	1092
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1092
-- COE CAT 4.13	COE413	6,166,246	1,558,922	1,526,327	0	0	32,596	0	1092
-- COE CAT 4.2	COE42	327,062	221,011	0	0	21,766	199,245	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	15,649,441	4,302,633	3,706,422	0	11,324	584,888	0	1092
-- C&WF CAT 1.1	CWF11	68,829	0	0	0	0	0	0	1092
-- C&WF CAT 1.2	CWF12	79,153	79,153	0	0	0	79,153	0	1092
-- C&WF CAT 1.3	CWF13	14,825,686	3,706,422	3,706,422	0	0	0	0	1092
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1092
-- C&WF CAT 3	CWF3	675,773	517,058	0	0	11,324	505,735	0	1092
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1092
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1092
- INTANGIBLES	INTANG	1,104	390	226	77	1	85	0	1092
TELCOM PLANT-OTHER	PLTOTH	13,882,172	4,899,037	2,839,438	970,441	17,955	1,071,202	0	1092
ACCUM DEPRECIATION	ACCDEP	16,784,777	5,940,734	3,425,903	1,189,356	21,830	1,303,644	0	1092
ACCUM AMORTIZATION	ACCAMO	140,872	49,714	28,814	9,848	182	10,870	0	1092
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1092
NETWORK SUPPORT EXP	NETSPX	4,405	1,555	901	308	6	340	0	1092
GENERAL SUPPORT EXP	GSFX	148,496	52,404	30,373	10,381	192	11,459	0	1092
COE EXPENSE	COEX	1,492,653	710,089	196,558	331,828	2,803	178,900	0	1092
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1092
C&WF EXPENSE	CWFX	1,013,658	278,694	240,075	0	733	37,885	0	1092
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1092
NETWORK OPERATIONS EXP	NETOPX	99,546	35,130	20,361	6,959	129	7,681	0	1092
DEPREC & AMORT EXP	DEPAMX	2,065,433	929,963	326,162	487,039	1,940	114,822	0	1092
MARKETING EXPENSE	MRKTX	223,834	46,070	26,702	9,126	169	10,074	0	1092
SERVICES EXPENSE	SERVX	620,109	258,507	83,176	69,360	1,133	62,939	41,900	1092
- CABSX EXPENSE	CABSX	157,378	78,689	0	37,077	686	40,926	0	1092
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1092
GENERAL & ADMIN EXP	GENADX	1,542,103	652,315	305,520	189,232	2,283	136,753	18,527	1092
OTHER TAXES (EXCL FIT & ITC)	OTAXES	777,508	275,463	159,656	54,566	1,010	60,232	0	1092
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1092
NON-OPERATING INC & EXP	NONOPX	176	74	43	15	0	16	0	1092
INTEREST & RELATED ITEMS(IRI)	INTREL	569	200	116	40	1	44	0	1092

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	29,909	15,974	2,565	2,862	1,107	9,439	0	1093
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1093
- GENERAL SUPPORT FACILITIES	GSF	957,413	612,440	98,348	109,734	42,459	361,899	0	1093
- CENTRAL OFFICE EQUIPMENT	COE	3,525,384	2,645,209	188,358	829,926	235,185	1,391,741	0	1093
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1093
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1093
-- COE CAT 3	COE3	976,383	801,055	0	801,055	0	0	0	1093
-- COE CAT 4.11	COE411	368,204	368,204	0	0	0	368,204	0	1093
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1093
-- COE CAT 4.13	COE413	774,789	191,338	188,358	0	0	2,980	0	1093
-- COE CAT 4.2	COE42	1,371,505	1,255,742	0	0	235,185	1,020,557	0	1093
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1093
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1093
- CABLE & WIRE FACILITIES	CWF	3,967,508	2,118,990	581,333	0	97,109	1,440,548	0	1093
-- C&WF CAT 1.1	CWF11	56,715	0	0	0	0	0	0	1093
-- C&WF CAT 1.2	CWF12	9,197	9,197	0	0	0	9,197	0	1093
-- C&WF CAT 1.3	CWF13	2,325,333	581,333	581,333	0	0	0	0	1093
-- C&WF CAT 2	CWF2	1,197,075	1,197,075	0	0	0	1,197,075	0	1093
-- C&WF CAT 3	CWF3	379,187	331,385	0	0	97,109	234,276	0	1093
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1093
- TANGIBLES	TANGIB	157,034	100,452	16,131	17,998	6,964	59,358	0	1093
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1093
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1093
ACCUM DEPRECIATION	ACCDEP	5,320,411	3,582,093	467,947	947,758	245,779	1,920,609	0	1093
ACCUM AMORTIZATION	ACCAMO	118,422	75,752	12,165	13,573	5,252	44,763	0	1093
NET DEFERRED FIT	NTDFIT	80,906	51,758	8,273	10,452	3,394	29,638	0	1093
NETWORK SUPPORT EXP	NETSPX	8,600	5,501	883	986	381	3,251	0	1093
GENERAL SUPPORT EXP	GSFX	495,755	317,126	50,925	56,821	21,986	187,394	0	1093
COE EXPENSE	COEX	711,606	539,768	30,976	241,238	38,677	228,877	0	1093
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1093
C&WF EXPENSE	CWFX	1,304,815	696,883	191,186	0	31,937	473,761	0	1093
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1093
NETWORK OPERATIONS EXP	NETOPX	473,031	302,590	48,591	54,216	20,978	178,804	0	1093
DEPREC & AMORT EXP	DEPAMX	706,559	460,096	71,487	16,126	45,042	327,440	0	1093
MARKETING EXPENSE	MRKTX	41,373	23,452	3,766	4,202	1,626	13,858	0	1093
SERVICES EXPENSE	SERVX	303,592	165,489	67,850	53,244	21,225	22,918	252	1093
- CABSX EXPENSE	CABSX	64,603	32,302	0	6,895	2,668	22,739	0	1093
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1093
GENERAL & ADMIN EXP	GENADX	906,845	618,884	124,761	122,501	40,806	330,740	75	1093
OTHER TAXES (EXCL FIT & ITC)	OTAXES	145,257	86,208	15,310	11,250	6,014	53,634	0	1093
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1093
NON-OPERATING INC & EXP	NONOPX	36,722	25,061	4,024	4,490	1,737	14,809	0	1093
INTEREST & RELATED ITEMS(IRI)	INTREL	252,217	146,739	23,564	26,292	10,173	86,710	0	1093

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	13,134	5,615	1,981	664	709	2,261	0	1094
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1094
- GENERAL SUPPORT FACILITIES	GSF	647,585	282,415	99,620	33,419	35,684	113,692	0	1094
- CENTRAL OFFICE EQUIPMENT	COE	1,346,194	613,978	170,562	231,313	58,867	153,236	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	373,813	231,313	0	231,313	0	0	0	1094
-- COE CAT 4.11	COE411	88,324	88,299	0	0	0	88,299	0	1094
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1094
-- COE CAT 4.13	COE413	686,993	170,562	170,562	0	0	0	0	1094
-- COE CAT 4.2	COE42	96,040	79,858	0	0	14,921	64,937	0	1094
-- COE CAT 4.3	COE43	101,024	43,946	0	0	43,946	0	0	1094
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1094
- CABLE & WIRE FACILITIES	CWF	3,136,164	1,340,801	518,975	0	188,123	633,702	0	1094
-- C&WF CAT 1.1	CWF11	14,441	0	0	0	0	0	0	1094
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1094
-- C&WF CAT 1.3	CWF13	2,075,901	518,975	518,975	0	0	0	0	1094
-- C&WF CAT 2	CWF2	628,892	628,717	0	0	0	628,717	0	1094
-- C&WF CAT 3	CWF3	200,115	98,792	0	0	93,807	4,985	0	1094
-- C&WF CAT 4	CWF4	216,815	94,316	0	0	94,316	0	0	1094
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1094
- INTANGIBLES	INTANG	343,775	149,922	52,884	17,741	18,943	60,354	0	1094
TELCOM PLANT-OTHER	PLTOTH	384,916	167,864	59,213	19,864	21,210	67,577	0	1094
ACCUM DEPRECIATION	ACCDEP	1,440,855	643,789	205,919	131,766	73,562	231,326	1,216	1094
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1094
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1094
NETWORK SUPPORT EXP	NETSPX	981	428	151	51	54	172	0	1094
GENERAL SUPPORT EXP	GSFX	38,960	16,991	5,993	2,011	2,147	6,840	0	1094
COE EXPENSE	COEX	99,547	45,402	3,659	37,192	1,263	3,287	0	1094
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1094
C&WF EXPENSE	CWFX	49,499	21,162	8,191	0	2,969	10,002	0	1094
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1094
NETWORK OPERATIONS EXP	NETOPX	13,334	5,815	2,051	688	735	2,341	0	1094
DEPREC & AMORT EXP	DEPAMX	333,213	151,683	46,317	34,597	16,658	54,111	0	1094
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1094
SERVICES EXPENSE	SERVX	55,963	22,285	4,612	4,582	2,815	9,126	1,149	1094
- CABSX EXPENSE	CABSX	27,278	13,639	0	2,494	2,662	8,483	0	1094
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1094
GENERAL & ADMIN EXP	GENADX	364,186	184,338	50,785	68,016	15,250	48,531	1,756	1094
OTHER TAXES (EXCL FIT & ITC)	OTAXES	94,271	45,404	16,307	4,610	5,844	18,661	-17	1094
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1094
NON-OPERATING INC & EXP	NONOPX	4,881	2,471	871	292	312	995	0	1094
INTEREST & RELATED ITEMS(IRI)	INTREL	171,285	74,100	26,138	8,768	9,363	29,831	0	1094

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	47,751	12,329	9,204	1,619	299	1,204	2	1095
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1095
- GENERAL SUPPORT FACILITIES	GSF	2,278,900	666,485	496,413	87,301	16,143	64,940	1,689	1095
- CENTRAL OFFICE EQUIPMENT	COE	9,508,262	3,479,129	1,605,935	1,147,670	129,687	595,837	0	1095
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1095
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1095
-- COE CAT 3	COE3	2,107,100	1,147,670	0	1,147,670	0	0	0	1095
-- COE CAT 4.11	COE411	430,762	430,762	0	0	0	430,762	0	1095
-- COE CAT 4.12	COE412	20,141	0	0	0	0	0	0	1095
-- COE CAT 4.13	COE413	6,518,310	1,633,956	1,605,935	0	0	28,021	0	1095
-- COE CAT 4.2	COE42	431,949	266,741	0	0	129,687	137,054	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	20,374,538	5,260,371	4,919,966	0	82,532	257,873	0	1095
-- C&WF CAT 1.1	CWF11	203,881	0	0	0	0	0	0	1095
-- C&WF CAT 1.2	CWF12	85,845	85,845	0	0	0	85,845	0	1095
-- C&WF CAT 1.3	CWF13	19,679,865	4,919,966	4,919,966	0	0	0	0	1095
-- C&WF CAT 2	CWF2	4,778	0	0	0	0	0	0	1095
-- C&WF CAT 3	CWF3	400,170	254,561	0	0	82,532	172,028	0	1095
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1095
- TANGIBLES	TANGIB	47,194	13,802	10,305	1,812	335	1,348	2	1095
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1095
TELCOM PLANT-OTHER	PLTOTH	48,595	14,210	10,610	1,866	345	1,388	0	1095
ACCUM DEPRECIATION	ACCDEP	14,982,404	4,710,693	3,049,327	944,196	135,607	580,394	1,169	1095
ACCUM AMORTIZATION	ACCAMO	36,526	10,680	7,975	1,403	259	1,043	0	1095
NET DEFERRED FIT	NTDFIT	1,677,622	490,548	366,299	64,419	11,912	47,919	0	1095
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1095
GENERAL SUPPORT EXP	GSFX	229,435	67,100	49,978	8,789	1,625	6,538	170	1095
COE EXPENSE	COEX	282,983	103,545	42,861	41,321	3,461	15,902	0	1095
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1095
C&WF EXPENSE	CWFX	273,015	70,488	65,927	0	1,106	3,455	0	1095
OTHER PROP & PL EXP	OTHPX	179	52	39	7	1	5	0	1095
NETWORK OPERATIONS EXP	NETOPX	209,171	61,174	45,679	8,033	1,485	5,976	0	1095
DEPREC & AMORT EXP	DEPAMX	2,323,855	732,732	466,913	170,568	18,343	76,812	97	1095
MARKETING EXPENSE	MRKTX	14,369	6,159	4,598	809	150	602	1	1095
SERVICES EXPENSE	SERVX	163,014	71,002	34,585	10,453	1,522	4,900	19,543	1095
- CABSX EXPENSE	CABSX	11,127	5,564	0	2,884	533	2,146	0	1095
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1095
GENERAL & ADMIN EXP	GENADX	1,156,984	416,334	289,687	64,708	8,717	34,845	18,378	1095
OTHER TAXES (EXCL FIT & ITC)	OTAXES	607,098	179,229	133,927	23,471	4,348	17,484	0	1095
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1095
NON-OPERATING INC & EXP	NONOPX	-2,000	-720	-537	-94	-17	-70	0	1095
INTEREST & RELATED ITEMS(IRI)	INTREL	972,721	263,879	225,670	14,681	5,105	18,397	28	1095

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	21,703	11,217	2,122	1,913	1,391	5,791	0	1096
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1096
- GENERAL SUPPORT FACILITIES	GSF	1,790,404	1,036,485	196,115	176,750	128,495	535,126	0	1096
- CENTRAL OFFICE EQUIPMENT	COE	2,937,310	2,013,906	142,792	821,650	315,350	734,115	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	970,808	765,612	0	765,612	0	0	0	1096
-- COE CAT 4.11	COE411	65,353	65,353	0	0	0	65,353	0	1096
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1096
-- COE CAT 4.13	COE413	588,531	146,513	142,792	0	0	3,721	0	1096
-- COE CAT 4.2	COE42	1,038,005	883,673	0	0	218,632	665,041	0	1096
-- COE CAT 4.3	COE43	202,330	96,718	0	0	96,718	0	0	1096
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1096
- CABLE & WIRE FACILITIES	CWF	5,953,325	3,076,947	831,060	0	322,718	1,923,169	0	1096
-- C&WF CAT 1.1	CWF11	79,406	0	0	0	0	0	0	1096
-- C&WF CAT 1.2	CWF12	21,656	21,656	0	0	0	21,656	0	1096
-- C&WF CAT 1.3	CWF13	3,324,239	831,060	831,060	0	0	0	0	1096
-- C&WF CAT 2	CWF2	1,889,784	1,889,784	0	0	0	1,889,784	0	1096
-- C&WF CAT 3	CWF3	389,458	215,524	0	0	203,795	11,729	0	1096
-- C&WF CAT 4	CWF4	248,781	118,922	0	0	118,922	0	0	1096
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1096
- INTANGIBLES	INTANG	312	181	34	31	22	93	0	1096
TELCOM PLANT-OTHER	PLTOTH	98,857	57,229	10,828	9,759	7,095	29,547	0	1096
ACCUM DEPRECIATION	ACCDEP	5,808,064	3,547,381	551,873	965,315	425,329	1,604,864	0	1096
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1096
NET DEFERRED FIT	NTDFIT	112,941	61,379	14,225	3,216	7,676	36,262	0	1096
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1096
GENERAL SUPPORT EXP	GSFX	109,608	63,453	12,006	10,821	7,866	32,760	0	1096
COE EXPENSE	COEX	233,698	164,689	7,510	101,984	16,585	38,610	0	1096
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1096
C&WF EXPENSE	CWFX	116,011	59,960	16,195	0	6,289	37,476	0	1096
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1096
NETWORK OPERATIONS EXP	NETOPX	121,104	70,108	13,265	11,955	8,691	36,196	0	1096
DEPREC & AMORT EXP	DEPAMX	667,330	438,415	51,378	213,533	33,526	139,979	0	1096
MARKETING EXPENSE	MRKTX	4,054	2,108	399	359	261	1,088	0	1096
SERVICES EXPENSE	SERVX	294,557	76,019	18,612	5,891	1,068	4,446	46,002	1096
- CABSX EXPENSE	CABSX	13,744	6,872	0	1,445	1,051	4,376	0	1096
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1096
GENERAL & ADMIN EXP	GENADX	938,272	453,609	70,678	136,196	42,374	156,537	47,823	1096
OTHER TAXES (EXCL FIT & ITC)	OTAXES	151,952	90,642	18,274	12,057	11,375	48,935	0	1096
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1096
NON-OPERATING INC & EXP	NONOPX	8,899	4,302	814	734	533	2,221	0	1096
INTEREST & RELATED ITEMS(IRI)	INTREL	436,187	236,216	44,695	40,281	29,284	121,956	0	1096

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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	78,731	20,155	12,448	4,436	366	2,905	0	1097
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1097
- GENERAL SUPPORT FACILITIES	GSF	1,668,965	528,877	326,654	116,407	9,591	76,225	0	1097
- CENTRAL OFFICE EQUIPMENT	COE	5,816,067	2,419,439	729,594	1,066,393	41,585	581,866	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	2,054,898	1,062,552	0	1,062,552	0	0	0	1097
-- COE CAT 4.11	COE411	550,868	528,384	0	0	0	528,384	0	1097
-- COE CAT 4.12	COE412	79,879	0	0	0	0	0	0	1097
-- COE CAT 4.13	COE413	2,951,641	744,009	729,594	0	0	14,414	0	1097
-- COE CAT 4.2	COE42	169,362	80,653	0	0	41,585	39,067	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	9,528,231	2,439,163	2,273,634	0	46,595	118,935	0	1097
-- C&WF CAT 1.1	CWF11	58,741	0	0	0	0	0	0	1097
-- C&WF CAT 1.2	CWF12	44,920	44,920	0	0	0	44,920	0	1097
-- C&WF CAT 1.3	CWF13	9,094,534	2,273,634	2,273,634	0	0	0	0	1097
-- C&WF CAT 2	CWF2	135,596	31,209	0	0	0	31,209	0	1097
-- C&WF CAT 3	CWF3	194,439	89,401	0	0	46,595	42,807	0	1097
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1097
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1097
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1097
TELCOM PLANT-OTHER	PLTOTH	11,936	3,782	2,336	832	69	545	0	1097
ACCUM DEPRECIATION	ACCDEP	13,209,400	4,287,361	2,500,223	1,093,034	75,151	618,953	0	1097
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1097
NET DEFERRED FIT	NTDFIT	-61,898	-19,766	-11,955	-4,706	-349	-2,755	0	1097
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1097
GENERAL SUPPORT EXP	GSFX	74,671	23,662	14,615	5,208	429	3,410	0	1097
COE EXPENSE	COEX	332,298	138,453	16,137	108,527	920	12,869	0	1097
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1097
C&WF EXPENSE	CWFX	188,315	48,207	44,936	0	921	2,351	0	1097
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1097
NETWORK OPERATIONS EXP	NETOPX	204,025	64,653	39,932	14,230	1,172	9,318	0	1097
DEPREC & AMORT EXP	DEPAMX	1,188,777	404,513	209,150	130,714	6,594	58,055	0	1097
MARKETING EXPENSE	MRKTX	139	44	27	10	1	6	0	1097
SERVICES EXPENSE	SERVX	200,245	65,090	6,545	16,266	1,230	9,394	31,655	1097
- CABSX EXPENSE	CABSX	58,598	23,888	0	13,751	1,133	9,004	0	1097
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1097
GENERAL & ADMIN EXP	GENADX	954,286	354,151	153,199	133,012	4,309	34,441	29,191	1097
OTHER TAXES (EXCL FIT & ITC)	OTAXES	266,170	91,569	58,565	18,126	1,696	13,182	0	1097
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1097
NON-OPERATING INC & EXP	NONOPX	2,684	996	615	219	18	144	0	1097
INTEREST & RELATED ITEMS(IRI)	INTREL	126,773	36,774	22,713	8,094	667	5,300	0	1097

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	113,208	29,378	21,035	5,078	463	2,802	0	1098
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1098
- GENERAL SUPPORT FACILITIES	GSF	3,511,810	1,078,330	772,091	186,389	16,989	102,862	0	1098
- CENTRAL OFFICE EQUIPMENT	COE	8,244,279	3,298,564	1,413,657	1,296,744	64,245	523,918	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	1,847,314	1,271,381	0	1,271,381	0	0	0	1098
-- COE CAT 4.11	COE411	354,713	354,713	0	0	0	354,713	0	1098
-- COE CAT 4.12	COE412	26,945	0	0	0	0	0	0	1098
-- COE CAT 4.13	COE413	5,708,621	1,450,471	1,413,657	0	0	36,814	0	1098
-- COE CAT 4.2	COE42	279,874	196,636	0	0	64,245	132,391	0	1098
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1098
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1098
- CABLE & WIRE FACILITIES	CWF	16,665,924	4,324,955	4,062,987	0	56,260	205,708	0	1098
-- C&WF CAT 1.1	CWF11	49,377	0	0	0	0	0	0	1098
-- C&WF CAT 1.2	CWF12	105,807	105,807	0	0	0	105,807	0	1098
-- C&WF CAT 1.3	CWF13	16,251,948	4,062,987	4,062,987	0	0	0	0	1098
-- C&WF CAT 2	CWF2	29,727	0	0	0	0	0	0	1098
-- C&WF CAT 3	CWF3	229,065	156,161	0	0	56,260	99,901	0	1098
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1098
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1098
- INTANGIBLES	INTANG	771	237	170	41	4	23	0	1098
TELCOM PLANT-OTHER	PLTOTH	253,100	77,716	55,645	13,433	1,224	7,413	0	1098
ACCUM DEPRECIATION	ACCDEP	17,154,930	5,547,234	3,630,818	1,222,775	91,577	602,063	0	1098
ACCUM AMORTIZATION	ACCAMO	54,350	16,689	11,949	2,885	263	1,592	0	1098
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1098
NETWORK SUPPORT EXP	NETSPX	63,412	19,471	13,941	3,366	307	1,857	0	1098
GENERAL SUPPORT EXP	GSFX	140,926	43,272	30,983	7,480	682	4,128	0	1098
COE EXPENSE	COEX	477,369	192,466	55,783	113,473	2,535	20,674	0	1098
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1098
C&WF EXPENSE	CWFX	309,068	80,206	75,348	0	1,043	3,815	0	1098
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1098
NETWORK OPERATIONS EXP	NETOPX	187,802	57,666	41,289	9,968	909	5,501	0	1098
DEPREC & AMORT EXP	DEPAMX	2,308,981	704,979	513,488	76,936	14,430	100,125	0	1098
MARKETING EXPENSE	MRKTX	7,907	3,756	2,689	649	59	358	0	1098
SERVICES EXPENSE	SERVX	269,440	106,969	33,311	38,808	1,335	6,184	27,331	1098
- CABSX EXPENSE	CABSX	25,708	12,854	0	7,823	713	4,317	0	1098
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1098
GENERAL & ADMIN EXP	GENADX	1,375,535	514,126	279,875	162,499	6,425	39,765	25,562	1098
OTHER TAXES (EXCL FIT & ITC)	OTAXES	417,903	128,964	92,339	22,291	2,032	12,302	0	1098
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1098
NON-OPERATING INC & EXP	NONOPX	65,384	24,438	17,498	4,224	385	2,331	0	1098
INTEREST & RELATED ITEMS(IRI)	INTREL	281,453	79,494	56,918	13,741	1,252	7,583	0	1098

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	14,419	4,961	2,099	1,601	31	1,229	0	1099
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1099
- GENERAL SUPPORT FACILITIES	GSF	344,301	146,765	62,106	47,374	920	36,364	0	1099
- CENTRAL OFFICE EQUIPMENT	COE	902,104	495,427	115,606	309,780	1,526	68,515	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	364,447	309,780	0	309,780	0	0	0	1099
-- COE CAT 4.11	COE411	70,102	68,515	0	0	0	68,515	0	1099
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1099
-- COE CAT 4.13	COE413	464,831	115,606	115,606	0	0	0	0	1099
-- COE CAT 4.2	COE42	2,724	1,526	0	0	1,526	0	0	1099
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1099
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1099
- CABLE & WIRE FACILITIES	CWF	1,349,269	464,267	290,504	0	4,493	169,270	0	1099
-- C&WF CAT 1.1	CWF11	6,052	0	0	0	0	0	0	1099
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1099
-- C&WF CAT 1.3	CWF13	1,162,017	290,504	290,504	0	0	0	0	1099
-- C&WF CAT 2	CWF2	173,192	169,270	0	0	0	169,270	0	1099
-- C&WF CAT 3	CWF3	8,008	4,493	0	0	4,493	0	0	1099
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1099
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1099
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1099
TELCOM PLANT-OTHER	PLTOTH	325,243	138,641	58,668	44,752	870	34,351	0	1099
ACCUM DEPRECIATION	ACCDEP	556,706	272,197	85,569	135,247	1,265	50,116	0	1099
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1099
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1099
NETWORK SUPPORT EXP	NETSPX	3,313	1,412	598	456	9	350	0	1099
GENERAL SUPPORT EXP	GSFX	34,294	14,619	6,186	4,719	92	3,622	0	1099
COE EXPENSE	COEX	64,698	35,532	5,806	26,208	77	3,441	0	1099
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1099
C&WF EXPENSE	CWFX	42,876	14,753	9,231	0	143	5,379	0	1099
OTHER PROP & PL EXP	OTHPX	13,756	5,864	2,481	1,893	37	1,453	0	1099
NETWORK OPERATIONS EXP	NETOPX	74,659	31,825	13,467	10,273	200	7,885	0	1099
DEPREC & AMORT EXP	DEPAMX	208,582	106,351	29,511	59,118	436	17,285	0	1099
MARKETING EXPENSE	MRKTX	5,270	1,680	711	542	11	416	0	1099
SERVICES EXPENSE	SERVX	98,820	39,028	9,462	16,054	277	10,441	2,793	1099
- CABSX EXPENSE	CABSX	43,544	21,772	0	12,183	237	9,352	0	1099
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1099
GENERAL & ADMIN EXP	GENADX	166,666	86,110	28,528	35,789	502	19,629	1,662	1099
OTHER TAXES (EXCL FIT & ITC)	OTAXES	86,099	37,227	16,103	11,456	239	9,429	0	1099
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1099
NON-OPERATING INC & EXP	NONOPX	3,792	1,959	829	632	12	485	0	1099
INTEREST & RELATED ITEMS(IRI)	INTREL	97,333	40,014	16,933	12,916	251	9,914	0	1099

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	17,966	4,879	2,538	1,195	93	1,053	0	1100
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1100
- GENERAL SUPPORT FACILITIES	GSF	1,123,599	385,255	200,429	94,357	7,346	83,123	0	1100
- CENTRAL OFFICE EQUIPMENT	COE	1,743,840	852,672	112,556	446,323	10,671	283,122	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	975,622	446,323	0	446,323	0	0	0	1100
-- COE CAT 4.11	COE411	269,933	268,321	0	0	0	268,321	0	1100
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1100
-- COE CAT 4.13	COE413	458,694	115,814	112,556	0	0	3,258	0	1100
-- COE CAT 4.2	COE42	39,591	22,214	0	0	10,671	11,543	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	3,570,945	969,640	835,503	0	24,076	110,061	0	1100
-- C&WF CAT 1.1	CWF11	38,692	0	0	0	0	0	0	1100
-- C&WF CAT 1.2	CWF12	24,182	24,182	0	0	0	24,182	0	1100
-- C&WF CAT 1.3	CWF13	3,342,010	835,503	835,503	0	0	0	0	1100
-- C&WF CAT 2	CWF2	82,125	62,801	0	0	0	62,801	0	1100
-- C&WF CAT 3	CWF3	83,936	47,153	0	0	24,076	23,077	0	1100
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1100
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1100
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1100
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1100
ACCUM DEPRECIATION	ACCDEP	3,735,877	1,329,873	662,169	280,565	26,647	360,492	0	1100
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1100
NET DEFERRED FIT	NTDFIT	186,835	72,781	21,989	38,126	880	11,786	0	1100
NETWORK SUPPORT EXP	NETSPX	19,915	6,828	3,552	1,672	130	1,473	0	1100
GENERAL SUPPORT EXP	GSFX	72,896	24,994	13,003	6,122	477	5,393	0	1100
COE EXPENSE	COEX	89,648	43,835	4,454	27,754	422	11,204	0	1100
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1100
C&WF EXPENSE	CWFX	142,292	38,638	33,293	0	959	4,386	0	1100
OTHER PROP & PL EXP	OTHPPX	5,071	1,739	905	426	33	375	0	1100
NETWORK OPERATIONS EXP	NETOPX	25,571	8,768	4,561	2,147	167	1,892	0	1100
DEPREC & AMORT EXP	DEPAMX	550,998	210,161	84,409	64,118	3,728	57,906	0	1100
MARKETING EXPENSE	MRKTX	17,626	4,555	2,370	1,116	87	983	0	1100
SERVICES EXPENSE	SERVX	183,063	35,344	2,560	7,132	464	4,810	20,377	1100
- CABSX EXPENSE	CABSX	20,890	10,445	0	5,332	415	4,697	0	1100
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1100
GENERAL & ADMIN EXP	GENADX	723,565	213,497	92,521	56,095	3,314	36,915	24,651	1100
OTHER TAXES (EXCL FIT & ITC)	OTAXES	150,264	56,101	30,488	14,450	1,047	10,115	0	1100
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1100
NON-OPERATING INC & EXP	NONOPX	2,914	860	447	211	16	185	0	1100
INTEREST & RELATED ITEMS(IRI)	INTREL	150,392	48,068	25,007	11,773	917	10,371	0	1100

APPENDIX B1

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COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	40,533	13,796	5,295	3,782	962	3,757	0	1101
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1101
- GENERAL SUPPORT FACILITIES	GSF	811,761	339,020	130,109	92,930	23,644	92,337	0	1101
- CENTRAL OFFICE EQUIPMENT	COE	3,215,495	1,959,474	212,500	1,281,517	144,681	320,776	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	1,666,565	1,281,517	0	1,281,517	0	0	0	1101
-- COE CAT 4.11	COE411	176,103	176,103	0	0	0	176,103	0	1101
-- COE CAT 4.12	COE412	2,589	0	0	0	0	0	0	1101
-- COE CAT 4.13	COE413	888,820	216,539	212,500	0	0	4,039	0	1101
-- COE CAT 4.2	COE42	481,418	285,315	0	0	144,681	140,634	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	7,978,819	2,715,660	1,581,719	0	181,376	952,564	0	1101
-- C&WF CAT 1.1	CWF11	258,887	0	0	0	0	0	0	1101
-- C&WF CAT 1.2	CWF12	30,064	30,064	0	0	0	30,064	0	1101
-- C&WF CAT 1.3	CWF13	6,326,876	1,581,719	1,581,719	0	0	0	0	1101
-- C&WF CAT 2	CWF2	926,936	908,459	0	0	0	908,459	0	1101
-- C&WF CAT 3	CWF3	436,055	195,417	0	0	181,376	14,041	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	156,338	65,292	25,058	17,897	4,554	17,783	0	1101
ACCUM DEPRECIATION	ACCDEP	7,325,262	3,346,253	1,040,747	1,346,805	201,028	757,672	0	1101
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1101
NET DEFERRED FIT	NTDFIT	570,637	202,333	108,167	1,436	18,238	74,491	0	1101
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1101
GENERAL SUPPORT EXP	GSFX	599,824	250,507	96,139	68,667	17,471	68,229	0	1101
COE EXPENSE	COEX	248,160	151,225	15,944	100,358	10,855	24,068	0	1101
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1101
C&WF EXPENSE	CWFX	569,017	193,670	112,802	0	12,935	67,933	0	1101
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1101
NETWORK OPERATIONS EXP	NETOPX	310,001	129,467	49,687	35,489	9,029	35,262	0	1101
DEPREC & AMORT EXP	DEPAMX	668,432	248,133	119,916	3,736	28,549	95,931	0	1101
MARKETING EXPENSE	MRKTX	12,453	4,569	1,753	1,252	319	1,244	0	1101
SERVICES EXPENSE	SERVX	261,461	82,412	16,048	13,194	3,357	13,110	36,703	1101
- CABSX EXPENSE	CABSX	51,136	25,567	0	11,373	2,894	11,300	0	1101
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1101
GENERAL & ADMIN EXP	GENADX	1,165,225	479,166	190,726	121,578	29,965	116,518	20,379	1101
OTHER TAXES (EXCL FIT & ITC)	OTAXES	211,968	94,103	37,975	22,515	6,810	26,804	0	1101
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1101
NON-OPERATING INC & EXP	NONOPX	2,786	1,146	440	314	80	312	0	1101
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1101

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COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	245,714	87,880	29,546	23,556	2,362	32,416	0	1102
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1102
- GENERAL SUPPORT FACILITIES	GSF	1,875,880	877,382	294,980	235,178	23,586	323,638	0	1102
- CENTRAL OFFICE EQUIPMENT	COE	5,035,230	3,412,484	300,133	1,843,534	105,444	1,163,374	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	2,229,392	1,787,197	0	1,787,197	0	0	0	1102
-- COE CAT 4.11	COE411	500,614	490,206	0	0	0	490,206	0	1102
-- COE CAT 4.12	COE412	39,288	0	0	0	0	0	0	1102
-- COE CAT 4.13	COE413	1,214,129	306,082	300,133	0	0	5,950	0	1102
-- COE CAT 4.2	COE42	884,461	752,039	0	0	84,820	667,219	0	1102
-- COE CAT 4.3	COE43	80,069	20,624	0	0	20,624	0	0	1102
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1102
- CABLE & WIRE FACILITIES	CWF	10,118,945	3,619,055	2,082,844	0	85,096	1,451,116	0	1102
-- C&WF CAT 1.1	CWF11	53,085	0	0	0	0	0	0	1102
-- C&WF CAT 1.2	CWF12	41,288	41,288	0	0	0	41,288	0	1102
-- C&WF CAT 1.3	CWF13	8,331,376	2,082,844	2,082,844	0	0	0	0	1102
-- C&WF CAT 2	CWF2	1,437,980	1,403,891	0	0	0	1,403,891	0	1102
-- C&WF CAT 3	CWF3	145,505	62,773	0	0	56,837	5,936	0	1102
-- C&WF CAT 4	CWF4	109,711	28,259	0	0	28,259	0	0	1102
- TANGIBLES	TANGIB	168,470	78,796	26,492	21,121	2,118	29,065	0	1102
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1102
TELCOM PLANT-OTHER	PLTOTH	497,371	232,629	78,211	62,355	6,254	85,809	0	1102
ACCUM DEPRECIATION	ACCDEP	11,536,869	5,691,465	1,681,671	2,138,062	124,876	1,746,856	0	1102
ACCUM AMORTIZATION	ACCAMO	48,195	22,542	7,579	6,042	606	8,315	0	1102
NET DEFERRED FIT	NTDFIT	626,105	275,788	105,994	56,982	7,412	105,400	0	1102
NETWORK SUPPORT EXP	NETSPX	6,907	3,231	1,086	866	87	1,192	0	1102
GENERAL SUPPORT EXP	GSFX	140,987	65,942	22,170	17,675	1,773	24,324	0	1102
COE EXPENSE	COEX	372,552	256,655	13,112	188,111	4,607	50,825	0	1102
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1102
C&WF EXPENSE	CWFX	261,431	93,501	53,812	0	2,199	37,491	0	1102
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1102
NETWORK OPERATIONS EXP	NETOPX	113,467	53,071	17,843	14,225	1,427	19,576	0	1102
DEPREC & AMORT EXP	DEPAMX	1,340,385	712,463	172,886	287,292	18,163	234,122	0	1102
MARKETING EXPENSE	MRKTX	93,600	35,307	11,871	9,464	949	13,024	0	1102
SERVICES EXPENSE	SERVX	378,185	48,910	19,087	5,120	508	6,972	17,223	1102
- CABSX EXPENSE	CABSX	25,093	12,547	0	5,066	508	6,972	0	1102
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1102
GENERAL & ADMIN EXP	GENADX	1,152,926	528,644	153,377	211,574	10,377	137,841	15,476	1102
OTHER TAXES (EXCL FIT & ITC)	OTAXES	457,085	216,184	75,032	51,544	6,114	83,495	0	1102
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1102
NON-OPERATING INC & EXP	NONOPX	1,303	612	206	164	16	226	0	1102
INTEREST & RELATED ITEMS(IRI)	INTREL	312,401	129,463	43,526	34,702	3,480	47,755	0	1102

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	2,065,240	655,218	255,437	96,010	90,654	212,008	1,108	1103
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1103
- GENERAL SUPPORT FACILITIES	GSF	27,520,868	11,121,935	4,312,419	1,617,174	1,530,475	3,579,225	82,642	1103
- CENTRAL OFFICE EQUIPMENT	COE	32,344,071	18,368,698	1,505,464	5,525,206	3,432,972	7,905,056	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	11,650,211	5,508,775	0	5,508,775	0	0	0	1103
-- COE CAT 4.11	COE411	3,636,025	3,308,565	0	0	0	3,308,565	0	1103
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1103
-- COE CAT 4.13	COE413	6,104,553	1,570,558	1,505,464	0	0	65,094	0	1103
-- COE CAT 4.2	COE42	8,053,618	6,333,154	0	0	1,801,757	4,531,397	0	1103
-- COE CAT 4.3	COE43	2,899,664	1,631,215	0	0	1,631,215	0	0	1103
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1103
- CABLE & WIRE FACILITIES	CWF	60,984,552	19,347,950	13,228,269	0	1,796,022	4,323,658	0	1103
-- C&WF CAT 1.1	CWF11	154,685	0	0	0	0	0	0	1103
-- C&WF CAT 1.2	CWF12	571,975	571,975	0	0	0	571,975	0	1103
-- C&WF CAT 1.3	CWF13	52,913,076	13,228,269	13,228,269	0	0	0	0	1103
-- C&WF CAT 2	CWF2	3,911,992	3,559,678	0	0	0	3,559,678	0	1103
-- C&WF CAT 3	CWF3	1,581,379	946,492	0	0	754,486	192,006	0	1103
-- C&WF CAT 4	CWF4	1,851,445	1,041,536	0	0	1,041,536	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	1,716,901	692,687	270,593	101,473	96,033	224,587	0	1103
ACCUM DEPRECIATION	ACCDEP	87,377,920	35,552,915	13,503,666	5,674,269	4,888,255	11,427,769	58,956	1103
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1103
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1103
NETWORK SUPPORT EXP	NETSPX	34,002	13,741	5,357	2,014	1,901	4,446	23	1103
GENERAL SUPPORT EXP	GSFX	2,349,526	949,508	368,162	138,062	130,661	305,567	7,055	1103
COE EXPENSE	COEX	2,137,378	1,213,850	37,535	893,630	85,592	197,092	0	1103
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1103
C&WF EXPENSE	CWFX	1,273,002	403,872	276,129	0	37,490	90,253	0	1103
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1103
NETWORK OPERATIONS EXP	NETOPX	1,811,491	732,073	285,979	107,243	101,494	237,357	0	1103
DEPREC & AMORT EXP	DEPAMX	8,050,924	3,380,521	1,104,193	825,853	433,815	1,012,750	3,910	1103
MARKETING EXPENSE	MRKTX	312,598	134,572	52,463	19,719	18,619	43,543	228	1103
SERVICES EXPENSE	SERVX	2,257,098	793,013	207,706	98,483	61,050	62,086	363,688	1103
- CABSX EXPENSE	CABSX	233,537	116,769	0	28,135	26,548	62,086	0	1103
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1103
GENERAL & ADMIN EXP	GENADX	2,391,544	1,090,903	346,741	311,580	108,089	232,690	91,803	1103
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,038,909	419,214	163,708	61,532	58,100	135,874	0	1103
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1103
NON-OPERATING INC & EXP	NONOPX	32,959	15,034	5,861	2,203	2,080	4,865	25	1103
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1103

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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	1,371,365	436,014	209,699	50,036	28,856	147,423	0	1104
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1104
- GENERAL SUPPORT FACILITIES	GSF	16,108,680	6,150,306	2,957,960	705,792	407,042	2,079,511	0	1104
- CENTRAL OFFICE EQUIPMENT	COE	34,754,523	16,217,770	5,327,721	3,590,096	415,417	6,884,536	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	5,270,252	3,590,096	0	3,590,096	0	0	0	1104
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1104
-- COE CAT 4.12	COE412	88	0	0	0	0	0	0	1104
-- COE CAT 4.13	COE413	21,806,042	5,420,828	5,327,721	0	0	93,107	0	1104
-- COE CAT 4.2	COE42	7,678,141	7,206,846	0	0	415,417	6,791,430	0	1104
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1104
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1104
- CABLE & WIRE FACILITIES	CWF	47,184,192	15,066,491	9,718,296	0	1,655,050	3,693,144	0	1104
-- C&WF CAT 1.1	CWF11	733,383	0	0	0	0	0	0	1104
-- C&WF CAT 1.2	CWF12	169,836	169,836	0	0	0	169,836	0	1104
-- C&WF CAT 1.3	CWF13	38,873,185	9,718,296	9,718,296	0	0	0	0	1104
-- C&WF CAT 2	CWF2	3,106,784	2,834,718	0	0	0	2,834,718	0	1104
-- C&WF CAT 3	CWF3	4,301,003	2,343,640	0	0	1,655,050	688,590	0	1104
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1104
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1104
- INTANGIBLES	INTANG	9,205	3,514	1,690	403	233	1,188	0	1104
TELCOM PLANT-OTHER	PLTOTH	1,962,425	749,255	360,351	85,982	49,588	253,335	0	1104
ACCUM DEPRECIATION	ACCDEP	67,779,432	26,343,305	12,211,828	3,674,899	1,658,954	8,797,624	0	1104
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1104
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1104
NETWORK SUPPORT EXP	NETSPX	152,937	58,391	28,083	6,701	3,864	19,743	0	1104
GENERAL SUPPORT EXP	GSFX	2,380,154	908,744	437,056	104,285	60,143	307,260	0	1104
COE EXPENSE	COEX	2,886,591	1,352,672	218,146	835,625	17,009	281,891	0	1104
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1104
C&WF EXPENSE	CWFX	3,537,561	1,129,587	728,614	0	124,085	276,888	0	1104
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1104
NETWORK OPERATIONS EXP	NETOPX	2,001,642	764,228	367,552	87,701	50,578	258,397	0	1104
DEPREC & AMORT EXP	DEPAMX	7,712,160	3,145,277	1,353,066	430,154	160,897	1,201,160	0	1104
MARKETING EXPENSE	MRKTX	1,120,507	542,713	261,015	62,280	35,918	183,499	0	1104
SERVICES EXPENSE	SERVX	1,496,581	795,588	402,285	185,481	54,278	41,826	111,719	1104
- CABSX EXPENSE	CABSX	127,348	63,674	0	14,078	8,119	41,478	0	1104
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1104
GENERAL & ADMIN EXP	GENADX	1,620,671	807,555	364,046	182,882	49,338	195,354	15,936	1104
OTHER TAXES (EXCL FIT & ITC)	OTAXES	954,976	367,218	176,612	42,141	24,303	124,162	0	1104
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1104
NON-OPERATING INC & EXP	NONOPX	2,281	1,135	546	130	75	384	0	1104
INTEREST & RELATED ITEMS(IRI)	INTREL	4,253	1,554	747	178	103	525	0	1104

APPENDIX B1

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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	12,675	3,271	2,015	733	49	473	0	1105
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1105
- GENERAL SUPPORT FACILITIES	GSF	503,379	157,670	97,133	35,333	2,382	22,823	0	1105
- CENTRAL OFFICE EQUIPMENT	COE	1,792,186	792,162	130,849	419,377	22,081	219,855	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	862,344	419,377	0	419,377	0	0	0	1105
-- COE CAT 4.11	COE411	118,271	118,271	0	0	0	118,271	0	1105
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1105
-- COE CAT 4.13	COE413	527,504	132,609	130,849	0	0	1,760	0	1105
-- COE CAT 4.2	COE42	284,068	121,905	0	0	22,081	99,824	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	4,182,596	1,079,283	1,022,052	0	6,197	51,034	0	1105
-- C&WF CAT 1.1	CWF11	18,333	0	0	0	0	0	0	1105
-- C&WF CAT 1.2	CWF12	13,750	13,750	0	0	0	13,750	0	1105
-- C&WF CAT 1.3	CWF13	4,088,207	1,022,052	1,022,052	0	0	0	0	1105
-- C&WF CAT 2	CWF2	38,810	34,334	0	0	0	34,334	0	1105
-- C&WF CAT 3	CWF3	23,496	9,147	0	0	6,197	2,950	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	157,313	49,274	30,355	11,042	745	7,132	0	1105
ACCUM DEPRECIATION	ACCDEP	4,475,694	1,467,639	802,747	395,645	25,219	244,027	0	1105
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1105
NET DEFERRED FIT	NTDFIT	147,285	46,484	28,025	11,210	685	6,564	0	1105
NETWORK SUPPORT EXP	NETSPX	6,527	2,044	1,259	458	31	296	0	1105
GENERAL SUPPORT EXP	GSFX	45,522	14,259	8,784	3,195	215	2,064	0	1105
COE EXPENSE	COEX	182,503	80,668	11,071	49,126	1,868	18,602	0	1105
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1105
C&WF EXPENSE	CWFX	146,172	37,718	35,718	0	217	1,784	0	1105
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1105
NETWORK OPERATIONS EXP	NETOPX	129,941	40,700	25,073	9,121	615	5,891	0	1105
DEPREC & AMORT EXP	DEPAMX	438,847	146,458	73,749	57,984	1,408	13,315	0	1105
MARKETING EXPENSE	MRKTX	18,514	5,529	3,406	1,239	84	800	0	1105
SERVICES EXPENSE	SERVX	97,610	46,574	14,786	16,400	1,106	7,555	6,726	1105
- CABSX EXPENSE	CABSX	38,879	19,440	0	11,346	765	7,329	0	1105
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1105
GENERAL & ADMIN EXP	GENADX	957,433	393,128	191,930	125,619	6,532	58,424	10,623	1105
OTHER TAXES (EXCL FIT & ITC)	OTAXES	130,734	45,886	30,868	8,561	616	5,841	0	1105
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1105
NON-OPERATING INC & EXP	NONOPX	4,319	1,775	1,093	398	27	257	0	1105
INTEREST & RELATED ITEMS(IRI)	INTREL	1,264	354	218	79	5	51	0	1105

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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	199,848	51,254	38,538	4,093	1,958	6,665	0	1106
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1106
- GENERAL SUPPORT FACILITIES	GSF	4,835,358	1,428,947	1,074,426	114,114	54,597	185,810	0	1106
- CENTRAL OFFICE EQUIPMENT	COE	5,618,502	2,141,008	1,035,513	408,403	76,869	620,223	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	555,481	371,452	0	371,452	0	0	0	1106
-- COE CAT 4.11	COE411	576,838	576,838	0	0	0	576,838	0	1106
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1106
-- COE CAT 4.13	COE413	4,168,893	1,045,037	1,035,513	0	0	9,524	0	1106
-- COE CAT 4.2	COE42	277,364	110,730	0	0	76,869	33,861	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	13,252,508	3,398,811	3,157,663	0	136,209	104,938	0	1106
-- C&WF CAT 1.1	CWF11	52,804	0	0	0	0	0	0	1106
-- C&WF CAT 1.2	CWF12	29,042	29,042	0	0	0	29,042	0	1106
-- C&WF CAT 1.3	CWF13	12,630,653	3,157,663	3,157,663	0	0	0	0	1106
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1106
-- C&WF CAT 3	CWF3	430,653	181,362	0	0	105,465	75,896	0	1106
-- C&WF CAT 4	CWF4	109,356	30,744	0	0	30,744	0	0	1106
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1106
- INTANGIBLES	INTANG	495	146	110	12	6	19	0	1106
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1106
ACCUM DEPRECIATION	ACCDEP	16,207,252	4,740,035	3,635,845	175,218	190,772	738,200	0	1106
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1106
NET DEFERRED FIT	NTDFIT	76,219	22,524	16,936	1,799	861	2,929	0	1106
NETWORK SUPPORT EXP	NETSPX	29,141	8,612	6,475	688	329	1,120	0	1106
GENERAL SUPPORT EXP	GSFX	549,541	162,401	122,109	12,969	6,205	21,117	0	1106
COE EXPENSE	COEX	730,999	283,365	92,193	129,109	6,844	55,219	0	1106
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1106
C&WF EXPENSE	CWFX	1,238,494	317,631	295,095	0	12,729	9,807	0	1106
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1106
NETWORK OPERATIONS EXP	NETOPX	327,936	96,912	72,868	7,739	3,703	12,602	0	1106
DEPREC & AMORT EXP	DEPAMX	1,817,357	574,631	388,567	63,078	21,623	101,362	0	1106
MARKETING EXPENSE	MRKTX	132,607	33,414	25,124	2,668	1,277	4,345	0	1106
SERVICES EXPENSE	SERVX	663,630	277,686	153,050	26,380	9,561	23,267	65,427	1106
- CABSX EXPENSE	CABSX	31,124	15,562	0	5,009	2,397	8,156	0	1106
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1106
GENERAL & ADMIN EXP	GENADX	1,780,802	630,785	421,904	90,789	20,553	64,457	33,083	1106
OTHER TAXES (EXCL FIT & ITC)	OTAXES	835,558	250,021	187,511	21,325	9,488	31,696	0	1106
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1106
NON-OPERATING INC & EXP	NONOPX	101,500	35,953	27,033	2,871	1,374	4,675	0	1106
INTEREST & RELATED ITEMS(IRI)	INTREL	66,004	19,867	14,341	3,277	679	1,570	0	1106

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	61,737	20,377	6,499	6,364	2,079	5,436	0	1107
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1107
- GENERAL SUPPORT FACILITIES	GSF	907,041	425,058	135,564	132,741	43,365	113,389	0	1107
- CENTRAL OFFICE EQUIPMENT	COE	3,862,750	2,764,257	166,652	1,574,099	252,175	771,331	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	1,851,881	1,555,319	0	1,555,319	0	0	0	1107
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1107
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1107
-- COE CAT 4.13	COE413	667,631	166,652	166,652	0	0	0	0	1107
-- COE CAT 4.2	COE42	802,297	789,382	0	0	18,051	771,331	0	1107
-- COE CAT 4.3	COE43	511,281	234,124	0	0	234,124	0	0	1107
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1107
- CABLE & WIRE FACILITIES	CWF	7,021,687	2,317,634	1,460,107	0	268,201	589,326	0	1107
-- C&WF CAT 1.1	CWF11	8,971	0	0	0	0	0	0	1107
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1107
-- C&WF CAT 1.3	CWF13	5,840,429	1,460,107	1,460,107	0	0	0	0	1107
-- C&WF CAT 2	CWF2	588,618	588,618	0	0	0	588,618	0	1107
-- C&WF CAT 3	CWF3	10,731	6,551	0	0	5,843	708	0	1107
-- C&WF CAT 4	CWF4	572,938	262,358	0	0	262,358	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	263,160	123,190	39,301	38,447	12,571	32,871	0	1107
ACCUM DEPRECIATION	ACCDEP	7,738,426	4,005,904	1,010,771	1,963,308	290,553	741,272	0	1107
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1107
NET DEFERRED FIT	NTDFIT	-108,331	-52,092	-15,731	-20,228	-4,540	-11,593	0	1107
NETWORK SUPPORT EXP	NETSPX	19,840	9,297	2,965	2,903	949	2,480	0	1107
GENERAL SUPPORT EXP	GSFX	56,316	26,391	8,417	8,242	2,692	7,040	0	1107
COE EXPENSE	COEX	130,422	93,967	6,704	46,091	10,144	31,028	0	1107
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1107
C&WF EXPENSE	CWFX	122,402	40,401	25,453	0	4,675	10,273	0	1107
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1107
NETWORK OPERATIONS EXP	NETOPX	101,080	47,368	15,107	14,793	4,833	12,636	0	1107
DEPREC & AMORT EXP	DEPAMX	853,491	463,112	102,055	225,940	36,742	98,376	0	1107
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1107
SERVICES EXPENSE	SERVX	90,935	31,699	3,966	5,923	977	2,552	18,281	1107
- CABSX EXPENSE	CABSX	13,038	6,519	0	2,989	977	2,553	0	1107
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1107
GENERAL & ADMIN EXP	GENADX	654,621	367,148	105,388	109,402	34,061	92,641	25,656	1107
OTHER TAXES (EXCL FIT & ITC)	OTAXES	180,228	85,662	30,487	18,317	10,137	26,721	0	1107
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1107
NON-OPERATING INC & EXP	NONOPX	1,749	981	313	306	100	262	0	1107
INTEREST & RELATED ITEMS(IRI)	INTREL	216,657	82,846	26,422	25,872	8,452	22,100	0	1107

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2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	11,240	2,983	1,971	382	274	356	0	1108
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1108
- GENERAL SUPPORT FACILITIES	GSF	185,032	52,121	34,449	6,670	4,787	6,215	0	1108
- CENTRAL OFFICE EQUIPMENT	COE	560,732	199,395	266	111,760	60,443	26,926	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	425,176	111,760	0	111,760	0	0	0	1108
-- COE CAT 4.11	COE411	26,886	26,886	0	0	0	26,886	0	1108
-- COE CAT 4.12	COE412	2,125	0	0	0	0	0	0	1108
-- COE CAT 4.13	COE413	1,091	266	266	0	0	0	0	1108
-- COE CAT 4.2	COE42	105,454	60,483	0	0	60,443	40	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	2,539,714	673,957	576,978	0	19,769	77,209	0	1108
-- C&WF CAT 1.1	CWF11	54,496	0	0	0	0	0	0	1108
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1108
-- C&WF CAT 1.3	CWF13	2,307,914	576,978	576,978	0	0	0	0	1108
-- C&WF CAT 2	CWF2	142,826	77,209	0	0	0	77,209	0	1108
-- C&WF CAT 3	CWF3	34,478	19,769	0	0	19,769	0	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	43,397	12,224	8,080	1,564	1,123	1,458	0	1108
ACCUM DEPRECIATION	ACCDEP	1,834,338	529,287	290,169	116,603	60,977	61,537	0	1108
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1108
NET DEFERRED FIT	NTDFIT	156,138	42,982	34,545	13	2,995	5,429	0	1108
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1108
GENERAL SUPPORT EXP	GSFX	139,840	39,391	26,036	5,041	3,618	4,697	0	1108
COE EXPENSE	COEX	22,722	8,080	3	7,189	614	274	0	1108
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1108
C&WF EXPENSE	CWFX	64,405	17,091	14,632	0	501	1,958	0	1108
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1108
NETWORK OPERATIONS EXP	NETOPX	77,807	21,917	14,486	2,805	2,013	2,613	0	1108
DEPREC & AMORT EXP	DEPAMX	155,392	44,307	33,337	173	4,737	6,060	0	1108
MARKETING EXPENSE	MRKTX	1,482	146	96	19	13	17	0	1108
SERVICES EXPENSE	SERVX	58,226	19,093	4,405	2,426	1,741	2,261	8,260	1108
- CABSX EXPENSE	CABSX	11,446	5,723	0	2,160	1,550	2,013	0	1108
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1108
GENERAL & ADMIN EXP	GENADX	180,388	58,620	34,653	9,095	4,423	6,150	4,298	1108
OTHER TAXES (EXCL FIT & ITC)	OTAXES	25,240	9,558	6,769	857	782	1,150	0	1108
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1108
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1108
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1108

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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	0	0	0	0	0	0	0	1109
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1109
- GENERAL SUPPORT FACILITIES	GSF	149,798	50,417	32,298	6,667	1,781	9,671	0	1109
- CENTRAL OFFICE EQUIPMENT	COE	2,492,684	1,033,702	450,307	514,421	23,517	45,458	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	605,201	514,421	0	514,421	0	0	0	1109
-- COE CAT 4.11	COE411	32,782	30,932	0	0	0	30,932	0	1109
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1109
-- COE CAT 4.13	COE413	1,811,598	459,987	450,307	0	0	9,680	0	1109
-- COE CAT 4.2	COE42	5,451	4,845	0	0	0	4,845	0	1109
-- COE CAT 4.3	COE43	37,652	23,517	0	0	23,517	0	0	1109
- INFORMATION ORIG/TERM	IOT	29,217	7,304	7,304	0	0	0	0	1109
- CABLE & WIRE FACILITIES	CWF	9,035,755	2,848,942	2,034,335	0	113,913	700,694	0	1109
-- C&WF CAT 1.1	CWF11	3,124	0	0	0	0	0	0	1109
-- C&WF CAT 1.2	CWF12	43,732	43,732	0	0	0	43,732	0	1109
-- C&WF CAT 1.3	CWF13	8,137,339	2,034,335	2,034,335	0	0	0	0	1109
-- C&WF CAT 2	CWF2	644,994	634,048	0	0	0	634,048	0	1109
-- C&WF CAT 3	CWF3	24,188	22,914	0	0	0	22,914	0	1109
-- C&WF CAT 4	CWF4	182,378	113,913	0	0	113,913	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	287,058	96,615	61,893	12,777	3,413	18,532	0	1109
ACCUM DEPRECIATION	ACCDEP	5,599,805	1,966,812	1,172,452	387,104	64,336	342,920	0	1109
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1109
NET DEFERRED FIT	NTDFIT	348,028	117,135	75,038	15,491	4,138	22,468	0	1109
NETWORK SUPPORT EXP	NETSPX	2,486	837	536	111	30	160	0	1109
GENERAL SUPPORT EXP	GSFX	20,907	7,037	4,508	931	249	1,350	0	1109
COE EXPENSE	COEX	162,144	67,240	42,132	18,655	2,200	4,253	0	1109
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1109
C&WF EXPENSE	CWFX	278,825	87,913	62,775	0	3,515	21,622	0	1109
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1109
NETWORK OPERATIONS EXP	NETOPX	37,100	12,487	7,999	1,651	441	2,395	0	1109
DEPREC & AMORT EXP	DEPAMX	613,926	211,473	130,035	40,330	7,114	33,994	0	1109
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1109
SERVICES EXPENSE	SERVX	119,350	48,974	4,837	5,340	1,424	7,504	29,870	1109
- CABSX EXPENSE	CABSX	27,333	13,667	0	5,029	1,343	7,294	0	1109
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1109
GENERAL & ADMIN EXP	GENADX	444,364	175,010	103,504	18,764	5,525	26,215	21,002	1109
OTHER TAXES (EXCL FIT & ITC)	OTAXES	178,167	60,047	39,302	6,729	2,171	11,846	0	1109
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1109
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1109
INTEREST & RELATED ITEMS(IRI)	INTREL	166,016	53,622	34,351	7,091	1,894	10,286	0	1109

APPENDIX B1

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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	726,092	201,796	115,395	32,514	8,644	44,980	263	1110
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1110
- GENERAL SUPPORT FACILITIES	GSF	10,863,888	3,476,180	1,979,592	557,769	148,284	771,631	18,904	1110
- CENTRAL OFFICE EQUIPMENT	COE	12,165,715	4,823,230	1,147,472	1,771,808	446,087	1,457,863	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	4,922,987	1,764,764	0	1,764,764	0	0	0	1110
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1110
-- COE CAT 4.12	COE412	985,573	974,674	0	0	0	974,674	0	1110
-- COE CAT 4.13	COE413	4,694,947	1,170,426	1,147,472	0	0	22,954	0	1110
-- COE CAT 4.2	COE42	1,366,964	871,667	0	0	411,432	460,235	0	1110
-- COE CAT 4.3	COE43	183,545	34,655	0	0	34,655	0	0	1110
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1110
- CABLE & WIRE FACILITIES	CWF	22,293,253	6,195,760	5,165,893	0	26,824	1,003,042	0	1110
-- C&WF CAT 1.1	CWF11	369,631	0	0	0	0	0	0	1110
-- C&WF CAT 1.2	CWF12	103,338	103,338	0	0	0	103,338	0	1110
-- C&WF CAT 1.3	CWF13	20,663,573	5,165,893	5,165,893	0	0	0	0	1110
-- C&WF CAT 2	CWF2	394,959	345,921	0	0	0	345,921	0	1110
-- C&WF CAT 3	CWF3	564,730	554,420	0	0	636	553,784	0	1110
-- C&WF CAT 4	CWF4	197,022	26,188	0	0	26,188	0	0	1110
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1110
- INTANGIBLES	INTANG	1,518	486	278	78	21	108	1	1110
TELCOM PLANT-OTHER	PLTOTH	294,364	94,067	53,861	15,176	4,035	20,995	0	1110
ACCUM DEPRECIATION	ACCDEP	25,742,405	8,395,106	4,519,480	1,535,903	398,406	1,929,660	11,657	1110
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1110
NET DEFERRED FIT	NTDFIT	2,421,501	773,502	442,991	125,113	33,062	172,336	0	1110
NETWORK SUPPORT EXP	NETSPX	633	203	116	33	9	45	0	1110
GENERAL SUPPORT EXP	GSFX	689,432	220,601	125,627	35,397	9,410	48,968	1,200	1110
COE EXPENSE	COEX	875,975	347,797	11,384	317,523	4,426	14,464	0	1110
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1110
C&WF EXPENSE	CWFX	925,095	257,072	204,006	0	13,455	39,611	0	1110
OTHER PROP & PL EXP	OTHPPX	259,971	83,184	47,630	13,420	3,568	18,566	0	1110
NETWORK OPERATIONS EXP	NETOPX	1,675,302	536,056	306,939	86,483	22,992	119,643	0	1110
DEPREC & AMORT EXP	DEPAMX	2,648,958	893,553	439,481	177,626	51,488	223,411	1,548	1110
MARKETING EXPENSE	MRKTX	497,711	143,278	81,932	23,085	6,137	31,937	187	1110
SERVICES EXPENSE	SERVX	1,122,988	213,381	63,594	15,451	3,705	39,650	90,981	1110
- CABSX EXPENSE	CABSX	32,632	16,316	0	6,159	1,637	8,520	0	1110
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1110
GENERAL & ADMIN EXP	GENADX	3,204,131	989,230	510,294	245,031	31,765	156,018	46,122	1110
OTHER TAXES (EXCL FIT & ITC)	OTAXES	567,597	184,222	107,866	28,228	7,528	40,448	152	1110
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1110
NON-OPERATING INC & EXP	NONOPX	32,285	9,968	5,700	1,606	427	2,222	13	1110
INTEREST & RELATED ITEMS(IRI)	INTREL	3,729	1,155	660	186	49	257	2	1110

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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	320,584	83,748	49,151	14,240	10,694	9,544	119	1111
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1111
- GENERAL SUPPORT FACILITIES	GSF	2,911,596	920,472	533,312	154,509	116,040	103,561	13,049	1111
- CENTRAL OFFICE EQUIPMENT	COE	9,140,031	3,823,585	972,442	1,407,784	747,373	695,986	0	1111
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1111
-- COE CAT 2	COE2	681,769	307,738	0	0	307,738	0	0	1111
-- COE CAT 3	COE3	2,615,727	1,407,784	0	1,407,784	0	0	0	1111
-- COE CAT 4.11	COE411	635,213	635,213	0	0	0	635,213	0	1111
-- COE CAT 4.12	COE412	108,441	0	0	0	0	0	0	1111
-- COE CAT 4.13	COE413	3,948,927	1,005,103	972,442	0	0	32,661	0	1111
-- COE CAT 4.2	COE42	1,132,445	463,535	0	0	435,423	28,112	0	1111
-- COE CAT 4.3	COE43	17,509	4,212	0	0	4,212	0	0	1111
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1111
- CABLE & WIRE FACILITIES	CWF	17,012,370	4,444,232	3,886,734	0	309,904	247,594	0	1111
-- C&WF CAT 1.1	CWF11	105,912	0	0	0	0	0	0	1111
-- C&WF CAT 1.2	CWF12	130,543	130,543	0	0	0	130,543	0	1111
-- C&WF CAT 1.3	CWF13	15,546,935	3,886,734	3,886,734	0	0	0	0	1111
-- C&WF CAT 2	CWF2	500,027	97,795	0	0	0	97,795	0	1111
-- C&WF CAT 3	CWF3	698,319	321,790	0	0	302,534	19,256	0	1111
-- C&WF CAT 4	CWF4	30,634	7,370	0	0	7,370	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	223,020	70,405	41,379	11,988	9,003	8,035	0	1111
ACCUM DEPRECIATION	ACCDEP	15,494,732	5,323,250	2,508,705	1,476,361	758,299	572,247	7,638	1111
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1111
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1111
NETWORK SUPPORT EXP	NETSPX	1,246	394	231	67	50	45	1	1111
GENERAL SUPPORT EXP	GSFX	190,023	60,074	34,806	10,084	7,573	6,759	852	1111
COE EXPENSE	COEX	357,497	149,553	22,717	82,314	28,264	16,259	0	1111
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1111
C&WF EXPENSE	CWFX	280,799	73,355	64,153	0	5,115	4,087	0	1111
OTHER PROP & PL EXP	OTHPX	2	1	0	0	0	0	0	1111
NETWORK OPERATIONS EXP	NETOPX	388,389	122,785	72,164	20,907	15,702	14,013	0	1111
DEPREC & AMORT EXP	DEPAMX	1,611,104	521,902	293,314	71,548	74,783	81,294	963	1111
MARKETING EXPENSE	MRKTX	8,779	3,071	1,802	522	392	350	4	1111
SERVICES EXPENSE	SERVX	359,034	162,265	78,837	28,762	19,960	4,066	30,640	1111
- CABSX EXPENSE	CABSX	28,526	14,263	0	5,891	4,424	3,948	0	1111
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1111
GENERAL & ADMIN EXP	GENADX	914,589	354,584	190,780	78,736	42,529	25,156	17,384	1111
OTHER TAXES (EXCL FIT & ITC)	OTAXES	242,100	74,876	44,006	12,749	9,575	8,545	0	1111
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1111
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1111
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1111

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	98,197	25,574	12,030	5,594	1,087	6,862	0	1112
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1112
- GENERAL SUPPORT FACILITIES	GSF	1,062,965	424,423	199,658	92,844	18,041	113,880	0	1112
- CENTRAL OFFICE EQUIPMENT	COE	4,964,414	3,194,419	439,858	1,196,168	167,337	1,391,056	0	1112
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1112
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1112
-- COE CAT 3	COE3	1,407,256	1,196,168	0	1,196,168	0	0	0	1112
-- COE CAT 4.11	COE411	1,295,637	1,295,637	0	0	0	1,295,637	0	1112
-- COE CAT 4.12	COE412	100,130	0	0	0	0	0	0	1112
-- COE CAT 4.13	COE413	1,762,616	443,043	439,858	0	0	3,185	0	1112
-- COE CAT 4.2	COE42	398,775	259,571	0	0	167,337	92,234	0	1112
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1112
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1112
- CABLE & WIRE FACILITIES	CWF	8,730,377	2,273,666	2,132,447	0	65,094	76,124	0	1112
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1112
-- C&WF CAT 1.2	CWF12	15,443	15,443	0	0	0	15,443	0	1112
-- C&WF CAT 1.3	CWF13	8,529,789	2,132,447	2,132,447	0	0	0	0	1112
-- C&WF CAT 2	CWF2	74,013	60,181	0	0	0	60,181	0	1112
-- C&WF CAT 3	CWF3	111,132	65,594	0	0	65,094	500	0	1112
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1112
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1112
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1112
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1112
ACCUM DEPRECIATION	ACCDEP	5,449,996	2,237,749	998,253	552,422	92,969	594,106	0	1112
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1112
NET DEFERRED FIT	NTDFIT	1,399,770	559,071	262,851	122,502	23,755	149,962	0	1112
NETWORK SUPPORT EXP	NETSPX	13,751	5,491	2,583	1,201	233	1,473	0	1112
GENERAL SUPPORT EXP	GSFX	47,184	18,840	8,863	4,121	801	5,055	0	1112
COE EXPENSE	COEX	209,667	134,913	15,965	35,081	33,377	50,490	0	1112
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1112
C&WF EXPENSE	CWFX	367,147	95,617	89,678	0	2,737	3,201	0	1112
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1112
NETWORK OPERATIONS EXP	NETOPX	86,870	34,686	16,317	7,588	1,474	9,307	0	1112
DEPREC & AMORT EXP	DEPAMX	886,631	403,794	146,540	84,987	20,834	151,432	0	1112
MARKETING EXPENSE	MRKTX	91,823	37,143	17,473	8,125	1,579	9,966	0	1112
SERVICES EXPENSE	SERVX	398,239	139,223	40,541	21,936	4,262	17,962	54,521	1112
- CABSX EXPENSE	CABSX	70,356	35,178	0	14,531	2,824	17,823	0	1112
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1112
GENERAL & ADMIN EXP	GENADX	865,927	350,350	152,350	56,302	32,073	70,297	39,328	1112
OTHER TAXES (EXCL FIT & ITC)	OTAXES	95,247	48,184	23,157	9,974	2,068	12,986	0	1112
INVESTMENT TAX CREDITS (ITC)	ITC	4,824	1,926	906	421	82	517	0	1112
NON-OPERATING INC & EXP	NONOPX	5,863	2,372	1,116	519	101	636	0	1112
INTEREST & RELATED ITEMS(IRI)	INTREL	381,286	148,647	69,927	32,517	6,319	39,884	0	1112

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	93,690	25,276	17,277	3,832	298	3,855	15	1113
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1113
- GENERAL SUPPORT FACILITIES	GSF	1,885,405	580,161	393,134	87,185	6,771	87,714	5,357	1113
- CENTRAL OFFICE EQUIPMENT	COE	9,143,558	3,520,340	1,484,654	1,296,431	5,889	733,366	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	2,021,347	1,296,431	0	1,296,431	0	0	0	1113
-- COE CAT 4.11	COE411	822,515	729,194	0	0	0	729,194	0	1113
-- COE CAT 4.12	COE412	7,828	0	0	0	0	0	0	1113
-- COE CAT 4.13	COE413	5,949,623	1,488,782	1,484,654	0	0	4,128	0	1113
-- COE CAT 4.2	COE42	337,369	4,131	0	0	4,087	44	0	1113
-- COE CAT 4.3	COE43	4,876	1,801	0	0	1,801	0	0	1113
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1113
- CABLE & WIRE FACILITIES	CWF	18,633,250	5,026,903	4,361,187	0	94,793	570,923	0	1113
-- C&WF CAT 1.1	CWF11	20,209	0	0	0	0	0	0	1113
-- C&WF CAT 1.2	CWF12	12,126	12,126	0	0	0	12,126	0	1113
-- C&WF CAT 1.3	CWF13	17,444,749	4,361,187	4,361,187	0	0	0	0	1113
-- C&WF CAT 2	CWF2	1,002,569	557,780	0	0	0	557,780	0	1113
-- C&WF CAT 3	CWF3	98,940	75,617	0	0	74,600	1,017	0	1113
-- C&WF CAT 4	CWF4	54,657	20,193	0	0	20,193	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	600,506	184,674	126,307	28,011	2,175	28,181	0	1113
ACCUM DEPRECIATION	ACCDEP	20,309,846	6,492,498	4,119,701	1,266,299	65,206	1,036,583	4,708	1113
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1113
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1113
NETWORK SUPPORT EXP	NETSPX	4,108	1,264	864	192	15	193	1	1113
GENERAL SUPPORT EXP	GSFX	153,462	47,222	31,999	7,096	551	7,139	436	1113
COE EXPENSE	COEX	193,055	74,328	17,201	48,562	68	8,497	0	1113
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1113
C&WF EXPENSE	CWFX	514,180	138,716	120,346	0	2,616	15,754	0	1113
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1113
NETWORK OPERATIONS EXP	NETOPX	200,189	61,600	42,131	9,343	726	9,400	0	1113
DEPREC & AMORT EXP	DEPAMX	1,902,465	586,467	399,547	85,334	6,615	94,595	376	1113
MARKETING EXPENSE	MRKTX	9,585	2,992	2,045	454	35	456	2	1113
SERVICES EXPENSE	SERVX	351,911	175,761	96,379	26,532	1,903	6,329	44,618	1113
- CABSX EXPENSE	CABSX	25,850	12,925	0	6,203	482	6,240	0	1113
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1113
GENERAL & ADMIN EXP	GENADX	737,905	296,402	192,241	50,291	3,227	26,061	24,582	1113
OTHER TAXES (EXCL FIT & ITC)	OTAXES	217,950	67,863	46,414	10,293	799	10,356	0	1113
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1113
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1113
INTEREST & RELATED ITEMS(IRI)	INTREL	439	124	85	19	1	19	0	1113

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	3,093	795	605	146	17	26	0	1114
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1114
- GENERAL SUPPORT FACILITIES	GSF	212,106	62,993	47,968	11,592	1,341	2,092	0	1114
- CENTRAL OFFICE EQUIPMENT	COE	283,304	108,137	51,559	48,269	5,584	2,726	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	56,787	48,269	0	48,269	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	208,734	53,642	51,559	0	0	2,083	0	1114
-- COE CAT 4.2	COE42	17,783	6,227	0	0	5,584	643	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	599,916	154,170	148,183	0	0	5,987	0	1114
-- C&WF CAT 1.1	CWF11	1,197	0	0	0	0	0	0	1114
-- C&WF CAT 1.2	CWF12	5,987	5,987	0	0	0	5,987	0	1114
-- C&WF CAT 1.3	CWF13	592,731	148,183	148,183	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	36	11	8	2	0	0	0	1114
ACCUM DEPRECIATION	ACCDEP	580,728	182,874	128,770	47,786	1,000	5,318	0	1114
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1114
NET DEFERRED FIT	NTDFIT	277,057	82,283	62,657	15,141	1,752	2,733	0	1114
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1114
GENERAL SUPPORT EXP	GSFX	4,695	1,394	1,062	257	30	46	0	1114
COE EXPENSE	COEX	74,160	28,307	16,127	9,581	1,747	853	0	1114
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1114
C&WF EXPENSE	CWFX	48,615	12,493	12,008	0	0	485	0	1114
OTHER PROP & PL EXP	OTHPPX	147	44	33	8	1	1	0	1114
NETWORK OPERATIONS EXP	NETOPX	19,001	5,643	4,297	1,038	120	187	0	1114
DEPREC & AMORT EXP	DEPAMX	48,359	18,676	9,248	8,896	142	390	0	1114
MARKETING EXPENSE	MRKTX	908	150	114	28	3	5	0	1114
SERVICES EXPENSE	SERVX	138,822	27,031	10,861	4,462	467	10,639	602	1114
- CABSX EXPENSE	CABSX	4,980	2,490	0	1,921	222	347	0	1114
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1114
GENERAL & ADMIN EXP	GENADX	427,281	151,812	90,005	31,091	4,788	24,709	1,218	1114
OTHER TAXES (EXCL FIT & ITC)	OTAXES	18,058	5,273	4,136	807	146	184	0	1114
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1114
NON-OPERATING INC & EXP	NONOPX	1,150	497	379	91	11	17	0	1114
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1114

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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	30,224	8,878	5,306	2,657	915	0	0	1115
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1115
- GENERAL SUPPORT FACILITIES	GSF	301,388	104,440	62,413	31,260	10,767	0	0	1115
- CENTRAL OFFICE EQUIPMENT	COE	1,647,514	657,954	304,500	341,938	11,515	0	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	402,280	341,938	0	341,938	0	0	0	1115
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1115
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1115
-- COE CAT 4.13	COE413	1,232,373	304,500	304,500	0	0	0	0	1115
-- COE CAT 4.2	COE42	12,861	11,515	0	0	11,515	0	0	1115
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1115
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1115
- CABLE & WIRE FACILITIES	CWF	1,649,253	484,473	378,211	0	106,262	0	0	1115
-- C&WF CAT 1.1	CWF11	17,851	0	0	0	0	0	0	1115
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1115
-- C&WF CAT 1.3	CWF13	1,512,842	378,211	378,211	0	0	0	0	1115
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1115
-- C&WF CAT 3	CWF3	118,560	106,262	0	0	106,262	0	0	1115
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	24,721	8,567	5,119	2,564	883	0	0	1115
ACCUM DEPRECIATION	ACCDEP	2,043,370	726,253	415,476	248,646	62,131	0	0	1115
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1115
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1115
NETWORK SUPPORT EXP	NETSPX	938	325	194	97	34	0	0	1115
GENERAL SUPPORT EXP	GSFX	28,438	9,855	5,889	2,950	1,016	0	0	1115
COE EXPENSE	COEX	176,401	70,448	59,495	8,702	2,250	0	0	1115
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1115
C&WF EXPENSE	CWFX	77,951	22,898	17,876	0	5,022	0	0	1115
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1115
NETWORK OPERATIONS EXP	NETOPX	91,071	31,559	18,859	9,446	3,254	0	0	1115
DEPREC & AMORT EXP	DEPAMX	327,711	122,563	64,096	50,507	7,960	0	0	1115
MARKETING EXPENSE	MRKTX	12,798	12,251	7,321	3,667	1,263	0	0	1115
SERVICES EXPENSE	SERVX	73,868	36,435	12,357	10,602	2,869	0	10,608	1115
- CABSX EXPENSE	CABSX	8,849	4,425	0	3,291	1,134	0	0	1115
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1115
GENERAL & ADMIN EXP	GENADX	634,972	283,849	189,869	53,949	23,894	0	16,137	1115
OTHER TAXES (EXCL FIT & ITC)	OTAXES	206,878	71,787	42,900	21,487	7,401	0	0	1115
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1115
NON-OPERATING INC & EXP	NONOPX	14,551	6,505	3,887	1,947	671	0	0	1115
INTEREST & RELATED ITEMS(IRI)	INTREL	29,312	9,798	5,855	2,933	1,010	0	0	1115

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	287,605	86,239	21,653	38,466	22,890	3,230	0	1116
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1116
- GENERAL SUPPORT FACILITIES	GSF	1,338,594	638,263	157,333	279,165	166,609	23,470	11,687	1116
- CENTRAL OFFICE EQUIPMENT	COE	3,804,092	2,658,819	86,884	1,842,441	687,338	42,156	0	1116
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1116
-- COE CAT 2	COE2	572,876	468,316	0	0	468,316	0	0	1116
-- COE CAT 3	COE3	2,511,243	1,841,271	0	1,841,271	0	0	0	1116
-- COE CAT 4.11	COE411	41,004	41,004	0	0	0	41,004	0	1116
-- COE CAT 4.12	COE412	7,000	0	0	0	0	0	0	1116
-- COE CAT 4.13	COE413	349,688	87,745	86,884	0	0	861	0	1116
-- COE CAT 4.2	COE42	322,281	220,483	0	1,170	219,021	292	0	1116
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1116
- INFORMATION ORIG/TERM	IOT	20,469	20,469	0	0	0	20,469	0	1116
- CABLE & WIRE FACILITIES	CWF	4,848,183	1,456,014	951,489	0	412,254	92,271	0	1116
-- C&WF CAT 1.1	CWF11	14,140	0	0	0	0	0	0	1116
-- C&WF CAT 1.2	CWF12	9,427	9,427	0	0	0	9,427	0	1116
-- C&WF CAT 1.3	CWF13	3,805,956	951,489	951,489	0	0	0	0	1116
-- C&WF CAT 2	CWF2	259,128	65,986	0	0	0	65,986	0	1116
-- C&WF CAT 3	CWF3	759,533	429,112	0	0	412,254	16,859	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	513,028	244,021	61,274	108,721	64,886	9,140	0	1116
ACCUM DEPRECIATION	ACCDEP	6,213,526	3,239,326	632,025	1,660,948	847,478	91,292	7,583	1116
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1116
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1116
NETWORK SUPPORT EXP	NETSPX	162,845	77,647	19,449	34,510	20,596	2,901	190	1116
GENERAL SUPPORT EXP	GSFX	145,950	69,591	17,154	30,438	18,166	2,559	1,274	1116
COE EXPENSE	COEX	75,729	52,930	2,475	34,301	14,954	1,201	0	1116
IOT EXPENSE	IOTX	690	690	0	0	0	690	0	1116
C&WF EXPENSE	CWFX	225,324	67,670	44,221	0	19,160	4,288	0	1116
OTHER PROP & PL EXP	OTHPPX	26,747	12,753	3,202	5,682	3,391	478	0	1116
NETWORK OPERATIONS EXP	NETOPX	345,569	164,773	41,374	73,413	43,814	6,172	0	1116
DEPREC & AMORT EXP	DEPAMX	497,484	268,739	45,732	150,968	64,628	7,104	307	1116
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1116
SERVICES EXPENSE	SERVX	443,263	180,207	24,487	66,983	35,932	1,582	51,223	1116
- CABSX EXPENSE	CABSX	63,274	31,637	0	18,822	11,233	1,582	0	1116
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1116
GENERAL & ADMIN EXP	GENADX	710,640	383,673	99,682	147,016	93,493	11,908	31,574	1116
OTHER TAXES (EXCL FIT & ITC)	OTAXES	157,483	74,907	18,809	33,374	19,918	2,806	0	1116
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1116
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1116
INTEREST & RELATED ITEMS(IRI)	INTREL	110,111	44,663	11,188	19,851	11,847	1,669	109	1116

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	212,292	52,557	40,245	5,503	3,482	3,327	0	1117
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1117
- GENERAL SUPPORT FACILITIES	GSF	3,053,871	822,766	630,021	86,145	54,514	52,086	0	1117
- CENTRAL OFFICE EQUIPMENT	COE	10,241,463	2,806,612	1,422,136	852,114	450,330	82,033	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	3,191,592	852,114	0	852,114	0	0	0	1117
-- COE CAT 4.11	COE411	640,129	0	0	0	0	0	0	1117
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1117
-- COE CAT 4.13	COE413	5,720,626	1,435,965	1,422,136	0	0	13,829	0	1117
-- COE CAT 4.2	COE42	688,386	517,980	0	0	449,776	68,204	0	1117
-- COE CAT 4.3	COE43	730	554	0	0	554	0	0	1117
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1117
- CABLE & WIRE FACILITIES	CWF	19,966,372	5,331,903	4,809,813	0	88,905	433,184	0	1117
-- C&WF CAT 1.1	CWF11	61,736	0	0	0	0	0	0	1117
-- C&WF CAT 1.2	CWF12	46,770	46,770	0	0	0	46,770	0	1117
-- C&WF CAT 1.3	CWF13	19,239,252	4,809,813	4,809,813	0	0	0	0	1117
-- C&WF CAT 2	CWF2	498,466	385,897	0	0	0	385,897	0	1117
-- C&WF CAT 3	CWF3	82,600	60,929	0	0	60,411	518	0	1117
-- C&WF CAT 4	CWF4	37,548	28,494	0	0	28,494	0	0	1117
- TANGIBLES	TANGIB	843,074	227,139	173,928	23,782	15,050	14,379	0	1117
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1117
TELCOM PLANT-OTHER	PLTOTH	193,494	52,131	39,918	5,458	3,454	3,300	0	1117
ACCUM DEPRECIATION	ACCDEP	18,617,202	5,020,479	3,642,741	724,522	356,548	296,668	0	1117
ACCUM AMORTIZATION	ACCAMO	492,693	132,740	101,644	13,898	8,795	8,403	0	1117
NET DEFERRED FIT	NTDFIT	1,431,620	385,704	295,415	40,306	25,559	24,423	0	1117
NETWORK SUPPORT EXP	NETSPX	18,944	5,104	3,908	534	338	323	0	1117
GENERAL SUPPORT EXP	GSFX	605,554	163,147	124,927	17,082	10,810	10,328	0	1117
COE EXPENSE	COEX	1,072,456	323,113	84,024	199,018	35,225	4,847	0	1117
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1117
C&WF EXPENSE	CWFX	1,470,089	392,579	354,138	0	6,546	31,895	0	1117
OTHER PROP & PL EXP	OTHPPX	31,192	8,404	6,435	880	557	532	0	1117
NETWORK OPERATIONS EXP	NETOPX	260,198	70,102	53,679	7,340	4,645	4,438	0	1117
DEPREC & AMORT EXP	DEPAMX	2,472,918	669,966	468,177	100,431	65,350	36,008	0	1117
MARKETING EXPENSE	MRKTX	372,344	94,489	72,353	9,893	6,261	5,982	0	1117
SERVICES EXPENSE	SERVX	865,246	327,696	125,317	19,695	12,457	4,884	165,344	1117
- CABSX EXPENSE	CABSX	46,044	17,235	0	7,703	4,875	4,658	0	1117
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1117
GENERAL & ADMIN EXP	GENADX	1,953,959	636,488	400,851	107,092	32,341	26,612	69,592	1117
OTHER TAXES (EXCL FIT & ITC)	OTAXES	598,227	192,483	152,615	15,001	12,134	12,734	0	1117
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1117
NON-OPERATING INC & EXP	NONOPX	15,216	4,810	3,683	504	319	305	0	1117
INTEREST & RELATED ITEMS(IRI)	INTREL	216,956	57,706	44,188	6,042	3,823	3,653	0	1117

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	21,565	6,075	2,548	2,130	140	1,257	0	1118
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1118
- GENERAL SUPPORT FACILITIES	GSF	1,690,076	690,999	289,762	242,321	15,949	142,966	0	1118
- CENTRAL OFFICE EQUIPMENT	COE	2,753,998	1,646,473	195,426	981,828	61,933	407,286	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	1,384,619	981,828	0	981,828	0	0	0	1118
-- COE CAT 4.11	COE411	284,666	284,666	0	0	0	284,666	0	1118
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1118
-- COE CAT 4.13	COE413	781,702	195,426	195,426	0	0	0	0	1118
-- COE CAT 4.2	COE42	155,801	136,076	0	0	13,456	122,620	0	1118
-- COE CAT 4.3	COE43	147,210	48,477	0	0	48,477	0	0	1118
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1118
- CABLE & WIRE FACILITIES	CWF	4,093,786	1,153,290	978,622	0	2,689	171,979	0	1118
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1118
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1118
-- C&WF CAT 1.3	CWF13	3,914,489	978,622	978,622	0	0	0	0	1118
-- C&WF CAT 2	CWF2	171,979	171,979	0	0	0	171,979	0	1118
-- C&WF CAT 3	CWF3	3,659	1,484	0	0	1,484	0	0	1118
-- C&WF CAT 4	CWF4	3,659	1,205	0	0	1,205	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	206,450	84,408	35,396	29,601	1,948	17,464	0	1118
ACCUM DEPRECIATION	ACCDEP	5,070,044	2,208,808	791,505	985,928	43,183	388,191	0	1118
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1118
NET DEFERRED FIT	NTDFIT	839,153	343,138	143,847	120,397	7,918	70,976	0	1118
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1118
GENERAL SUPPORT EXP	GSFX	36,142	14,777	6,197	5,182	341	3,057	0	1118
COE EXPENSE	COEX	206,896	123,693	19,024	45,232	19,790	39,647	0	1118
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1118
C&WF EXPENSE	CWFX	355,766	100,225	85,046	0	234	14,946	0	1118
OTHER PROP & PL EXP	OTHPPX	4,987	2,039	855	715	47	422	0	1118
NETWORK OPERATIONS EXP	NETOPX	124,467	50,889	21,340	17,846	1,175	10,529	0	1118
DEPREC & AMORT EXP	DEPAMX	659,941	306,956	93,776	129,300	9,749	74,131	0	1118
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1118
SERVICES EXPENSE	SERVX	247,249	98,311	14,491	34,852	2,294	17,292	29,382	1118
- CABSX EXPENSE	CABSX	96,219	48,110	0	29,055	1,912	17,142	0	1118
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1118
GENERAL & ADMIN EXP	GENADX	498,280	217,452	86,539	55,940	12,866	46,277	15,831	1118
OTHER TAXES (EXCL FIT & ITC)	OTAXES	68,905	34,913	16,134	9,901	892	7,986	0	1118
INVESTMENT TAX CREDITS (ITC)	ITC	3,862	1,579	662	554	36	327	0	1118
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1118
INTEREST & RELATED ITEMS(IRI)	INTREL	6,954	2,506	1,051	879	58	518	0	1118

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	271,527	63,404	41,231	13,966	6,787	1,420	0	1119
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1119
- GENERAL SUPPORT FACILITIES	GSF	3,525,470	918,446	593,612	200,961	97,821	20,451	5,601	1119
- CENTRAL OFFICE EQUIPMENT	COE	7,456,595	2,283,868	644,637	1,198,316	344,045	96,870	0	1119
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1119
-- COE CAT 2	COE2	463,577	118,912	0	0	118,912	0	0	1119
-- COE CAT 3	COE3	3,033,232	1,197,742	0	1,197,742	0	0	0	1119
-- COE CAT 4.11	COE411	143,008	93,743	0	0	0	93,743	0	1119
-- COE CAT 4.12	COE412	125,094	0	0	0	0	0	0	1119
-- COE CAT 4.13	COE413	2,698,754	644,637	644,637	0	0	0	0	1119
-- COE CAT 4.2	COE42	992,930	228,835	0	574	225,133	3,127	0	1119
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1119
- INFORMATION ORIG/TERM	IOT	22,999	22,999	0	0	0	22,999	0	1119
- CABLE & WIRE FACILITIES	CWF	13,414,358	3,136,369	2,895,035	0	239,256	2,078	0	1119
-- C&WF CAT 1.1	CWF11	539,846	0	0	0	0	0	0	1119
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1119
-- C&WF CAT 1.3	CWF13	11,580,140	2,895,035	2,895,035	0	0	0	0	1119
-- C&WF CAT 2	CWF2	329,172	0	0	0	0	0	0	1119
-- C&WF CAT 3	CWF3	965,200	241,334	0	0	239,256	2,078	0	1119
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1119
- TANGIBLES	TANGIB	3,028	789	510	173	84	18	5	1119
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1119
TELCOM PLANT-OTHER	PLTOTH	2,853,327	742,395	482,771	163,527	79,465	16,632	0	1119
ACCUM DEPRECIATION	ACCDEP	12,027,562	3,250,439	1,879,311	952,873	337,344	76,328	4,583	1119
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1119
NET DEFERRED FIT	NTDFIT	3,240,128	869,873	507,309	257,048	91,049	14,467	0	1119
NETWORK SUPPORT EXP	NETSPX	2,869	747	486	164	80	17	1	1119
GENERAL SUPPORT EXP	GSFX	198,106	51,610	33,357	11,293	5,497	1,149	315	1119
COE EXPENSE	COEX	377,179	115,526	36,565	55,217	18,249	5,495	0	1119
IOT EXPENSE	IOTX	153	153	0	0	0	153	0	1119
C&WF EXPENSE	CWFX	643,203	150,385	138,814	0	11,472	100	0	1119
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1119
NETWORK OPERATIONS EXP	NETOPX	183,710	47,860	31,123	10,536	5,129	1,072	0	1119
DEPREC & AMORT EXP	DEPAMX	1,332,659	360,996	204,242	103,063	41,232	11,809	651	1119
MARKETING EXPENSE	MRKTX	56,514	11,131	7,232	2,448	1,192	249	10	1119
SERVICES EXPENSE	SERVX	290,822	46,578	501	11,957	4,039	14,001	16,079	1119
- CABSX EXPENSE	CABSX	26,309	13,155	0	8,281	4,031	843	0	1119
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1119
GENERAL & ADMIN EXP	GENADX	776,244	231,611	135,516	50,046	24,941	12,147	8,961	1119
OTHER TAXES (EXCL FIT & ITC)	OTAXES	226,285	58,899	38,301	12,967	6,312	1,320	0	1119
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1119
NON-OPERATING INC & EXP	NONOPX	11,785	3,752	2,438	825	402	84	3	1119
INTEREST & RELATED ITEMS(IRI)	INTREL	303,714	75,381	48,976	16,580	8,071	1,687	66	1119

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	85,887	21,593	12,443	8,575	203	318	54	1120
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1120
- GENERAL SUPPORT FACILITIES	GSF	11,211,875	3,802,871	2,183,556	1,504,788	35,648	55,874	23,004	1120
- CENTRAL OFFICE EQUIPMENT	COE	9,621,911	5,026,015	901,070	4,005,939	82,772	24,364	11,871	1120
-- COE CAT 1	COE1	143,328	35,112	0	23,241	0	0	11,871	1120
-- COE CAT 2	COE2	57,443	27,670	0	0	27,670	0	0	1120
-- COE CAT 3	COE3	5,496,363	3,982,698	0	3,982,698	0	0	0	1120
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1120
-- COE CAT 4.12	COE412	39,652	0	0	0	0	0	0	1120
-- COE CAT 4.13	COE413	3,674,925	923,887	901,070	0	0	22,817	0	1120
-- COE CAT 4.2	COE42	210,200	56,649	0	0	55,102	1,546	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	20,079,987	5,048,346	4,911,838	0	12,127	124,381	0	1120
-- C&WF CAT 1.1	CWF11	260,721	0	0	0	0	0	0	1120
-- C&WF CAT 1.2	CWF12	124,381	124,381	0	0	0	124,381	0	1120
-- C&WF CAT 1.3	CWF13	19,647,352	4,911,838	4,911,838	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	398,788	134,922	77,942	53,713	1,272	1,994	0	1120
ACCUM DEPRECIATION	ACCDEP	26,701,671	9,361,607	5,069,041	4,055,098	84,205	129,638	23,625	1120
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1120
NET DEFERRED FIT	NTDFIT	591,709	198,120	116,853	76,452	1,826	2,989	0	1120
NETWORK SUPPORT EXP	NETSPX	470,023	159,424	91,864	63,308	1,500	2,351	401	1120
GENERAL SUPPORT EXP	GSFX	3,502,770	1,188,078	682,178	470,120	11,137	17,456	7,187	1120
COE EXPENSE	COEX	1,461,476	763,404	29,903	725,821	6,871	809	0	1120
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1120
C&WF EXPENSE	CWFX	3,279,011	824,382	802,091	0	1,980	20,311	0	1120
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1120
NETWORK OPERATIONS EXP	NETOPX	804,457	272,858	157,439	108,498	2,570	4,029	322	1120
DEPREC & AMORT EXP	DEPAMX	2,045,793	749,493	370,293	360,277	7,551	9,498	1,874	1120
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1120
SERVICES EXPENSE	SERVX	1,124,650	198,202	32,785	74,996	317	264	89,839	1120
- CABSX EXPENSE	CABSX	13,660	6,831	0	6,439	153	239	0	1120
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1120
GENERAL & ADMIN EXP	GENADX	2,915,993	926,784	498,135	384,097	6,490	12,039	26,023	1120
OTHER TAXES (EXCL FIT & ITC)	OTAXES	637,006	213,777	126,637	81,730	2,054	3,241	115	1120
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1120
NON-OPERATING INC & EXP	NONOPX	192,048	61,038	35,172	24,239	574	900	153	1120
INTEREST & RELATED ITEMS(IRI)	INTREL	2,884	915	527	363	9	13	2	1120

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	651,107	184,435	109,654	22,917	18,468	33,234	162	1121
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1121
- GENERAL SUPPORT FACILITIES	GSF	7,515,511	2,485,543	1,468,421	306,887	247,315	445,055	17,865	1121
- CENTRAL OFFICE EQUIPMENT	COE	16,295,230	7,057,272	1,922,663	2,100,158	570,723	2,463,728	0	1121
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1121
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1121
-- COE CAT 3	COE3	4,283,869	1,982,534	0	1,982,534	0	0	0	1121
-- COE CAT 4.11	COE411	2,244,598	2,221,233	0	0	0	2,221,233	0	1121
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1121
-- COE CAT 4.13	COE413	7,750,436	1,968,896	1,922,663	0	0	46,233	0	1121
-- COE CAT 4.2	COE42	838,815	375,578	0	0	179,316	196,262	0	1121
-- COE CAT 4.3	COE43	1,021,244	391,407	0	0	391,407	0	0	1121
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1121
- CABLE & WIRE FACILITIES	CWF	37,626,778	10,658,285	8,689,181	0	1,216,553	752,551	0	1121
-- C&WF CAT 1.1	CWF11	61,242	0	0	0	0	0	0	1121
-- C&WF CAT 1.2	CWF12	208,944	208,944	0	0	0	208,944	0	1121
-- C&WF CAT 1.3	CWF13	34,756,723	8,689,181	8,689,181	0	0	0	0	1121
-- C&WF CAT 2	CWF2	750,574	390,482	0	0	0	390,482	0	1121
-- C&WF CAT 3	CWF3	1,818,227	1,357,771	0	0	1,204,645	153,125	0	1121
-- C&WF CAT 4	CWF4	31,068	11,907	0	0	11,907	0	0	1121
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1121
- INTANGIBLES	INTANG	165,344	54,683	32,511	6,795	5,476	9,854	48	1121
TELCOM PLANT-OTHER	PLTOTH	5,844,229	1,931,114	1,149,132	240,159	193,540	348,284	0	1121
ACCUM DEPRECIATION	ACCDEP	43,227,225	14,830,746	8,020,520	2,629,317	1,395,607	2,771,956	13,346	1121
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1121
NET DEFERRED FIT	NTDFIT	4,273,969	1,415,247	835,262	190,434	140,180	249,371	0	1121
NETWORK SUPPORT EXP	NETSPX	49,670	16,427	9,766	2,041	1,645	2,960	14	1121
GENERAL SUPPORT EXP	GSFX	987,053	326,440	192,856	40,305	32,481	58,451	2,346	1121
COE EXPENSE	COEX	2,090,539	920,478	172,529	475,655	51,213	221,081	0	1121
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1121
C&WF EXPENSE	CWFX	1,357,698	384,586	313,534	0	43,897	27,155	0	1121
OTHER PROP & PL EXP	OTHPX	37,962	12,555	7,471	1,561	1,258	2,264	0	1121
NETWORK OPERATIONS EXP	NETOPX	1,142,938	377,994	224,930	47,008	37,883	68,173	0	1121
DEPREC & AMORT EXP	DEPAMX	3,832,125	1,314,763	714,793	218,130	125,478	255,428	933	1121
MARKETING EXPENSE	MRKTX	12,057	3,169	1,884	394	317	571	3	1121
SERVICES EXPENSE	SERVX	672,504	253,216	93,562	48,142	29,911	30,960	50,640	1121
- CABSX EXPENSE	CABSX	135,586	67,793	0	20,820	16,779	30,194	0	1121
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1121
GENERAL & ADMIN EXP	GENADX	3,767,893	1,423,674	671,151	362,098	116,915	242,308	31,202	1121
OTHER TAXES (EXCL FIT & ITC)	OTAXES	707,672	226,498	143,191	19,750	23,652	39,857	49	1121
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1121
NON-OPERATING INC & EXP	NONOPX	21,678	8,191	4,870	1,018	820	1,476	7	1121
INTEREST & RELATED ITEMS(IRI)	INTREL	288,389	87,417	51,973	10,862	8,753	15,752	77	1121

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	94,502	31,773	14,406	4,789	4,579	8,000	0	1122
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1122
- GENERAL SUPPORT FACILITIES	GSF	3,186,555	1,183,339	536,526	178,352	170,521	297,938	0	1122
- CENTRAL OFFICE EQUIPMENT	COE	11,455,498	5,016,869	1,168,802	1,856,105	1,256,704	735,258	0	1122
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1122
-- COE CAT 2	COE2	55,158	19,357	0	0	19,357	0	0	1122
-- COE CAT 3	COE3	2,701,034	1,856,105	0	1,856,105	0	0	0	1122
-- COE CAT 4.11	COE411	681,579	681,579	0	0	0	681,579	0	1122
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1122
-- COE CAT 4.13	COE413	4,740,251	1,211,416	1,168,802	0	0	42,614	0	1122
-- COE CAT 4.2	COE42	2,568,575	989,424	0	0	978,359	11,065	0	1122
-- COE CAT 4.3	COE43	708,901	258,988	0	0	258,988	0	0	1122
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1122
- CABLE & WIRE FACILITIES	CWF	21,706,840	7,298,084	4,414,805	0	517,905	2,365,373	0	1122
-- C&WF CAT 1.1	CWF11	84,717	0	0	0	0	0	0	1122
-- C&WF CAT 1.2	CWF12	160,962	160,962	0	0	0	160,962	0	1122
-- C&WF CAT 1.3	CWF13	17,659,221	4,414,805	4,414,805	0	0	0	0	1122
-- C&WF CAT 2	CWF2	2,374,397	2,203,475	0	0	0	2,203,475	0	1122
-- C&WF CAT 3	CWF3	195,915	68,881	0	0	67,945	936	0	1122
-- C&WF CAT 4	CWF4	1,231,628	449,961	0	0	449,961	0	0	1122
- TANGIBLES	TANGIB	17,600	6,536	2,963	985	942	1,646	0	1122
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1122
TELCOM PLANT-OTHER	PLTOTH	3,627,500	1,347,085	610,769	203,032	194,118	339,166	0	1122
ACCUM DEPRECIATION	ACCDEP	25,628,984	9,785,029	4,277,679	2,066,124	1,092,883	2,348,344	0	1122
ACCUM AMORTIZATION	ACCAMO	4,299	1,596	724	241	230	402	0	1122
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1122
NETWORK SUPPORT EXP	NETSPX	214,271	79,570	36,077	11,993	11,466	20,034	0	1122
GENERAL SUPPORT EXP	GSFX	486,668	180,726	81,941	27,239	26,043	45,503	0	1122
COE EXPENSE	COEX	1,342,746	588,048	46,459	458,399	53,964	29,226	0	1122
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1122
C&WF EXPENSE	CWFX	1,106,294	371,948	225,002	0	26,395	120,552	0	1122
OTHER PROP & PL EXP	OTHPPX	4,667	1,733	786	261	250	436	0	1122
NETWORK OPERATIONS EXP	NETOPX	323,206	120,024	54,419	18,090	17,296	30,219	0	1122
DEPREC & AMORT EXP	DEPAMX	2,655,973	1,064,346	397,190	297,833	146,885	222,438	0	1122
MARKETING EXPENSE	MRKTX	104,443	39,836	18,062	6,004	5,740	10,030	0	1122
SERVICES EXPENSE	SERVX	387,950	190,092	49,922	20,624	19,719	7,386	92,441	1122
- CABSX EXPENSE	CABSX	31,581	15,791	0	4,354	4,163	7,274	0	1122
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1122
GENERAL & ADMIN EXP	GENADX	1,020,399	417,257	141,649	141,174	41,855	68,527	24,051	1122
OTHER TAXES (EXCL FIT & ITC)	OTAXES	296,492	111,077	51,941	10,866	19,158	29,112	0	1122
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1122
NON-OPERATING INC & EXP	NONOPX	6,021	2,462	1,116	371	355	620	0	1122
INTEREST & RELATED ITEMS(IRI)	INTREL	1,233,259	434,860	197,166	65,542	62,664	109,488	0	1122

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	70,741	18,585	13,840	1,327	954	2,463	0	1123
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1123
- GENERAL SUPPORT FACILITIES	GSF	4,282,784	1,237,731	921,747	88,369	63,547	164,069	0	1123
- CENTRAL OFFICE EQUIPMENT	COE	16,466,482	5,266,114	3,018,349	737,904	458,927	1,050,933	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	1,823,350	737,904	0	737,904	0	0	0	1123
-- COE CAT 4.11	COE411	1,033,469	1,033,469	0	0	0	1,033,469	0	1123
-- COE CAT 4.12	COE412	84,160	0	0	0	0	0	0	1123
-- COE CAT 4.13	COE413	12,108,364	3,035,133	3,018,349	0	0	16,784	0	1123
-- COE CAT 4.2	COE42	970,469	324,718	0	0	324,038	680	0	1123
-- COE CAT 4.3	COE43	446,670	134,889	0	0	134,889	0	0	1123
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1123
- CABLE & WIRE FACILITIES	CWF	19,296,012	5,069,304	4,678,505	0	71,710	319,089	0	1123
-- C&WF CAT 1.1	CWF11	28,184	0	0	0	0	0	0	1123
-- C&WF CAT 1.2	CWF12	26,016	26,016	0	0	0	26,016	0	1123
-- C&WF CAT 1.3	CWF13	18,714,020	4,678,505	4,678,505	0	0	0	0	1123
-- C&WF CAT 2	CWF2	310,902	293,041	0	0	0	293,041	0	1123
-- C&WF CAT 3	CWF3	57,611	23,642	0	0	23,609	33	0	1123
-- C&WF CAT 4	CWF4	159,279	48,101	0	0	48,101	0	0	1123
- TANGIBLES	TANGIB	8,817	2,548	1,898	182	131	338	0	1123
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1123
TELCOM PLANT-OTHER	PLTOTH	470,719	136,039	101,309	9,713	6,984	18,033	0	1123
ACCUM DEPRECIATION	ACCDEP	27,591,844	7,954,552	5,958,596	553,983	401,138	1,040,835	0	1123
ACCUM AMORTIZATION	ACCAMO	2,955	854	636	61	44	113	0	1123
NET DEFERRED FIT	NTDFIT	200,257	57,875	43,100	4,132	2,971	7,672	0	1123
NETWORK SUPPORT EXP	NETSPX	238,227	68,848	51,272	4,915	3,535	9,126	0	1123
GENERAL SUPPORT EXP	GSFX	594,362	171,772	127,919	12,264	8,819	22,769	0	1123
COE EXPENSE	COEX	2,886,712	923,194	161,182	681,384	24,507	56,121	0	1123
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1123
C&WF EXPENSE	CWFX	996,297	261,740	241,562	0	3,703	16,475	0	1123
OTHER PROP & PL EXP	OTHPX	8,775	2,536	1,889	181	130	336	0	1123
NETWORK OPERATIONS EXP	NETOPX	388,453	112,264	83,603	8,015	5,764	14,881	0	1123
DEPREC & AMORT EXP	DEPAMX	2,643,709	779,600	545,269	90,101	40,735	103,494	0	1123
MARKETING EXPENSE	MRKTX	184,089	65,679	48,912	4,689	3,372	8,706	0	1123
SERVICES EXPENSE	SERVX	533,694	264,675	113,331	15,210	10,939	8,704	116,491	1123
- CABSX EXPENSE	CABSX	32,861	16,431	0	4,595	3,304	8,531	0	1123
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1123
GENERAL & ADMIN EXP	GENADX	1,627,269	540,922	250,006	203,063	16,982	38,318	32,553	1123
OTHER TAXES (EXCL FIT & ITC)	OTAXES	575,668	169,261	125,701	12,224	8,763	22,573	0	1123
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1123
NON-OPERATING INC & EXP	NONOPX	2,658	884	658	63	45	117	0	1123
INTEREST & RELATED ITEMS(IRI)	INTREL	289,130	83,958	62,524	5,994	4,311	11,129	0	1123

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	723,350	196,913	85,988	28,481	16,975	65,271	198	1124
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1124
- GENERAL SUPPORT FACILITIES	GSF	17,100,285	6,712,997	2,913,886	965,135	575,218	2,211,854	46,904	1124
- CENTRAL OFFICE EQUIPMENT	COE	41,200,482	23,495,119	4,493,051	5,782,867	2,526,324	10,692,877	0	1124
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1124
-- COE CAT 2	COE2	1,797,618	1,300,052	0	0	1,300,052	0	0	1124
-- COE CAT 3	COE3	7,042,151	5,782,867	0	5,782,867	0	0	0	1124
-- COE CAT 4.11	COE411	10,940,705	10,528,087	0	0	0	10,528,087	0	1124
-- COE CAT 4.12	COE412	6,674	4,342	0	0	0	4,342	0	1124
-- COE CAT 4.13	COE413	19,122,215	4,604,131	4,493,051	0	0	111,081	0	1124
-- COE CAT 4.2	COE42	1,003,479	765,777	0	0	716,409	49,367	0	1124
-- COE CAT 4.3	COE43	1,287,640	509,863	0	0	509,863	0	0	1124
- INFORMATION ORIG/TERM	IOT	208,532	51	0	0	0	51	0	1124
- CABLE & WIRE FACILITIES	CWF	60,337,014	16,446,539	12,966,291	0	920,254	2,559,994	0	1124
-- C&WF CAT 1.1	CWF11	2,998,204	0	0	0	0	0	0	1124
-- C&WF CAT 1.2	CWF12	320,563	320,563	0	0	0	320,563	0	1124
-- C&WF CAT 1.3	CWF13	51,865,165	12,966,291	12,966,291	0	0	0	0	1124
-- C&WF CAT 2	CWF2	3,393,957	2,207,952	0	0	0	2,207,952	0	1124
-- C&WF CAT 3	CWF3	728,087	543,475	0	0	511,997	31,479	0	1124
-- C&WF CAT 4	CWF4	1,031,038	408,257	0	0	408,257	0	0	1124
- TANGIBLES	TANGIB	187,516	73,612	32,145	10,647	6,346	24,400	74	1124
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1124
TELCOM PLANT-OTHER	PLTOTH	1,141,995	447,855	195,766	64,842	38,645	148,601	0	1124
ACCUM DEPRECIATION	ACCDEP	78,503,630	30,522,064	13,557,007	4,039,953	2,577,056	10,313,198	34,850	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	78,152	30,680	13,397	4,437	2,645	10,169	31	1124
GENERAL SUPPORT EXP	GSFX	599,568	235,370	102,166	33,839	20,168	77,552	1,645	1124
COE EXPENSE	COEX	1,721,412	981,658	144,951	369,184	122,558	344,965	0	1124
IOT EXPENSE	IOTX	524	0	0	0	0	0	0	1124
C&WF EXPENSE	CWFX	1,484,964	404,768	319,115	0	22,649	63,004	0	1124
OTHER PROP & PL EXP	OTHPPX	97,936	38,446	16,806	5,566	3,318	12,757	0	1124
NETWORK OPERATIONS EXP	NETOPX	1,819,920	714,433	312,293	103,437	61,649	237,054	0	1124
DEPREC & AMORT EXP	DEPAMX	9,075,918	3,852,288	1,459,567	635,902	349,848	1,404,501	2,469	1124
MARKETING EXPENSE	MRKTX	198,600	59,592	26,023	8,619	5,137	19,753	60	1124
SERVICES EXPENSE	SERVX	1,643,448	305,531	85,777	20,400	12,158	78,357	108,839	1124
- CABSX EXPENSE	CABSX	35,514	17,757	0	4,568	2,722	10,468	0	1124
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1124
GENERAL & ADMIN EXP	GENADX	3,629,744	1,313,014	483,660	258,521	118,616	399,813	52,405	1124
OTHER TAXES (EXCL FIT & ITC)	OTAXES	598,248	234,614	102,555	33,968	20,245	77,847	0	1124
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1124
NON-OPERATING INC & EXP	NONOPX	1,391	503	220	73	43	167	1	1124
INTEREST & RELATED ITEMS(IRI)	INTREL	820,404	325,733	142,241	47,113	28,079	107,972	327	1124

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	257,234	168,786	15,929	37,838	6,402	108,561	55	1125
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1125
- GENERAL SUPPORT FACILITIES	GSF	6,383,599	4,335,656	408,482	970,342	164,188	2,784,018	8,626	1125
- CENTRAL OFFICE EQUIPMENT	COE	16,392,974	11,503,784	395,382	4,915,745	588,858	5,603,798	0	1125
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1125
-- COE CAT 2	COE2	123,052	53,448	0	0	53,448	0	0	1125
-- COE CAT 3	COE3	7,967,443	4,915,745	0	4,915,745	0	0	0	1125
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1125
-- COE CAT 4.12	COE412	27,103	0	0	0	0	0	0	1125
-- COE CAT 4.13	COE413	1,596,965	405,847	395,382	0	0	10,465	0	1125
-- COE CAT 4.2	COE42	6,678,411	6,128,743	0	0	535,410	5,593,333	0	1125
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1125
- INFORMATION ORIG/TERM	IOT	10,138	2,535	2,469	0	0	65	0	1125
- CABLE & WIRE FACILITIES	CWF	15,871,811	10,414,385	1,671,516	0	242,916	8,499,953	0	1125
-- C&WF CAT 1.1	CWF11	21,015	0	0	0	0	0	0	1125
-- C&WF CAT 1.2	CWF12	44,242	44,242	0	0	0	44,242	0	1125
-- C&WF CAT 1.3	CWF13	6,686,065	1,671,516	1,671,516	0	0	0	0	1125
-- C&WF CAT 2	CWF2	8,593,198	8,433,665	0	0	0	8,433,665	0	1125
-- C&WF CAT 3	CWF3	527,291	264,962	0	0	242,916	22,046	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	7,074	4,803	453	1,077	182	3,090	0	1125
ACCUM DEPRECIATION	ACCDEP	18,338,356	12,493,313	1,047,706	3,334,085	493,808	7,611,882	5,832	1125
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1125
NET DEFERRED FIT	NTDFIT	4,063,038	2,766,482	263,217	588,407	107,217	1,807,641	0	1125
NETWORK SUPPORT EXP	NETSPX	153,784	104,448	9,857	23,415	3,962	67,180	34	1125
GENERAL SUPPORT EXP	GSFX	614,560	417,401	39,325	93,416	15,807	268,022	830	1125
COE EXPENSE	COEX	1,030,384	723,073	8,719	572,747	18,034	123,573	0	1125
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1125
C&WF EXPENSE	CWFX	492,475	323,140	51,864	0	7,537	263,739	0	1125
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1125
NETWORK OPERATIONS EXP	NETOPX	992,900	674,365	63,662	151,227	25,589	433,887	0	1125
DEPREC & AMORT EXP	DEPAMX	2,621,923	1,806,465	150,925	427,804	77,438	1,149,643	655	1125
MARKETING EXPENSE	MRKTX	24,557	7,980	753	1,789	303	5,133	3	1125
SERVICES EXPENSE	SERVX	436,493	136,846	12,570	21,493	3,637	61,667	37,479	1125
- CABSX EXPENSE	CABSX	173,594	86,797	0	21,493	3,637	61,667	0	1125
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1125
GENERAL & ADMIN EXP	GENADX	1,524,734	999,524	102,790	352,127	30,510	498,471	15,627	1125
OTHER TAXES (EXCL FIT & ITC)	OTAXES	550,273	374,679	36,856	78,239	13,961	245,606	17	1125
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1125
NON-OPERATING INC & EXP	NONOPX	45,349	29,728	2,805	6,664	1,128	19,121	10	1125
INTEREST & RELATED ITEMS(IRI)	INTREL	340,662	230,306	21,734	51,629	8,736	148,131	76	1125

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	79,451	20,139	13,686	3,493	1,205	1,726	29	1126
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1126
- GENERAL SUPPORT FACILITIES	GSF	5,302,690	1,585,231	1,069,352	272,921	94,134	134,876	13,949	1126
- CENTRAL OFFICE EQUIPMENT	COE	7,388,278	3,042,420	836,114	1,341,626	181,376	683,304	0	1126
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1126
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1126
-- COE CAT 3	COE3	2,808,881	1,300,583	0	1,300,583	0	0	0	1126
-- COE CAT 4.11	COE411	683,304	683,304	0	0	0	683,304	0	1126
-- COE CAT 4.12	COE412	52,706	0	0	0	0	0	0	1126
-- COE CAT 4.13	COE413	3,355,112	836,114	836,114	0	0	0	0	1126
-- COE CAT 4.2	COE42	37,189	13,861	0	0	13,861	0	0	1126
-- COE CAT 4.3	COE43	405,713	167,514	0	0	167,514	0	0	1126
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1126
- CABLE & WIRE FACILITIES	CWF	19,239,723	4,876,938	4,581,414	0	295,524	0	0	1126
-- C&WF CAT 1.1	CWF11	58,385	0	0	0	0	0	0	1126
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1126
-- C&WF CAT 1.3	CWF13	18,325,655	4,581,414	4,581,414	0	0	0	0	1126
-- C&WF CAT 2	CWF2	114,915	0	0	0	0	0	0	1126
-- C&WF CAT 3	CWF3	99,459	30,735	0	0	30,735	0	0	1126
-- C&WF CAT 4	CWF4	641,309	264,789	0	0	264,789	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	804	240	163	42	14	21	0	1126
ACCUM DEPRECIATION	ACCDEP	20,010,951	6,236,988	3,822,696	1,499,899	350,140	555,238	9,015	1126
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1126
NET DEFERRED FIT	NTDFIT	1,360,613	406,375	276,268	70,722	24,354	35,030	0	1126
NETWORK SUPPORT EXP	NETSPX	6,307	1,885	1,281	327	113	162	3	1126
GENERAL SUPPORT EXP	GSFX	231,229	69,126	46,630	11,901	4,105	5,881	608	1126
COE EXPENSE	COEX	345,243	144,085	36,033	70,789	7,816	29,447	0	1126
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1126
C&WF EXPENSE	CWFX	649,238	164,571	154,598	0	9,972	0	0	1126
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1126
NETWORK OPERATIONS EXP	NETOPX	249,002	74,439	50,660	12,930	4,460	6,390	0	1126
DEPREC & AMORT EXP	DEPAMX	2,040,670	633,722	395,907	134,895	37,553	64,421	945	1126
MARKETING EXPENSE	MRKTX	57,308	9,149	6,218	1,587	547	784	13	1126
SERVICES EXPENSE	SERVX	242,841	75,795	24,409	15,403	4,298	4,150	27,535	1126
- CABSX EXPENSE	CABSX	29,706	14,853	0	8,076	2,786	3,991	0	1126
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1126
GENERAL & ADMIN EXP	GENADX	1,467,309	491,848	301,325	98,153	27,212	40,686	24,473	1126
OTHER TAXES (EXCL FIT & ITC)	OTAXES	369,058	107,680	78,743	13,166	6,751	8,963	57	1126
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1126
NON-OPERATING INC & EXP	NONOPX	37,748	12,653	8,599	2,195	757	1,085	18	1126
INTEREST & RELATED ITEMS(IRI)	INTREL	42,831	11,763	7,994	2,040	704	1,008	17	1126

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	119,043	36,343	17,315	8,082	762	10,183	0	1127
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1127
- GENERAL SUPPORT FACILITIES	GSF	4,161,362	1,551,618	739,260	345,071	32,535	434,753	0	1127
- CENTRAL OFFICE EQUIPMENT	COE	5,582,040	3,355,496	120,977	2,026,457	125,533	1,082,529	0	1127
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1127
-- COE CAT 2	COE2	100,335	30,609	0	0	30,609	0	0	1127
-- COE CAT 3	COE3	3,422,092	2,026,457	0	2,026,457	0	0	0	1127
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1127
-- COE CAT 4.12	COE412	18,745	0	0	0	0	0	0	1127
-- COE CAT 4.13	COE413	488,089	122,688	120,977	0	0	1,711	0	1127
-- COE CAT 4.2	COE42	1,409,097	1,148,329	0	0	67,511	1,080,818	0	1127
-- COE CAT 4.3	COE43	143,682	27,413	0	0	27,413	0	0	1127
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1127
- CABLE & WIRE FACILITIES	CWF	18,855,897	5,756,510	4,220,386	0	65,529	1,470,595	0	1127
-- C&WF CAT 1.1	CWF11	86,221	0	0	0	0	0	0	1127
-- C&WF CAT 1.2	CWF12	59,691	59,691	0	0	0	59,691	0	1127
-- C&WF CAT 1.3	CWF13	16,881,542	4,220,386	4,220,386	0	0	0	0	1127
-- C&WF CAT 2	CWF2	1,540,122	1,407,185	0	0	0	1,407,185	0	1127
-- C&WF CAT 3	CWF3	86,614	30,764	0	0	27,045	3,719	0	1127
-- C&WF CAT 4	CWF4	201,707	38,484	0	0	38,484	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	86,461	32,238	15,360	7,170	676	9,033	0	1127
ACCUM DEPRECIATION	ACCDEP	20,642,300	7,720,693	3,608,177	2,038,387	146,744	1,927,385	0	1127
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1127
NET DEFERRED FIT	NTDFIT	1,578,561	587,876	279,401	140,605	11,720	156,150	0	1127
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1127
GENERAL SUPPORT EXP	GSFX	291,801	108,802	51,838	24,197	2,281	30,486	0	1127
COE EXPENSE	COEX	1,149,576	691,037	166	679,004	10,386	1,482	0	1127
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1127
C&WF EXPENSE	CWFX	724,845	221,288	162,237	0	2,519	56,532	0	1127
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1127
NETWORK OPERATIONS EXP	NETOPX	588,319	219,362	104,514	48,785	4,600	61,464	0	1127
DEPREC & AMORT EXP	DEPAMX	1,598,792	624,585	266,714	152,574	15,141	190,156	0	1127
MARKETING EXPENSE	MRKTX	32,540	8,931	4,255	1,986	187	2,502	0	1127
SERVICES EXPENSE	SERVX	527,723	144,486	24,560	22,410	2,012	24,536	70,968	1127
- CABSX EXPENSE	CABSX	89,130	44,565	0	18,930	1,785	23,850	0	1127
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1127
GENERAL & ADMIN EXP	GENADX	1,778,249	789,146	229,929	414,939	11,750	94,599	37,929	1127
OTHER TAXES (EXCL FIT & ITC)	OTAXES	287,474	107,785	52,160	20,208	2,439	32,978	0	1127
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1127
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1127
INTEREST & RELATED ITEMS(IRI)	INTREL	176,704	65,047	30,991	14,466	1,364	18,226	0	1127

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	42,350	12,077	7,386	1,196	1,398	2,097	0	1128
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1128
- GENERAL SUPPORT FACILITIES	GSF	618,606	192,364	117,643	19,048	22,271	33,402	0	1128
- CENTRAL OFFICE EQUIPMENT	COE	1,776,836	830,607	134,306	386,559	171,206	138,535	0	1128
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1128
-- COE CAT 2	COE2	158,475	78,942	0	0	78,942	0	0	1128
-- COE CAT 3	COE3	614,761	386,559	0	386,559	0	0	0	1128
-- COE CAT 4.11	COE411	16,887	16,887	0	0	0	16,887	0	1128
-- COE CAT 4.12	COE412	15,516	0	0	0	0	0	0	1128
-- COE CAT 4.13	COE413	542,261	137,104	134,306	0	0	2,798	0	1128
-- COE CAT 4.2	COE42	391,480	203,513	0	0	84,663	118,850	0	1128
-- COE CAT 4.3	COE43	37,456	7,602	0	0	7,602	0	0	1128
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1128
- CABLE & WIRE FACILITIES	CWF	10,777,403	3,073,299	2,253,196	0	280,763	539,339	0	1128
-- C&WF CAT 1.1	CWF11	37,553	0	0	0	0	0	0	1128
-- C&WF CAT 1.2	CWF12	46,942	46,942	0	0	0	46,942	0	1128
-- C&WF CAT 1.3	CWF13	9,012,784	2,253,196	2,253,196	0	0	0	0	1128
-- C&WF CAT 2	CWF2	706,581	472,653	0	0	0	472,653	0	1128
-- C&WF CAT 3	CWF3	826,947	270,757	0	0	251,012	19,745	0	1128
-- C&WF CAT 4	CWF4	146,596	29,751	0	0	29,751	0	0	1128
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1128
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1128
TELCOM PLANT-OTHER	PLTOTH	154,879	48,162	29,454	4,769	5,576	8,363	0	1128
ACCUM DEPRECIATION	ACCDEP	2,816,476	1,024,218	437,009	317,150	138,417	131,643	0	1128
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1128
NET DEFERRED FIT	NTDFIT	981,765	305,287	186,711	30,221	35,343	53,011	0	1128
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1128
GENERAL SUPPORT EXP	GSFX	43,289	13,461	8,232	1,333	1,558	2,337	0	1128
COE EXPENSE	COEX	255,302	119,344	5,074	87,651	21,386	5,234	0	1128
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1128
C&WF EXPENSE	CWFX	75,318	21,478	15,746	0	1,962	3,769	0	1128
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1128
NETWORK OPERATIONS EXP	NETOPX	45,799	14,242	8,710	1,410	1,649	2,473	0	1128
DEPREC & AMORT EXP	DEPAMX	683,466	221,431	124,141	35,268	26,672	35,351	0	1128
MARKETING EXPENSE	MRKTX	1,704	830	507	82	96	144	0	1128
SERVICES EXPENSE	SERVX	136,235	57,764	5,964	4,155	4,858	6,888	35,898	1128
- CABSX EXPENSE	CABSX	30,596	15,298	0	3,900	4,560	6,839	0	1128
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1128
GENERAL & ADMIN EXP	GENADX	447,352	205,589	40,041	85,661	28,523	18,869	32,495	1128
OTHER TAXES (EXCL FIT & ITC)	OTAXES	126,299	51,863	33,655	2,929	5,801	9,478	0	1128
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1128
NON-OPERATING INC & EXP	NONOPX	4,311	1,988	1,216	197	230	345	0	1128
INTEREST & RELATED ITEMS(IRI)	INTREL	415,428	122,714	75,048	12,151	14,207	21,308	0	1128

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	149,336	54,938	15,518	14,538	5,710	19,173	0	1129
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1129
- GENERAL SUPPORT FACILITIES	GSF	1,429,448	695,543	196,463	184,057	72,289	242,734	0	1129
- CENTRAL OFFICE EQUIPMENT	COE	5,283,428	3,826,219	200,287	2,043,850	264,204	1,317,878	0	1129
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1129
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1129
-- COE CAT 3	COE3	2,507,397	2,023,528	0	2,023,528	0	0	0	1129
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1129
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1129
-- COE CAT 4.13	COE413	802,193	200,635	200,287	0	0	348	0	1129
-- COE CAT 4.2	COE42	1,597,361	1,437,479	0	0	119,949	1,317,530	0	1129
-- COE CAT 4.3	COE43	350,316	144,255	0	0	144,255	0	0	1129
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1129
- CABLE & WIRE FACILITIES	CWF	10,747,649	3,953,884	2,003,024	0	546,509	1,404,351	0	1129
-- C&WF CAT 1.1	CWF11	6,964	0	0	0	0	0	0	1129
-- C&WF CAT 1.2	CWF12	3,482	3,482	0	0	0	3,482	0	1129
-- C&WF CAT 1.3	CWF13	8,012,096	2,003,024	2,003,024	0	0	0	0	1129
-- C&WF CAT 2	CWF2	1,405,840	1,400,606	0	0	0	1,400,606	0	1129
-- C&WF CAT 3	CWF3	142,528	62,208	0	0	61,945	263	0	1129
-- C&WF CAT 4	CWF4	1,176,739	484,564	0	0	484,564	0	0	1129
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1129
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1129
TELCOM PLANT-OTHER	PLTOTH	244,945	119,186	33,665	31,539	12,387	41,594	0	1129
ACCUM DEPRECIATION	ACCDEP	9,151,148	4,642,062	1,178,363	1,588,035	431,495	1,444,168	0	1129
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1129
NET DEFERRED FIT	NTDFIT	793,847	388,370	108,192	111,950	39,016	129,212	0	1129
NETWORK SUPPORT EXP	NETSPX	19,541	9,508	2,686	2,516	988	3,318	0	1129
GENERAL SUPPORT EXP	GSFX	57,832	28,140	7,948	7,446	2,925	9,820	0	1129
COE EXPENSE	COEX	245,015	178,380	7,237	113,975	9,547	47,621	0	1129
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1129
C&WF EXPENSE	CWFX	238,174	87,620	44,388	0	12,111	31,121	0	1129
OTHER PROP & PL EXP	OTHPPX	33,050	16,082	4,542	4,256	1,671	5,612	0	1129
NETWORK OPERATIONS EXP	NETOPX	205,746	100,112	28,278	26,492	10,405	34,938	0	1129
DEPREC & AMORT EXP	DEPAMX	893,775	461,968	111,614	154,582	43,607	152,165	0	1129
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1129
SERVICES EXPENSE	SERVX	173,057	56,153	7,653	8,571	1,702	5,715	32,512	1129
- CABSX EXPENSE	CABSX	23,502	11,751	0	4,334	1,702	5,715	0	1129
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1129
GENERAL & ADMIN EXP	GENADX	1,200,893	640,317	167,367	206,857	49,858	175,041	41,195	1129
OTHER TAXES (EXCL FIT & ITC)	OTAXES	196,047	94,842	28,317	20,903	10,452	35,170	0	1129
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1129
NON-OPERATING INC & EXP	NONOPX	6,068	3,235	914	856	336	1,129	0	1129
INTEREST & RELATED ITEMS(IRI)	INTREL	349,151	161,280	45,555	42,678	16,762	56,284	0	1129

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	764,262	205,227	127,736	20,594	12,512	44,319	66	1130
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1130
- GENERAL SUPPORT FACILITIES	GSF	7,646,836	2,345,216	1,454,511	234,501	142,477	504,659	9,068	1130
- CENTRAL OFFICE EQUIPMENT	COE	18,956,271	8,288,752	1,470,807	2,580,226	1,043,012	3,194,707	0	1130
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1130
-- COE CAT 2	COE2	1,362,629	483,349	0	0	483,349	0	0	1130
-- COE CAT 3	COE3	5,688,316	2,580,226	0	2,580,226	0	0	0	1130
-- COE CAT 4.11	COE411	2,718,116	2,718,116	0	0	0	2,718,116	0	1130
-- COE CAT 4.12	COE412	222,448	0	0	0	0	0	0	1130
-- COE CAT 4.13	COE413	5,925,672	1,493,601	1,470,807	0	0	22,794	0	1130
-- COE CAT 4.2	COE42	2,584,617	879,254	0	0	425,457	453,797	0	1130
-- COE CAT 4.3	COE43	454,473	134,206	0	0	134,206	0	0	1130
- INFORMATION ORIG/TERM	IOT	2,435	609	609	0	0	0	0	1130
- CABLE & WIRE FACILITIES	CWF	64,854,469	17,415,387	14,532,637	0	524,671	2,358,079	0	1130
-- C&WF CAT 1.1	CWF11	194,157	0	0	0	0	0	0	1130
-- C&WF CAT 1.2	CWF12	225,222	225,222	0	0	0	225,222	0	1130
-- C&WF CAT 1.3	CWF13	58,130,547	14,532,637	14,532,637	0	0	0	0	1130
-- C&WF CAT 2	CWF2	4,709,157	2,120,980	0	0	0	2,120,980	0	1130
-- C&WF CAT 3	CWF3	941,303	343,397	0	0	331,520	11,877	0	1130
-- C&WF CAT 4	CWF4	654,083	193,151	0	0	193,151	0	0	1130
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1130
- INTANGIBLES	INTANG	468,027	143,540	89,340	14,404	8,751	30,998	46	1130
TELCOM PLANT-OTHER	PLTOTH	85,146	26,105	16,253	2,620	1,592	5,639	0	1130
ACCUM DEPRECIATION	ACCDEP	58,440,603	18,039,308	11,052,195	1,901,437	1,125,661	3,955,135	4,880	1130
ACCUM AMORTIZATION	ACCAMO	465,873	142,833	88,929	14,337	8,711	30,855	0	1130
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1130
NETWORK SUPPORT EXP	NETSPX	44,922	13,777	8,575	1,382	840	2,975	4	1130
GENERAL SUPPORT EXP	GSFX	410,386	125,862	78,060	12,585	7,646	27,084	487	1130
COE EXPENSE	COEX	1,229,573	537,639	84,914	170,961	97,324	184,440	0	1130
IOT EXPENSE	IOTX	515	129	129	0	0	0	0	1130
C&WF EXPENSE	CWFX	397,431	106,722	89,057	0	3,215	14,450	0	1130
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1130
NETWORK OPERATIONS EXP	NETOPX	407,896	125,098	77,887	12,557	7,629	27,024	0	1130
DEPREC & AMORT EXP	DEPAMX	6,040,486	1,901,705	1,127,936	175,396	123,548	474,623	201	1130
MARKETING EXPENSE	MRKTX	1,379	445	277	45	27	96	0	1130
SERVICES EXPENSE	SERVX	605,025	158,619	53,220	12,060	7,327	15,366	70,647	1130
- CABSX EXPENSE	CABSX	50,910	25,455	0	6,771	4,114	14,571	0	1130
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1130
GENERAL & ADMIN EXP	GENADX	1,834,088	702,579	292,479	127,117	75,212	164,626	43,145	1130
OTHER TAXES (EXCL FIT & ITC)	OTAXES	479,883	138,593	86,290	13,912	8,453	29,939	0	1130
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1130
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1130
INTEREST & RELATED ITEMS(IRI)	INTREL	246,697	74,602	47,687	6,834	4,364	15,685	31	1130

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	394,233	113,684	45,339	39,227	10,375	18,462	281	1131
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1131
- GENERAL SUPPORT FACILITIES	GSF	2,900,867	1,092,677	429,377	371,492	98,256	174,838	18,714	1131
- CENTRAL OFFICE EQUIPMENT	COE	7,681,641	3,733,494	632,912	2,240,314	299,005	561,263	0	1131
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1131
-- COE CAT 2	COE2	31,641	14,723	0	0	14,723	0	0	1131
-- COE CAT 3	COE3	3,655,024	2,240,314	0	2,240,314	0	0	0	1131
-- COE CAT 4.11	COE411	599,614	551,442	0	0	0	551,442	0	1131
-- COE CAT 4.12	COE412	222,468	0	0	0	0	0	0	1131
-- COE CAT 4.13	COE413	2,551,303	639,968	632,912	0	0	7,056	0	1131
-- COE CAT 4.2	COE42	510,338	240,256	0	0	237,491	2,765	0	1131
-- COE CAT 4.3	COE43	111,253	46,792	0	0	46,792	0	0	1131
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1131
- CABLE & WIRE FACILITIES	CWF	9,512,668	2,743,133	1,956,482	0	293,537	493,113	0	1131
-- C&WF CAT 1.1	CWF11	38,950	0	0	0	0	0	0	1131
-- C&WF CAT 1.2	CWF12	21,812	21,812	0	0	0	21,812	0	1131
-- C&WF CAT 1.3	CWF13	7,825,929	1,956,482	1,956,482	0	0	0	0	1131
-- C&WF CAT 2	CWF2	993,441	466,861	0	0	0	466,861	0	1131
-- C&WF CAT 3	CWF3	612,298	289,466	0	0	285,026	4,440	0	1131
-- C&WF CAT 4	CWF4	20,237	8,511	0	0	8,511	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	63,679	23,927	9,566	8,276	2,189	3,895	0	1131
ACCUM DEPRECIATION	ACCDEP	17,897,664	6,823,887	2,635,053	2,536,318	591,663	1,045,355	15,498	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	2,737	1,031	411	356	94	167	3	1131
GENERAL SUPPORT EXP	GSFX	153,454	57,802	22,714	19,652	5,198	9,249	990	1131
COE EXPENSE	COEX	633,101	307,705	63,983	157,211	29,772	56,740	0	1131
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1131
C&WF EXPENSE	CWFX	838,856	241,898	172,529	0	25,885	43,484	0	1131
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1131
NETWORK OPERATIONS EXP	NETOPX	376,034	141,642	56,629	48,995	12,959	23,059	0	1131
DEPREC & AMORT EXP	DEPAMX	906,465	371,148	117,654	161,474	32,428	58,757	835	1131
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1131
SERVICES EXPENSE	SERVX	771,500	193,685	22,214	48,766	12,267	19,675	90,763	1131
- CABSX EXPENSE	CABSX	143,454	71,728	0	41,339	10,934	19,456	0	1131
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1131
GENERAL & ADMIN EXP	GENADX	2,065,236	723,266	275,549	203,397	63,742	112,708	67,870	1131
OTHER TAXES (EXCL FIT & ITC)	OTAXES	58,146	21,092	8,433	7,296	1,930	3,434	0	1131
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1131
NON-OPERATING INC & EXP	NONOPX	15,022	5,261	2,098	1,815	480	854	13	1131
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1131

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	2,171,975	559,193	371,354	96,901	42,976	47,961	0	1132
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1132
- GENERAL SUPPORT FACILITIES	GSF	24,895,450	6,743,779	4,478,471	1,168,612	518,290	578,407	0	1132
- CENTRAL OFFICE EQUIPMENT	COE	41,647,543	12,559,065	2,947,146	6,419,552	1,577,417	1,614,950	0	1132
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1132
-- COE CAT 2	COE2	363,083	143,297	0	0	143,297	0	0	1132
-- COE CAT 3	COE3	23,098,395	6,419,552	0	6,419,552	0	0	0	1132
-- COE CAT 4.11	COE411	1,534,962	1,534,962	0	0	0	1,534,962	0	1132
-- COE CAT 4.12	COE412	1,383,281	0	0	0	0	0	0	1132
-- COE CAT 4.13	COE413	11,876,796	2,986,665	2,947,146	0	0	39,519	0	1132
-- COE CAT 4.2	COE42	3,391,026	1,474,589	0	0	1,434,120	40,469	0	1132
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1132
- INFORMATION ORIG/TERM	IOT	64,566	16,142	16,142	0	0	0	0	1132
- CABLE & WIRE FACILITIES	CWF	95,046,407	24,470,490	21,638,356	0	1,269,711	1,562,422	0	1132
-- C&WF CAT 1.1	CWF11	357,509	0	0	0	0	0	0	1132
-- C&WF CAT 1.2	CWF12	290,152	290,152	0	0	0	290,152	0	1132
-- C&WF CAT 1.3	CWF13	86,553,426	21,638,356	21,638,356	0	0	0	0	1132
-- C&WF CAT 2	CWF2	4,501,968	1,174,203	0	0	0	1,174,203	0	1132
-- C&WF CAT 3	CWF3	3,343,352	1,367,778	0	0	1,269,711	98,067	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	771,329	208,941	138,755	36,207	16,058	17,921	0	1132
ACCUM DEPRECIATION	ACCDEP	108,917,528	29,292,910	20,041,762	4,774,327	2,109,963	2,366,858	0	1132
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1132
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1132
NETWORK SUPPORT EXP	NETSPX	269,708	73,060	48,518	12,660	5,615	6,266	0	1132
GENERAL SUPPORT EXP	GSFX	1,276,173	345,695	229,572	59,905	26,568	29,650	0	1132
COE EXPENSE	COEX	1,966,276	592,942	118,168	344,822	65,199	64,753	0	1132
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1132
C&WF EXPENSE	CWFX	3,723,458	958,635	847,686	0	49,741	61,208	0	1132
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1132
NETWORK OPERATIONS EXP	NETOPX	2,843,274	770,197	511,480	133,466	59,193	66,059	0	1132
DEPREC & AMORT EXP	DEPAMX	9,168,725	2,510,893	1,636,854	414,205	217,214	242,619	0	1132
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1132
SERVICES EXPENSE	SERVX	3,004,790	826,177	147,652	123,874	43,975	43,138	467,538	1132
- CABSX EXPENSE	CABSX	322,504	161,253	0	83,186	36,894	41,173	0	1132
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1132
GENERAL & ADMIN EXP	GENADX	5,296,589	1,465,353	824,970	259,723	96,345	104,345	179,970	1132
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,030,568	275,640	183,049	47,765	21,184	23,641	0	1132
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1132
NON-OPERATING INC & EXP	NONOPX	64,695	17,899	11,886	3,102	1,376	1,535	0	1132
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1132

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	3,285,541	986,756	551,260	104,597	37,589	291,314	1,996	1133
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1133
- GENERAL SUPPORT FACILITIES	GSF	15,290,414	5,246,271	2,866,593	543,914	195,466	1,514,851	125,447	1133
- CENTRAL OFFICE EQUIPMENT	COE	49,378,514	21,909,389	5,743,695	6,031,253	1,438,917	8,695,524	0	1133
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1133
-- COE CAT 2	COE2	1,310,314	492,044	0	0	492,044	0	0	1133
-- COE CAT 3	COE3	13,184,537	6,031,253	0	6,031,253	0	0	0	1133
-- COE CAT 4.11	COE411	5,914,245	5,914,245	0	0	0	5,914,245	0	1133
-- COE CAT 4.12	COE412	449,594	0	0	0	0	0	0	1133
-- COE CAT 4.13	COE413	23,077,217	5,783,562	5,743,695	0	0	39,868	0	1133
-- COE CAT 4.2	COE42	5,204,564	3,649,343	0	0	907,932	2,741,411	0	1133
-- COE CAT 4.3	COE43	238,043	38,941	0	0	38,941	0	0	1133
- INFORMATION ORIG/TERM	IOT	4,611	1,153	1,153	0	0	0	0	1133
- CABLE & WIRE FACILITIES	CWF	116,112,276	34,872,339	26,041,717	0	728,531	8,102,091	0	1133
-- C&WF CAT 1.1	CWF11	283,690	0	0	0	0	0	0	1133
-- C&WF CAT 1.2	CWF12	180,758	180,758	0	0	0	180,758	0	1133
-- C&WF CAT 1.3	CWF13	104,166,868	26,041,717	26,041,717	0	0	0	0	1133
-- C&WF CAT 2	CWF2	9,171,476	7,902,464	0	0	0	7,902,464	0	1133
-- C&WF CAT 3	CWF3	1,715,441	650,222	0	0	631,353	18,869	0	1133
-- C&WF CAT 4	CWF4	594,043	97,178	0	0	97,178	0	0	1133
- TANGIBLES	TANGIB	597,797	205,109	112,810	21,405	7,692	59,615	3,586	1133
- INTANGIBLES	INTANG	1,083	372	208	39	14	110	1	1133
TELCOM PLANT-OTHER	PLTOTH	2,272,822	778,208	435,634	82,658	29,705	230,211	0	1133
ACCUM DEPRECIATION	ACCDEP	102,955,643	35,078,410	19,971,272	3,399,303	1,304,482	10,329,836	73,517	1133
ACCUM AMORTIZATION	ACCAMO	319,418	106,973	59,883	11,362	4,083	31,645	0	1133
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1133
NETWORK SUPPORT EXP	NETSPX	277,153	95,094	53,125	10,080	3,622	28,074	192	1133
GENERAL SUPPORT EXP	GSFX	1,559,195	534,973	292,312	55,464	19,932	154,473	12,792	1133
COE EXPENSE	COEX	2,859,459	1,268,750	117,766	864,254	108,440	178,289	0	1133
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1133
C&WF EXPENSE	CWFX	2,712,402	814,624	608,339	0	17,019	189,266	0	1133
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1133
NETWORK OPERATIONS EXP	NETOPX	1,556,101	533,911	298,879	56,710	20,380	157,943	0	1133
DEPREC & AMORT EXP	DEPAMX	12,530,700	4,432,793	2,316,387	531,368	184,571	1,392,190	8,278	1133
MARKETING EXPENSE	MRKTX	1,004,069	276,522	154,482	29,312	10,534	81,636	559	1133
SERVICES EXPENSE	SERVX	3,530,501	1,057,229	372,320	58,561	21,045	99,768	505,535	1133
- CABSX EXPENSE	CABSX	199,749	99,875	0	24,098	8,660	67,116	0	1133
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1133
GENERAL & ADMIN EXP	GENADX	6,743,794	2,341,993	1,109,354	493,436	92,301	408,501	238,400	1133
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,094,414	374,743	209,778	39,804	14,304	110,857	0	1133
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1133
NON-OPERATING INC & EXP	NONOPX	35,166	12,212	6,823	1,295	465	3,605	25	1133
INTEREST & RELATED ITEMS(IRI)	INTREL	1,284	442	247	47	17	131	1	1133

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	1,472,219	412,902	274,625	59,291	15,674	63,312	0	1134
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1134
- GENERAL SUPPORT FACILITIES	GSF	4,761,246	1,445,798	961,613	207,610	54,883	221,692	0	1134
- CENTRAL OFFICE EQUIPMENT	COE	16,404,855	6,195,470	1,963,239	2,997,238	364,856	870,136	0	1134
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1134
-- COE CAT 2	COE2	95,818	0	0	0	0	0	0	1134
-- COE CAT 3	COE3	6,174,895	2,997,238	0	2,997,238	0	0	0	1134
-- COE CAT 4.11	COE411	448,346	448,346	0	0	0	448,346	0	1134
-- COE CAT 4.12	COE412	271,984	0	0	0	0	0	0	1134
-- COE CAT 4.13	COE413	7,872,846	1,969,116	1,963,239	0	0	5,877	0	1134
-- COE CAT 4.2	COE42	1,288,824	732,171	0	0	316,257	415,914	0	1134
-- COE CAT 4.3	COE43	252,142	48,599	0	0	48,599	0	0	1134
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1134
- CABLE & WIRE FACILITIES	CWF	52,332,650	14,677,331	11,919,444	0	427,487	2,330,399	0	1134
-- C&WF CAT 1.1	CWF11	85,080	0	0	0	0	0	0	1134
-- C&WF CAT 1.2	CWF12	35,679	35,679	0	0	0	35,679	0	1134
-- C&WF CAT 1.3	CWF13	47,677,776	11,919,444	11,919,444	0	0	0	0	1134
-- C&WF CAT 2	CWF2	2,940,985	2,289,216	0	0	0	2,289,216	0	1134
-- C&WF CAT 3	CWF3	675,113	256,050	0	0	250,545	5,505	0	1134
-- C&WF CAT 4	CWF4	918,017	176,942	0	0	176,942	0	0	1134
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1134
- INTANGIBLES	INTANG	30,339	9,213	6,127	1,323	350	1,413	0	1134
TELCOM PLANT-OTHER	PLTOTH	1,844,563	560,119	372,540	80,431	21,262	85,886	0	1134
ACCUM DEPRECIATION	ACCDEP	47,621,196	14,243,403	9,861,311	1,643,831	525,864	2,212,396	0	1134
ACCUM AMORTIZATION	ACCAMO	13,063	3,967	2,638	570	151	608	0	1134
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1134
NETWORK SUPPORT EXP	NETSPX	18,658	5,666	3,768	814	215	869	0	1134
GENERAL SUPPORT EXP	GSFX	275,552	83,674	55,652	12,015	3,176	12,830	0	1134
COE EXPENSE	COEX	682,487	257,749	53,831	162,538	17,522	23,859	0	1134
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1134
C&WF EXPENSE	CWFX	1,672,437	469,055	380,919	0	13,662	74,474	0	1134
OTHER PROP & PL EXP	OTHPX	11,850	3,598	2,393	517	137	552	0	1134
NETWORK OPERATIONS EXP	NETOPX	1,022,747	310,567	206,561	44,596	11,789	47,621	0	1134
DEPREC & AMORT EXP	DEPAMX	4,911,275	1,563,268	911,206	359,019	63,684	229,358	0	1134
MARKETING EXPENSE	MRKTX	20,477	6,825	4,539	980	259	1,047	0	1134
SERVICES EXPENSE	SERVX	986,201	238,602	58,038	23,672	6,257	20,641	129,994	1134
- CABSX EXPENSE	CABSX	84,134	42,067	0	18,038	4,768	19,261	0	1134
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1134
GENERAL & ADMIN EXP	GENADX	2,255,133	727,902	445,787	113,363	24,518	84,117	60,117	1134
OTHER TAXES (EXCL FIT & ITC)	OTAXES	416,042	112,741	74,985	16,189	4,280	17,287	0	1134
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1134
NON-OPERATING INC & EXP	NONOPX	83,130	26,832	17,846	3,853	1,019	4,114	0	1134
INTEREST & RELATED ITEMS(IRI)	INTREL	123,525	38,284	23,748	7,272	1,519	5,745	0	1134

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	96,035	27,704	11,068	10,400	343	5,892	2	1135
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1135
- GENERAL SUPPORT FACILITIES	GSF	3,411,420	1,376,660	549,828	516,626	17,037	292,680	489	1135
- CENTRAL OFFICE EQUIPMENT	COE	5,010,110	2,903,018	264,717	1,919,201	47,618	671,482	0	1135
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1135
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1135
-- COE CAT 3	COE3	3,103,786	1,919,201	0	1,919,201	0	0	0	1135
-- COE CAT 4.11	COE411	383,648	383,648	0	0	0	383,648	0	1135
-- COE CAT 4.12	COE412	1,720	0	0	0	0	0	0	1135
-- COE CAT 4.13	COE413	1,065,513	266,046	264,717	0	0	1,329	0	1135
-- COE CAT 4.2	COE42	455,443	334,123	0	0	47,618	286,504	0	1135
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1135
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1135
- CABLE & WIRE FACILITIES	CWF	7,658,386	2,209,285	1,777,825	0	15,671	415,788	0	1135
-- C&WF CAT 1.1	CWF11	35,705	0	0	0	0	0	0	1135
-- C&WF CAT 1.2	CWF12	8,926	8,926	0	0	0	8,926	0	1135
-- C&WF CAT 1.3	CWF13	7,111,301	1,777,825	1,777,825	0	0	0	0	1135
-- C&WF CAT 2	CWF2	459,302	406,779	0	0	0	406,779	0	1135
-- C&WF CAT 3	CWF3	43,151	15,754	0	0	15,671	83	0	1135
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1135
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1135
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1135
TELCOM PLANT-OTHER	PLTOTH	388,831	156,899	62,687	58,901	1,942	33,369	0	1135
ACCUM DEPRECIATION	ACCDEP	10,058,792	3,968,487	1,668,519	1,461,811	44,643	793,182	333	1135
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1135
NET DEFERRED FIT	NTDFIT	412,575	166,449	66,519	62,550	2,055	35,326	0	1135
NETWORK SUPPORT EXP	NETSPX	7,500	3,027	1,209	1,136	37	644	0	1135
GENERAL SUPPORT EXP	GSFX	143,291	57,824	23,095	21,700	716	12,294	21	1135
COE EXPENSE	COEX	446,062	258,463	37,499	110,085	15,759	95,120	0	1135
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1135
C&WF EXPENSE	CWFX	253,971	73,265	58,957	0	520	13,789	0	1135
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1135
NETWORK OPERATIONS EXP	NETOPX	614,006	247,779	98,996	93,018	3,067	52,697	0	1135
DEPREC & AMORT EXP	DEPAMX	916,378	416,750	123,131	173,046	7,355	113,196	21	1135
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1135
SERVICES EXPENSE	SERVX	208,613	53,300	17,675	11,835	390	5,265	18,135	1135
- CABSX EXPENSE	CABSX	28,869	14,433	0	9,023	298	5,112	0	1135
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1135
GENERAL & ADMIN EXP	GENADX	1,263,796	563,609	207,164	185,770	16,008	140,482	14,185	1135
OTHER TAXES (EXCL FIT & ITC)	OTAXES	99,390	40,562	16,206	15,227	502	8,627	0	1135
INVESTMENT TAX CREDITS (ITC)	ITC	7,888	3,183	1,272	1,195	39	677	0	1135
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1135
INTEREST & RELATED ITEMS(IRI)	INTREL	41,932	17,470	6,979	6,558	216	3,715	1	1135

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	2,598,751	675,774	309,791	164,438	16,195	185,350	0	1136
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1136
- GENERAL SUPPORT FACILITIES	GSF	6,701,729	2,327,041	1,066,771	566,244	55,769	638,257	0	1136
- CENTRAL OFFICE EQUIPMENT	COE	5,087,185	2,261,380	353,721	909,459	82,957	915,242	0	1136
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1136
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1136
-- COE CAT 3	COE3	1,870,065	909,459	0	909,459	0	0	0	1136
-- COE CAT 4.11	COE411	468,555	424,887	0	0	0	424,887	0	1136
-- COE CAT 4.12	COE412	199,524	0	0	0	0	0	0	1136
-- COE CAT 4.13	COE413	1,433,442	363,960	353,721	0	0	10,239	0	1136
-- COE CAT 4.2	COE42	660,159	480,116	0	0	0	480,116	0	1136
-- COE CAT 4.3	COE43	455,440	82,957	0	0	82,957	0	0	1136
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1136
- CABLE & WIRE FACILITIES	CWF	5,676,635	1,476,141	1,359,648	0	6,614	109,879	0	1136
-- C&WF CAT 1.1	CWF11	31,977	0	0	0	0	0	0	1136
-- C&WF CAT 1.2	CWF12	39,357	39,357	0	0	0	39,357	0	1136
-- C&WF CAT 1.3	CWF13	5,438,591	1,359,648	1,359,648	0	0	0	0	1136
-- C&WF CAT 2	CWF2	124,658	70,522	0	0	0	70,522	0	1136
-- C&WF CAT 3	CWF3	5,739	0	0	0	0	0	0	1136
-- C&WF CAT 4	CWF4	36,313	6,614	0	0	6,614	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	2,927	1,016	466	247	24	279	0	1136
ACCUM DEPRECIATION	ACCDEP	12,299,609	4,092,895	2,097,531	1,075,319	72,341	847,704	0	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	39,289	13,642	6,254	3,320	327	3,742	0	1136
GENERAL SUPPORT EXP	GSFX	387,469	134,541	61,677	32,738	3,224	36,902	0	1136
COE EXPENSE	COEX	940,407	418,034	58,150	195,787	13,638	150,460	0	1136
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1136
C&WF EXPENSE	CWFX	451,070	117,295	108,039	0	526	8,731	0	1136
OTHER PROP & PL EXP	OTHPPX	1,264	439	201	107	11	120	0	1136
NETWORK OPERATIONS EXP	NETOPX	236,761	82,211	37,687	20,004	1,970	22,549	0	1136
DEPREC & AMORT EXP	DEPAMX	1,429,434	507,697	213,193	165,185	10,358	118,961	0	1136
MARKETING EXPENSE	MRKTX	41,499	16,944	7,767	4,123	406	4,647	0	1136
SERVICES EXPENSE	SERVX	333,031	126,785	19,749	17,099	1,650	13,045	75,241	1136
- CABSX EXPENSE	CABSX	48,733	24,367	0	10,948	1,078	12,340	0	1136
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1136
GENERAL & ADMIN EXP	GENADX	1,567,867	610,388	213,002	177,856	14,162	156,382	48,986	1136
OTHER TAXES (EXCL FIT & ITC)	OTAXES	128,336	44,304	20,310	10,781	1,062	12,152	0	1136
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1136
NON-OPERATING INC & EXP	NONOPX	5,179	2,016	924	491	48	553	0	1136
INTEREST & RELATED ITEMS(IRI)	INTREL	1,329	453	208	110	11	124	0	1136

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	83,387	22,308	15,996	3,451	1,036	1,824	0	1137
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1137
- GENERAL SUPPORT FACILITIES	GSF	3,411,754	1,000,276	717,262	154,741	46,470	81,802	0	1137
- CENTRAL OFFICE EQUIPMENT	COE	2,602,259	1,060,093	264,817	643,230	56,651	95,395	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	1,285,560	643,230	0	643,230	0	0	0	1137
-- COE CAT 4.11	COE411	99,737	92,112	0	0	0	92,112	0	1137
-- COE CAT 4.12	COE412	6,102	0	0	0	0	0	0	1137
-- COE CAT 4.13	COE413	1,067,533	266,785	264,817	0	0	1,968	0	1137
-- COE CAT 4.2	COE42	50,416	21,505	0	0	20,189	1,315	0	1137
-- COE CAT 4.3	COE43	92,911	36,462	0	0	36,462	0	0	1137
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1137
- CABLE & WIRE FACILITIES	CWF	11,579,784	3,097,872	2,716,712	0	136,518	244,642	0	1137
-- C&WF CAT 1.1	CWF11	64,612	0	0	0	0	0	0	1137
-- C&WF CAT 1.2	CWF12	20,191	20,191	0	0	0	20,191	0	1137
-- C&WF CAT 1.3	CWF13	10,866,848	2,716,712	2,716,712	0	0	0	0	1137
-- C&WF CAT 2	CWF2	283,834	221,316	0	0	0	221,316	0	1137
-- C&WF CAT 3	CWF3	143,577	60,882	0	0	57,747	3,135	0	1137
-- C&WF CAT 4	CWF4	200,722	78,771	0	0	78,771	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	2,546,705	746,656	535,401	115,506	34,688	61,061	0	1137
ACCUM DEPRECIATION	ACCDEP	5,338,154	1,618,727	1,068,690	354,088	71,061	124,889	0	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	6,338	1,858	1,332	287	86	152	0	1137
GENERAL SUPPORT EXP	GSFX	111,154	32,589	23,368	5,041	1,514	2,665	0	1137
COE EXPENSE	COEX	205,967	83,906	8,677	70,246	1,856	3,126	0	1137
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1137
C&WF EXPENSE	CWFX	367,447	98,301	86,206	0	4,332	7,763	0	1137
OTHER PROP & PL EXP	OTHPPX	-96	-28	-20	-4	-1	-2	0	1137
NETWORK OPERATIONS EXP	NETOPX	128,349	37,630	26,983	5,821	1,748	3,077	0	1137
DEPREC & AMORT EXP	DEPAMX	882,099	269,507	175,481	56,753	13,591	23,681	0	1137
MARKETING EXPENSE	MRKTX	30,001	6,125	4,392	948	285	501	0	1137
SERVICES EXPENSE	SERVX	279,814	44,372	18,435	10,743	3,214	4,757	7,224	1137
- CABSX EXPENSE	CABSX	28,594	14,297	0	7,817	2,348	4,132	0	1137
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1137
GENERAL & ADMIN EXP	GENADX	1,018,762	293,917	175,061	81,722	11,443	19,349	6,342	1137
OTHER TAXES (EXCL FIT & ITC)	OTAXES	108,451	32,311	23,169	4,999	1,501	2,642	0	1137
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1137
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1137
INTEREST & RELATED ITEMS(IRI)	INTREL	780,644	225,947	162,019	34,954	10,497	18,478	0	1137

APPENDIX B1

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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	MATSPU	823,598	225,028	107,755	51,087	30,419	33,824	1,943	1138
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1138
- GENERAL SUPPORT FACILITIES	GSF	15,340,454	5,673,483	2,606,793	1,235,901	735,881	818,274	276,634	1138
- CENTRAL OFFICE EQUIPMENT	COE	19,717,473	12,273,899	1,336,896	6,037,083	1,342,989	3,556,930	0	1138
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1138
-- COE CAT 2	COE2	122,248	66,993	0	0	66,993	0	0	1138
-- COE CAT 3	COE3	7,102,451	6,037,083	0	6,037,083	0	0	0	1138
-- COE CAT 4.11	COE411	3,606,562	2,725,270	0	0	0	2,725,270	0	1138
-- COE CAT 4.12	COE412	66,665	0	0	0	0	0	0	1138
-- COE CAT 4.13	COE413	5,430,389	1,352,255	1,336,896	0	0	15,359	0	1138
-- COE CAT 4.2	COE42	3,040,908	2,018,726	0	0	1,202,424	816,302	0	1138
-- COE CAT 4.3	COE43	348,250	73,571	0	0	73,571	0	0	1138
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1138
- CABLE & WIRE FACILITIES	CWF	51,563,252	14,088,424	11,396,668	0	2,251,614	440,142	0	1138
-- C&WF CAT 1.1	CWF11	574,957	0	0	0	0	0	0	1138
-- C&WF CAT 1.2	CWF12	130,931	130,931	0	0	0	130,931	0	1138
-- C&WF CAT 1.3	CWF13	45,586,671	11,396,668	11,396,668	0	0	0	0	1138
-- C&WF CAT 2	CWF2	518,881	167,116	0	0	0	167,116	0	1138
-- C&WF CAT 3	CWF3	4,686,275	2,379,864	0	0	2,237,768	142,095	0	1138
-- C&WF CAT 4	CWF4	65,537	13,845	0	0	13,845	0	0	1138
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1138
- INTANGIBLES	INTANG	10,516	3,889	1,862	883	526	585	34	1138
TELCOM PLANT-OTHER	PLTOTH	2,928,012	1,073,539	518,542	245,845	146,381	162,771	0	1138
ACCUM DEPRECIATION	ACCDEP	31,510,768	12,476,930	5,271,690	4,064,746	1,473,819	1,544,916	121,758	1138
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1138
NET DEFERRED FIT	NTDFIT	1,912,433	693,577	343,632	152,776	95,192	101,977	0	1138
NETWORK SUPPORT EXP	NETSPX	23,208	8,583	4,110	1,949	1,160	1,290	74	1138
GENERAL SUPPORT EXP	GSFX	797,069	294,786	135,445	64,216	38,235	42,516	14,374	1138
COE EXPENSE	COEX	747,740	465,460	35,400	298,770	37,103	94,186	0	1138
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1138
C&WF EXPENSE	CWFX	1,216,413	332,356	268,855	0	53,117	10,383	0	1138
OTHER PROP & PL EXP	OTHPX	30,823	11,400	5,506	2,611	1,554	1,728	0	1138
NETWORK OPERATIONS EXP	NETOPX	726,238	268,590	129,735	61,508	36,623	40,724	0	1138
DEPREC & AMORT EXP	DEPAMX	4,799,131	1,999,864	753,423	619,921	251,454	360,699	14,368	1138
MARKETING EXPENSE	MRKTX	119,358	45,400	21,740	10,307	6,137	6,824	392	1138
SERVICES EXPENSE	SERVX	1,204,948	473,395	38,616	76,235	43,500	41,237	273,808	1138
- CABSX EXPENSE	CABSX	274,025	137,013	0	60,692	36,137	40,184	0	1138
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1138
GENERAL & ADMIN EXP	GENADX	2,486,240	1,012,967	362,702	265,972	112,162	123,232	148,900	1138
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,423,536	519,480	253,209	114,235	71,540	79,915	581	1138
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1138
NON-OPERATING INC & EXP	NONOPX	456	186	89	42	25	28	2	1138
INTEREST & RELATED ITEMS(IRI)	INTREL	4,514,137	1,598,707	822,497	262,217	233,513	267,690	12,790	1138

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	70,034	21,941	8,935	4,947	478	7,581	0	1139
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1139
- GENERAL SUPPORT FACILITIES	GSF	1,201,119	499,402	203,365	112,603	10,885	172,550	0	1139
- CENTRAL OFFICE EQUIPMENT	COE	2,580,847	1,490,064	194,519	623,374	60,257	611,914	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	841,121	623,374	0	623,374	0	0	0	1139
-- COE CAT 4.11	COE411	611,914	611,914	0	0	0	611,914	0	1139
-- COE CAT 4.12	COE412	233,159	0	0	0	0	0	0	1139
-- COE CAT 4.13	COE413	778,074	194,519	194,519	0	0	0	0	1139
-- COE CAT 4.2	COE42	116,579	60,257	0	0	60,257	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	4,068,582	1,274,642	931,314	0	0	343,328	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	3,725,254	931,314	931,314	0	0	0	0	1139
-- C&WF CAT 2	CWF2	343,328	343,328	0	0	0	343,328	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	12,112	6,993	0	6,993	0	0	0	1139
- INTANGIBLES	INTANG	1,695	705	287	159	15	244	0	1139
TELCOM PLANT-OTHER	PLTOTH	647,723	269,472	109,499	61,206	5,861	92,907	0	1139
ACCUM DEPRECIATION	ACCDEP	2,500,789	1,085,869	397,864	298,561	24,362	365,081	0	1139
ACCUM AMORTIZATION	ACCAMO	2,082	929	287	382	15	244	0	1139
NET DEFERRED FIT	NTDFIT	480,041	199,711	81,326	45,030	4,353	69,003	0	1139
NETWORK SUPPORT EXP	NETSPX	34,883	14,504	5,906	3,270	316	5,011	0	1139
GENERAL SUPPORT EXP	GSFX	97,963	40,731	16,586	9,184	888	14,073	0	1139
COE EXPENSE	COEX	138,336	79,869	5,425	55,697	1,681	17,066	0	1139
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1139
C&WF EXPENSE	CWFX	73,854	23,138	16,905	0	0	6,232	0	1139
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1139
NETWORK OPERATIONS EXP	NETOPX	39,622	16,474	6,709	3,715	359	5,692	0	1139
DEPREC & AMORT EXP	DEPAMX	442,395	201,355	65,177	66,390	4,592	65,196	0	1139
MARKETING EXPENSE	MRKTX	136,472	49,835	20,294	11,237	1,086	17,219	0	1139
SERVICES EXPENSE	SERVX	25,512	6,767	740	1,488	143	2,279	2,116	1139
- CABSX EXPENSE	CABSX	0	0	0	0	0	0	0	1139
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1139
GENERAL & ADMIN EXP	GENADX	838,870	368,586	115,627	134,788	7,128	107,672	3,372	1139
OTHER TAXES (EXCL FIT & ITC)	OTAXES	101,471	42,208	17,331	9,350	917	14,609	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	269,294	109,499	44,590	24,689	2,387	37,833	0	1139

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	35,040	9,403	2,981	4,236	364	1,821	0	1140
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1140
- GENERAL SUPPORT FACILITIES	GSF	918,286	443,848	140,719	199,965	17,193	85,970	0	1140
- CENTRAL OFFICE EQUIPMENT	COE	2,881,907	2,036,862	175,769	1,280,162	100,558	480,374	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	1,506,072	1,248,419	0	1,248,419	0	0	0	1140
-- COE CAT 4.11	COE411	316,644	316,644	0	0	0	316,644	0	1140
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1140
-- COE CAT 4.13	COE413	723,199	184,573	175,769	0	0	8,804	0	1140
-- COE CAT 4.2	COE42	300,323	255,483	0	0	100,558	154,925	0	1140
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1140
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1140
- CABLE & WIRE FACILITIES	CWF	3,142,652	843,329	747,441	0	12,238	83,649	0	1140
-- C&WF CAT 1.1	CWF11	48,136	0	0	0	0	0	0	1140
-- C&WF CAT 1.2	CWF12	37,439	37,439	0	0	0	37,439	0	1140
-- C&WF CAT 1.3	CWF13	2,989,765	747,441	747,441	0	0	0	0	1140
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1140
-- C&WF CAT 3	CWF3	67,312	58,449	0	0	12,238	46,210	0	1140
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1140
- TANGIBLES	TANGIB	25,463	12,307	3,902	5,545	477	2,384	0	1140
- INTANGIBLES	INTANG	12,037	5,818	1,845	2,621	225	1,127	0	1140
TELCOM PLANT-OTHER	PLTOTH	587,129	283,785	89,972	127,853	10,993	54,967	0	1140
ACCUM DEPRECIATION	ACCDEP	3,503,524	1,904,570	451,863	1,035,372	70,264	347,071	0	1140
ACCUM AMORTIZATION	ACCAMO	2,735	1,322	419	596	51	256	0	1140
NET DEFERRED FIT	NTDFIT	190,671	92,160	29,219	41,520	3,570	17,851	0	1140
NETWORK SUPPORT EXP	NETSPX	31,549	15,249	4,835	6,870	591	2,954	0	1140
GENERAL SUPPORT EXP	GSFX	137,227	66,328	21,029	29,882	2,569	12,847	0	1140
COE EXPENSE	COEX	442,352	317,516	39,027	149,499	22,328	106,661	0	1140
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1140
C&WF EXPENSE	CWFX	217,563	58,383	51,745	0	847	5,791	0	1140
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1140
NETWORK OPERATIONS EXP	NETOPX	85,122	41,143	13,044	18,536	1,594	7,969	0	1140
DEPREC & AMORT EXP	DEPAMX	524,660	310,979	56,949	198,719	9,330	45,981	0	1140
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1140
SERVICES EXPENSE	SERVX	182,780	70,260	18,032	29,006	2,722	8,059	12,441	1140
- CABSX EXPENSE	CABSX	37,068	18,534	0	12,226	1,051	5,256	0	1140
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1140
GENERAL & ADMIN EXP	GENADX	614,592	352,353	101,388	139,313	18,264	85,974	7,413	1140
OTHER TAXES (EXCL FIT & ITC)	OTAXES	0	271	86	122	11	53	0	1140
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1140
NON-OPERATING INC & EXP	NONOPX	5,053	3,007	953	1,355	116	582	0	1140
INTEREST & RELATED ITEMS(IRI)	INTREL	149,143	63,951	25,969	22,168	2,609	13,205	0	1140

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	82,830	24,839	10,893	8,324	2,764	2,859	0	1141
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1141
- GENERAL SUPPORT FACILITIES	GSF	342,002	130,560	57,253	43,750	14,526	15,030	0	1141
- CENTRAL OFFICE EQUIPMENT	COE	4,302,813	2,117,083	453,428	1,291,838	264,469	107,348	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	1,766,210	1,291,838	0	1,291,838	0	0	0	1141
-- COE CAT 4.11	COE411	91,286	91,286	0	0	0	91,286	0	1141
-- COE CAT 4.12	COE412	50,706	0	0	0	0	0	0	1141
-- COE CAT 4.13	COE413	1,839,751	458,636	453,428	0	0	5,208	0	1141
-- COE CAT 4.2	COE42	554,860	275,323	0	0	264,469	10,854	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	5,795,615	1,737,999	1,237,110	0	164,442	336,447	0	1141
-- C&WF CAT 1.1	CWF11	56,838	0	0	0	0	0	0	1141
-- C&WF CAT 1.2	CWF12	14,209	14,209	0	0	0	14,209	0	1141
-- C&WF CAT 1.3	CWF13	4,948,440	1,237,110	1,237,110	0	0	0	0	1141
-- C&WF CAT 2	CWF2	138,582	25,480	0	0	0	25,480	0	1141
-- C&WF CAT 3	CWF3	637,546	461,200	0	0	164,442	296,758	0	1141
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1141
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1141
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1141
TELCOM PLANT-OTHER	PLTOTH	247,270	94,395	41,394	31,632	10,502	10,867	0	1141
ACCUM DEPRECIATION	ACCDEP	3,105,894	1,256,845	481,028	510,698	140,266	124,853	0	1141
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1141
NET DEFERRED FIT	NTDFIT	846,476	323,143	141,705	108,285	35,952	37,200	0	1141
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1141
GENERAL SUPPORT EXP	GSFX	35,814	13,672	5,995	4,581	1,521	1,574	0	1141
COE EXPENSE	COEX	598,967	294,705	69,674	167,897	40,639	16,495	0	1141
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1141
C&WF EXPENSE	CWFX	440,786	132,184	94,089	0	12,507	25,589	0	1141
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1141
NETWORK OPERATIONS EXP	NETOPX	58,518	22,339	9,796	7,486	2,485	2,572	0	1141
DEPREC & AMORT EXP	DEPAMX	652,209	282,921	91,411	139,038	28,924	23,549	0	1141
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1141
SERVICES EXPENSE	SERVX	148,761	40,342	13,740	10,075	3,292	2,271	10,964	1141
- CABSX EXPENSE	CABSX	21,824	10,913	0	6,513	2,162	2,237	0	1141
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1141
GENERAL & ADMIN EXP	GENADX	505,877	213,330	87,384	77,222	24,561	19,708	4,455	1141
OTHER TAXES (EXCL FIT & ITC)	OTAXES	220,637	89,853	40,715	28,435	9,989	10,715	0	1141
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1141
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1141
INTEREST & RELATED ITEMS(IRI)	INTREL	243,930	90,332	39,612	30,270	10,050	10,399	0	1141

APPENDIX B1

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COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	115,648	31,330	9,753	10,482	5,050	6,046	0	1142
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1142
- GENERAL SUPPORT FACILITIES	GSF	3,592,784	1,653,618	514,755	553,242	266,526	319,095	0	1142
- CENTRAL OFFICE EQUIPMENT	COE	13,655,068	8,573,681	892,880	3,963,986	1,909,658	1,807,157	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	4,663,513	3,963,986	0	3,963,986	0	0	0	1142
-- COE CAT 4.11	COE411	687,264	672,381	0	0	0	672,381	0	1142
-- COE CAT 4.12	COE412	384,627	288,472	0	0	0	288,472	0	1142
-- COE CAT 4.13	COE413	3,766,492	975,052	892,880	0	0	82,173	0	1142
-- COE CAT 4.2	COE42	4,153,172	2,673,789	0	0	1,909,658	764,131	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	12,087,264	3,274,505	2,795,343	0	0	479,162	0	1142
-- C&WF CAT 1.1	CWF11	353,145	0	0	0	0	0	0	1142
-- C&WF CAT 1.2	CWF12	257,258	257,258	0	0	0	257,258	0	1142
-- C&WF CAT 1.3	CWF13	11,181,372	2,795,343	2,795,343	0	0	0	0	1142
-- C&WF CAT 2	CWF2	295,489	221,904	0	0	0	221,904	0	1142
-- C&WF CAT 3	CWF3	0	0	0	0	0	0	0	1142
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1142
- TANGIBLES	TANGIB	324,680	84,051	76,968	0	0	7,083	0	1142
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1142
TELCOM PLANT-OTHER	PLTOTH	2,766,789	1,267,345	399,251	421,386	203,003	243,705	0	1142
ACCUM DEPRECIATION	ACCDEP	18,853,528	8,422,655	2,772,997	2,228,213	1,578,688	1,842,757	0	1142
ACCUM AMORTIZATION	ACCAMO	234,107	60,604	55,497	0	0	5,107	0	1142
NET DEFERRED FIT	NTDFIT	806,843	371,697	115,533	125,425	59,445	71,294	0	1142
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1142
GENERAL SUPPORT EXP	GSFX	177,004	81,468	25,360	27,256	13,131	15,721	0	1142
COE EXPENSE	COEX	945,873	593,890	50,072	335,383	107,092	101,344	0	1142
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1142
C&WF EXPENSE	CWFX	370,426	100,350	85,666	0	0	14,684	0	1142
OTHER PROP & PL EXP	OTHPX	-41,756	-19,127	-5,954	-6,399	-3,083	-3,691	0	1142
NETWORK OPERATIONS EXP	NETOPX	479,093	220,508	68,642	73,774	35,541	42,551	0	1142
DEPREC & AMORT EXP	DEPAMX	2,613,058	1,290,080	336,288	498,903	213,235	241,654	0	1142
MARKETING EXPENSE	MRKTX	120,212	57,152	17,791	19,121	9,212	11,028	0	1142
SERVICES EXPENSE	SERVX	311,844	81,264	19,856	30,705	5,184	6,207	19,312	1142
- CABSX EXPENSE	CABSX	43,329	21,665	0	10,524	5,070	6,070	0	1142
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1142
GENERAL & ADMIN EXP	GENADX	1,087,556	549,436	144,385	227,569	79,237	89,087	9,159	1142
OTHER TAXES (EXCL FIT & ITC)	OTAXES	386,805	195,847	59,382	72,392	28,893	35,180	0	1142
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1142
NON-OPERATING INC & EXP	NONOPX	12,679	6,660	2,073	2,228	1,073	1,285	0	1142
INTEREST & RELATED ITEMS(IRI)	INTREL	320,559	153,480	44,392	66,033	19,022	24,032	0	1142

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	9,725	3,147	1,241	967	266	674	0	1143
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1143
- GENERAL SUPPORT FACILITIES	GSF	3,463,798	1,339,019	527,814	411,213	113,042	286,951	0	1143
- CENTRAL OFFICE EQUIPMENT	COE	10,205,677	4,680,697	791,263	2,598,628	640,882	649,924	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	5,391,681	2,598,628	0	2,598,628	0	0	0	1143
-- COE CAT 4.11	COE411	95,240	95,240	0	0	0	95,240	0	1143
-- COE CAT 4.12	COE412	27,737	0	0	0	0	0	0	1143
-- COE CAT 4.13	COE413	3,253,453	845,032	791,263	0	0	53,769	0	1143
-- COE CAT 4.2	COE42	1,437,566	1,141,797	0	0	640,882	500,915	0	1143
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1143
- INFORMATION ORIG/TERM	IOT	179	45	45	0	0	0	0	1143
- CABLE & WIRE FACILITIES	CWF	11,683,340	3,781,083	2,544,169	0	73,476	1,163,438	0	1143
-- C&WF CAT 1.1	CWF11	111,349	0	0	0	0	0	0	1143
-- C&WF CAT 1.2	CWF12	172,883	172,883	0	0	0	172,883	0	1143
-- C&WF CAT 1.3	CWF13	10,176,677	2,544,169	2,544,169	0	0	0	0	1143
-- C&WF CAT 2	CWF2	1,115,274	984,478	0	0	0	984,478	0	1143
-- C&WF CAT 3	CWF3	107,157	79,552	0	0	73,476	6,076	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	526,316	203,461	80,200	62,483	17,176	43,601	0	1143
ACCUM DEPRECIATION	ACCDEP	10,744,156	4,262,277	1,533,265	1,449,403	408,637	870,972	0	1143
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1143
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1143
NETWORK SUPPORT EXP	NETSPX	67,277	26,008	10,252	7,987	2,196	5,573	0	1143
GENERAL SUPPORT EXP	GSFX	158,761	61,373	24,192	18,848	5,181	13,152	0	1143
COE EXPENSE	COEX	942,780	432,393	54,569	266,820	66,183	44,822	0	1143
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1143
C&WF EXPENSE	CWFX	422,769	136,821	92,062	0	2,659	42,100	0	1143
OTHER PROP & PL EXP	OTHPPX	62,081	23,999	9,460	7,370	2,026	5,143	0	1143
NETWORK OPERATIONS EXP	NETOPX	368,826	142,579	56,202	43,786	12,037	30,555	0	1143
DEPREC & AMORT EXP	DEPAMX	2,365,966	990,964	277,046	439,265	103,463	171,190	0	1143
MARKETING EXPENSE	MRKTX	85,242	34,742	13,695	10,669	2,933	7,445	0	1143
SERVICES EXPENSE	SERVX	396,875	122,826	19,625	24,313	6,683	11,846	60,359	1143
- CABSX EXPENSE	CABSX	65,514	32,757	0	16,605	4,565	11,587	0	1143
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1143
GENERAL & ADMIN EXP	GENADX	855,487	382,343	122,285	140,959	37,077	59,620	22,402	1143
OTHER TAXES (EXCL FIT & ITC)	OTAXES	0	0	0	0	0	0	0	1143
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1143
NON-OPERATING INC & EXP	NONOPX	3,168	1,416	558	435	120	303	0	1143
INTEREST & RELATED ITEMS(IRI)	INTREL	584,719	221,812	87,434	68,118	18,726	47,534	0	1143

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	64,544	23,506	9,583	4,950	1,675	7,299	0	1144
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1144
- GENERAL SUPPORT FACILITIES	GSF	711,298	304,430	124,110	64,101	21,694	94,525	0	1144
- CENTRAL OFFICE EQUIPMENT	COE	1,299,612	728,328	141,920	360,215	7,593	218,601	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	467,544	360,215	0	360,215	0	0	0	1144
-- COE CAT 4.11	COE411	196,556	194,563	0	0	0	194,563	0	1144
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1144
-- COE CAT 4.13	COE413	576,643	141,920	141,920	0	0	0	0	1144
-- COE CAT 4.2	COE42	58,869	31,631	0	0	7,593	24,038	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	2,697,515	982,411	555,514	0	114,315	312,581	0	1144
-- C&WF CAT 1.1	CWF11	35,085	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	2,222,058	555,514	555,514	0	0	0	0	1144
-- C&WF CAT 2	CWF2	109,106	109,106	0	0	109,106	0	0	1144
-- C&WF CAT 3	CWF3	331,266	317,790	0	0	5,209	312,581	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	2,459,212	1,127,686	390,696	374,421	68,898	293,672	0	1144
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1144
NET DEFERRED FIT	NTDFIT	306,815	132,948	52,686	31,469	9,309	39,484	0	1144
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1144
GENERAL SUPPORT EXP	GSFX	63,131	27,020	11,015	5,689	1,925	8,390	0	1144
COE EXPENSE	COEX	90,548	50,745	4,581	38,863	245	7,056	0	1144
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1144
C&WF EXPENSE	CWFX	111,332	40,546	22,927	0	4,718	12,901	0	1144
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1144
NETWORK OPERATIONS EXP	NETOPX	4,248	1,818	741	383	130	565	0	1144
DEPREC & AMORT EXP	DEPAMX	243,069	116,392	36,128	45,985	6,232	28,046	0	1144
MARKETING EXPENSE	MRKTX	13,545	4,298	1,752	905	306	1,334	0	1144
SERVICES EXPENSE	SERVX	39,763	18,532	4,557	3,629	1,173	2,294	6,879	1144
- CABSX EXPENSE	CABSX	8,529	4,265	0	1,516	513	2,236	0	1144
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1144
GENERAL & ADMIN EXP	GENADX	335,225	164,432	52,419	56,901	9,774	37,427	7,912	1144
OTHER TAXES (EXCL FIT & ITC)	OTAXES	35,176	16,273	7,111	2,476	1,238	5,447	0	1144
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1144
NON-OPERATING INC & EXP	NONOPX	2,323	1,139	465	240	81	354	0	1144
INTEREST & RELATED ITEMS(IRI)	INTREL	42,733	16,600	8,241	561	1,426	6,371	0	1144

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	16,055	4,215	2,600	1,126	67	421	0	1145
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1145
- GENERAL SUPPORT FACILITIES	GSF	475,210	146,587	90,418	39,168	2,344	14,657	0	1145
- CENTRAL OFFICE EQUIPMENT	COE	1,735,666	638,456	230,850	328,096	6,282	73,228	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	698,635	328,096	0	328,096	0	0	0	1145
-- COE CAT 4.11	COE411	64,171	64,171	0	0	0	64,171	0	1145
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1145
-- COE CAT 4.13	COE413	927,965	230,850	230,850	0	0	0	0	1145
-- COE CAT 4.2	COE42	44,895	15,339	0	0	6,282	9,057	0	1145
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1145
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1145
- CABLE & WIRE FACILITIES	CWF	2,244,978	589,446	526,548	0	13,352	49,546	0	1145
-- C&WF CAT 1.1	CWF11	10,416	0	0	0	0	0	0	1145
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1145
-- C&WF CAT 1.3	CWF13	2,106,192	526,548	526,548	0	0	0	0	1145
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1145
-- C&WF CAT 3	CWF3	128,370	62,898	0	0	13,352	49,546	0	1145
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1145
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1145
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1145
TELCOM PLANT-OTHER	PLTOTH	30,739	9,482	5,849	2,534	152	948	0	1145
ACCUM DEPRECIATION	ACCDEP	3,665,923	1,142,600	683,271	331,406	17,708	110,215	0	1145
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1145
NET DEFERRED FIT	NTDFIT	-104,149	-32,127	-19,816	-8,584	-514	-3,212	0	1145
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1145
GENERAL SUPPORT EXP	GSFX	69,908	21,564	13,301	5,762	345	2,156	0	1145
COE EXPENSE	COEX	136,098	50,063	13,223	32,285	360	4,195	0	1145
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1145
C&WF EXPENSE	CWFX	58,012	15,232	13,606	0	345	1,280	0	1145
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1145
NETWORK OPERATIONS EXP	NETOPX	43,134	13,305	8,207	3,555	213	1,330	0	1145
DEPREC & AMORT EXP	DEPAMX	306,099	99,680	53,136	34,766	1,392	10,385	0	1145
MARKETING EXPENSE	MRKTX	39,472	11,083	6,836	2,961	177	1,108	0	1145
SERVICES EXPENSE	SERVX	60,139	24,603	7,623	7,514	419	1,946	7,101	1145
- CABSX EXPENSE	CABSX	11,997	5,999	0	4,183	250	1,565	0	1145
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1145
GENERAL & ADMIN EXP	GENADX	271,334	110,008	56,658	38,032	1,358	8,775	5,186	1145
OTHER TAXES (EXCL FIT & ITC)	OTAXES	22,198	7,373	4,729	1,750	123	771	0	1145
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1145
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1145
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1145

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	8,941	2,747	992	1,011	612	132	0	1146
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1146
- GENERAL SUPPORT FACILITIES	GSF	189,370	78,906	28,497	29,032	17,580	3,798	0	1146
- CENTRAL OFFICE EQUIPMENT	COE	506,883	303,382	30,081	206,817	64,833	1,651	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	252,364	206,817	0	206,817	0	0	0	1146
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1146
-- COE CAT 4.12	COE412	133,696	66,484	0	0	64,833	1,651	0	1146
-- COE CAT 4.13	COE413	120,823	30,081	30,081	0	0	0	0	1146
-- COE CAT 4.2	COE42	0	0	0	0	0	0	0	1146
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1146
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1146
- CABLE & WIRE FACILITIES	CWF	842,141	258,724	172,922	0	60,400	25,402	0	1146
-- C&WF CAT 1.1	CWF11	2,870	0	0	0	0	0	0	1146
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1146
-- C&WF CAT 1.3	CWF13	691,687	172,922	172,922	0	0	0	0	1146
-- C&WF CAT 2	CWF2	122,937	61,155	0	0	60,400	755	0	1146
-- C&WF CAT 3	CWF3	24,647	24,647	0	0	0	24,647	0	1146
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	157,116	65,466	23,643	24,087	14,585	3,151	0	1146
ACCUM DEPRECIATION	ACCDEP	1,233,417	545,072	171,687	236,049	114,914	22,421	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	1,683	701	253	258	156	34	0	1146
GENERAL SUPPORT EXP	GSFX	3,755	1,565	565	576	349	75	0	1146
COE EXPENSE	COEX	67,295	40,278	0	40,278	0	0	0	1146
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1146
C&WF EXPENSE	CWFX	30,021	9,223	6,164	0	2,153	906	0	1146
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1146
NETWORK OPERATIONS EXP	NETOPX	5,613	2,339	845	861	521	113	0	1146
DEPREC & AMORT EXP	DEPAMX	63,008	21,613	11,143	1,841	7,158	1,471	0	1146
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1146
SERVICES EXPENSE	SERVX	24,723	12,498	2,167	4,759	2,776	453	2,343	1146
- CABSX EXPENSE	CABSX	10,557	5,280	0	3,041	1,841	398	0	1146
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1146
GENERAL & ADMIN EXP	GENADX	141,990	82,054	12,313	57,571	7,337	1,947	2,887	1146
OTHER TAXES (EXCL FIT & ITC)	OTAXES	8,081	3,367	1,216	1,239	750	162	0	1146
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1146
NON-OPERATING INC & EXP	NONOPX	3,177	1,836	663	676	409	88	0	1146
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1146

APPENDIX B1

2009 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	0	0	0	0	0	0	0	1147
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1147
- GENERAL SUPPORT FACILITIES	GSF	315,158	253,694	12,179	63,119	165	178,231	0	1147
- CENTRAL OFFICE EQUIPMENT	COE	594,776	470,934	4,513	298,828	88	167,504	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	351,563	298,828	0	298,828	0	0	0	1147
-- COE CAT 4.11	COE411	96,595	96,595	0	0	0	96,595	0	1147
-- COE CAT 4.12	COE412	57,217	0	0	0	0	0	0	1147
-- COE CAT 4.13	COE413	18,146	4,513	4,513	0	0	0	0	1147
-- COE CAT 4.2	COE42	71,255	70,997	0	0	88	70,909	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	897,294	730,144	53,148	0	693	676,303	0	1147
-- C&WF CAT 1.1	CWF11	1,090	0	0	0	0	0	0	1147
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1147
-- C&WF CAT 1.3	CWF13	212,592	53,148	53,148	0	0	0	0	1147
-- C&WF CAT 2	CWF2	5,554	0	0	0	0	0	0	1147
-- C&WF CAT 3	CWF3	678,058	676,996	0	0	693	676,303	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	0	0	0	0	0	0	0	1147
ACCUM DEPRECIATION	ACCDEP	824,112	665,463	28,266	215,916	385	420,896	0	1147
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1147
NET DEFERRED FIT	NTDFIT	70,642	57,052	2,706	15,264	37	39,046	0	1147
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1147
GENERAL SUPPORT EXP	GSFX	2,095	1,686	81	420	1	1,185	0	1147
COE EXPENSE	COEX	20,820	16,485	285	5,619	6	10,575	0	1147
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1147
C&WF EXPENSE	CWFX	22,169	18,039	1,313	0	17	16,709	0	1147
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1147
NETWORK OPERATIONS EXP	NETOPX	418	336	16	84	0	236	0	1147
DEPREC & AMORT EXP	DEPAMX	140,311	114,767	2,949	64,953	41	46,824	0	1147
MARKETING EXPENSE	MRKTX	1,206	362	17	90	0	254	0	1147
SERVICES EXPENSE	SERVX	42,070	21,857	3,032	11,918	31	2,635	4,241	1147
- CABSX EXPENSE	CABSX	7,013	3,507	0	916	2	2,588	0	1147
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1147
GENERAL & ADMIN EXP	GENADX	140,366	99,395	8,025	30,666	93	53,438	7,173	1147
OTHER TAXES (EXCL FIT & ITC)	OTAXES	32,133	26,153	1,270	6,305	17	18,560	0	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	47,531	38,143	2,022	6,848	27	29,246	0	1147

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	47,261	14,896	6,910	3,507	715	3,764	0	1148
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1148
- GENERAL SUPPORT FACILITIES	GSF	1,306,160	448,456	208,016	105,578	21,535	113,326	0	1148
- CENTRAL OFFICE EQUIPMENT	COE	2,816,271	1,086,303	287,068	570,460	47,414	181,362	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	1,171,702	570,460	0	570,460	0	0	0	1148
-- COE CAT 4.11	COE411	4,119	4,119	0	0	0	4,119	0	1148
-- COE CAT 4.12	COE412	313,383	49,090	0	0	47,414	1,676	0	1148
-- COE CAT 4.13	COE413	1,153,438	289,005	287,068	0	0	1,938	0	1148
-- COE CAT 4.2	COE42	173,629	173,629	0	0	0	173,629	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	4,241,152	1,336,787	836,882	0	68,945	430,959	0	1148
-- C&WF CAT 1.1	CWF11	9,415	0	0	0	0	0	0	1148
-- C&WF CAT 1.2	CWF12	5,649	5,649	0	0	0	5,649	0	1148
-- C&WF CAT 1.3	CWF13	3,347,530	836,882	836,882	0	0	0	0	1148
-- C&WF CAT 2	CWF2	484,372	100,069	0	0	68,945	31,124	0	1148
-- C&WF CAT 3	CWF3	394,186	394,186	0	0	0	394,186	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	51,586	17,711	8,215	4,170	851	4,476	0	1148
ACCUM DEPRECIATION	ACCDEP	6,477,533	2,278,616	968,013	678,647	102,029	529,927	0	1148
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1148
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1148
NETWORK SUPPORT EXP	NETSPX	4,325	1,485	689	350	71	375	0	1148
GENERAL SUPPORT EXP	GSFX	69,429	23,838	11,057	5,612	1,145	6,024	0	1148
COE EXPENSE	COEX	109,618	42,282	16,942	11,839	2,798	10,703	0	1148
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1148
C&WF EXPENSE	CWFX	96,648	30,463	19,071	0	1,571	9,821	0	1148
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1148
NETWORK OPERATIONS EXP	NETOPX	113,443	38,949	18,067	9,170	1,870	9,843	0	1148
DEPREC & AMORT EXP	DEPAMX	426,958	150,006	63,656	44,269	6,927	35,154	0	1148
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1148
SERVICES EXPENSE	SERVX	115,410	25,914	1,837	6,148	1,183	3,375	13,371	1148
- CABSX EXPENSE	CABSX	14,157	7,079	0	3,108	634	3,336	0	1148
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1148
GENERAL & ADMIN EXP	GENADX	614,175	202,441	93,869	37,743	9,845	45,747	15,238	1148
OTHER TAXES (EXCL FIT & ITC)	OTAXES	21,313	7,318	3,394	1,723	351	1,849	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	555	175	81	41	8	44	0	1148

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	179,411	82,652	20,067	19,861	27,428	15,297	0	1149
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1149
- GENERAL SUPPORT FACILITIES	GSF	2,754,305	1,419,234	344,573	341,040	470,962	262,658	0	1149
- CENTRAL OFFICE EQUIPMENT	COE	12,655,362	7,710,354	1,042,168	4,264,544	1,143,461	1,260,181	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	5,017,111	4,264,544	0	4,264,544	0	0	0	1149
-- COE CAT 4.11	COE411	1,100,008	1,083,001	0	0	0	1,083,001	0	1149
-- COE CAT 4.12	COE412	478,879	0	0	0	0	0	0	1149
-- COE CAT 4.13	COE413	4,246,486	1,091,969	1,042,168	0	0	49,802	0	1149
-- COE CAT 4.2	COE42	995,097	777,545	0	0	650,168	127,378	0	1149
-- COE CAT 4.3	COE43	817,781	493,294	0	0	493,294	0	0	1149
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1149
- CABLE & WIRE FACILITIES	CWF	21,785,929	10,036,497	3,266,560	0	4,745,697	2,024,240	0	1149
-- C&WF CAT 1.1	CWF11	87,804	0	0	0	0	0	0	1149
-- C&WF CAT 1.2	CWF12	156,098	156,098	0	0	0	156,098	0	1149
-- C&WF CAT 1.3	CWF13	13,066,240	3,266,560	3,266,560	0	0	0	0	1149
-- C&WF CAT 2	CWF2	2,204,471	1,657,843	0	0	0	1,657,843	0	1149
-- C&WF CAT 3	CWF3	5,179,211	4,297,228	0	0	4,086,929	210,299	0	1149
-- C&WF CAT 4	CWF4	1,092,105	658,769	0	0	658,769	0	0	1149
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1149
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1149
TELCOM PLANT-OTHER	PLTOTH	474,160	244,324	59,319	58,711	81,077	45,217	0	1149
ACCUM DEPRECIATION	ACCDEP	21,626,936	10,871,535	2,250,077	3,797,962	3,025,346	1,798,150	0	1149
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1149
NET DEFERRED FIT	NTDFIT	296,563	152,812	37,101	36,721	50,710	28,281	0	1149
NETWORK SUPPORT EXP	NETSPX	47,656	24,556	5,962	5,901	8,149	4,545	0	1149
GENERAL SUPPORT EXP	GSFX	103,683	53,426	12,971	12,838	17,729	9,888	0	1149
COE EXPENSE	COEX	921,721	561,564	82,814	287,749	90,863	100,138	0	1149
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1149
C&WF EXPENSE	CWFX	1,083,340	499,081	162,435	0	235,987	100,659	0	1149
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1149
NETWORK OPERATIONS EXP	NETOPX	193,000	99,449	24,145	23,897	33,001	18,405	0	1149
DEPREC & AMORT EXP	DEPAMX	2,501,313	1,382,838	260,388	559,783	343,305	219,361	0	1149
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1149
SERVICES EXPENSE	SERVX	294,034	116,900	30,292	1,584	2,187	4,923	77,915	1149
- CABSX EXPENSE	CABSX	5,540	2,770	0	879	1,214	677	0	1149
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1149
GENERAL & ADMIN EXP	GENADX	1,247,224	660,361	168,395	157,588	184,147	113,245	36,987	1149
OTHER TAXES (EXCL FIT & ITC)	OTAXES	289,974	165,518	44,993	25,137	62,115	33,273	0	1149
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1149
NON-OPERATING INC & EXP	NONOPX	16,804	8,897	2,160	2,138	2,952	1,647	0	1149
INTEREST & RELATED ITEMS(IRI)	INTREL	272,223	144,979	35,199	34,838	48,110	26,831	0	1149

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	124,776	48,880	13,847	8,260	22,365	4,408	0	1150
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1150
- GENERAL SUPPORT FACILITIES	GSF	3,009,185	1,335,302	378,281	225,650	610,960	120,410	0	1150
- CENTRAL OFFICE EQUIPMENT	COE	5,366,915	2,913,507	360,836	1,169,545	978,096	405,030	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	1,375,935	1,169,545	0	1,169,545	0	0	0	1150
-- COE CAT 4.11	COE411	355,062	346,850	0	0	0	346,850	0	1150
-- COE CAT 4.12	COE412	440,195	0	0	0	0	0	0	1150
-- COE CAT 4.13	COE413	1,454,164	367,119	360,836	0	0	6,283	0	1150
-- COE CAT 4.2	COE42	1,123,416	765,119	0	0	713,222	51,897	0	1150
-- COE CAT 4.3	COE43	618,143	264,874	0	0	264,874	0	0	1150
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1150
- CABLE & WIRE FACILITIES	CWF	10,229,691	4,007,363	1,599,796	0	2,188,509	219,057	0	1150
-- C&WF CAT 1.1	CWF11	20,118	0	0	0	0	0	0	1150
-- C&WF CAT 1.2	CWF12	27,856	27,856	0	0	0	27,856	0	1150
-- C&WF CAT 1.3	CWF13	6,399,186	1,599,796	1,599,796	0	0	0	0	1150
-- C&WF CAT 2	CWF2	265,470	40,919	0	0	0	40,919	0	1150
-- C&WF CAT 3	CWF3	3,187,050	2,197,382	0	0	2,047,099	150,282	0	1150
-- C&WF CAT 4	CWF4	330,011	141,410	0	0	141,410	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	412,100	182,866	51,805	30,902	83,669	16,490	0	1150
ACCUM DEPRECIATION	ACCDEP	10,185,793	4,066,396	1,010,382	964,053	1,711,724	380,236	0	1150
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1150
NET DEFERRED FIT	NTDFIT	45,597	20,233	5,732	3,419	9,258	1,825	0	1150
NETWORK SUPPORT EXP	NETSPX	5,683	2,522	714	426	1,154	227	0	1150
GENERAL SUPPORT EXP	GSFX	161,993	71,883	20,364	12,147	32,890	6,482	0	1150
COE EXPENSE	COEX	292,312	158,686	9,518	112,685	25,800	10,684	0	1150
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1150
C&WF EXPENSE	CWFX	263,883	103,373	41,268	0	56,454	5,651	0	1150
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1150
NETWORK OPERATIONS EXP	NETOPX	20,628	9,154	2,593	1,547	4,188	825	0	1150
DEPREC & AMORT EXP	DEPAMX	1,170,441	573,730	121,350	226,466	190,972	34,942	0	1150
MARKETING EXPENSE	MRKTX	8,335	3,895	1,103	658	1,782	351	0	1150
SERVICES EXPENSE	SERVX	162,425	56,276	9,015	5,721	9,389	1,072	31,079	1150
- CABSX EXPENSE	CABSX	16,582	8,291	0	1,955	5,293	1,043	0	1150
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1150
GENERAL & ADMIN EXP	GENADX	618,030	291,954	72,589	90,955	89,912	17,273	21,225	1150
OTHER TAXES (EXCL FIT & ITC)	OTAXES	119,492	68,248	21,559	7,183	33,565	5,941	0	1150
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1150
NON-OPERATING INC & EXP	NONOPX	9,847	4,652	1,318	786	2,128	419	0	1150
INTEREST & RELATED ITEMS(IRI)	INTREL	243,987	120,859	34,239	20,424	55,299	10,898	0	1150

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	85,503	24,397	5,052	16,590	179	2,516	59	1151
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1151
- GENERAL SUPPORT FACILITIES	GSF	2,151,129	1,096,619	224,614	737,658	7,977	111,881	14,490	1151
- CENTRAL OFFICE EQUIPMENT	COE	5,312,697	3,624,329	39,967	3,282,338	6,614	295,409	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	4,793,631	3,249,582	0	3,249,582	0	0	0	1151
-- COE CAT 4.11	COE411	251,629	251,629	0	0	0	251,629	0	1151
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1151
-- COE CAT 4.13	COE413	160,833	40,449	39,967	0	0	482	0	1151
-- COE CAT 4.2	COE42	72,623	49,912	0	0	6,614	43,298	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	4,226,919	1,206,094	969,465	0	29,235	207,394	0	1151
-- C&WF CAT 1.1	CWF11	11,696	0	0	0	0	0	0	1151
-- C&WF CAT 1.2	CWF12	11,696	11,696	0	0	0	11,696	0	1151
-- C&WF CAT 1.3	CWF13	3,877,858	969,465	969,465	0	0	0	0	1151
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1151
-- C&WF CAT 3	CWF3	325,668	224,933	0	0	29,235	195,698	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	0	0	0	0	0	0	0	1151
TELCOM PLANT-OTHER	PLTOTH	42,291	21,507	4,464	14,661	159	2,224	0	1151
ACCUM DEPRECIATION	ACCDEP	7,986,953	4,223,513	754,422	3,043,293	27,041	388,926	9,830	1151
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1151
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1151
NETWORK SUPPORT EXP	NETSPX	6,604	3,367	697	2,289	25	347	8	1151
GENERAL SUPPORT EXP	GSFX	88,068	44,896	9,196	30,200	327	4,580	593	1151
COE EXPENSE	COEX	432,818	297,938	5,808	248,238	961	42,930	0	1151
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1151
C&WF EXPENSE	CWFX	153,519	43,805	35,210	0	1,062	7,532	0	1151
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1151
NETWORK OPERATIONS EXP	NETOPX	37,380	19,056	3,955	12,990	140	1,970	0	1151
DEPREC & AMORT EXP	DEPAMX	1,102,091	643,773	69,079	527,278	2,637	44,158	621	1151
MARKETING EXPENSE	MRKTX	22,687	9,976	2,066	6,784	73	1,029	24	1151
SERVICES EXPENSE	SERVX	247,229	113,666	17,396	49,842	516	6,442	39,469	1151
- CABSX EXPENSE	CABSX	40,157	20,079	0	17,272	187	2,620	0	1151
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1151
GENERAL & ADMIN EXP	GENADX	587,074	353,044	63,308	221,450	1,962	40,980	25,344	1151
OTHER TAXES (EXCL FIT & ITC)	OTAXES	72,735	37,509	7,786	25,569	276	3,878	0	1151
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1151
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1151
INTEREST & RELATED ITEMS(IRI)	INTREL	2,132	1,000	207	680	7	103	2	1151

APPENDIX B1

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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	13,690	5,262	1,248	1,239	2,289	487	0	1152
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1152
- GENERAL SUPPORT FACILITIES	GSF	1,936,444	896,205	212,482	210,969	389,818	82,935	0	1152
- CENTRAL OFFICE EQUIPMENT	COE	3,872,504	2,455,795	204,646	1,343,642	712,462	195,045	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	1,580,755	1,343,642	0	1,343,642	0	0	0	1152
-- COE CAT 4.11	COE411	176,461	175,043	0	0	0	175,043	0	1152
-- COE CAT 4.12	COE412	24,485	0	0	0	0	0	0	1152
-- COE CAT 4.13	COE413	825,220	207,596	204,646	0	0	2,950	0	1152
-- COE CAT 4.2	COE42	1,265,583	729,514	0	0	712,462	17,052	0	1152
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1152
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1152
- CABLE & WIRE FACILITIES	CWF	8,460,507	3,252,039	1,148,630	0	1,770,251	333,158	0	1152
-- C&WF CAT 1.1	CWF11	20,696	0	0	0	0	0	0	1152
-- C&WF CAT 1.2	CWF12	16,557	16,557	0	0	0	16,557	0	1152
-- C&WF CAT 1.3	CWF13	4,594,521	1,148,630	1,148,630	0	0	0	0	1152
-- C&WF CAT 2	CWF2	176,310	33,118	0	0	0	33,118	0	1152
-- C&WF CAT 3	CWF3	3,652,423	2,053,734	0	0	1,770,251	283,483	0	1152
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1152
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1152
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1152
TELCOM PLANT-OTHER	PLTOTH	217,746	100,775	23,893	23,723	43,834	9,326	0	1152
ACCUM DEPRECIATION	ACCDEP	9,075,965	4,256,262	855,873	1,267,884	1,740,560	391,946	0	1152
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1152
NET DEFERRED FIT	NTDFIT	172,952	80,044	18,978	18,843	34,816	7,407	0	1152
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1152
GENERAL SUPPORT EXP	GSFX	68,547	31,724	7,522	7,468	13,799	2,936	0	1152
COE EXPENSE	COEX	627,948	398,221	26,048	256,662	90,685	24,826	0	1152
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1152
C&WF EXPENSE	CWFX	335,937	129,127	45,608	0	70,290	13,229	0	1152
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1152
NETWORK OPERATIONS EXP	NETOPX	31,357	14,512	3,441	3,416	6,312	1,343	0	1152
DEPREC & AMORT EXP	DEPAMX	907,343	372,224	99,838	35,707	194,032	42,646	0	1152
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1152
SERVICES EXPENSE	SERVX	163,466	41,117	10,807	6,189	11,410	1,417	11,293	1152
- CABSX EXPENSE	CABSX	22,840	11,420	0	3,524	6,511	1,385	0	1152
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1152
GENERAL & ADMIN EXP	GENADX	459,833	243,547	42,810	105,412	74,128	16,848	4,349	1152
OTHER TAXES (EXCL FIT & ITC)	OTAXES	70,050	42,215	12,352	5,872	20,055	3,936	0	1152
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1152
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1152
INTEREST & RELATED ITEMS(IRI)	INTREL	167,427	75,673	17,941	17,814	32,915	7,003	0	1152

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	311,179	107,499	54,828	7,400	18,366	26,862	42	1153
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1153
- GENERAL SUPPORT FACILITIES	GSF	6,196,407	2,416,195	1,230,080	166,025	412,050	602,669	5,370	1153
- CENTRAL OFFICE EQUIPMENT	COE	7,771,023	3,960,632	1,206,464	770,415	642,585	1,341,169	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	906,370	770,415	0	770,415	0	0	0	1153
-- COE CAT 4.11	COE411	672,718	672,718	0	0	0	672,718	0	1153
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1153
-- COE CAT 4.13	COE413	4,860,068	1,236,053	1,206,464	0	0	29,589	0	1153
-- COE CAT 4.2	COE42	1,331,867	1,281,447	0	0	642,585	638,862	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	20,918,569	7,226,439	4,501,539	0	1,269,473	1,455,427	0	1153
-- C&WF CAT 1.1	CWF11	17,251	0	0	0	0	0	0	1153
-- C&WF CAT 1.2	CWF12	110,404	110,404	0	0	0	110,404	0	1153
-- C&WF CAT 1.3	CWF13	18,006,157	4,501,539	4,501,539	0	0	0	0	1153
-- C&WF CAT 2	CWF2	72,146	0	0	0	0	0	0	1153
-- C&WF CAT 3	CWF3	2,712,612	2,614,496	0	0	1,269,473	1,345,023	0	1153
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1153
- TANGIBLES	TANGIB	21,640	8,438	4,304	581	1,442	2,109	3	1153
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1153
TELCOM PLANT-OTHER	PLTOTH	1,255,911	489,530	249,774	33,712	83,669	122,375	0	1153
ACCUM DEPRECIATION	ACCDEP	20,998,524	8,195,071	4,174,605	557,754	1,402,405	2,057,909	2,397	1153
ACCUM AMORTIZATION	ACCAMO	21,640	8,435	4,304	581	1,442	2,109	0	1153
NET DEFERRED FIT	NTDFIT	-200,170	-78,022	-39,810	-5,373	-13,335	-19,504	0	1153
NETWORK SUPPORT EXP	NETSPX	2,191	854	436	59	146	213	0	1153
GENERAL SUPPORT EXP	GSFX	580,714	226,441	115,281	15,560	38,616	56,481	503	1153
COE EXPENSE	COEX	513,540	261,734	29,007	185,031	15,450	32,246	0	1153
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1153
C&WF EXPENSE	CWFX	1,783,951	616,276	383,895	0	108,262	124,120	0	1153
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1153
NETWORK OPERATIONS EXP	NETOPX	386,623	150,758	76,921	10,382	25,767	37,687	0	1153
DEPREC & AMORT EXP	DEPAMX	2,790,890	1,127,761	540,386	104,422	189,918	292,754	280	1153
MARKETING EXPENSE	MRKTX	166,458	69,321	35,356	4,772	11,843	17,322	27	1153
SERVICES EXPENSE	SERVX	594,543	313,822	124,414	49,802	38,107	20,713	80,786	1153
- CABSX EXPENSE	CABSX	6,713	3,357	0	472	1,171	1,713	0	1153
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1153
GENERAL & ADMIN EXP	GENADX	1,426,812	617,975	298,497	97,100	87,077	105,573	29,728	1153
OTHER TAXES (EXCL FIT & ITC)	OTAXES	238,409	106,844	54,565	7,436	18,228	26,576	38	1153
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1153
NON-OPERATING INC & EXP	NONOPX	7,117	3,082	1,572	212	527	770	1	1153
INTEREST & RELATED ITEMS(IRI)	INTREL	355,220	138,350	70,677	9,667	23,586	34,347	73	1153

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	1154
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1154
- GENERAL SUPPORT FACILITIES	GSF	513,833	195,314	90,058	68,285	18,858	17,522	590	1154
- CENTRAL OFFICE EQUIPMENT	COE	877,129	523,607	78,611	354,066	18,984	71,945	0	1154
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1154
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1154
-- COE CAT 3	COE3	434,626	351,342	0	351,342	0	0	0	1154
-- COE CAT 4.11	COE411	66,594	66,594	0	0	0	66,594	0	1154
-- COE CAT 4.12	COE412	22,804	0	0	0	0	0	0	1154
-- COE CAT 4.13	COE413	315,200	78,611	78,611	0	0	0	0	1154
-- COE CAT 4.2	COE42	33,965	24,335	0	0	18,984	5,351	0	1154
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1154
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1154
- CABLE & WIRE FACILITIES	CWF	1,799,544	491,102	391,945	0	79,551	19,606	0	1154
-- C&WF CAT 1.1	CWF11	3,764	0	0	0	0	0	0	1154
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1154
-- C&WF CAT 1.3	CWF13	1,567,781	391,945	391,945	0	0	0	0	1154
-- C&WF CAT 2	CWF2	103,938	13,997	0	0	0	13,997	0	1154
-- C&WF CAT 3	CWF3	124,061	85,160	0	0	79,551	5,609	0	1154
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1154
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1154
- INTANGIBLES	INTANG	4,764	1,811	837	635	175	163	1	1154
TELCOM PLANT-OTHER	PLTOTH	122,723	46,626	21,564	16,351	4,516	4,195	0	1154
ACCUM DEPRECIATION	ACCDEP	1,901,299	737,199	328,670	265,277	69,257	73,661	334	1154
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1154
NET DEFERRED FIT	NTDFIT	109,570	40,497	19,696	13,212	4,109	3,481	0	1154
NETWORK SUPPORT EXP	NETSPX	19,952	7,584	3,506	2,658	734	682	4	1154
GENERAL SUPPORT EXP	GSFX	49,969	18,994	8,758	6,641	1,834	1,704	57	1154
COE EXPENSE	COEX	113,282	67,976	7,058	52,755	1,704	6,459	0	1154
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1154
C&WF EXPENSE	CWFX	106,882	29,168	23,279	0	4,725	1,164	0	1154
OTHER PROP & PL EXP	OTHPX	434	165	76	58	16	15	0	1154
NETWORK OPERATIONS EXP	NETOPX	42,182	16,034	7,416	5,623	1,553	1,443	0	1154
DEPREC & AMORT EXP	DEPAMX	95,730	30,678	19,063	5,509	3,923	2,162	21	1154
MARKETING EXPENSE	MRKTX	608	386	179	135	37	35	0	1154
SERVICES EXPENSE	SERVX	51,080	19,309	1,562	5,710	731	679	10,627	1154
- CABSX EXPENSE	CABSX	6,118	3,059	0	1,996	551	512	0	1154
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1154
GENERAL & ADMIN EXP	GENADX	263,813	114,648	39,498	51,302	7,903	8,493	7,452	1154
OTHER TAXES (EXCL FIT & ITC)	OTAXES	28,850	14,282	7,129	4,728	1,473	945	6	1154
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1154
NON-OPERATING INC & EXP	NONOPX	5,370	2,334	1,079	818	226	210	1	1154
INTEREST & RELATED ITEMS(IRI)	INTREL	25,429	9,406	4,348	3,297	910	846	5	1154

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	424,982	122,234	67,498	23,999	13,817	16,920	0	1155
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1155
- GENERAL SUPPORT FACILITIES	GSF	12,058,543	4,182,550	2,309,611	821,198	472,789	578,952	0	1155
- CENTRAL OFFICE EQUIPMENT	COE	12,085,820	5,995,657	1,375,654	2,896,744	1,000,398	722,861	0	1155
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1155
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1155
-- COE CAT 3	COE3	3,407,934	2,896,744	0	2,896,744	0	0	0	1155
-- COE CAT 4.11	COE411	490,417	458,886	0	0	0	458,886	0	1155
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1155
-- COE CAT 4.13	COE413	5,512,001	1,377,665	1,375,654	0	0	2,011	0	1155
-- COE CAT 4.2	COE42	705,289	261,964	0	0	0	261,964	0	1155
-- COE CAT 4.3	COE43	1,970,179	1,000,398	0	0	1,000,398	0	0	1155
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1155
- CABLE & WIRE FACILITIES	CWF	30,450,238	8,758,131	6,771,411	0	667,348	1,319,371	0	1155
-- C&WF CAT 1.1	CWF11	36,299	0	0	0	0	0	0	1155
-- C&WF CAT 1.2	CWF12	9,900	9,900	0	0	0	9,900	0	1155
-- C&WF CAT 1.3	CWF13	27,085,645	6,771,411	6,771,411	0	0	0	0	1155
-- C&WF CAT 2	CWF2	1,092,864	888,204	0	0	0	888,204	0	1155
-- C&WF CAT 3	CWF3	911,258	421,267	0	0	0	421,267	0	1155
-- C&WF CAT 4	CWF4	1,314,272	667,348	0	0	667,348	0	0	1155
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1155
- INTANGIBLES	INTANG	136,265	47,264	26,099	9,280	5,343	6,542	0	1155
TELCOM PLANT-OTHER	PLTOTH	1,305,398	452,782	250,027	88,899	51,182	62,675	0	1155
ACCUM DEPRECIATION	ACCDEP	27,471,709	10,052,961	5,059,241	2,677,197	1,043,953	1,272,570	0	1155
ACCUM AMORTIZATION	ACCAMO	119,672	41,509	22,921	8,150	4,692	5,746	0	1155
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1155
NETWORK SUPPORT EXP	NETSPX	630	219	121	43	25	30	0	1155
GENERAL SUPPORT EXP	GSFX	558,416	193,689	106,955	38,029	21,894	26,811	0	1155
COE EXPENSE	COEX	1,070,743	531,185	77,043	357,632	56,027	40,484	0	1155
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1155
C&WF EXPENSE	CWFX	785,505	225,928	174,678	0	17,215	34,035	0	1155
OTHER PROP & PL EXP	OTHPPX	419	145	80	29	16	20	0	1155
NETWORK OPERATIONS EXP	NETOPX	558,360	193,669	106,944	38,025	21,892	26,808	0	1155
DEPREC & AMORT EXP	DEPAMX	3,081,169	1,122,002	543,533	216,629	186,188	175,652	0	1155
MARKETING EXPENSE	MRKTX	166,148	80,655	44,538	15,836	9,117	11,164	0	1155
SERVICES EXPENSE	SERVX	956,710	112,954	69,120	22,290	12,694	8,851	0	1155
- CABSX EXPENSE	CABSX	34,685	17,343	0	7,604	4,378	5,361	0	1155
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1155
GENERAL & ADMIN EXP	GENADX	1,587,912	561,895	265,994	183,975	54,146	57,780	0	1155
OTHER TAXES (EXCL FIT & ITC)	OTAXES	422,743	149,265	82,424	29,306	16,873	20,661	0	1155
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1155
NON-OPERATING INC & EXP	NONOPX	37,037	15,102	8,339	2,965	1,707	2,090	0	1155
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1155

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2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	1156
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1156
- GENERAL SUPPORT FACILITIES	GSF	714,174	280,557	128,858	87,440	30,064	34,196	0	1156
- CENTRAL OFFICE EQUIPMENT	COE	908,299	526,695	91,048	278,863	47,727	109,057	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	334,509	278,863	0	278,863	0	0	0	1156
-- COE CAT 4.11	COE411	109,057	109,057	0	0	0	109,057	0	1156
-- COE CAT 4.12	COE412	11,613	0	0	0	0	0	0	1156
-- COE CAT 4.13	COE413	364,190	91,048	91,048	0	0	0	0	1156
-- COE CAT 4.2	COE42	88,930	47,727	0	0	47,727	0	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	1,369,352	368,061	319,907	0	48,154	0	0	1156
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1156
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1156
-- C&WF CAT 1.3	CWF13	1,279,626	319,907	319,907	0	0	0	0	1156
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1156
-- C&WF CAT 3	CWF3	89,726	48,154	0	0	48,154	0	0	1156
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1156
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1156
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1156
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1156
ACCUM DEPRECIATION	ACCDEP	2,128,014	830,566	386,448	260,851	87,916	95,351	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	27,568	10,830	4,974	3,375	1,161	1,320	0	1156
COE EXPENSE	COEX	130,749	75,817	18,020	26,766	9,446	21,585	0	1156
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1156
C&WF EXPENSE	CWFX	88,046	23,665	20,569	0	3,096	0	0	1156
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1156
NETWORK OPERATIONS EXP	NETOPX	339,236	133,266	61,208	41,534	14,281	16,243	0	1156
DEPREC & AMORT EXP	DEPAMX	176,181	74,334	29,580	26,263	7,791	10,700	0	1156
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1156
SERVICES EXPENSE	SERVX	62,581	19,847	3,007	5,267	656	747	10,170	1156
- CABSX EXPENSE	CABSX	5,017	2,509	0	1,446	497	565	0	1156
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1156
GENERAL & ADMIN EXP	GENADX	468,592	235,676	105,057	64,571	24,035	33,480	8,535	1156
OTHER TAXES (EXCL FIT & ITC)	OTAXES	24,630	9,843	4,521	3,068	1,055	1,200	0	1156
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1156
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1156
INTEREST & RELATED ITEMS(IRI)	INTREL	2,944	1,175	540	366	126	143	0	1156

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	134,782	35,131	21,501	8,748	2,107	2,774	0	1157
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1157
- GENERAL SUPPORT FACILITIES	GSF	3,176,139	1,067,600	653,411	265,850	64,031	84,308	0	1157
- CENTRAL OFFICE EQUIPMENT	COE	7,160,710	3,300,266	1,132,447	1,589,964	158,722	419,134	0	1157
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1157
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1157
-- COE CAT 3	COE3	1,870,546	1,589,964	0	1,589,964	0	0	0	1157
-- COE CAT 4.11	COE411	533,160	412,959	0	0	0	412,959	0	1157
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1157
-- COE CAT 4.13	COE413	4,535,804	1,136,458	1,132,447	0	0	4,010	0	1157
-- COE CAT 4.2	COE42	221,200	160,886	0	0	158,722	2,164	0	1157
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1157
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1157
- CABLE & WIRE FACILITIES	CWF	11,834,799	3,084,720	2,775,405	0	224,229	85,086	0	1157
-- C&WF CAT 1.1	CWF11	4,914	0	0	0	0	0	0	1157
-- C&WF CAT 1.2	CWF12	9,829	9,829	0	0	0	9,829	0	1157
-- C&WF CAT 1.3	CWF13	11,101,619	2,775,405	2,775,405	0	0	0	0	1157
-- C&WF CAT 2	CWF2	359,597	63,920	0	0	0	63,920	0	1157
-- C&WF CAT 3	CWF3	358,840	235,566	0	0	224,229	11,337	0	1157
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	1,608,955	540,820	331,002	134,673	32,437	42,708	0	1157
ACCUM DEPRECIATION	ACCDEP	13,664,321	4,956,225	2,670,324	1,591,795	274,761	419,346	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	1,221	410	251	102	25	32	0	1157
GENERAL SUPPORT EXP	GSFX	150,256	50,506	30,911	12,577	3,029	3,988	0	1157
COE EXPENSE	COEX	257,536	118,695	16,551	93,698	2,320	6,126	0	1157
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1157
C&WF EXPENSE	CWFX	607,931	158,456	142,567	0	11,518	4,371	0	1157
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1157
NETWORK OPERATIONS EXP	NETOPX	476,886	160,296	98,107	39,916	9,614	12,659	0	1157
DEPREC & AMORT EXP	DEPAMX	1,196,915	447,674	227,976	169,887	22,051	27,760	0	1157
MARKETING EXPENSE	MRKTX	69,488	23,192	14,195	5,775	1,391	1,831	0	1157
SERVICES EXPENSE	SERVX	138,670	79,268	4,598	22,178	5,342	7,033	40,118	1157
- CABSX EXPENSE	CABSX	67,064	33,532	0	21,523	5,184	6,825	0	1157
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1157
GENERAL & ADMIN EXP	GENADX	881,911	334,940	182,545	93,619	17,858	19,364	21,554	1157
OTHER TAXES (EXCL FIT & ITC)	OTAXES	186,466	63,444	38,830	15,799	3,805	5,010	0	1157
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1157
NON-OPERATING INC & EXP	NONOPX	600	228	139	57	14	18	0	1157
INTEREST & RELATED ITEMS(IRI)	INTREL	220,266	66,015	40,404	16,439	3,959	5,213	0	1157

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	19,358	6,161	1,557	2,871	801	931	0	1158
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1158
- GENERAL SUPPORT FACILITIES	GSF	888,838	440,800	111,390	205,443	57,344	66,623	0	1158
- CENTRAL OFFICE EQUIPMENT	COE	1,960,224	1,447,807	71,257	1,071,846	131,740	172,964	0	1158
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1158
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1158
-- COE CAT 3	COE3	1,260,995	1,071,846	0	1,071,846	0	0	0	1158
-- COE CAT 4.11	COE411	168,918	167,382	0	0	0	167,382	0	1158
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1158
-- COE CAT 4.13	COE413	287,091	71,257	71,257	0	0	0	0	1158
-- COE CAT 4.2	COE42	243,220	137,322	0	0	131,740	5,582	0	1158
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1158
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1158
- CABLE & WIRE FACILITIES	CWF	2,677,058	851,951	509,891	0	167,436	174,624	0	1158
-- C&WF CAT 1.1	CWF11	14,753	0	0	0	0	0	0	1158
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1158
-- C&WF CAT 1.3	CWF13	2,039,562	509,891	509,891	0	0	0	0	1158
-- C&WF CAT 2	CWF2	113,706	102,641	0	0	0	102,641	0	1158
-- C&WF CAT 3	CWF3	509,037	239,419	0	0	167,436	71,983	0	1158
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1158
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1158
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1158
TELCOM PLANT-OTHER	PLTOTH	272,248	135,015	34,118	62,926	17,564	20,406	0	1158
ACCUM DEPRECIATION	ACCDEP	3,547,769	1,857,266	408,607	942,524	232,025	274,110	0	1158
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1158
NET DEFERRED FIT	NTDFIT	209,114	97,627	28,461	41,329	13,033	14,804	0	1158
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1158
GENERAL SUPPORT EXP	GSFX	33,970	16,847	4,257	7,852	2,192	2,546	0	1158
COE EXPENSE	COEX	280,800	207,397	85	206,949	157	206	0	1158
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1158
C&WF EXPENSE	CWFX	87,886	27,969	16,739	0	5,497	5,733	0	1158
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1158
NETWORK OPERATIONS EXP	NETOPX	10,740	5,326	1,346	2,482	693	805	0	1158
DEPREC & AMORT EXP	DEPAMX	258,339	143,674	26,619	78,086	17,644	21,325	0	1158
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1158
SERVICES EXPENSE	SERVX	113,607	49,854	6,264	18,678	5,214	3,849	15,850	1158
- CABSX EXPENSE	CABSX	37,718	18,859	0	11,762	3,283	3,814	0	1158
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1158
GENERAL & ADMIN EXP	GENADX	272,300	172,140	16,067	132,138	7,701	7,358	8,876	1158
OTHER TAXES (EXCL FIT & ITC)	OTAXES	41,007	18,929	5,366	8,078	2,557	2,928	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	29,330	13,191	4,594	4,538	1,921	2,139	0	1158

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	718,281	222,787	99,121	31,759	30,167	61,610	130	1159
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1159
- GENERAL SUPPORT FACILITIES	GSF	14,498,468	5,357,165	2,375,440	761,102	722,952	1,476,490	21,180	1159
- CENTRAL OFFICE EQUIPMENT	COE	28,941,053	13,946,355	2,685,877	4,414,034	2,226,982	4,619,463	0	1159
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1159
-- COE CAT 2	COE2	465,023	244,358	0	0	244,358	0	0	1159
-- COE CAT 3	COE3	6,942,608	4,414,034	0	4,414,034	0	0	0	1159
-- COE CAT 4.11	COE411	2,570,875	2,570,875	0	0	0	2,570,875	0	1159
-- COE CAT 4.12	COE412	177,975	0	0	0	0	0	0	1159
-- COE CAT 4.13	COE413	10,957,406	2,732,420	2,685,877	0	0	46,543	0	1159
-- COE CAT 4.2	COE42	6,543,399	3,425,123	0	0	1,423,078	2,002,045	0	1159
-- COE CAT 4.3	COE43	1,283,767	559,545	0	0	559,545	0	0	1159
- INFORMATION ORIG/TERM	IOT	10,611	2,653	2,653	0	0	0	0	1159
- CABLE & WIRE FACILITIES	CWF	54,800,159	16,997,179	11,087,901	0	1,965,795	3,943,483	0	1159
-- C&WF CAT 1.1	CWF11	690,886	0	0	0	0	0	0	1159
-- C&WF CAT 1.2	CWF12	192,140	192,140	0	0	0	192,140	0	1159
-- C&WF CAT 1.3	CWF13	44,351,603	11,087,901	11,087,901	0	0	0	0	1159
-- C&WF CAT 2	CWF2	2,258,309	1,984,038	0	0	0	1,984,038	0	1159
-- C&WF CAT 3	CWF3	6,017,769	3,171,077	0	0	1,403,772	1,767,305	0	1159
-- C&WF CAT 4	CWF4	1,289,452	562,023	0	0	562,023	0	0	1159
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1159
- INTANGIBLES	INTANG	1,296,826	479,175	213,192	68,308	64,884	132,513	280	1159
TELCOM PLANT-OTHER	PLTOTH	2,237,817	826,388	367,886	117,873	111,964	228,665	0	1159
ACCUM DEPRECIATION	ACCDEP	77,280,493	29,093,993	12,362,003	4,753,156	3,944,120	8,019,385	15,329	1159
ACCUM AMORTIZATION	ACCAMO	1,203,600	444,469	197,866	63,397	60,219	122,987	0	1159
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1159
NETWORK SUPPORT EXP	NETSPX	324,963	120,073	53,422	17,117	16,259	33,205	70	1159
GENERAL SUPPORT EXP	GSFX	588,833	217,573	96,475	30,911	29,362	59,965	860	1159
COE EXPENSE	COEX	943,877	454,843	87,432	132,340	84,697	150,374	0	1159
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1159
C&WF EXPENSE	CWFX	1,077,784	334,293	218,072	0	38,662	77,559	0	1159
OTHER PROP & PL EXP	OTHPPX	16,339	6,037	2,688	861	818	1,671	0	1159
NETWORK OPERATIONS EXP	NETOPX	1,809,534	668,620	297,652	95,369	90,589	185,010	0	1159
DEPREC & AMORT EXP	DEPAMX	5,590,443	2,154,015	862,946	445,308	282,559	562,103	1,099	1159
MARKETING EXPENSE	MRKTX	103,872	44,086	19,614	6,285	5,969	12,192	26	1159
SERVICES EXPENSE	SERVX	708,732	172,633	17,834	14,438	13,714	25,030	101,618	1159
- CABSX EXPENSE	CABSX	95,979	47,990	0	12,337	11,719	23,933	0	1159
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1159
GENERAL & ADMIN EXP	GENADX	1,672,980	663,065	294,988	89,338	84,155	163,762	30,821	1159
OTHER TAXES (EXCL FIT & ITC)	OTAXES	829,725	308,179	137,193	43,957	41,754	85,275	0	1159
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1159
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1159
INTEREST & RELATED ITEMS(IRI)	INTREL	374,204	129,207	57,486	18,419	17,496	35,731	75	1159

APPENDIX B1

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COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	289,161	77,254	48,021	15,731	4,948	8,554	0	1160
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1160
- GENERAL SUPPORT FACILITIES	GSF	2,766,656	895,616	556,717	182,372	57,363	99,163	0	1160
- CENTRAL OFFICE EQUIPMENT	COE	5,731,092	2,415,393	919,131	1,030,671	153,613	311,978	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	1,212,554	1,030,671	0	1,030,671	0	0	0	1160
-- COE CAT 4.11	COE411	329,564	262,650	0	0	0	262,650	0	1160
-- COE CAT 4.12	COE412	39,977	0	0	0	0	0	0	1160
-- COE CAT 4.13	COE413	3,735,273	937,931	919,131	0	0	18,800	0	1160
-- COE CAT 4.2	COE42	413,724	184,141	0	0	153,613	30,528	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	9,904,565	2,646,148	2,227,138	0	170,574	248,437	0	1160
-- C&WF CAT 1.1	CWF11	96,801	0	0	0	0	0	0	1160
-- C&WF CAT 1.2	CWF12	45,553	45,553	0	0	0	45,553	0	1160
-- C&WF CAT 1.3	CWF13	8,908,550	2,227,138	2,227,138	0	0	0	0	1160
-- C&WF CAT 2	CWF2	396,472	170,892	0	0	0	170,892	0	1160
-- C&WF CAT 3	CWF3	457,188	202,565	0	0	170,574	31,991	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	2,737	886	551	180	57	98	0	1160
TELCOM PLANT-OTHER	PLTOTH	187,351	60,649	37,700	12,350	3,884	6,715	0	1160
ACCUM DEPRECIATION	ACCDEP	13,771,988	4,588,335	2,729,026	1,170,121	258,987	430,201	0	1160
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1160
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1160
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1160
GENERAL SUPPORT EXP	GSFX	85,997	27,839	17,305	5,669	1,783	3,082	0	1160
COE EXPENSE	COEX	444,122	187,177	41,454	124,725	6,928	14,071	0	1160
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1160
C&WF EXPENSE	CWFX	337,630	90,203	75,919	0	5,815	8,469	0	1160
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1160
NETWORK OPERATIONS EXP	NETOPX	23,869	7,727	4,803	1,573	495	856	0	1160
DEPREC & AMORT EXP	DEPAMX	1,159,977	356,860	239,876	42,599	26,690	47,694	0	1160
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1160
SERVICES EXPENSE	SERVX	253,551	61,916	39,112	11,444	2,244	3,879	5,238	1160
- CABSX EXPENSE	CABSX	26,187	13,094	0	7,046	2,216	3,831	0	1160
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1160
GENERAL & ADMIN EXP	GENADX	485,503	181,168	90,813	66,021	7,948	13,975	2,411	1160
OTHER TAXES (EXCL FIT & ITC)	OTAXES	73,882	23,917	14,867	4,870	1,532	2,648	0	1160
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1160
NON-OPERATING INC & EXP	NONOPX	1,100	433	269	88	28	48	0	1160
INTEREST & RELATED ITEMS(IRI)	INTREL	122	36	22	7	2	4	0	1160

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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	858,663	239,458	92,322	60,822	49,873	36,441	0	1161
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1161
- GENERAL SUPPORT FACILITIES	GSF	5,524,316	2,152,006	829,701	546,602	448,207	327,496	0	1161
- CENTRAL OFFICE EQUIPMENT	COE	10,259,983	5,845,828	726,903	2,668,182	1,591,521	859,221	0	1161
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1161
-- COE CAT 2	COE2	449,557	239,102	0	0	239,102	0	0	1161
-- COE CAT 3	COE3	3,139,038	2,668,182	0	2,668,182	0	0	0	1161
-- COE CAT 4.11	COE411	680,057	670,237	0	0	0	670,237	0	1161
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1161
-- COE CAT 4.13	COE413	2,945,231	736,770	726,903	0	0	9,867	0	1161
-- COE CAT 4.2	COE42	2,195,774	1,126,331	0	0	947,213	179,118	0	1161
-- COE CAT 4.3	COE43	850,326	405,206	0	0	405,206	0	0	1161
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1161
- CABLE & WIRE FACILITIES	CWF	16,706,396	4,658,967	3,323,194	0	596,357	739,415	0	1161
-- C&WF CAT 1.1	CWF11	126,866	0	0	0	0	0	0	1161
-- C&WF CAT 1.2	CWF12	45,108	45,108	0	0	0	45,108	0	1161
-- C&WF CAT 1.3	CWF13	13,292,777	3,323,194	3,323,194	0	0	0	0	1161
-- C&WF CAT 2	CWF2	817,524	183,474	0	0	0	183,474	0	1161
-- C&WF CAT 3	CWF3	1,622,575	725,230	0	0	214,397	510,834	0	1161
-- C&WF CAT 4	CWF4	801,546	381,961	0	0	381,961	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	901,150	351,044	135,344	89,164	73,114	53,423	0	1161
ACCUM DEPRECIATION	ACCDEP	27,449,225	10,994,754	3,995,545	3,030,561	2,319,799	1,648,849	0	1161
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1161
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1161
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1161
GENERAL SUPPORT EXP	GSFX	184,841	72,005	27,761	18,289	14,997	10,958	0	1161
COE EXPENSE	COEX	907,402	517,010	42,111	318,254	106,868	49,777	0	1161
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1161
C&WF EXPENSE	CWFX	634,230	176,870	126,159	0	22,640	28,071	0	1161
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1161
NETWORK OPERATIONS EXP	NETOPX	156,636	61,018	23,525	15,498	12,708	9,286	0	1161
DEPREC & AMORT EXP	DEPAMX	1,362,554	458,606	232,469	39,954	102,060	84,123	0	1161
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1161
SERVICES EXPENSE	SERVX	305,989	56,631	23,049	15,107	9,773	8,703	0	1161
- CABSX EXPENSE	CABSX	32,706	16,354	0	6,760	5,543	4,050	0	1161
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1161
GENERAL & ADMIN EXP	GENADX	1,087,683	480,900	153,412	187,598	85,323	54,567	0	1161
OTHER TAXES (EXCL FIT & ITC)	OTAXES	134,239	52,293	20,161	13,282	10,891	7,958	0	1161
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1161
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1161
INTEREST & RELATED ITEMS(IRI)	INTREL	1,266	419	162	106	87	64	0	1161

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	884,521	373,879	113,956	47,742	19,998	192,182	0	1162
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1162
- GENERAL SUPPORT FACILITIES	GSF	11,212,715	5,385,612	1,641,501	687,714	288,067	2,768,330	0	1162
- CENTRAL OFFICE EQUIPMENT	COE	38,084,102	22,170,524	3,058,468	6,470,521	1,757,797	10,883,739	0	1162
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1162
-- COE CAT 2	COE2	2,076,526	949,408	0	0	949,408	0	0	1162
-- COE CAT 3	COE3	10,772,566	6,366,689	0	6,366,689	0	0	0	1162
-- COE CAT 4.11	COE411	2,071,708	2,043,655	0	0	0	2,043,655	0	1162
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1162
-- COE CAT 4.13	COE413	12,438,176	3,190,808	3,058,468	0	0	132,340	0	1162
-- COE CAT 4.2	COE42	10,257,246	9,379,135	0	0	671,392	8,707,743	0	1162
-- COE CAT 4.3	COE43	292,647	136,997	0	0	136,997	0	0	1162
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1162
- CABLE & WIRE FACILITIES	CWF	69,106,336	29,210,596	12,633,830	0	996,041	15,580,726	0	1162
-- C&WF CAT 1.1	CWF11	297,267	0	0	0	0	0	0	1162
-- C&WF CAT 1.2	CWF12	546,668	546,668	0	0	0	546,668	0	1162
-- C&WF CAT 1.3	CWF13	50,535,318	12,633,830	12,633,830	0	0	0	0	1162
-- C&WF CAT 2	CWF2	8,557,750	8,441,870	0	0	0	8,441,870	0	1162
-- C&WF CAT 3	CWF3	8,710,101	7,373,249	0	0	781,061	6,592,188	0	1162
-- C&WF CAT 4	CWF4	459,232	214,980	0	0	214,980	0	0	1162
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1162
- INTANGIBLES	INTANG	267,845	128,649	39,212	16,428	6,881	66,129	0	1162
TELCOM PLANT-OTHER	PLTOTH	2,197,009	1,055,252	321,634	134,750	56,444	542,424	0	1162
ACCUM DEPRECIATION	ACCDEP	88,924,916	43,473,040	12,395,493	6,831,523	2,480,553	21,765,470	0	1162
ACCUM AMORTIZATION	ACCAMO	262,552	126,107	38,437	16,103	6,745	64,822	0	1162
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1162
NETWORK SUPPORT EXP	NETSPX	6,191	2,974	906	380	159	1,529	0	1162
GENERAL SUPPORT EXP	GSFX	595,453	286,004	87,172	36,521	15,298	147,013	0	1162
COE EXPENSE	COEX	2,720,902	1,591,382	101,795	961,577	165,768	362,242	0	1162
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1162
C&WF EXPENSE	CWFX	2,766,307	1,169,292	505,729	0	39,871	623,692	0	1162
OTHER PROP & PL EXP	OTHPPX	936	450	137	57	24	231	0	1162
NETWORK OPERATIONS EXP	NETOPX	2,321,178	1,114,892	339,812	142,366	59,634	573,080	0	1162
DEPREC & AMORT EXP	DEPAMX	7,422,173	3,604,885	1,071,366	457,601	195,174	1,880,744	0	1162
MARKETING EXPENSE	MRKTX	278,925	71,662	21,842	9,151	3,833	36,836	0	1162
SERVICES EXPENSE	SERVX	2,090,782	639,969	69,912	152,800	30,845	298,742	87,670	1162
- CABSX EXPENSE	CABSX	782,578	391,289	0	71,872	30,105	289,312	0	1162
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1162
GENERAL & ADMIN EXP	GENADX	4,258,279	1,991,141	507,747	515,465	124,799	808,445	34,686	1162
OTHER TAXES (EXCL FIT & ITC)	OTAXES	668,836	321,251	97,915	41,022	17,183	165,130	0	1162
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1162
NON-OPERATING INC & EXP	NONOPX	56,108	26,654	8,124	3,404	1,426	13,701	0	1162
INTEREST & RELATED ITEMS(IRI)	INTREL	3,657	1,669	509	213	89	858	0	1162

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	1,873,342	726,171	253,614	93,475	119,953	259,130	0	1163
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1163
- GENERAL SUPPORT FACILITIES	GSF	8,200,718	3,399,150	1,187,144	437,550	561,490	1,212,966	0	1163
- CENTRAL OFFICE EQUIPMENT	COE	24,161,687	11,391,733	2,226,106	4,024,149	3,014,825	2,126,653	0	1163
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1163
-- COE CAT 2	COE2	1,676,264	843,942	0	0	843,942	0	0	1163
-- COE CAT 3	COE3	6,483,035	4,024,149	0	4,024,149	0	0	0	1163
-- COE CAT 4.11	COE411	1,448,332	1,374,807	0	0	0	1,374,807	0	1163
-- COE CAT 4.12	COE412	28,666	0	0	0	0	0	0	1163
-- COE CAT 4.13	COE413	9,021,857	2,248,125	2,226,106	0	0	22,018	0	1163
-- COE CAT 4.2	COE42	4,622,700	2,531,782	0	0	1,801,955	729,827	0	1163
-- COE CAT 4.3	COE43	880,833	368,928	0	0	368,928	0	0	1163
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1163
- CABLE & WIRE FACILITIES	CWF	51,260,406	19,870,285	8,692,074	0	2,149,205	9,029,005	0	1163
-- C&WF CAT 1.1	CWF11	372,552	0	0	0	0	0	0	1163
-- C&WF CAT 1.2	CWF12	85,973	85,973	0	0	0	85,973	0	1163
-- C&WF CAT 1.3	CWF13	34,768,298	8,692,074	8,692,074	0	0	0	0	1163
-- C&WF CAT 2	CWF2	6,375,028	5,633,172	0	0	0	5,633,172	0	1163
-- C&WF CAT 3	CWF3	6,306,365	4,055,033	0	0	745,174	3,309,859	0	1163
-- C&WF CAT 4	CWF4	3,352,190	1,404,031	0	0	1,404,031	0	0	1163
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1163
- INTANGIBLES	INTANG	4,610	1,911	667	246	316	682	0	1163
TELCOM PLANT-OTHER	PLTOTH	4,409,943	1,827,896	638,388	235,293	301,942	652,273	0	1163
ACCUM DEPRECIATION	ACCDEP	41,736,730	17,883,012	5,614,912	3,757,912	2,742,508	5,767,679	0	1163
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1163
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1163
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1163
GENERAL SUPPORT EXP	GSFX	500,550	207,475	72,460	26,707	34,272	74,036	0	1163
COE EXPENSE	COEX	1,046,228	493,275	47,532	292,614	107,720	45,409	0	1163
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1163
C&WF EXPENSE	CWFX	913,742	354,198	154,941	0	38,311	160,946	0	1163
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1163
NETWORK OPERATIONS EXP	NETOPX	845,904	350,622	122,454	45,133	57,918	125,117	0	1163
DEPREC & AMORT EXP	DEPAMX	4,421,035	1,924,677	561,767	441,991	351,071	569,848	0	1163
MARKETING EXPENSE	MRKTX	39,446	13,822	4,827	1,779	2,283	4,932	0	1163
SERVICES EXPENSE	SERVX	938,632	234,193	42,721	51,378	35,050	60,225	44,819	1163
- CABSX EXPENSE	CABSX	214,064	107,032	0	21,172	27,169	58,692	0	1163
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1163
GENERAL & ADMIN EXP	GENADX	1,273,052	515,669	170,778	119,166	78,630	134,306	12,789	1163
OTHER TAXES (EXCL FIT & ITC)	OTAXES	710,539	294,514	102,858	37,911	48,649	105,096	0	1163
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1163
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1163
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1163

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	405,144	124,427	66,326	25,954	9,454	22,693	0	1164
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1164
- GENERAL SUPPORT FACILITIES	GSF	1,077,238	391,753	208,824	81,716	29,764	71,449	0	1164
- CENTRAL OFFICE EQUIPMENT	COE	11,008,489	5,783,701	1,369,182	3,223,297	380,504	810,718	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	3,792,114	3,223,297	0	3,223,297	0	0	0	1164
-- COE CAT 4.11	COE411	575,533	547,817	0	0	0	547,817	0	1164
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1164
-- COE CAT 4.13	COE413	5,507,764	1,375,268	1,369,182	0	0	6,085	0	1164
-- COE CAT 4.2	COE42	566,017	256,816	0	0	0	256,816	0	1164
-- COE CAT 4.3	COE43	567,061	380,504	0	0	380,504	0	0	1164
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1164
- CABLE & WIRE FACILITIES	CWF	31,483,477	9,669,118	6,867,956	0	793,558	2,007,604	0	1164
-- C&WF CAT 1.1	CWF11	125,149	0	0	0	0	0	0	1164
-- C&WF CAT 1.2	CWF12	30,524	30,524	0	0	0	30,524	0	1164
-- C&WF CAT 1.3	CWF13	27,471,823	6,867,956	6,867,956	0	0	0	0	1164
-- C&WF CAT 2	CWF2	1,486,713	1,306,766	0	0	0	1,306,766	0	1164
-- C&WF CAT 3	CWF3	1,186,635	670,314	0	0	0	670,314	0	1164
-- C&WF CAT 4	CWF4	1,182,632	793,558	0	0	793,558	0	0	1164
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1164
- INTANGIBLES	INTANG	173,611	63,136	33,655	13,170	4,797	11,515	0	1164
TELCOM PLANT-OTHER	PLTOTH	513,751	186,833	99,591	38,971	14,195	34,075	0	1164
ACCUM DEPRECIATION	ACCDEP	25,097,877	9,783,113	4,579,849	2,754,383	733,268	1,715,614	0	1164
ACCUM AMORTIZATION	ACCAMO	173,611	63,136	33,655	13,170	4,797	11,515	0	1164
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1164
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1164
GENERAL SUPPORT EXP	GSFX	513,518	186,748	99,546	38,954	14,189	34,060	0	1164
COE EXPENSE	COEX	905,556	475,766	54,730	373,419	15,210	32,407	0	1164
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1164
C&WF EXPENSE	CWFX	669,278	205,547	145,999	0	16,870	42,678	0	1164
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1164
NETWORK OPERATIONS EXP	NETOPX	549,458	199,818	106,513	41,680	15,182	36,443	0	1164
DEPREC & AMORT EXP	DEPAMX	2,308,645	813,416	456,231	119,531	70,834	166,820	0	1164
MARKETING EXPENSE	MRKTX	158,423	68,012	36,254	14,187	5,167	12,404	0	1164
SERVICES EXPENSE	SERVX	912,229	107,117	65,925	23,055	8,300	9,837	0	1164
- CABSX EXPENSE	CABSX	33,073	16,537	0	7,387	2,691	6,459	0	1164
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1164
GENERAL & ADMIN EXP	GENADX	1,536,267	555,244	254,309	201,416	30,714	68,805	0	1164
OTHER TAXES (EXCL FIT & ITC)	OTAXES	421,799	155,841	83,071	32,507	11,840	28,423	0	1164
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1164
NON-OPERATING INC & EXP	NONOPX	35,315	14,716	7,844	3,070	1,118	2,684	0	1164
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1164

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	1165
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1165
- GENERAL SUPPORT FACILITIES	GSF	3,568,484	1,398,767	651,226	223,757	79,323	444,461	0	1165
- CENTRAL OFFICE EQUIPMENT	COE	13,362,886	6,701,701	1,586,219	3,037,585	635,701	1,442,196	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	3,783,455	3,037,585	0	3,037,585	0	0	0	1165
-- COE CAT 4.11	COE411	838,405	807,218	0	0	0	807,218	0	1165
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1165
-- COE CAT 4.13	COE413	6,443,668	1,615,697	1,586,219	0	0	29,478	0	1165
-- COE CAT 4.2	COE42	1,700,498	942,885	0	0	337,385	605,500	0	1165
-- COE CAT 4.3	COE43	596,860	298,317	0	0	298,317	0	0	1165
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1165
- CABLE & WIRE FACILITIES	CWF	35,080,601	12,287,077	7,254,415	0	441,132	4,591,530	0	1165
-- C&WF CAT 1.1	CWF11	316,994	0	0	0	0	0	0	1165
-- C&WF CAT 1.2	CWF12	134,813	134,813	0	0	0	134,813	0	1165
-- C&WF CAT 1.3	CWF13	29,017,661	7,254,415	7,254,415	0	0	0	0	1165
-- C&WF CAT 2	CWF2	3,692,858	3,490,822	0	0	0	3,490,822	0	1165
-- C&WF CAT 3	CWF3	1,493,506	1,194,723	0	0	228,828	965,895	0	1165
-- C&WF CAT 4	CWF4	424,769	212,304	0	0	212,304	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	5,184,516	2,032,216	946,142	325,088	115,245	645,741	0	1165
ACCUM DEPRECIATION	ACCDEP	25,819,798	10,102,090	4,681,229	1,500,984	655,565	3,264,312	0	1165
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1165
NET DEFERRED FIT	NTDFIT	3,522,252	1,381,132	642,506	221,591	78,407	438,629	0	1165
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1165
GENERAL SUPPORT EXP	GSFX	427,603	167,611	78,035	26,812	9,505	53,259	0	1165
COE EXPENSE	COEX	431,060	216,183	33,645	138,465	13,484	30,590	0	1165
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1165
C&WF EXPENSE	CWFX	575,682	201,634	119,047	0	7,239	75,348	0	1165
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1165
NETWORK OPERATIONS EXP	NETOPX	540,323	211,795	98,606	33,880	12,011	67,298	0	1165
DEPREC & AMORT EXP	DEPAMX	2,863,918	1,160,441	492,960	219,936	88,210	359,334	0	1165
MARKETING EXPENSE	MRKTX	32,933	10,267	4,780	1,642	582	3,263	0	1165
SERVICES EXPENSE	SERVX	816,823	204,127	41,309	56,492	12,397	57,741	36,189	1165
- CABSX EXPENSE	CABSX	189,886	94,943	0	28,419	10,075	56,450	0	1165
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1165
GENERAL & ADMIN EXP	GENADX	870,410	336,532	145,177	77,388	16,608	86,474	10,885	1165
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,071,912	420,457	195,982	68,422	23,002	133,051	0	1165
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1165
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1165
INTEREST & RELATED ITEMS(IRI)	INTREL	724,376	284,413	132,996	48,449	13,992	88,976	0	1165

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	84,923	26,835	13,482	7,000	90	6,263	1	1166
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1166
- GENERAL SUPPORT FACILITIES	GSF	1,432,178	551,994	277,265	143,957	1,843	128,802	127	1166
- CENTRAL OFFICE EQUIPMENT	COE	4,356,223	2,268,424	605,189	1,291,544	4,132	367,559	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	1,519,464	1,291,544	0	1,291,544	0	0	0	1166
-- COE CAT 4.11	COE411	288,853	288,853	0	0	0	288,853	0	1166
-- COE CAT 4.12	COE412	5,370	0	0	0	0	0	0	1166
-- COE CAT 4.13	COE413	2,508,855	657,248	605,189	0	0	52,059	0	1166
-- COE CAT 4.2	COE42	33,681	30,778	0	0	4,132	26,647	0	1166
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1166
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1166
- CABLE & WIRE FACILITIES	CWF	8,489,965	2,682,793	1,882,364	0	12,407	788,022	0	1166
-- C&WF CAT 1.1	CWF11	112,101	0	0	0	0	0	0	1166
-- C&WF CAT 1.2	CWF12	161,924	161,924	0	0	0	161,924	0	1166
-- C&WF CAT 1.3	CWF13	7,529,456	1,882,364	1,882,364	0	0	0	0	1166
-- C&WF CAT 2	CWF2	583,443	544,189	0	0	0	544,189	0	1166
-- C&WF CAT 3	CWF3	103,041	94,316	0	0	12,407	81,909	0	1166
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1166
- TANGIBLES	TANGIB	68,577	26,430	13,279	6,895	89	6,167	0	1166
- INTANGIBLES	INTANG	77,835	29,999	15,072	7,825	100	7,001	1	1166
TELCOM PLANT-OTHER	PLTOTH	102,447	39,485	19,838	10,300	132	9,215	0	1166
ACCUM DEPRECIATION	ACCDEP	5,291,534	2,137,313	984,364	683,100	6,552	463,251	46	1166
ACCUM AMORTIZATION	ACCAMO	95,758	35,452	19,131	7,520	127	8,674	0	1166
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1166
NETWORK SUPPORT EXP	NETSPX	67,462	26,001	13,063	6,782	87	6,068	1	1166
GENERAL SUPPORT EXP	GSFX	501,492	193,287	97,087	50,408	645	45,101	45	1166
COE EXPENSE	COEX	671,070	349,447	47,001	273,579	321	28,546	0	1166
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1166
C&WF EXPENSE	CWFX	115,810	36,595	25,677	0	169	10,749	0	1166
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1166
NETWORK OPERATIONS EXP	NETOPX	179,625	69,232	34,783	18,059	231	16,158	0	1166
DEPREC & AMORT EXP	DEPAMX	981,698	397,786	182,459	123,894	1,220	90,200	13	1166
MARKETING EXPENSE	MRKTX	100,338	34,996	17,582	9,129	117	8,168	1	1166
SERVICES EXPENSE	SERVX	310,569	131,644	74,676	40,296	519	11,180	4,973	1166
- CABSX EXPENSE	CABSX	47,260	23,630	0	12,388	159	11,084	0	1166
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1166
GENERAL & ADMIN EXP	GENADX	1,238,018	607,359	233,289	280,379	1,471	88,686	3,534	1166
OTHER TAXES (EXCL FIT & ITC)	OTAXES	5,916	2,280	1,146	595	8	532	0	1166
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1166
NON-OPERATING INC & EXP	NONOPX	12,903	6,330	3,180	1,651	21	1,477	0	1166
INTEREST & RELATED ITEMS(IRI)	INTREL	1,447	542	272	141	2	126	0	1166

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	463,776	150,646	61,606	33,680	22,025	33,335	0	1167
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1167
- GENERAL SUPPORT FACILITIES	GSF	1,027,702	411,978	168,475	92,107	60,232	91,164	0	1167
- CENTRAL OFFICE EQUIPMENT	COE	5,338,164	3,489,368	334,203	2,068,773	122,209	964,183	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	2,433,850	2,068,773	0	2,068,773	0	0	0	1167
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1167
-- COE CAT 4.12	COE412	1,183,691	824,416	0	0	0	824,416	0	1167
-- COE CAT 4.13	COE413	1,395,636	358,871	334,203	0	0	24,668	0	1167
-- COE CAT 4.2	COE42	324,987	237,308	0	0	122,209	115,100	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	17,744,678	5,763,918	3,449,856	0	1,230,649	1,083,412	0	1167
-- C&WF CAT 1.1	CWF11	352,576	0	0	0	0	0	0	1167
-- C&WF CAT 1.2	CWF12	254,638	254,638	0	0	0	254,638	0	1167
-- C&WF CAT 1.3	CWF13	13,799,424	3,449,856	3,449,856	0	0	0	0	1167
-- C&WF CAT 2	CWF2	1,027,488	615,385	0	0	0	615,385	0	1167
-- C&WF CAT 3	CWF3	2,310,552	1,444,039	0	0	1,230,649	213,389	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	4,270	1,712	700	383	250	379	0	1167
TELCOM PLANT-OTHER	PLTOTH	1,465,844	587,617	240,301	131,375	85,911	130,030	0	1167
ACCUM DEPRECIATION	ACCDEP	9,882,468	4,273,709	1,505,820	1,409,286	538,372	820,230	0	1167
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1167
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1167
NETWORK SUPPORT EXP	NETSPX	1,664	667	273	149	98	148	0	1167
GENERAL SUPPORT EXP	GSFX	142,380	57,076	23,341	12,761	8,345	12,630	0	1167
COE EXPENSE	COEX	195,394	127,722	13,379	70,854	4,892	38,597	0	1167
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1167
C&WF EXPENSE	CWFX	419,599	136,296	81,577	0	29,101	25,619	0	1167
OTHER PROP & PL EXP	OTHPX	12,603	5,052	2,066	1,130	739	1,118	0	1167
NETWORK OPERATIONS EXP	NETOPX	203,527	81,588	33,365	18,241	11,928	18,054	0	1167
DEPREC & AMORT EXP	DEPAMX	1,523,100	654,215	231,025	171,176	82,749	169,265	0	1167
MARKETING EXPENSE	MRKTX	19,375	7,258	2,968	1,623	1,061	1,606	0	1167
SERVICES EXPENSE	SERVX	389,784	147,890	17,032	14,501	8,559	8,345	99,453	1167
- CABSX EXPENSE	CABSX	0	0	0	0	0	0	0	1167
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1167
GENERAL & ADMIN EXP	GENADX	458,707	201,122	62,098	42,561	23,098	37,871	35,493	1167
OTHER TAXES (EXCL FIT & ITC)	OTAXES	97,870	39,233	16,044	8,771	5,736	8,682	0	1167
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1167
NON-OPERATING INC & EXP	NONOPX	9,791	4,293	1,756	960	628	950	0	1167
INTEREST & RELATED ITEMS(IRI)	INTREL	1,911	725	296	162	106	160	0	1167

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	97,290	25,212	13,501	4,383	1,347	5,981	0	1168
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1168
- GENERAL SUPPORT FACILITIES	GSF	3,315,359	1,075,660	576,003	186,999	57,472	255,186	0	1168
- CENTRAL OFFICE EQUIPMENT	COE	3,274,249	1,596,942	438,148	646,438	87,491	424,866	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	760,515	646,438	0	646,438	0	0	0	1168
-- COE CAT 4.11	COE411	343,873	334,221	0	0	0	334,221	0	1168
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1168
-- COE CAT 4.13	COE413	1,782,659	444,591	438,148	0	0	6,443	0	1168
-- COE CAT 4.2	COE42	220,973	101,650	0	0	17,448	84,201	0	1168
-- COE CAT 4.3	COE43	166,229	70,043	0	0	70,043	0	0	1168
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1168
- CABLE & WIRE FACILITIES	CWF	8,186,642	2,121,516	1,553,041	0	111,185	457,290	0	1168
-- C&WF CAT 1.1	CWF11	83,742	0	0	0	0	0	0	1168
-- C&WF CAT 1.2	CWF12	22,839	22,839	0	0	0	22,839	0	1168
-- C&WF CAT 1.3	CWF13	6,212,165	1,553,041	1,553,041	0	0	0	0	1168
-- C&WF CAT 2	CWF2	191,654	163,280	0	0	0	163,280	0	1168
-- C&WF CAT 3	CWF3	1,522,213	317,454	0	0	46,282	271,172	0	1168
-- C&WF CAT 4	CWF4	154,029	64,902	0	0	64,902	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	0	0	0	0	0	0	0	1168
ACCUM DEPRECIATION	ACCDEP	6,710,843	2,236,199	1,146,376	468,071	114,301	507,451	0	1168
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1168
NET DEFERRED FIT	NTDFIT	687,364	224,287	118,965	40,958	11,836	52,528	0	1168
NETWORK SUPPORT EXP	NETSPX	2,507	813	436	141	43	193	0	1168
GENERAL SUPPORT EXP	GSFX	211,921	68,757	36,819	11,953	3,674	16,312	0	1168
COE EXPENSE	COEX	252,333	123,070	32,671	52,195	6,524	31,680	0	1168
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1168
C&WF EXPENSE	CWFX	180,631	46,809	34,266	0	2,453	10,090	0	1168
OTHER PROP & PL EXP	OTHPPX	415	135	72	23	7	32	0	1168
NETWORK OPERATIONS EXP	NETOPX	86,946	28,209	15,106	4,904	1,507	6,692	0	1168
DEPREC & AMORT EXP	DEPAMX	657,672	247,787	104,399	77,707	11,854	53,827	0	1168
MARKETING EXPENSE	MRKTX	23,271	6,603	3,536	1,148	353	1,567	0	1168
SERVICES EXPENSE	SERVX	317,781	63,055	23,741	11,116	3,361	6,627	18,210	1168
- CABSX EXPENSE	CABSX	25,773	12,887	0	4,823	1,482	6,581	0	1168
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1168
GENERAL & ADMIN EXP	GENADX	987,752	349,364	163,400	79,413	17,468	71,335	17,748	1168
OTHER TAXES (EXCL FIT & ITC)	OTAXES	119,094	38,359	21,111	5,781	2,108	9,359	0	1168
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1168
NON-OPERATING INC & EXP	NONOPX	7,868	3,211	1,719	558	172	762	0	1168
INTEREST & RELATED ITEMS(IRI)	INTREL	257,078	81,121	43,439	14,103	4,334	19,245	0	1168

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	412,794	162,043	52,349	26,959	25,594	57,140	0	1169
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1169
- GENERAL SUPPORT FACILITIES	GSF	8,008,123	3,708,756	1,198,147	617,024	585,790	1,307,795	0	1169
- CENTRAL OFFICE EQUIPMENT	COE	23,317,899	14,756,131	1,567,148	6,116,888	3,383,067	3,689,028	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	7,196,339	6,116,888	0	6,116,888	0	0	0	1169
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1169
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1169
-- COE CAT 4.13	COE413	6,404,787	1,586,860	1,567,148	0	0	19,713	0	1169
-- COE CAT 4.2	COE42	6,585,406	5,217,724	0	0	1,548,408	3,669,316	0	1169
-- COE CAT 4.3	COE43	3,131,367	1,834,659	0	0	1,834,659	0	0	1169
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1169
- CABLE & WIRE FACILITIES	CWF	56,070,846	22,010,722	10,310,712	0	2,424,176	9,275,834	0	1169
-- C&WF CAT 1.1	CWF11	766,377	0	0	0	0	0	0	1169
-- C&WF CAT 1.2	CWF12	129,694	129,694	0	0	0	129,694	0	1169
-- C&WF CAT 1.3	CWF13	41,242,849	10,310,712	10,310,712	0	0	0	0	1169
-- C&WF CAT 2	CWF2	9,501,730	9,082,061	0	0	0	9,082,061	0	1169
-- C&WF CAT 3	CWF3	3,044,819	1,676,566	0	0	1,612,487	64,079	0	1169
-- C&WF CAT 4	CWF4	1,385,377	811,688	0	0	811,688	0	0	1169
- TANGIBLES	TANGIB	22,658	10,493	3,390	1,746	1,657	3,700	0	1169
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1169
TELCOM PLANT-OTHER	PLTOTH	3,398,766	1,574,051	508,511	261,874	248,618	555,048	0	1169
ACCUM DEPRECIATION	ACCDEP	68,047,387	31,197,943	10,403,513	5,528,313	4,416,790	10,849,327	0	1169
ACCUM AMORTIZATION	ACCAMO	2,517,781	1,166,045	376,701	193,995	184,174	411,175	0	1169
NET DEFERRED FIT	NTDFIT	-352,601	-164,216	-52,477	-29,709	-25,141	-56,890	0	1169
NETWORK SUPPORT EXP	NETSPX	17,076	7,908	2,555	1,316	1,249	2,789	0	1169
GENERAL SUPPORT EXP	GSFX	268,747	124,463	40,209	20,707	19,659	43,889	0	1169
COE EXPENSE	COEX	593,178	375,377	38,620	162,478	83,370	90,910	0	1169
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1169
C&WF EXPENSE	CWFX	482,922	189,572	88,803	0	20,879	79,890	0	1169
OTHER PROP & PL EXP	OTHPX	-3,158	-1,463	-472	-243	-231	-516	0	1169
NETWORK OPERATIONS EXP	NETOPX	1,084,009	502,031	162,186	83,523	79,295	177,028	0	1169
DEPREC & AMORT EXP	DEPAMX	5,779,465	2,763,834	826,352	577,247	434,904	925,330	0	1169
MARKETING EXPENSE	MRKTX	8,302	2,907	939	484	459	1,025	0	1169
SERVICES EXPENSE	SERVX	556,598	152,911	29,654	20,799	12,460	21,849	68,148	1169
- CABSX EXPENSE	CABSX	82,065	41,033	0	10,084	9,574	21,374	0	1169
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1169
GENERAL & ADMIN EXP	GENADX	3,014,259	1,421,849	441,715	285,831	214,712	412,204	67,386	1169
OTHER TAXES (EXCL FIT & ITC)	OTAXES	217,602	101,872	32,911	16,948	16,090	35,922	0	1169
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1169
NON-OPERATING INC & EXP	NONOPX	17,633	8,534	2,757	1,420	1,348	3,009	0	1169
INTEREST & RELATED ITEMS(IRI)	INTREL	266,856	127,247	41,108	21,170	20,098	44,870	0	1169

APPENDIX B1

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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	241,003	81,881	37,229	17,663	5,326	21,663	0	1170
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1170
- GENERAL SUPPORT FACILITIES	GSF	13,264,455	5,300,889	2,410,153	1,143,509	344,805	1,402,422	0	1170
- CENTRAL OFFICE EQUIPMENT	COE	11,856,372	6,815,848	1,313,398	4,013,376	312,064	1,177,011	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	4,721,619	4,013,376	0	4,013,376	0	0	0	1170
-- COE CAT 4.11	COE411	864,323	864,323	0	0	0	864,323	0	1170
-- COE CAT 4.12	COE412	19,454	0	0	0	0	0	0	1170
-- COE CAT 4.13	COE413	5,305,637	1,337,055	1,313,398	0	0	23,658	0	1170
-- COE CAT 4.2	COE42	587,581	434,223	0	0	145,193	289,030	0	1170
-- COE CAT 4.3	COE43	357,758	166,871	0	0	166,871	0	0	1170
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1170
- CABLE & WIRE FACILITIES	CWF	34,697,898	11,788,689	7,145,520	0	898,098	3,745,070	0	1170
-- C&WF CAT 1.1	CWF11	154,451	0	0	0	0	0	0	1170
-- C&WF CAT 1.2	CWF12	128,709	128,709	0	0	0	128,709	0	1170
-- C&WF CAT 1.3	CWF13	28,582,081	7,145,520	7,145,520	0	0	0	0	1170
-- C&WF CAT 2	CWF2	1,975,075	1,916,372	0	0	0	1,916,372	0	1170
-- C&WF CAT 3	CWF3	2,259,486	1,852,680	0	0	152,691	1,699,989	0	1170
-- C&WF CAT 4	CWF4	1,598,095	745,407	0	0	745,407	0	0	1170
- TANGIBLES	TANGIB	4,694	1,876	853	405	122	496	0	1170
- INTANGIBLES	INTANG	55,130	22,032	10,017	4,753	1,433	5,829	0	1170
TELCOM PLANT-OTHER	PLTOTH	944,799	377,571	171,670	81,450	24,560	99,892	0	1170
ACCUM DEPRECIATION	ACCDEP	33,874,813	14,449,113	5,786,684	4,355,200	853,810	3,453,420	0	1170
ACCUM AMORTIZATION	ACCAMO	35,306	14,109	6,415	3,044	918	3,733	0	1170
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1170
NETWORK SUPPORT EXP	NETSPX	17,708	7,077	3,218	1,527	460	1,872	0	1170
GENERAL SUPPORT EXP	GSFX	751,255	300,225	136,503	64,765	19,529	79,429	0	1170
COE EXPENSE	COEX	612,205	351,937	90,054	146,603	34,577	80,703	0	1170
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1170
C&WF EXPENSE	CWFX	773,374	262,756	159,265	0	20,018	83,473	0	1170
OTHER PROP & PL EXP	OTHPX	1,150	460	209	99	30	122	0	1170
NETWORK OPERATIONS EXP	NETOPX	530,067	211,831	96,313	45,696	13,779	56,043	0	1170
DEPREC & AMORT EXP	DEPAMX	2,975,980	1,181,747	543,704	228,463	81,351	328,229	0	1170
MARKETING EXPENSE	MRKTX	74,919	22,755	10,346	4,909	1,480	6,020	0	1170
SERVICES EXPENSE	SERVX	373,864	121,943	14,683	27,459	8,280	28,841	42,681	1170
- CABSX EXPENSE	CABSX	116,404	58,202	0	23,023	6,942	28,236	0	1170
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1170
GENERAL & ADMIN EXP	GENADX	1,686,707	744,268	313,428	163,197	55,034	188,678	23,931	1170
OTHER TAXES (EXCL FIT & ITC)	OTAXES	210,041	83,939	38,164	18,107	5,460	22,207	0	1170
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1170
NON-OPERATING INC & EXP	NONOPX	40,007	17,653	8,026	3,808	1,148	4,670	0	1170
INTEREST & RELATED ITEMS(IRI)	INTREL	642,295	234,775	106,745	50,646	15,271	62,113	0	1170

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	51,899	17,919	6,290	4,849	1,003	5,770	7	1171
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1171
- GENERAL SUPPORT FACILITIES	GSF	2,256,784	946,710	331,543	255,571	52,872	304,097	2,626	1171
- CENTRAL OFFICE EQUIPMENT	COE	4,903,905	2,802,736	378,644	1,697,372	92,550	634,170	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	2,378,828	1,697,372	0	1,697,372	0	0	0	1171
-- COE CAT 4.11	COE411	354,502	339,773	0	0	0	339,773	0	1171
-- COE CAT 4.12	COE412	67,675	0	0	0	0	0	0	1171
-- COE CAT 4.13	COE413	1,521,703	379,357	378,644	0	0	713	0	1171
-- COE CAT 4.2	COE42	418,984	338,469	0	0	44,785	293,684	0	1171
-- COE CAT 4.3	COE43	162,213	47,765	0	0	47,765	0	0	1171
- INFORMATION ORIG/TERM	IOT	825	206	206	0	0	0	0	1171
- CABLE & WIRE FACILITIES	CWF	10,042,117	3,467,188	1,823,095	0	258,600	1,385,493	0	1171
-- C&WF CAT 1.1	CWF11	30,885	0	0	0	0	0	0	1171
-- C&WF CAT 1.2	CWF12	3,432	3,432	0	0	0	3,432	0	1171
-- C&WF CAT 1.3	CWF13	7,292,380	1,823,095	1,823,095	0	0	0	0	1171
-- C&WF CAT 2	CWF2	392,835	233,099	0	0	0	233,099	0	1171
-- C&WF CAT 3	CWF3	1,530,207	1,174,241	0	0	25,278	1,148,963	0	1171
-- C&WF CAT 4	CWF4	792,378	233,322	0	0	233,322	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	335,595	140,729	49,421	38,096	7,881	45,330	0	1171
ACCUM DEPRECIATION	ACCDEP	11,846,913	4,846,546	1,801,483	1,156,951	281,930	1,604,602	1,580	1171
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1171
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1171
NETWORK SUPPORT EXP	NETSPX	7,958	3,338	1,172	903	187	1,075	1	1171
GENERAL SUPPORT EXP	GSFX	225,024	94,396	33,058	25,483	5,272	30,322	262	1171
COE EXPENSE	COEX	267,203	152,715	15,390	107,789	3,762	25,775	0	1171
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1171
C&WF EXPENSE	CWFX	398,752	137,675	72,391	0	10,268	55,015	0	1171
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1171
NETWORK OPERATIONS EXP	NETOPX	130,439	54,719	19,216	14,813	3,064	17,625	0	1171
DEPREC & AMORT EXP	DEPAMX	1,183,280	564,623	141,749	252,275	24,406	146,071	122	1171
MARKETING EXPENSE	MRKTX	28,999	84	29	23	5	27	0	1171
SERVICES EXPENSE	SERVX	176,770	47,121	12,377	13,499	1,895	4,537	14,814	1171
- CABSX EXPENSE	CABSX	17,708	8,854	0	3,694	764	4,396	0	1171
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1171
GENERAL & ADMIN EXP	GENADX	974,945	411,983	148,133	127,456	19,179	105,391	11,825	1171
OTHER TAXES (EXCL FIT & ITC)	OTAXES	47,138	19,767	6,942	5,351	1,107	6,367	0	1171
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1171
NON-OPERATING INC & EXP	NONOPX	2,735	1,175	413	318	66	378	0	1171
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1171

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	118,260	34,015	15,259	6,650	3,779	8,308	20	1172
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1172
- GENERAL SUPPORT FACILITIES	GSF	8,705,822	3,144,548	1,405,580	612,571	348,070	765,265	13,063	1172
- CENTRAL OFFICE EQUIPMENT	COE	26,883,313	11,671,735	2,569,985	3,783,162	1,983,059	3,335,529	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	8,682,911	3,783,162	0	3,783,162	0	0	0	1172
-- COE CAT 4.11	COE411	2,429,113	2,387,546	0	0	0	2,387,546	0	1172
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1172
-- COE CAT 4.13	COE413	10,508,174	2,659,997	2,569,985	0	0	90,012	0	1172
-- COE CAT 4.2	COE42	4,681,996	2,708,639	0	0	1,850,669	857,970	0	1172
-- COE CAT 4.3	COE43	581,119	132,391	0	0	132,391	0	0	1172
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1172
- CABLE & WIRE FACILITIES	CWF	26,659,443	7,667,941	6,110,709	0	166,578	1,390,654	0	1172
-- C&WF CAT 1.1	CWF11	328,640	0	0	0	0	0	0	1172
-- C&WF CAT 1.2	CWF12	214,819	214,819	0	0	0	214,819	0	1172
-- C&WF CAT 1.3	CWF13	24,442,835	6,110,709	6,110,709	0	0	0	0	1172
-- C&WF CAT 2	CWF2	664,982	567,237	0	0	0	567,237	0	1172
-- C&WF CAT 3	CWF3	915,010	753,953	0	0	145,355	608,598	0	1172
-- C&WF CAT 4	CWF4	93,157	21,223	0	0	21,223	0	0	1172
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1172
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1172
TELCOM PLANT-OTHER	PLTOTH	818,046	295,307	132,550	57,767	32,824	72,166	0	1172
ACCUM DEPRECIATION	ACCDEP	47,487,329	17,612,430	7,275,185	3,797,761	2,116,983	4,414,460	8,041	1172
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1172
NET DEFERRED FIT	NTDFIT	242,807	87,651	39,343	17,146	9,743	21,420	0	1172
NETWORK SUPPORT EXP	NETSPX	23,296	8,415	3,775	1,645	935	2,055	5	1172
GENERAL SUPPORT EXP	GSFX	593,577	214,400	95,835	41,766	23,732	52,177	891	1172
COE EXPENSE	COEX	1,156,049	501,913	40,448	377,757	31,211	52,497	0	1172
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1172
C&WF EXPENSE	CWFX	2,268,541	652,491	519,981	0	14,175	118,335	0	1172
OTHER PROP & PL EXP	OTHPX	48,764	17,614	7,906	3,446	1,958	4,304	0	1172
NETWORK OPERATIONS EXP	NETOPX	384,383	138,839	62,319	27,159	15,432	33,929	0	1172
DEPREC & AMORT EXP	DEPAMX	2,847,410	1,033,869	454,716	211,880	115,320	251,475	478	1172
MARKETING EXPENSE	MRKTX	22,469	8,948	4,014	1,749	994	2,185	5	1172
SERVICES EXPENSE	SERVX	1,062,422	397,634	101,609	89,249	38,336	41,741	126,700	1172
- CABSX EXPENSE	CABSX	179,196	89,598	0	31,801	18,070	39,728	0	1172
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1172
GENERAL & ADMIN EXP	GENADX	2,139,750	775,906	379,003	195,069	45,561	110,415	45,859	1172
OTHER TAXES (EXCL FIT & ITC)	OTAXES	265,211	102,644	51,707	16,877	9,959	24,061	39	1172
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1172
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1172
INTEREST & RELATED ITEMS(IRI)	INTREL	505,184	167,153	74,984	32,679	18,568	40,825	97	1172

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	649,672	211,531	58,538	78,748	24,100	50,144	0	1173
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1173
- GENERAL SUPPORT FACILITIES	GSF	8,378,358	3,923,196	1,085,691	1,460,511	446,982	930,013	0	1173
- CENTRAL OFFICE EQUIPMENT	COE	29,162,829	19,028,943	1,210,113	11,649,593	2,021,041	4,148,195	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	14,212,540	11,649,593	0	11,649,593	0	0	0	1173
-- COE CAT 4.11	COE411	507,022	507,022	0	0	0	507,022	0	1173
-- COE CAT 4.12	COE412	279,111	0	0	0	0	0	0	1173
-- COE CAT 4.13	COE413	4,920,927	1,249,494	1,210,113	0	0	39,381	0	1173
-- COE CAT 4.2	COE42	5,633,964	4,063,054	0	0	461,261	3,601,792	0	1173
-- COE CAT 4.3	COE43	3,609,265	1,559,780	0	0	1,559,780	0	0	1173
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1173
- CABLE & WIRE FACILITIES	CWF	37,666,161	12,263,973	7,449,772	0	1,544,258	3,269,944	0	1173
-- C&WF CAT 1.1	CWF11	252,981	0	0	0	0	0	0	1173
-- C&WF CAT 1.2	CWF12	242,440	242,440	0	0	0	242,440	0	1173
-- C&WF CAT 1.3	CWF13	29,799,086	7,449,772	7,449,772	0	0	0	0	1173
-- C&WF CAT 2	CWF2	1,034,630	706,593	0	0	0	706,593	0	1173
-- C&WF CAT 3	CWF3	3,838,009	2,785,194	0	0	464,284	2,320,910	0	1173
-- C&WF CAT 4	CWF4	2,499,014	1,079,974	0	0	1,079,974	0	0	1173
- TANGIBLES	TANGIB	74,120	34,707	9,605	12,921	3,954	8,227	0	1173
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1173
TELCOM PLANT-OTHER	PLTOTH	1,882,899	881,674	243,991	328,226	100,452	209,005	0	1173
ACCUM DEPRECIATION	ACCDEP	49,613,908	24,434,892	5,645,243	8,945,565	3,206,151	6,637,932	0	1173
ACCUM AMORTIZATION	ACCAMO	6,177	2,892	800	1,077	330	686	0	1173
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1173
NETWORK SUPPORT EXP	NETSPX	146,261	68,487	18,953	25,496	7,803	16,235	0	1173
GENERAL SUPPORT EXP	GSFX	243,043	113,806	31,494	42,367	12,966	26,978	0	1173
COE EXPENSE	COEX	776,554	506,707	34,286	297,626	57,263	117,532	0	1173
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1173
C&WF EXPENSE	CWFX	1,542,038	502,082	304,991	0	63,221	133,870	0	1173
OTHER PROP & PL EXP	OTHPX	-38	-18	-5	-7	-2	-4	0	1173
NETWORK OPERATIONS EXP	NETOPX	485,807	227,481	62,952	84,686	25,918	53,925	0	1173
DEPREC & AMORT EXP	DEPAMX	4,311,525	2,158,419	493,211	928,937	239,440	496,831	0	1173
MARKETING EXPENSE	MRKTX	172,577	79,047	21,875	29,427	9,006	18,738	0	1173
SERVICES EXPENSE	SERVX	935,250	424,629	82,198	128,117	37,613	23,231	153,470	1173
- CABSX EXPENSE	CABSX	138,925	69,463	0	35,753	10,942	22,767	0	1173
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1173
GENERAL & ADMIN EXP	GENADX	2,038,511	981,777	325,993	291,860	102,674	187,545	73,706	1173
OTHER TAXES (EXCL FIT & ITC)	OTAXES	425,733	199,351	55,168	74,214	22,713	47,257	0	1173
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1173
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1173
INTEREST & RELATED ITEMS(IRI)	INTREL	1,461,048	620,398	171,687	230,959	70,684	147,068	0	1173

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	499,233	155,370	68,581	28,535	2,527	55,411	316	1174
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1174
- GENERAL SUPPORT FACILITIES	GSF	20,904,777	7,929,796	3,474,614	1,445,740	128,026	2,807,368	74,048	1174
- CENTRAL OFFICE EQUIPMENT	COE	27,164,793	13,557,423	2,343,901	5,230,544	300,783	5,682,195	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	9,939,842	5,230,544	0	5,230,544	0	0	0	1174
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1174
-- COE CAT 4.12	COE412	1,987,239	1,902,615	0	0	0	1,902,615	0	1174
-- COE CAT 4.13	COE413	9,504,835	2,376,209	2,343,901	0	0	32,308	0	1174
-- COE CAT 4.2	COE42	5,118,822	3,803,348	0	0	56,076	3,747,272	0	1174
-- COE CAT 4.3	COE43	614,055	244,707	0	0	244,707	0	0	1174
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1174
- CABLE & WIRE FACILITIES	CWF	47,760,357	14,863,887	10,226,904	0	162,402	4,474,581	0	1174
-- C&WF CAT 1.1	CWF11	422,899	0	0	0	0	0	0	1174
-- C&WF CAT 1.2	CWF12	140,966	140,966	0	0	0	140,966	0	1174
-- C&WF CAT 1.3	CWF13	40,907,617	10,226,904	10,226,904	0	0	0	0	1174
-- C&WF CAT 2	CWF2	1,276,435	900,316	0	0	0	900,316	0	1174
-- C&WF CAT 3	CWF3	4,864,139	3,536,601	0	0	103,303	3,433,299	0	1174
-- C&WF CAT 4	CWF4	148,300	59,099	0	0	59,099	0	0	1174
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1174
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1174
TELCOM PLANT-OTHER	PLTOTH	1,189,503	450,481	199,166	82,870	7,338	160,919	187	1174
ACCUM DEPRECIATION	ACCDEP	68,094,965	26,491,166	10,938,350	5,505,289	443,989	9,561,387	42,152	1174
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1174
NET DEFERRED FIT	NTDFIT	-744,257	-229,078	-171,204	51,653	-4,428	-105,099	0	1174
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1174
GENERAL SUPPORT EXP	GSFX	782,799	296,939	130,110	54,137	4,794	105,125	2,773	1174
COE EXPENSE	COEX	1,215,559	606,662	56,027	407,622	7,190	135,823	0	1174
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1174
C&WF EXPENSE	CWFX	2,065,130	642,706	442,205	0	7,022	193,478	0	1174
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1174
NETWORK OPERATIONS EXP	NETOPX	1,076,845	408,479	180,671	75,175	6,657	145,976	0	1174
DEPREC & AMORT EXP	DEPAMX	5,391,623	2,153,256	820,108	527,758	36,031	765,325	4,034	1174
MARKETING EXPENSE	MRKTX	95,016	37,637	16,613	6,912	612	13,423	77	1174
SERVICES EXPENSE	SERVX	1,409,560	587,449	210,456	104,140	7,351	23,081	242,421	1174
- CABSX EXPENSE	CABSX	67,692	33,846	0	11,169	989	21,688	0	1174
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1174
GENERAL & ADMIN EXP	GENADX	2,623,156	1,098,581	504,092	249,530	12,949	237,561	94,450	1174
OTHER TAXES (EXCL FIT & ITC)	OTAXES	388,201	152,880	72,487	23,789	2,417	54,089	99	1174
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1174
NON-OPERATING INC & EXP	NONOPX	110	46	20	8	1	16	0	1174
INTEREST & RELATED ITEMS(IRI)	INTREL	1,715,204	609,398	268,989	111,923	9,911	217,334	1,241	1174

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	883,615	294,318	119,430	58,634	52,965	63,289	0	1175
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1175
- GENERAL SUPPORT FACILITIES	GSF	10,789,167	4,308,491	1,748,320	858,342	775,349	926,480	0	1175
- CENTRAL OFFICE EQUIPMENT	COE	33,946,735	18,651,924	2,658,239	8,819,830	3,695,001	3,478,854	0	1175
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1175
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1175
-- COE CAT 3	COE3	12,370,722	8,819,830	0	8,819,830	0	0	0	1175
-- COE CAT 4.11	COE411	1,707,568	1,676,898	0	0	0	1,676,898	0	1175
-- COE CAT 4.12	COE412	137,922	0	0	0	0	0	0	1175
-- COE CAT 4.13	COE413	11,063,395	2,766,277	2,658,239	0	0	108,039	0	1175
-- COE CAT 4.2	COE42	8,667,128	5,388,918	0	0	3,695,001	1,693,917	0	1175
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1175
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1175
- CABLE & WIRE FACILITIES	CWF	76,916,516	25,619,642	15,306,487	0	4,272,040	6,041,115	0	1175
-- C&WF CAT 1.1	CWF11	1,856,429	0	0	0	0	0	0	1175
-- C&WF CAT 1.2	CWF12	622,101	622,101	0	0	0	622,101	0	1175
-- C&WF CAT 1.3	CWF13	61,225,947	15,306,487	15,306,487	0	0	0	0	1175
-- C&WF CAT 2	CWF2	1,601,561	1,226,847	0	0	0	1,226,847	0	1175
-- C&WF CAT 3	CWF3	11,610,478	8,464,207	0	0	4,272,040	4,192,167	0	1175
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1175
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1175
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1175
TELCOM PLANT-OTHER	PLTOTH	3,272,656	1,306,886	530,314	260,359	235,185	281,027	0	1175
ACCUM DEPRECIATION	ACCDEP	91,124,113	37,248,581	14,286,290	8,274,790	6,764,249	7,923,253	0	1175
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1175
NET DEFERRED FIT	NTDFIT	-2,033,645	-811,268	-329,991	-160,462	-146,125	-174,690	0	1175
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1175
GENERAL SUPPORT EXP	GSFX	333,707	133,261	54,075	26,548	23,981	28,656	0	1175
COE EXPENSE	COEX	2,234,718	1,227,859	127,675	755,623	177,471	167,089	0	1175
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1175
C&WF EXPENSE	CWFX	1,981,983	660,166	394,417	0	110,082	155,667	0	1175
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1175
NETWORK OPERATIONS EXP	NETOPX	458,633	183,148	74,319	36,487	32,959	39,383	0	1175
DEPREC & AMORT EXP	DEPAMX	7,474,948	3,178,360	1,112,333	1,004,350	481,737	579,940	0	1175
MARKETING EXPENSE	MRKTX	213,787	77,124	31,296	15,365	13,879	16,584	0	1175
SERVICES EXPENSE	SERVX	1,343,831	434,173	181,261	91,861	71,702	14,977	74,372	1175
- CABSX EXPENSE	CABSX	81,176	40,589	0	13,608	12,292	14,688	0	1175
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1175
GENERAL & ADMIN EXP	GENADX	2,666,680	1,173,111	447,943	362,404	168,337	165,317	29,110	1175
OTHER TAXES (EXCL FIT & ITC)	OTAXES	541,481	216,232	87,744	43,078	38,913	46,498	0	1175
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1175
NON-OPERATING INC & EXP	NONOPX	19,536	8,904	3,613	1,774	1,602	1,915	0	1175
INTEREST & RELATED ITEMS(IRI)	INTREL	1,873,231	703,071	327,943	96,090	123,391	155,647	0	1175

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	13,523	6,740	697	2,076	2,199	1,768	0	1176
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1176
- GENERAL SUPPORT FACILITIES	GSF	486,635	292,771	30,282	90,160	95,536	76,792	0	1176
- CENTRAL OFFICE EQUIPMENT	COE	1,614,701	1,053,277	52,431	457,374	217,563	325,908	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	538,088	443,203	0	443,203	0	0	0	1176
-- COE CAT 4.11	COE411	56,800	56,800	0	0	0	56,800	0	1176
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1176
-- COE CAT 4.13	COE413	214,174	56,880	52,431	0	0	4,449	0	1176
-- COE CAT 4.2	COE42	529,319	264,660	0	0	0	264,660	0	1176
-- COE CAT 4.3	COE43	262,042	217,563	0	0	217,563	0	0	1176
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1176
- CABLE & WIRE FACILITIES	CWF	930,441	463,766	105,947	0	282,097	75,723	0	1176
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1176
-- C&WF CAT 1.2	CWF12	8,989	8,989	0	0	0	8,989	0	1176
-- C&WF CAT 1.3	CWF13	423,787	105,947	105,947	0	0	0	0	1176
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1176
-- C&WF CAT 3	CWF3	157,896	66,733	0	0	0	66,733	0	1176
-- C&WF CAT 4	CWF4	339,769	282,097	0	0	282,097	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	1,101	662	69	204	216	174	0	1176
ACCUM DEPRECIATION	ACCDEP	2,393,743	1,487,376	130,824	546,941	426,588	383,023	0	1176
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1176
NET DEFERRED FIT	NTDFIT	-11,864	-7,138	-738	-2,198	-2,329	-1,872	0	1176
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1176
GENERAL SUPPORT EXP	GSFX	22,008	13,241	1,370	4,077	4,321	3,473	0	1176
COE EXPENSE	COEX	123,375	81,561	1,594	63,447	6,613	9,907	0	1176
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1176
C&WF EXPENSE	CWFX	36,685	18,285	4,177	0	11,122	2,986	0	1176
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1176
NETWORK OPERATIONS EXP	NETOPX	0	0	0	0	0	0	0	1176
DEPREC & AMORT EXP	DEPAMX	215,308	136,619	10,849	55,976	35,940	33,854	0	1176
MARKETING EXPENSE	MRKTX	3,355	1,441	149	444	470	378	0	1176
SERVICES EXPENSE	SERVX	36,019	18,401	1,222	4,409	3,228	1,763	7,778	1176
- CABSX EXPENSE	CABSX	9,637	4,819	0	1,655	1,754	1,410	0	1176
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1176
GENERAL & ADMIN EXP	GENADX	198,096	131,887	33,389	57,300	20,390	14,651	6,158	1176
OTHER TAXES (EXCL FIT & ITC)	OTAXES	10,266	6,033	624	1,858	1,969	1,582	0	1176
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1176
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1176
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1176

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	100,695	42,110	13,060	8,898	15,744	4,408	0	1177
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1177
- GENERAL SUPPORT FACILITIES	GSF	2,763,870	1,303,815	404,374	275,497	487,453	136,492	0	1177
- CENTRAL OFFICE EQUIPMENT	COE	6,359,953	3,718,738	659,027	1,971,689	759,528	328,495	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	2,319,634	1,971,689	0	1,971,689	0	0	0	1177
-- COE CAT 4.11	COE411	194,958	194,958	0	0	0	194,958	0	1177
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1177
-- COE CAT 4.13	COE413	2,682,000	679,175	659,027	0	0	20,149	0	1177
-- COE CAT 4.2	COE42	1,163,361	872,916	0	0	759,528	113,388	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	13,420,654	5,612,476	2,235,016	0	2,729,101	648,359	0	1177
-- C&WF CAT 1.1	CWF11	87,313	0	0	0	0	0	0	1177
-- C&WF CAT 1.2	CWF12	68,332	68,332	0	0	0	68,332	0	1177
-- C&WF CAT 1.3	CWF13	8,940,064	2,235,016	2,235,016	0	0	0	0	1177
-- C&WF CAT 2	CWF2	136,629	136,629	0	0	0	136,629	0	1177
-- C&WF CAT 3	CWF3	4,188,317	3,172,499	0	0	2,729,101	443,398	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	197,181	93,017	28,849	19,655	34,776	9,738	0	1177
ACCUM DEPRECIATION	ACCDEP	11,507,216	5,934,723	1,489,863	2,122,467	1,784,410	537,982	0	1177
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1177
NET DEFERRED FIT	NTDFIT	88,075	42,274	12,607	10,201	15,190	4,276	0	1177
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1177
GENERAL SUPPORT EXP	GSFX	48,111	22,696	7,039	4,796	8,485	2,376	0	1177
COE EXPENSE	COEX	550,491	321,878	35,888	226,740	41,361	17,889	0	1177
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1177
C&WF EXPENSE	CWFX	450,258	188,296	74,984	0	91,560	21,752	0	1177
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1177
NETWORK OPERATIONS EXP	NETOPX	145,415	68,597	21,275	14,495	25,646	7,181	0	1177
DEPREC & AMORT EXP	DEPAMX	1,325,309	608,130	200,839	93,685	240,279	73,327	0	1177
MARKETING EXPENSE	MRKTX	34,846	13,689	4,246	2,892	5,118	1,433	0	1177
SERVICES EXPENSE	SERVX	210,662	67,918	17,507	9,339	14,237	602	26,233	1177
- CABSX EXPENSE	CABSX	7,591	3,796	0	1,163	2,057	576	0	1177
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1177
GENERAL & ADMIN EXP	GENADX	1,001,599	501,117	136,886	180,158	130,034	35,739	18,299	1177
OTHER TAXES (EXCL FIT & ITC)	OTAXES	96,343	45,448	14,096	9,603	16,992	4,758	0	1177
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1177
NON-OPERATING INC & EXP	NONOPX	24,277	12,234	3,794	2,585	4,574	1,281	0	1177
INTEREST & RELATED ITEMS(IRI)	INTREL	167,007	71,173	27,323	2,042	33,110	8,698	0	1177

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	128,594	38,991	16,224	11,532	2,449	8,709	77	1178
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1178
- GENERAL SUPPORT FACILITIES	GSF	2,477,309	1,065,198	437,771	311,186	66,080	235,001	15,160	1178
- CENTRAL OFFICE EQUIPMENT	COE	7,353,643	4,174,717	921,105	1,955,103	268,500	1,030,009	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	2,300,121	1,955,103	0	1,955,103	0	0	0	1178
-- COE CAT 4.11	COE411	661,876	661,876	0	0	0	661,876	0	1178
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1178
-- COE CAT 4.13	COE413	3,705,360	937,637	921,105	0	0	16,532	0	1178
-- COE CAT 4.2	COE42	686,286	620,102	0	0	268,500	351,601	0	1178
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1178
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1178
- CABLE & WIRE FACILITIES	CWF	7,989,136	2,422,402	1,829,293	0	146,665	446,443	0	1178
-- C&WF CAT 1.1	CWF11	8,755	0	0	0	0	0	0	1178
-- C&WF CAT 1.2	CWF12	32,832	32,832	0	0	0	32,832	0	1178
-- C&WF CAT 1.3	CWF13	7,317,173	1,829,293	1,829,293	0	0	0	0	1178
-- C&WF CAT 2	CWF2	27,643	0	0	0	0	0	0	1178
-- C&WF CAT 3	CWF3	602,733	560,276	0	0	146,665	413,611	0	1178
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1178
- TANGIBLES	TANGIB	24,760	10,646	4,430	3,149	669	2,378	21	1178
- INTANGIBLES	INTANG	958	412	171	122	26	92	1	1178
TELCOM PLANT-OTHER	PLTOTH	471,118	202,171	84,287	59,915	12,723	45,247	0	1178
ACCUM DEPRECIATION	ACCDEP	10,472,039	4,470,656	1,882,862	1,347,112	271,476	958,054	11,153	1178
ACCUM AMORTIZATION	ACCAMO	3,644	1,564	652	463	98	350	0	1178
NET DEFERRED FIT	NTDFIT	464,847	199,480	83,165	59,117	12,554	44,644	0	1178
NETWORK SUPPORT EXP	NETSPX	854	367	153	109	23	82	1	1178
GENERAL SUPPORT EXP	GSFX	224,821	96,669	39,729	28,241	5,997	21,327	1,376	1178
COE EXPENSE	COEX	435,458	247,213	39,514	151,996	11,518	44,185	0	1178
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1178
C&WF EXPENSE	CWFX	806,930	244,671	184,765	0	14,814	45,092	0	1178
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1178
NETWORK OPERATIONS EXP	NETOPX	143,133	61,545	25,659	18,239	3,873	13,774	0	1178
DEPREC & AMORT EXP	DEPAMX	1,350,792	619,035	226,900	204,025	40,230	146,542	1,338	1178
MARKETING EXPENSE	MRKTX	53,569	20,639	8,587	6,104	1,296	4,610	41	1178
SERVICES EXPENSE	SERVX	294,793	159,084	56,417	48,463	7,496	12,944	33,763	1178
- CABSX EXPENSE	CABSX	3,357	1,679	0	853	181	644	0	1178
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1178
GENERAL & ADMIN EXP	GENADX	1,114,808	490,265	217,998	144,994	25,784	81,339	20,150	1178
OTHER TAXES (EXCL FIT & ITC)	OTAXES	65,195	28,549	11,902	8,461	1,797	6,389	0	1178
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1178
NON-OPERATING INC & EXP	NONOPX	4,990	2,195	913	649	138	490	4	1178
INTEREST & RELATED ITEMS(IRI)	INTREL	175,113	75,665	31,483	22,379	4,752	16,900	150	1178

APPENDIX B1

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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	204,899	55,771	33,477	13,521	5,967	2,805	0	1179
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1179
- GENERAL SUPPORT FACILITIES	GSF	6,058,249	1,775,422	1,065,717	430,440	189,965	89,300	0	1179
- CENTRAL OFFICE EQUIPMENT	COE	37,447,753	11,656,165	4,661,691	4,981,544	1,597,101	415,829	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	13,496,938	4,981,544	0	4,981,544	0	0	0	1179
-- COE CAT 4.11	COE411	1,516,490	0	0	0	0	0	0	1179
-- COE CAT 4.12	COE412	85,932	0	0	0	0	0	0	1179
-- COE CAT 4.13	COE413	18,775,293	4,719,215	4,661,691	0	0	57,524	0	1179
-- COE CAT 4.2	COE42	3,573,100	1,955,406	0	0	1,597,101	358,305	0	1179
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1179
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1179
- CABLE & WIRE FACILITIES	CWF	32,665,243	8,891,048	7,672,003	0	601,390	617,655	0	1179
-- C&WF CAT 1.1	CWF11	116,859	0	0	0	0	0	0	1179
-- C&WF CAT 1.2	CWF12	94,670	94,670	0	0	0	94,670	0	1179
-- C&WF CAT 1.3	CWF13	30,688,012	7,672,003	7,672,003	0	0	0	0	1179
-- C&WF CAT 2	CWF2	25,048	0	0	0	0	0	0	1179
-- C&WF CAT 3	CWF3	1,740,654	1,124,375	0	0	601,390	522,985	0	1179
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1179
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1179
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1179
TELCOM PLANT-OTHER	PLTOTH	630,959	184,908	110,993	44,830	19,785	9,301	0	1179
ACCUM DEPRECIATION	ACCDEP	63,476,152	18,812,233	10,572,865	5,224,737	2,120,918	893,713	0	1179
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1179
NET DEFERRED FIT	NTDFIT	723,825	212,123	127,329	51,428	22,697	10,669	0	1179
NETWORK SUPPORT EXP	NETSPX	9,066	2,657	1,595	644	284	134	0	1179
GENERAL SUPPORT EXP	GSFX	1,133,456	332,169	199,388	80,532	35,541	16,707	0	1179
COE EXPENSE	COEX	1,596,898	497,058	204,750	203,897	70,147	18,264	0	1179
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1179
C&WF EXPENSE	CWFX	970,033	264,030	227,829	0	17,859	18,342	0	1179
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1179
NETWORK OPERATIONS EXP	NETOPX	1,241,559	363,849	218,405	88,213	38,931	18,301	0	1179
DEPREC & AMORT EXP	DEPAMX	2,658,672	740,337	566,558	45,922	81,040	46,817	0	1179
MARKETING EXPENSE	MRKTX	660,493	191,169	114,751	46,348	20,455	9,615	0	1179
SERVICES EXPENSE	SERVX	1,432,807	450,088	137,006	145,639	56,071	24,066	87,305	1179
- CABSX EXPENSE	CABSX	263,682	131,841	0	79,962	35,290	16,589	0	1179
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1179
GENERAL & ADMIN EXP	GENADX	2,462,104	814,487	460,355	200,724	84,969	37,437	31,001	1179
OTHER TAXES (EXCL FIT & ITC)	OTAXES	482,226	145,472	87,321	35,269	15,565	7,317	0	1179
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1179
NON-OPERATING INC & EXP	NONOPX	2,373	800	480	194	86	40	0	1179
INTEREST & RELATED ITEMS(IRI)	INTREL	16	4	3	1	0	0	0	1179

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	22,998	6,805	2,201	2,765	211	1,628	0	1180
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1180
- GENERAL SUPPORT FACILITIES	GSF	1,385,546	616,840	199,467	250,664	19,096	147,613	0	1180
- CENTRAL OFFICE EQUIPMENT	COE	2,162,750	1,330,120	156,552	836,317	29,564	307,687	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	1,054,664	836,317	0	836,317	0	0	0	1180
-- COE CAT 4.11	COE411	301,624	301,624	0	0	0	301,624	0	1180
-- COE CAT 4.12	COE412	112,717	0	0	0	0	0	0	1180
-- COE CAT 4.13	COE413	628,333	156,552	156,552	0	0	0	0	1180
-- COE CAT 4.2	COE42	65,412	35,627	0	0	29,564	6,063	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	2,459,994	727,909	508,951	0	34,149	184,809	0	1180
-- C&WF CAT 1.1	CWF11	6,910	0	0	0	0	0	0	1180
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1180
-- C&WF CAT 1.3	CWF13	2,035,804	508,951	508,951	0	0	0	0	1180
-- C&WF CAT 2	CWF2	340,120	176,124	0	0	0	176,124	0	1180
-- C&WF CAT 3	CWF3	77,160	42,834	0	0	34,149	8,685	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	198	88	29	36	3	21	0	1180
TELCOM PLANT-OTHER	PLTOTH	43,593	19,407	6,276	7,887	601	4,644	0	1180
ACCUM DEPRECIATION	ACCDEP	4,715,237	2,133,274	664,461	894,447	64,957	509,410	0	1180
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1180
NET DEFERRED FIT	NTDFIT	84,917	40,639	11,038	19,371	1,128	9,102	0	1180
NETWORK SUPPORT EXP	NETSPX	11,182	4,978	1,610	2,023	154	1,191	0	1180
GENERAL SUPPORT EXP	GSFX	121,765	54,209	17,530	22,029	1,678	12,973	0	1180
COE EXPENSE	COEX	303,854	186,874	12,272	148,165	2,317	24,119	0	1180
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1180
C&WF EXPENSE	CWFX	184,682	54,647	38,209	0	2,564	13,874	0	1180
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1180
NETWORK OPERATIONS EXP	NETOPX	55,137	24,547	7,938	9,975	760	5,874	0	1180
DEPREC & AMORT EXP	DEPAMX	428,264	205,283	55,498	95,684	5,858	48,243	0	1180
MARKETING EXPENSE	MRKTX	62,978	16,394	5,301	6,662	508	3,923	0	1180
SERVICES EXPENSE	SERVX	288,567	91,702	14,554	37,363	2,628	20,315	16,842	1180
- CABSX EXPENSE	CABSX	113,615	56,808	0	34,117	2,599	20,091	0	1180
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1180
GENERAL & ADMIN EXP	GENADX	415,069	188,041	47,908	94,364	4,425	34,318	7,025	1180
OTHER TAXES (EXCL FIT & ITC)	OTAXES	76,208	32,932	10,649	13,382	1,020	7,881	0	1180
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1180
NON-OPERATING INC & EXP	NONOPX	16,362	7,413	2,397	3,012	229	1,774	0	1180
INTEREST & RELATED ITEMS(IRI)	INTREL	26,537	11,032	3,567	4,483	342	2,640	0	1180

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	342,397	96,829	32,128	38,019	1,340	25,262	79	1181
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1181
- GENERAL SUPPORT FACILITIES	GSF	3,555,439	1,652,308	546,838	647,105	22,812	429,977	5,575	1181
- CENTRAL OFFICE EQUIPMENT	COE	4,715,484	3,364,378	208,848	2,038,608	45,657	1,071,265	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	2,581,088	2,028,007	0	2,028,007	0	0	0	1181
-- COE CAT 4.11	COE411	555,661	551,585	0	0	0	551,585	0	1181
-- COE CAT 4.12	COE412	69,336	0	0	0	0	0	0	1181
-- COE CAT 4.13	COE413	841,659	212,492	208,848	0	0	3,644	0	1181
-- COE CAT 4.2	COE42	646,456	561,693	0	0	45,657	516,036	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	6,505,653	1,839,784	1,522,842	0	26,583	290,359	0	1181
-- C&WF CAT 1.1	CWF11	19,129	0	0	0	0	0	0	1181
-- C&WF CAT 1.2	CWF12	26,567	26,567	0	0	0	26,567	0	1181
-- C&WF CAT 1.3	CWF13	6,091,368	1,522,842	1,522,842	0	0	0	0	1181
-- C&WF CAT 2	CWF2	313,412	261,474	0	0	0	261,474	0	1181
-- C&WF CAT 3	CWF3	55,177	28,900	0	0	26,583	2,317	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	3,845	1,787	593	702	25	466	1	1181
TELCOM PLANT-OTHER	PLTOTH	704,811	327,279	108,681	128,608	4,534	85,456	0	1181
ACCUM DEPRECIATION	ACCDEP	9,614,196	4,413,000	1,505,701	1,712,521	60,606	1,129,736	4,436	1181
ACCUM AMORTIZATION	ACCAMO	119	55	18	22	1	14	0	1181
NET DEFERRED FIT	NTDFIT	302,734	140,048	46,912	54,761	1,939	36,436	0	1181
NETWORK SUPPORT EXP	NETSPX	115,941	53,881	17,878	21,156	746	14,057	44	1181
GENERAL SUPPORT EXP	GSFX	337,176	156,695	51,859	61,367	2,163	40,776	529	1181
COE EXPENSE	COEX	522,336	373,848	13,881	285,730	3,035	71,202	0	1181
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1181
C&WF EXPENSE	CWFX	388,169	109,773	90,863	0	1,586	17,325	0	1181
OTHER PROP & PL EXP	OTHPX	1,765	820	272	322	11	214	0	1181
NETWORK OPERATIONS EXP	NETOPX	171,713	79,800	26,499	31,358	1,105	20,836	0	1181
DEPREC & AMORT EXP	DEPAMX	951,540	483,089	127,694	239,341	5,719	110,031	303	1181
MARKETING EXPENSE	MRKTX	4,322	1,202	399	472	17	314	1	1181
SERVICES EXPENSE	SERVX	361,991	124,646	11,052	43,832	586	11,050	58,126	1181
- CABSX EXPENSE	CABSX	43,464	21,732	0	12,786	451	8,496	0	1181
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1181
GENERAL & ADMIN EXP	GENADX	1,251,915	608,798	153,668	293,891	6,119	116,286	38,833	1181
OTHER TAXES (EXCL FIT & ITC)	OTAXES	83,462	36,996	12,285	14,538	513	9,660	0	1181
INVESTMENT TAX CREDITS (ITC)	ITC	3,249	1,509	501	593	21	394	0	1181
NON-OPERATING INC & EXP	NONOPX	59,613	28,989	9,619	11,383	401	7,563	24	1181
INTEREST & RELATED ITEMS(IRI)	INTREL	115,792	54,966	18,238	21,582	761	14,340	45	1181

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	1182
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1182
- GENERAL SUPPORT FACILITIES	GSF	4,894,116	1,944,142	892,080	668,699	76,038	304,708	2,618	1182
- CENTRAL OFFICE EQUIPMENT	COE	5,330,727	2,985,377	568,728	1,901,504	197,103	318,041	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	2,237,064	1,901,504	0	1,901,504	0	0	0	1182
-- COE CAT 4.11	COE411	209,771	209,771	0	0	0	209,771	0	1182
-- COE CAT 4.12	COE412	24,384	0	0	0	0	0	0	1182
-- COE CAT 4.13	COE413	2,324,476	598,466	568,728	0	0	29,737	0	1182
-- COE CAT 4.2	COE42	535,032	275,636	0	0	197,103	78,533	0	1182
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1182
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1182
- CABLE & WIRE FACILITIES	CWF	8,567,388	2,535,519	1,967,979	0	19,117	548,423	0	1182
-- C&WF CAT 1.1	CWF11	68,601	0	0	0	0	0	0	1182
-- C&WF CAT 1.2	CWF12	102,901	102,901	0	0	0	102,901	0	1182
-- C&WF CAT 1.3	CWF13	7,871,917	1,967,979	1,967,979	0	0	0	0	1182
-- C&WF CAT 2	CWF2	475,242	441,075	0	0	0	441,075	0	1182
-- C&WF CAT 3	CWF3	48,728	23,564	0	0	19,117	4,447	0	1182
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1182
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1182
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1182
TELCOM PLANT-OTHER	PLTOTH	13,255	5,264	2,418	1,813	206	826	0	1182
ACCUM DEPRECIATION	ACCDEP	14,248,644	6,010,308	2,456,834	2,494,422	213,859	842,885	2,308	1182
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1182
NET DEFERRED FIT	NTDFIT	-24,499	-9,723	-4,472	-3,339	-383	-1,529	0	1182
NETWORK SUPPORT EXP	NETSPX	211,103	83,859	38,517	28,872	3,283	13,156	29	1182
GENERAL SUPPORT EXP	GSFX	444,549	176,593	81,031	60,740	6,907	27,678	238	1182
COE EXPENSE	COEX	574,847	321,933	49,694	227,227	17,222	27,790	0	1182
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1182
C&WF EXPENSE	CWFX	286,152	84,687	65,731	0	639	18,317	0	1182
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1182
NETWORK OPERATIONS EXP	NETOPX	489,478	194,441	89,340	66,969	7,615	30,516	0	1182
DEPREC & AMORT EXP	DEPAMX	997,143	357,796	195,834	70,472	20,941	70,430	118	1182
MARKETING EXPENSE	MRKTX	751	243	111	84	10	38	0	1182
SERVICES EXPENSE	SERVX	220,182	82,427	6,957	30,387	3,411	13,667	28,005	1182
- CABSX EXPENSE	CABSX	92,114	46,057	0	29,347	3,337	13,373	0	1182
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1182
GENERAL & ADMIN EXP	GENADX	805,680	385,342	143,324	163,615	15,436	51,801	11,166	1182
OTHER TAXES (EXCL FIT & ITC)	OTAXES	67,138	25,701	11,809	8,852	1,007	4,034	0	1182
INVESTMENT TAX CREDITS (ITC)	ITC	912	362	166	125	14	57	0	1182
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1182
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1182

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2009 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	67,631	17,111	8,871	5,415	770	2,056	0	1183
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1183
- GENERAL SUPPORT FACILITIES	GSF	1,463,735	527,700	273,563	166,979	23,758	63,400	0	1183
- CENTRAL OFFICE EQUIPMENT	COE	3,507,152	1,929,497	317,923	1,105,859	147,936	357,780	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	1,454,503	1,105,859	0	1,105,859	0	0	0	1183
-- COE CAT 4.11	COE411	272,154	258,801	0	0	0	258,801	0	1183
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1183
-- COE CAT 4.13	COE413	1,280,960	324,101	317,923	0	0	6,178	0	1183
-- COE CAT 4.2	COE42	480,487	235,571	0	0	142,770	92,800	0	1183
-- COE CAT 4.3	COE43	19,048	5,165	0	0	5,165	0	0	1183
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1183
- CABLE & WIRE FACILITIES	CWF	6,186,761	1,565,316	1,493,812	0	9,406	62,099	0	1183
-- C&WF CAT 1.1	CWF11	14,515	0	0	0	0	0	0	1183
-- C&WF CAT 1.2	CWF12	29,030	29,030	0	0	0	29,030	0	1183
-- C&WF CAT 1.3	CWF13	5,975,247	1,493,812	1,493,812	0	0	0	0	1183
-- C&WF CAT 2	CWF2	82,369	19,362	0	0	0	19,362	0	1183
-- C&WF CAT 3	CWF3	50,917	13,707	0	0	0	13,707	0	1183
-- C&WF CAT 4	CWF4	34,684	9,406	0	0	9,406	0	0	1183
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1183
- INTANGIBLES	INTANG	852	307	159	97	14	37	0	1183
TELCOM PLANT-OTHER	PLTOTH	290	105	54	33	5	13	0	1183
ACCUM DEPRECIATION	ACCDEP	6,659,565	2,379,493	1,258,201	774,672	93,130	253,489	0	1183
ACCUM AMORTIZATION	ACCAMO	852	307	159	97	14	37	0	1183
NET DEFERRED FIT	NTDFIT	749,953	317,303	115,661	125,876	21,623	54,143	0	1183
NETWORK SUPPORT EXP	NETSPX	24,075	8,679	4,499	2,746	391	1,043	0	1183
GENERAL SUPPORT EXP	GSFX	43,705	15,756	8,168	4,986	709	1,893	0	1183
COE EXPENSE	COEX	217,212	119,502	17,647	73,783	8,212	19,860	0	1183
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1183
C&WF EXPENSE	CWFX	158,162	40,017	38,189	0	240	1,588	0	1183
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1183
NETWORK OPERATIONS EXP	NETOPX	512,374	184,719	95,760	58,450	8,316	22,193	0	1183
DEPREC & AMORT EXP	DEPAMX	775,478	304,793	131,709	109,348	17,916	45,819	0	1183
MARKETING EXPENSE	MRKTX	6,036	1,367	708	432	62	164	0	1183
SERVICES EXPENSE	SERVX	178,434	85,936	30,539	21,936	2,852	2,032	28,577	1183
- CABSX EXPENSE	CABSX	16,151	8,076	0	5,306	755	2,015	0	1183
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1183
GENERAL & ADMIN EXP	GENADX	931,521	396,898	177,189	136,933	17,530	41,140	24,105	1183
OTHER TAXES (EXCL FIT & ITC)	OTAXES	95,636	34,478	17,874	10,910	1,552	4,142	0	1183
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1183
NON-OPERATING INC & EXP	NONOPX	34,276	14,604	7,571	4,621	657	1,755	0	1183
INTEREST & RELATED ITEMS(IRI)	INTREL	51,791	18,319	9,781	5,241	903	2,394	0	1183

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	933,562	349,830	113,876	75,718	20,198	139,833	204	1184
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1184
- GENERAL SUPPORT FACILITIES	GSF	12,808,010	5,828,931	1,892,233	1,258,177	335,627	2,323,534	19,361	1184
- CENTRAL OFFICE EQUIPMENT	COE	17,132,678	11,202,572	337,461	5,891,101	785,483	4,188,527	0	1184
-- COE CAT 1	COE1	646,678	793	0	793	0	0	0	1184
-- COE CAT 2	COE2	6,359	2,772	0	0	2,772	0	0	1184
-- COE CAT 3	COE3	9,486,648	5,863,413	0	5,863,413	0	0	0	1184
-- COE CAT 4.11	COE411	2,608,831	2,608,831	0	0	0	2,608,831	0	1184
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1184
-- COE CAT 4.13	COE413	1,417,559	340,410	337,461	0	0	2,949	0	1184
-- COE CAT 4.2	COE42	2,337,099	1,884,062	0	0	307,315	1,576,747	0	1184
-- COE CAT 4.3	COE43	579,607	475,397	0	0	475,397	0	0	1184
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1184
- CABLE & WIRE FACILITIES	CWF	42,911,529	16,096,587	8,562,895	0	793,183	6,740,509	0	1184
-- C&WF CAT 1.1	CWF11	134,198	0	0	0	0	0	0	1184
-- C&WF CAT 1.2	CWF12	74,841	74,841	0	0	0	74,841	0	1184
-- C&WF CAT 1.3	CWF13	34,324,092	8,562,895	8,562,895	0	0	0	0	1184
-- C&WF CAT 2	CWF2	535,988	535,988	0	0	0	535,988	0	1184
-- C&WF CAT 3	CWF3	7,651,024	6,765,888	0	0	636,209	6,129,679	0	1184
-- C&WF CAT 4	CWF4	191,385	156,975	0	0	156,975	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	945,930	430,247	140,133	93,177	24,856	172,074	6	1184
ACCUM DEPRECIATION	ACCDEP	43,068,545	21,022,986	5,432,540	6,140,491	1,254,506	8,183,384	12,065	1184
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1184
NET DEFERRED FIT	NTDFIT	4,469,351	1,800,138	819,557	127,650	97,167	755,765	0	1184
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1184
GENERAL SUPPORT EXP	GSFX	777,966	354,053	114,935	76,422	20,386	141,133	1,176	1184
COE EXPENSE	COEX	645,503	423,511	14,521	194,987	33,771	180,232	0	1184
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1184
C&WF EXPENSE	CWFX	1,023,640	383,979	204,265	0	18,921	160,793	0	1184
OTHER PROP & PL EXP	OTHPX	26,724	12,162	3,961	2,634	703	4,864	0	1184
NETWORK OPERATIONS EXP	NETOPX	678,864	308,950	100,628	66,909	17,849	123,564	0	1184
DEPREC & AMORT EXP	DEPAMX	4,517,604	2,187,018	610,950	564,685	132,735	877,040	1,607	1184
MARKETING EXPENSE	MRKTX	226,047	41,618	13,548	9,008	2,403	16,636	24	1184
SERVICES EXPENSE	SERVX	1,177,769	188,948	23,691	48,472	1,765	6,234	108,786	1184
- CABSX EXPENSE	CABSX	19,730	9,865	0	3,168	845	5,851	0	1184
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1184
GENERAL & ADMIN EXP	GENADX	4,440,233	1,611,250	614,922	320,739	77,117	509,934	88,539	1184
OTHER TAXES (EXCL FIT & ITC)	OTAXES	385,461	172,779	56,276	37,419	9,982	69,103	0	1184
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1184
NON-OPERATING INC & EXP	NONOPX	28,965	10,550	3,434	2,283	609	4,217	6	1184
INTEREST & RELATED ITEMS(IRI)	INTREL	19,273	7,893	2,569	1,708	456	3,155	5	1184

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	401,273	110,650	39,702	31,198	12,965	26,785	0	1185
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1185
- GENERAL SUPPORT FACILITIES	GSF	7,072,762	2,731,533	980,091	770,162	320,047	661,231	0	1185
- CENTRAL OFFICE EQUIPMENT	COE	12,409,122	6,444,767	378,214	2,980,118	1,158,231	1,928,204	0	1185
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1185
-- COE CAT 2	COE2	245,663	100,486	0	0	100,486	0	0	1185
-- COE CAT 3	COE3	6,893,634	2,980,118	0	2,980,118	0	0	0	1185
-- COE CAT 4.11	COE411	1,269,203	1,267,366	0	0	0	1,267,366	0	1185
-- COE CAT 4.12	COE412	128,309	0	0	0	0	0	0	1185
-- COE CAT 4.13	COE413	1,539,006	382,321	378,214	0	0	4,107	0	1185
-- COE CAT 4.2	COE42	2,180,478	1,686,729	0	0	1,029,998	656,731	0	1185
-- COE CAT 4.3	COE43	152,829	27,746	0	0	27,746	0	0	1185
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1185
- CABLE & WIRE FACILITIES	CWF	14,958,705	4,124,811	3,414,219	0	80,183	630,410	0	1185
-- C&WF CAT 1.1	CWF11	198,983	0	0	0	0	0	0	1185
-- C&WF CAT 1.2	CWF12	37,077	37,077	0	0	0	37,077	0	1185
-- C&WF CAT 1.3	CWF13	13,656,875	3,414,219	3,414,219	0	0	0	0	1185
-- C&WF CAT 2	CWF2	410,997	175,905	0	0	0	175,905	0	1185
-- C&WF CAT 3	CWF3	609,254	489,346	0	0	71,919	417,427	0	1185
-- C&WF CAT 4	CWF4	45,519	8,264	0	0	8,264	0	0	1185
- TANGIBLES	TANGIB	55,890	21,585	7,745	6,086	2,529	5,225	0	1185
- INTANGIBLES	INTANG	107,549	41,536	14,903	11,711	4,867	10,055	0	1185
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1185
ACCUM DEPRECIATION	ACCDEP	22,923,885	9,118,646	2,789,163	3,203,780	1,052,808	2,072,896	0	1185
ACCUM AMORTIZATION	ACCAMO	121,841	47,056	16,884	13,267	5,513	11,391	0	1185
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1185
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1185
GENERAL SUPPORT EXP	GSFX	381,520	147,345	52,868	41,544	17,264	35,668	0	1185
COE EXPENSE	COEX	1,445,949	750,964	46,245	328,540	140,411	235,767	0	1185
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1185
C&WF EXPENSE	CWFX	726,827	200,420	165,893	0	3,896	30,631	0	1185
OTHER PROP & PL EXP	OTHPPX	27,583	10,653	3,822	3,004	1,248	2,579	0	1185
NETWORK OPERATIONS EXP	NETOPX	530,392	204,840	73,498	57,755	24,001	49,586	0	1185
DEPREC & AMORT EXP	DEPAMX	1,955,255	823,471	240,247	216,043	124,729	242,451	0	1185
MARKETING EXPENSE	MRKTX	182,484	49,568	17,785	13,976	5,808	11,999	0	1185
SERVICES EXPENSE	SERVX	1,311,303	352,084	115,710	120,677	49,639	66,058	0	1185
- CABSX EXPENSE	CABSX	338,731	169,366	0	74,475	30,949	63,942	0	1185
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1185
GENERAL & ADMIN EXP	GENADX	2,095,072	777,674	265,205	233,699	100,120	178,649	0	1185
OTHER TAXES (EXCL FIT & ITC)	OTAXES	290,776	112,299	40,294	31,663	13,158	27,185	0	1185
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1185
NON-OPERATING INC & EXP	NONOPX	68,427	25,400	9,114	7,161	2,976	6,149	0	1185
INTEREST & RELATED ITEMS(IRI)	INTREL	17,593	6,339	2,274	1,787	743	1,534	0	1185

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	25,652	6,803	5,387	555	281	580	0	1186
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1186
- GENERAL SUPPORT FACILITIES	GSF	2,108,898	586,425	464,341	47,855	24,239	49,991	0	1186
- CENTRAL OFFICE EQUIPMENT	COE	3,988,600	1,188,625	781,992	230,886	50,489	125,258	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	511,183	230,886	0	230,886	0	0	0	1186
-- COE CAT 4.11	COE411	112,941	110,346	0	0	0	110,346	0	1186
-- COE CAT 4.12	COE412	148,814	0	0	0	0	0	0	1186
-- COE CAT 4.13	COE413	3,134,006	784,580	781,992	0	0	2,587	0	1186
-- COE CAT 4.2	COE42	81,656	62,813	0	0	50,489	12,325	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	6,186,248	1,640,712	1,458,322	0	66,457	115,932	0	1186
-- C&WF CAT 1.1	CWF11	6,433	0	0	0	0	0	0	1186
-- C&WF CAT 1.2	CWF12	4,825	4,825	0	0	0	4,825	0	1186
-- C&WF CAT 1.3	CWF13	5,833,288	1,458,322	1,458,322	0	0	0	0	1186
-- C&WF CAT 2	CWF2	169,894	38,898	0	0	0	38,898	0	1186
-- C&WF CAT 3	CWF3	171,808	138,667	0	0	66,457	72,209	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	0	0	0	0	0	0	0	1186
ACCUM DEPRECIATION	ACCDEP	8,831,574	2,410,276	2,002,711	82,933	105,397	219,236	0	1186
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1186
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1186
NETWORK SUPPORT EXP	NETSPX	7,711	2,144	1,698	175	89	183	0	1186
GENERAL SUPPORT EXP	GSFX	159,401	44,325	35,097	3,617	1,832	3,779	0	1186
COE EXPENSE	COEX	176,716	52,662	31,256	14,382	2,018	5,006	0	1186
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1186
C&WF EXPENSE	CWFX	235,745	62,524	55,574	0	2,533	4,418	0	1186
OTHER PROP & PL EXP	OTHPPX	15,017	4,176	3,306	341	173	356	0	1186
NETWORK OPERATIONS EXP	NETOPX	355,514	98,858	78,278	8,067	4,086	8,427	0	1186
DEPREC & AMORT EXP	DEPAMX	762,343	216,146	162,744	25,560	8,843	18,998	0	1186
MARKETING EXPENSE	MRKTX	7,161	1,770	1,402	144	73	151	0	1186
SERVICES EXPENSE	SERVX	462,776	186,174	38,457	26,289	13,047	24,410	83,971	1186
- CABSX EXPENSE	CABSX	116,790	58,398	0	22,891	11,594	23,913	0	1186
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1186
GENERAL & ADMIN EXP	GENADX	1,040,632	337,926	194,847	36,544	16,440	32,211	57,882	1186
OTHER TAXES (EXCL FIT & ITC)	OTAXES	39,385	10,952	8,672	894	453	934	0	1186
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1186
NON-OPERATING INC & EXP	NONOPX	7,450	2,419	1,916	197	100	206	0	1186
INTEREST & RELATED ITEMS(IRI)	INTREL	92,426	26,902	18,837	5,172	961	1,933	0	1186

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	1187
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1187
- GENERAL SUPPORT FACILITIES	GSF	220,328	81,969	42,746	12,855	4,221	21,189	959	1187
- CENTRAL OFFICE EQUIPMENT	COE	363,518	202,245	43,822	77,899	8,917	71,607	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	96,493	77,899	0	77,899	0	0	0	1187
-- COE CAT 4.11	COE411	61,790	61,790	0	0	0	61,790	0	1187
-- COE CAT 4.12	COE412	8,984	8,984	0	0	0	8,984	0	1187
-- COE CAT 4.13	COE413	175,288	43,822	43,822	0	0	0	0	1187
-- COE CAT 4.2	COE42	833	833	0	0	0	833	0	1187
-- COE CAT 4.3	COE43	20,130	8,917	0	0	8,917	0	0	1187
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1187
- CABLE & WIRE FACILITIES	CWF	956,010	288,660	215,210	0	16,658	56,792	0	1187
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1187
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1187
-- C&WF CAT 1.3	CWF13	860,840	215,210	215,210	0	0	0	0	1187
-- C&WF CAT 2	CWF2	0	0	0	0	0	0	0	1187
-- C&WF CAT 3	CWF3	57,566	56,792	0	0	0	56,792	0	1187
-- C&WF CAT 4	CWF4	37,604	16,658	0	0	16,658	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	1,114,376	417,244	217,255	69,128	21,539	108,648	675	1187
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1187
NET DEFERRED FIT	NTDFIT	87,587	32,925	16,976	6,093	1,656	8,200	0	1187
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1187
GENERAL SUPPORT EXP	GSFX	34,053	12,669	6,607	1,987	652	3,275	148	1187
COE EXPENSE	COEX	56,391	31,373	10,573	1,373	2,151	17,276	0	1187
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1187
C&WF EXPENSE	CWFX	22,376	6,756	5,037	0	390	1,329	0	1187
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1187
NETWORK OPERATIONS EXP	NETOPX	25,808	9,601	5,066	1,524	500	2,511	0	1187
DEPREC & AMORT EXP	DEPAMX	59,917	22,929	11,359	6,596	968	3,958	49	1187
MARKETING EXPENSE	MRKTX	13,171	3,653	1,924	579	190	954	6	1187
SERVICES EXPENSE	SERVX	36,486	13,092	2,635	2,827	919	3,963	2,748	1187
- CABSX EXPENSE	CABSX	14,213	7,105	0	2,387	784	3,934	0	1187
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1187
GENERAL & ADMIN EXP	GENADX	199,990	83,606	34,508	8,983	5,206	31,763	3,146	1187
OTHER TAXES (EXCL FIT & ITC)	OTAXES	11,535	4,280	2,295	628	226	1,128	3	1187
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1187
NON-OPERATING INC & EXP	NONOPX	9,424	3,940	2,075	624	205	1,029	7	1187
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1187

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	147,734	36,226	22,751	9,296	1,002	3,006	171	1188
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1188
- GENERAL SUPPORT FACILITIES	GSF	5,679,931	1,648,938	1,012,570	413,719	44,596	133,787	44,267	1188
- CENTRAL OFFICE EQUIPMENT	COE	9,046,949	3,421,339	777,780	1,996,460	152,902	494,198	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	3,998,277	1,996,460	0	1,996,460	0	0	0	1188
-- COE CAT 4.11	COE411	963,820	52,221	0	0	0	52,221	0	1188
-- COE CAT 4.12	COE412	168,792	0	0	0	0	0	0	1188
-- COE CAT 4.13	COE413	3,154,663	783,044	777,780	0	0	5,263	0	1188
-- COE CAT 4.2	COE42	660,885	571,886	0	0	135,172	436,714	0	1188
-- COE CAT 4.3	COE43	100,512	17,729	0	0	17,729	0	0	1188
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1188
- CABLE & WIRE FACILITIES	CWF	17,626,545	4,322,229	4,108,519	0	62,302	151,408	0	1188
-- C&WF CAT 1.1	CWF11	202,203	0	0	0	0	0	0	1188
-- C&WF CAT 1.2	CWF12	27,803	27,803	0	0	0	27,803	0	1188
-- C&WF CAT 1.3	CWF13	16,434,078	4,108,519	4,108,519	0	0	0	0	1188
-- C&WF CAT 2	CWF2	808,180	122,705	0	0	0	122,705	0	1188
-- C&WF CAT 3	CWF3	80,282	50,149	0	0	49,249	900	0	1188
-- C&WF CAT 4	CWF4	73,999	13,053	0	0	13,053	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	693,381	201,295	126,421	51,654	5,568	16,704	949	1188
ACCUM DEPRECIATION	ACCDEP	18,168,283	5,558,239	3,090,024	1,970,641	119,880	354,786	22,908	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	53,168	15,435	9,694	3,961	427	1,281	73	1188
GENERAL SUPPORT EXP	GSFX	455,141	132,132	81,139	33,152	3,574	10,721	3,547	1188
COE EXPENSE	COEX	572,236	216,406	29,354	162,630	5,771	18,651	0	1188
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1188
C&WF EXPENSE	CWFX	363,960	89,247	84,834	0	1,286	3,126	0	1188
OTHER PROP & PL EXP	OTHPPX	1,640	476	300	123	13	40	0	1188
NETWORK OPERATIONS EXP	NETOPX	631,407	183,303	115,667	47,260	5,094	15,283	0	1188
DEPREC & AMORT EXP	DEPAMX	1,854,313	544,934	322,651	136,281	20,316	62,774	2,912	1188
MARKETING EXPENSE	MRKTX	461,652	91,190	57,271	23,400	2,522	7,567	430	1188
SERVICES EXPENSE	SERVX	879,509	396,913	116,071	94,035	9,815	19,259	157,734	1188
- CABSX EXPENSE	CABSX	168,777	84,389	0	58,965	6,356	19,068	0	1188
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1188
GENERAL & ADMIN EXP	GENADX	1,640,073	550,904	260,817	167,658	13,108	34,918	74,403	1188
OTHER TAXES (EXCL FIT & ITC)	OTAXES	299,354	86,496	54,580	22,300	2,404	7,211	0	1188
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1188
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1188
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1188

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	72,991	19,611	9,014	7,730	819	2,048	0	1189
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1189
- GENERAL SUPPORT FACILITIES	GSF	1,125,098	422,447	194,165	166,506	17,653	44,123	0	1189
- CENTRAL OFFICE EQUIPMENT	COE	3,727,213	1,837,513	442,688	1,158,577	46,627	189,621	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	1,541,973	1,158,577	0	1,158,577	0	0	0	1189
-- COE CAT 4.11	COE411	114,513	110,565	0	0	0	110,565	0	1189
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1189
-- COE CAT 4.13	COE413	1,788,684	444,369	442,688	0	0	1,681	0	1189
-- COE CAT 4.2	COE42	282,043	124,002	0	0	46,627	77,375	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	4,101,421	1,101,947	908,345	0	76,207	117,395	0	1189
-- C&WF CAT 1.1	CWF11	33,344	0	0	0	0	0	0	1189
-- C&WF CAT 1.2	CWF12	3,449	3,449	0	0	0	3,449	0	1189
-- C&WF CAT 1.3	CWF13	3,633,380	908,345	908,345	0	0	0	0	1189
-- C&WF CAT 2	CWF2	15,017	6,954	0	0	0	6,954	0	1189
-- C&WF CAT 3	CWF3	416,230	183,199	0	0	76,207	106,992	0	1189
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1189
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1189
- INTANGIBLES	INTANG	73,896	27,746	12,753	10,936	1,159	2,898	0	1189
TELCOM PLANT-OTHER	PLTOTH	24,645	9,254	4,253	3,647	387	967	0	1189
ACCUM DEPRECIATION	ACCDEP	5,339,328	2,297,566	787,110	1,244,709	72,587	193,160	0	1189
ACCUM AMORTIZATION	ACCAMO	20,897	7,846	3,606	3,093	328	820	0	1189
NET DEFERRED FIT	NTDFIT	122,304	47,339	20,455	20,519	1,850	4,514	0	1189
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1189
GENERAL SUPPORT EXP	GSFX	161,920	60,797	27,943	23,963	2,541	6,350	0	1189
COE EXPENSE	COEX	385,792	190,195	108,758	23,397	11,455	46,585	0	1189
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1189
C&WF EXPENSE	CWFX	154,403	41,484	34,196	0	2,869	4,419	0	1189
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1189
NETWORK OPERATIONS EXP	NETOPX	150,040	56,336	25,893	22,205	2,354	5,884	0	1189
DEPREC & AMORT EXP	DEPAMX	501,128	203,781	79,334	95,394	7,468	21,585	0	1189
MARKETING EXPENSE	MRKTX	20,416	4,554	2,093	1,795	190	476	0	1189
SERVICES EXPENSE	SERVX	122,312	20,666	9,356	7,889	794	2,606	21	1189
- CABSX EXPENSE	CABSX	9,884	4,942	0	3,605	382	955	0	1189
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1189
GENERAL & ADMIN EXP	GENADX	634,881	241,439	142,725	47,185	12,029	39,487	13	1189
OTHER TAXES (EXCL FIT & ITC)	OTAXES	136,977	50,221	24,973	17,408	2,263	5,576	0	1189
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1189
NON-OPERATING INC & EXP	NONOPX	12,539	4,958	2,279	1,954	207	518	0	1189
INTEREST & RELATED ITEMS(IRI)	INTREL	242,168	70,852	49,639	6,378	4,449	10,386	0	1189

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	5,490	2,096	479	999	406	212	0	1190
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1190
- GENERAL SUPPORT FACILITIES	GSF	132,138	66,507	15,206	31,716	12,870	6,716	0	1190
- CENTRAL OFFICE EQUIPMENT	COE	1,211,871	760,708	85,102	588,417	17,025	70,164	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	713,786	588,417	0	588,417	0	0	0	1190
-- COE CAT 4.11	COE411	31,672	23,754	0	0	0	23,754	0	1190
-- COE CAT 4.12	COE412	33,134	0	0	0	0	0	0	1190
-- COE CAT 4.13	COE413	345,749	85,770	85,102	0	0	667	0	1190
-- COE CAT 4.2	COE42	87,530	62,768	0	0	17,025	45,742	0	1190
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1190
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1190
- CABLE & WIRE FACILITIES	CWF	1,239,677	473,195	197,014	0	221,749	54,432	0	1190
-- C&WF CAT 1.1	CWF11	10,816	0	0	0	0	0	0	1190
-- C&WF CAT 1.2	CWF12	1,545	1,545	0	0	0	1,545	0	1190
-- C&WF CAT 1.3	CWF13	788,056	197,014	197,014	0	0	0	0	1190
-- C&WF CAT 2	CWF2	34,439	9,616	0	0	0	9,616	0	1190
-- C&WF CAT 3	CWF3	404,820	265,020	0	0	221,749	43,271	0	1190
-- C&WF CAT 4	CWF4	0	0	0	0	0	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	227,278	114,393	26,154	54,551	22,136	11,551	0	1190
ACCUM DEPRECIATION	ACCDEP	1,584,409	855,991	161,374	484,972	140,981	68,664	0	1190
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1190
NET DEFERRED FIT	NTDFIT	9,673	4,916	1,096	2,397	957	467	0	1190
NETWORK SUPPORT EXP	NETSPX	13,891	6,992	1,599	3,334	1,353	706	0	1190
GENERAL SUPPORT EXP	GSFX	3,784	1,905	435	908	369	192	0	1190
COE EXPENSE	COEX	63,395	39,794	9,240	21,087	1,849	7,618	0	1190
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1190
C&WF EXPENSE	CWFX	78,609	30,006	12,493	0	14,061	3,452	0	1190
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1190
NETWORK OPERATIONS EXP	NETOPX	25,549	12,859	2,940	6,132	2,488	1,298	0	1190
DEPREC & AMORT EXP	DEPAMX	173,703	101,613	14,895	68,171	11,041	7,506	0	1190
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1190
SERVICES EXPENSE	SERVX	40,354	14,883	454	7,201	2,922	1,497	2,808	1190
- CABSX EXPENSE	CABSX	22,562	11,281	0	6,974	2,830	1,477	0	1190
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1190
GENERAL & ADMIN EXP	GENADX	248,507	116,688	29,777	42,387	25,261	16,185	3,079	1190
OTHER TAXES (EXCL FIT & ITC)	OTAXES	36,562	17,863	4,479	7,636	3,740	2,008	0	1190
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1190
NON-OPERATING INC & EXP	NONOPX	995	472	108	225	91	48	0	1190
INTEREST & RELATED ITEMS(IRI)	INTREL	12,107	5,507	1,594	1,878	1,306	729	0	1190

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	89,350	34,158	10,720	9,126	8,570	5,741	0	1191
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1191
- GENERAL SUPPORT FACILITIES	GSF	1,824,323	862,858	270,807	230,545	216,487	145,018	0	1191
- CENTRAL OFFICE EQUIPMENT	COE	3,362,851	2,421,107	164,699	1,582,403	415,454	258,551	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	1,861,650	1,582,403	0	1,582,403	0	0	0	1191
-- COE CAT 4.11	COE411	65,762	65,762	0	0	0	65,762	0	1191
-- COE CAT 4.12	COE412	11,446	0	0	0	0	0	0	1191
-- COE CAT 4.13	COE413	683,525	178,829	164,699	0	0	14,130	0	1191
-- COE CAT 4.2	COE42	712,725	576,104	0	0	397,444	178,659	0	1191
-- COE CAT 4.3	COE43	27,743	18,009	0	0	18,009	0	0	1191
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1191
- CABLE & WIRE FACILITIES	CWF	9,158,822	3,501,321	1,694,051	0	1,070,456	736,813	0	1191
-- C&WF CAT 1.1	CWF11	109,001	0	0	0	0	0	0	1191
-- C&WF CAT 1.2	CWF12	145,334	145,334	0	0	0	145,334	0	1191
-- C&WF CAT 1.3	CWF13	6,776,205	1,694,051	1,694,051	0	0	0	0	1191
-- C&WF CAT 2	CWF2	155,217	118,517	0	0	0	118,517	0	1191
-- C&WF CAT 3	CWF3	1,457,393	1,208,670	0	0	735,708	472,962	0	1191
-- C&WF CAT 4	CWF4	515,672	334,748	0	0	334,748	0	0	1191
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1191
- INTANGIBLES	INTANG	121,809	57,613	18,082	15,393	14,455	9,683	0	1191
TELCOM PLANT-OTHER	PLTOTH	407,735	192,848	60,525	51,527	48,385	32,411	0	1191
ACCUM DEPRECIATION	ACCDEP	8,042,908	3,568,446	1,288,469	668,083	962,467	649,427	0	1191
ACCUM AMORTIZATION	ACCAMO	114,935	54,361	17,061	14,525	13,639	9,136	0	1191
NET DEFERRED FIT	NTDFIT	-47,993	-22,687	-7,129	-6,058	-5,688	-3,811	0	1191
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1191
GENERAL SUPPORT EXP	GSFX	136,978	64,787	20,333	17,310	16,255	10,889	0	1191
COE EXPENSE	COEX	234,681	168,960	13,088	102,312	33,014	20,546	0	1191
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1191
C&WF EXPENSE	CWFX	234,426	89,619	43,360	0	27,399	18,859	0	1191
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1191
NETWORK OPERATIONS EXP	NETOPX	190,420	90,064	28,266	24,064	22,597	15,137	0	1191
DEPREC & AMORT EXP	DEPAMX	669,500	333,370	92,692	110,289	78,257	52,133	0	1191
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1191
SERVICES EXPENSE	SERVX	128,472	62,112	2,317	23,418	17,646	11,014	7,717	1191
- CABSX EXPENSE	CABSX	89,417	44,709	0	17,410	16,348	10,951	0	1191
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1191
GENERAL & ADMIN EXP	GENADX	688,396	358,835	85,441	124,085	86,814	56,765	5,730	1191
OTHER TAXES (EXCL FIT & ITC)	OTAXES	132,833	65,139	18,901	20,017	15,728	10,493	0	1191
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1191
NON-OPERATING INC & EXP	NONOPX	6,950	3,623	1,137	968	909	609	0	1191
INTEREST & RELATED ITEMS(IRI)	INTREL	202,074	102,283	26,911	36,119	23,593	15,660	0	1191

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	1192
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1192
- GENERAL SUPPORT FACILITIES	GSF	99,591	34,327	19,805	8,315	275	5,931	0	1192
- CENTRAL OFFICE EQUIPMENT	COE	694,164	499,150	20,849	319,745	5,324	153,232	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	436,560	319,745	0	319,745	0	0	0	1192
-- COE CAT 4.11	COE411	137,577	137,275	0	0	0	137,275	0	1192
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1192
-- COE CAT 4.13	COE413	85,056	20,849	20,849	0	0	0	0	1192
-- COE CAT 4.2	COE42	17,239	15,957	0	0	0	15,957	0	1192
-- COE CAT 4.3	COE43	17,732	5,324	0	0	5,324	0	0	1192
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1192
- CABLE & WIRE FACILITIES	CWF	3,135,438	820,823	740,737	0	5,243	74,843	0	1192
-- C&WF CAT 1.1	CWF11	59,006	0	0	0	0	0	0	1192
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1192
-- C&WF CAT 1.3	CWF13	2,962,948	740,737	740,737	0	0	0	0	1192
-- C&WF CAT 2	CWF2	50,617	42,180	0	0	0	42,180	0	1192
-- C&WF CAT 3	CWF3	45,404	32,663	0	0	0	32,663	0	1192
-- C&WF CAT 4	CWF4	17,463	5,243	0	0	5,243	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	0	0	0	0	0	0	0	1192
ACCUM DEPRECIATION	ACCDEP	1,657,825	584,283	325,342	135,700	5,219	118,022	0	1192
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1192
NET DEFERRED FIT	NTDFIT	335,208	115,648	66,594	28,298	920	19,835	0	1192
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1192
GENERAL SUPPORT EXP	GSFX	57,716	19,893	11,478	4,819	159	3,437	0	1192
COE EXPENSE	COEX	195,367	140,482	1,883	124,283	481	13,836	0	1192
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1192
C&WF EXPENSE	CWFX	90,883	23,792	21,471	0	152	2,169	0	1192
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1192
NETWORK OPERATIONS EXP	NETOPX	98,992	34,120	19,686	8,265	273	5,896	0	1192
DEPREC & AMORT EXP	DEPAMX	215,809	83,235	39,561	20,108	919	22,648	0	1192
MARKETING EXPENSE	MRKTX	4,210	989	571	240	8	171	0	1192
SERVICES EXPENSE	SERVX	170,115	55,261	16,425	12,810	423	7,337	18,265	1192
- CABSX EXPENSE	CABSX	35,459	17,730	0	10,152	335	7,242	0	1192
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1192
GENERAL & ADMIN EXP	GENADX	245,865	130,368	39,294	67,475	671	14,734	8,194	1192
OTHER TAXES (EXCL FIT & ITC)	OTAXES	71,617	24,771	14,433	6,066	192	4,080	0	1192
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1192
NON-OPERATING INC & EXP	NONOPX	375	199	115	48	2	34	0	1192
INTEREST & RELATED ITEMS(IRI)	INTREL	3,346	1,131	672	283	8	167	0	1192

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COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	324,271	83,105	61,840	7,809	717	12,481	258	1193
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1193
- GENERAL SUPPORT FACILITIES	GSF	6,114,833	1,730,667	1,277,147	161,280	14,799	257,762	19,678	1193
- CENTRAL OFFICE EQUIPMENT	COE	4,799,151	1,665,440	675,805	434,423	21,582	533,630	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	1,304,400	434,423	0	434,423	0	0	0	1193
-- COE CAT 4.11	COE411	481,143	475,076	0	0	0	475,076	0	1193
-- COE CAT 4.12	COE412	38,181	0	0	0	0	0	0	1193
-- COE CAT 4.13	COE413	2,726,863	676,411	675,805	0	0	606	0	1193
-- COE CAT 4.2	COE42	193,879	72,096	0	0	14,148	57,948	0	1193
-- COE CAT 4.3	COE43	54,685	7,434	0	0	7,434	0	0	1193
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1193
- CABLE & WIRE FACILITIES	CWF	11,484,417	2,943,262	2,764,305	0	18,281	160,676	0	1193
-- C&WF CAT 1.1	CWF11	94,231	0	0	0	0	0	0	1193
-- C&WF CAT 1.2	CWF12	2,480	2,480	0	0	0	2,480	0	1193
-- C&WF CAT 1.3	CWF13	11,057,221	2,764,305	2,764,305	0	0	0	0	1193
-- C&WF CAT 2	CWF2	117,750	67,732	0	0	0	67,732	0	1193
-- C&WF CAT 3	CWF3	147,782	99,915	0	0	9,451	90,464	0	1193
-- C&WF CAT 4	CWF4	64,954	8,830	0	0	8,830	0	0	1193
- TANGIBLES	TANGIB	1,672	473	349	44	4	70	5	1193
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1193
TELCOM PLANT-OTHER	PLTOTH	610,893	172,363	128,658	16,247	1,491	25,967	0	1193
ACCUM DEPRECIATION	ACCDEP	11,385,407	3,175,392	2,453,626	246,896	26,405	436,664	11,801	1193
ACCUM AMORTIZATION	ACCAMO	1,672	468	349	44	4	70	0	1193
NET DEFERRED FIT	NTDFIT	1,344,898	377,135	264,817	67,980	2,661	41,677	0	1193
NETWORK SUPPORT EXP	NETSPX	213,777	60,505	45,023	5,686	522	9,087	188	1193
GENERAL SUPPORT EXP	GSFX	380,117	107,584	79,391	10,026	920	16,023	1,223	1193
COE EXPENSE	COEX	525,217	182,265	11,666	161,014	373	9,212	0	1193
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1193
C&WF EXPENSE	CWFX	777,901	199,363	187,241	0	1,238	10,883	0	1193
OTHER PROP & PL EXP	OTHPPX	120,025	33,970	25,357	3,202	294	5,118	0	1193
NETWORK OPERATIONS EXP	NETOPX	425,556	120,444	89,904	11,353	1,042	18,145	0	1193
DEPREC & AMORT EXP	DEPAMX	1,530,413	451,005	297,415	67,411	4,168	80,881	1,130	1193
MARKETING EXPENSE	MRKTX	67,377	0	0	0	0	0	0	1193
SERVICES EXPENSE	SERVX	602,633	142,098	5,023	12,923	1,186	20,653	102,313	1193
- CABSX EXPENSE	CABSX	69,524	34,762	0	12,923	1,186	20,653	0	1193
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1193
GENERAL & ADMIN EXP	GENADX	1,454,831	420,747	231,884	95,788	2,615	41,805	48,655	1193
OTHER TAXES (EXCL FIT & ITC)	OTAXES	267,119	80,316	58,615	7,873	720	12,995	114	1193
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1193
NON-OPERATING INC & EXP	NONOPX	36,024	10,418	7,753	979	90	1,565	32	1193
INTEREST & RELATED ITEMS(IRI)	INTREL	159,437	45,891	34,148	4,312	396	6,892	142	1193

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	45,999	22,575	1,976	12,412	5,360	2,828	0	1194
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1194
- GENERAL SUPPORT FACILITIES	GSF	687,953	467,546	40,927	257,050	111,010	58,559	0	1194
- CENTRAL OFFICE EQUIPMENT	COE	2,022,349	1,677,534	8,792	1,355,378	203,939	109,425	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	1,594,562	1,355,378	0	1,355,378	0	0	0	1194
-- COE CAT 4.11	COE411	108,526	108,526	0	0	49,975	58,551	0	1194
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1194
-- COE CAT 4.13	COE413	37,728	11,352	8,792	0	0	2,560	0	1194
-- COE CAT 4.2	COE42	48,314	48,314	0	0	0	48,314	0	1194
-- COE CAT 4.3	COE43	233,219	153,964	0	0	153,964	0	0	1194
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1194
- CABLE & WIRE FACILITIES	CWF	1,605,095	787,747	207,007	0	381,395	199,346	0	1194
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1194
-- C&WF CAT 1.2	CWF12	60,268	60,268	0	0	0	60,268	0	1194
-- C&WF CAT 1.3	CWF13	828,027	207,007	207,007	0	0	0	0	1194
-- C&WF CAT 2	CWF2	11,377	11,377	0	0	0	11,377	0	1194
-- C&WF CAT 3	CWF3	127,701	127,701	0	0	0	127,701	0	1194
-- C&WF CAT 4	CWF4	577,722	381,395	0	0	381,395	0	0	1194
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1194
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1194
TELCOM PLANT-OTHER	PLTOTH	0	0	0	0	0	0	0	1194
ACCUM DEPRECIATION	ACCDEP	2,236,376	1,578,031	112,584	991,354	310,336	163,757	0	1194
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1194
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1194
NETWORK SUPPORT EXP	NETSPX	6,723	4,569	400	2,512	1,085	572	0	1194
GENERAL SUPPORT EXP	GSFX	16,237	11,035	966	6,067	2,620	1,382	0	1194
COE EXPENSE	COEX	76,428	63,397	0	63,397	0	0	0	1194
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1194
C&WF EXPENSE	CWFX	38,183	18,739	4,924	0	9,073	4,742	0	1194
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1194
NETWORK OPERATIONS EXP	NETOPX	30,314	20,602	1,803	11,327	4,892	2,580	0	1194
DEPREC & AMORT EXP	DEPAMX	243,190	173,191	11,812	117,719	28,605	15,054	0	1194
MARKETING EXPENSE	MRKTX	11,886	9,110	797	5,009	2,163	1,141	0	1194
SERVICES EXPENSE	SERVX	83,349	32,815	5,719	12,542	5,309	158	9,087	1194
- CABSX EXPENSE	CABSX	2,276	1,138	0	686	296	156	0	1194
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1194
GENERAL & ADMIN EXP	GENADX	104,265	66,096	9,573	39,136	9,756	4,104	3,526	1194
OTHER TAXES (EXCL FIT & ITC)	OTAXES	20,415	13,874	1,215	7,628	3,294	1,738	0	1194
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1194
NON-OPERATING INC & EXP	NONOPX	300	207	18	114	49	26	0	1194
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1194

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	151,571	43,150	16,344	17,408	3,184	6,214	0	1195
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1195
- GENERAL SUPPORT FACILITIES	GSF	1,149,932	471,108	178,444	190,052	34,763	67,848	0	1195
- CENTRAL OFFICE EQUIPMENT	COE	3,165,036	1,831,862	294,540	1,230,751	84,217	222,355	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	1,447,942	1,230,751	0	1,230,751	0	0	0	1195
-- COE CAT 4.11	COE411	0	0	0	0	0	0	0	1195
-- COE CAT 4.12	COE412	233,252	220,068	0	0	0	220,068	0	1195
-- COE CAT 4.13	COE413	1,178,159	294,540	294,540	0	0	0	0	1195
-- COE CAT 4.2	COE42	305,683	86,504	0	0	84,217	2,287	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	4,281,767	1,218,968	861,042	0	140,907	217,020	0	1195
-- C&WF CAT 1.1	CWF11	0	0	0	0	0	0	0	1195
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1195
-- C&WF CAT 1.3	CWF13	3,444,166	861,042	861,042	0	0	0	0	1195
-- C&WF CAT 2	CWF2	111,139	12,763	0	0	0	12,763	0	1195
-- C&WF CAT 3	CWF3	726,462	345,164	0	0	140,907	204,257	0	1195
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1195
- TANGIBLES	TANGIB	45,586	18,676	7,074	7,534	1,378	2,690	0	1195
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1195
TELCOM PLANT-OTHER	PLTOTH	4,138	1,695	642	684	125	244	0	1195
ACCUM DEPRECIATION	ACCDEP	4,354,408	1,865,883	612,803	927,496	114,142	211,443	0	1195
ACCUM AMORTIZATION	ACCAMO	19,686	8,065	3,055	3,254	595	1,162	0	1195
NET DEFERRED FIT	NTDFIT	605,221	247,949	93,917	100,026	18,296	35,709	0	1195
NETWORK SUPPORT EXP	NETSPX	12,145	4,976	1,885	2,007	367	717	0	1195
GENERAL SUPPORT EXP	GSFX	134,047	54,917	20,801	22,154	4,052	7,909	0	1195
COE EXPENSE	COEX	122,325	70,799	21,641	26,634	6,188	16,337	0	1195
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1195
C&WF EXPENSE	CWFX	339,883	96,761	68,349	0	11,185	17,227	0	1195
OTHER PROP & PL EXP	OTHPX	3,602	1,476	559	595	109	213	0	1195
NETWORK OPERATIONS EXP	NETOPX	112,182	45,959	17,408	18,541	3,391	6,619	0	1195
DEPREC & AMORT EXP	DEPAMX	359,898	161,064	52,565	77,493	10,394	20,612	0	1195
MARKETING EXPENSE	MRKTX	64,021	0	0	0	0	0	0	1195
SERVICES EXPENSE	SERVX	48,294	12,206	3,588	3,923	718	905	3,071	1195
- CABSX EXPENSE	CABSX	7,699	3,853	0	2,502	458	893	0	1195
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1195
GENERAL & ADMIN EXP	GENADX	567,414	201,102	97,009	50,292	17,712	33,997	2,091	1195
OTHER TAXES (EXCL FIT & ITC)	OTAXES	36,247	14,850	5,625	5,991	1,096	2,139	0	1195
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1195
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1195
INTEREST & RELATED ITEMS(IRI)	INTREL	137,631	53,309	20,192	21,506	3,934	7,678	0	1195

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	1,322,224	364,310	148,103	83,790	10,492	119,127	2,799	1196
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1196
- GENERAL SUPPORT FACILITIES	GSF	8,185,639	3,465,667	1,351,509	764,618	95,744	1,087,085	166,711	1196
- CENTRAL OFFICE EQUIPMENT	COE	15,073,236	10,451,034	989,436	4,156,594	431,259	4,873,745	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	4,890,111	4,087,382	0	4,087,382	0	0	0	1196
-- COE CAT 4.11	COE411	3,084,102	3,071,488	0	0	0	3,071,488	0	1196
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1196
-- COE CAT 4.13	COE413	4,102,241	1,039,021	989,436	0	0	49,586	0	1196
-- COE CAT 4.2	COE42	1,982,625	1,792,787	0	0	40,117	1,752,671	0	1196
-- COE CAT 4.3	COE43	938,150	391,143	0	0	391,143	0	0	1196
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1196
- CABLE & WIRE FACILITIES	CWF	27,990,037	7,712,047	6,479,928	0	97,887	1,134,231	0	1196
-- C&WF CAT 1.1	CWF11	621,595	0	0	0	0	0	0	1196
-- C&WF CAT 1.2	CWF12	324,744	324,744	0	0	0	324,744	0	1196
-- C&WF CAT 1.3	CWF13	25,919,713	6,479,928	6,479,928	0	0	0	0	1196
-- C&WF CAT 2	CWF2	622,658	566,563	0	0	0	566,563	0	1196
-- C&WF CAT 3	CWF3	274,459	246,224	0	0	3,299	242,925	0	1196
-- C&WF CAT 4	CWF4	226,868	94,588	0	0	94,588	0	0	1196
- TANGIBLES	TANGIB	760,403	321,942	130,879	74,045	9,272	105,273	2,474	1196
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1196
TELCOM PLANT-OTHER	PLTOTH	191,514	80,461	32,963	18,649	2,335	26,514	0	1196
ACCUM DEPRECIATION	ACCDEP	27,957,189	13,560,756	4,127,320	3,738,505	452,640	5,129,189	113,103	1196
ACCUM AMORTIZATION	ACCAMO	82,285	33,162	13,586	7,686	962	10,928	0	1196
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1196
NETWORK SUPPORT EXP	NETSPX	113,156	47,908	19,476	11,019	1,380	15,666	368	1196
GENERAL SUPPORT EXP	GSFX	906,108	383,631	149,605	84,639	10,598	120,335	18,454	1196
COE EXPENSE	COEX	779,841	544,284	47,574	241,635	20,736	234,339	0	1196
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1196
C&WF EXPENSE	CWFX	641,678	176,800	148,554	0	2,244	26,003	0	1196
OTHER PROP & PL EXP	OTHPPX	136,216	57,672	23,627	13,367	1,674	19,004	0	1196
NETWORK OPERATIONS EXP	NETOPX	1,530,906	648,161	265,537	150,228	18,811	213,584	0	1196
DEPREC & AMORT EXP	DEPAMX	4,209,021	2,239,833	540,190	756,781	74,615	844,890	23,357	1196
MARKETING EXPENSE	MRKTX	152,380	65,033	26,438	14,957	1,873	21,265	500	1196
SERVICES EXPENSE	SERVX	1,073,267	331,003	54,167	13,453	1,491	3,114	258,778	1196
- CABSX EXPENSE	CABSX	10,891	5,446	0	2,138	268	3,040	0	1196
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1196
GENERAL & ADMIN EXP	GENADX	2,478,184	1,057,364	378,953	236,314	26,255	291,680	124,162	1196
OTHER TAXES (EXCL FIT & ITC)	OTAXES	270,176	113,509	46,502	26,309	3,294	37,404	0	1196
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1196
NON-OPERATING INC & EXP	NONOPX	55,001	23,467	9,540	5,397	676	7,674	180	1196
INTEREST & RELATED ITEMS(IRI)	INTREL	545	192	78	44	6	63	1	1196

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	402,485	122,513	36,885	32,012	9,586	43,808	222	1197
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1197
- GENERAL SUPPORT FACILITIES	GSF	4,273,895	2,061,779	615,751	534,408	160,023	731,323	20,275	1197
- CENTRAL OFFICE EQUIPMENT	COE	8,530,427	5,961,980	621,064	2,387,300	575,034	2,378,582	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	2,808,588	2,387,300	0	2,387,300	0	0	0	1197
-- COE CAT 4.11	COE411	2,229,598	2,225,322	0	0	0	2,225,322	0	1197
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1197
-- COE CAT 4.13	COE413	2,554,826	641,244	621,064	0	0	20,180	0	1197
-- COE CAT 4.2	COE42	870,154	674,551	0	0	541,471	133,081	0	1197
-- COE CAT 4.3	COE43	67,261	33,563	0	0	33,563	0	0	1197
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1197
- CABLE & WIRE FACILITIES	CWF	10,374,116	3,157,803	2,129,612	0	139,818	888,373	0	1197
-- C&WF CAT 1.1	CWF11	172,785	0	0	0	0	0	0	1197
-- C&WF CAT 1.2	CWF12	69,196	69,196	0	0	0	69,196	0	1197
-- C&WF CAT 1.3	CWF13	8,518,448	2,129,612	2,129,612	0	0	0	0	1197
-- C&WF CAT 2	CWF2	119,196	104,321	0	0	0	104,321	0	1197
-- C&WF CAT 3	CWF3	1,214,295	714,856	0	0	0	714,856	0	1197
-- C&WF CAT 4	CWF4	280,197	139,818	0	0	139,818	0	0	1197
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1197
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1197
TELCOM PLANT-OTHER	PLTOTH	102,727	49,467	14,920	12,949	3,877	17,720	0	1197
ACCUM DEPRECIATION	ACCDEP	11,425,403	6,524,681	1,309,589	2,357,683	531,797	2,314,936	10,677	1197
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1197
NET DEFERRED FIT	NTDFIT	1,205,333	583,056	173,976	159,255	44,807	205,018	0	1197
NETWORK SUPPORT EXP	NETSPX	50	24	7	6	2	9	0	1197
GENERAL SUPPORT EXP	GSFX	168,299	81,190	24,247	21,044	6,301	28,798	798	1197
COE EXPENSE	COEX	259,393	181,292	14,503	97,818	13,428	55,543	0	1197
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1197
C&WF EXPENSE	CWFX	538,766	163,996	110,599	0	7,261	46,136	0	1197
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1197
NETWORK OPERATIONS EXP	NETOPX	200,551	96,748	29,181	25,326	7,584	34,658	0	1197
DEPREC & AMORT EXP	DEPAMX	1,486,439	848,373	171,772	280,545	74,037	320,632	1,388	1197
MARKETING EXPENSE	MRKTX	182,641	101,332	30,508	26,478	7,928	36,234	184	1197
SERVICES EXPENSE	SERVX	534,486	170,245	46,334	37,526	11,237	8,355	66,792	1197
- CABSX EXPENSE	CABSX	31,645	15,823	0	5,931	1,776	8,116	0	1197
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1197
GENERAL & ADMIN EXP	GENADX	613,729	275,836	114,096	62,423	16,113	62,883	20,321	1197
OTHER TAXES (EXCL FIT & ITC)	OTAXES	235,942	118,515	42,999	23,691	9,057	42,668	100	1197
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1197
NON-OPERATING INC & EXP	NONOPX	11,711	5,263	1,585	1,375	412	1,882	10	1197
INTEREST & RELATED ITEMS(IRI)	INTREL	4,720	1,813	546	474	142	648	3	1197

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	179,454	62,244	27,426	13,016	10,066	11,736	0	1198
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1198
- GENERAL SUPPORT FACILITIES	GSF	1,299,865	532,868	234,796	111,426	86,173	100,473	0	1198
- CENTRAL OFFICE EQUIPMENT	COE	3,469,474	1,957,876	406,653	1,025,153	219,562	306,509	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	1,206,062	1,025,153	0	1,025,153	0	0	0	1198
-- COE CAT 4.11	COE411	141,671	141,671	0	0	0	141,671	0	1198
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1198
-- COE CAT 4.13	COE413	1,648,176	420,516	406,653	0	0	13,863	0	1198
-- COE CAT 4.2	COE42	230,160	199,868	0	0	48,894	150,974	0	1198
-- COE CAT 4.3	COE43	243,405	170,668	0	0	170,668	0	0	1198
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1198
- CABLE & WIRE FACILITIES	CWF	8,489,679	2,944,667	1,753,544	0	573,251	617,872	0	1198
-- C&WF CAT 1.1	CWF11	33,211	0	0	0	0	0	0	1198
-- C&WF CAT 1.2	CWF12	59,780	59,780	0	0	0	59,780	0	1198
-- C&WF CAT 1.3	CWF13	7,014,175	1,753,544	1,753,544	0	0	0	0	1198
-- C&WF CAT 2	CWF2	251,412	251,412	0	0	0	251,412	0	1198
-- C&WF CAT 3	CWF3	355,619	336,186	0	0	29,506	306,680	0	1198
-- C&WF CAT 4	CWF4	775,482	543,745	0	0	543,745	0	0	1198
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1198
- INTANGIBLES	INTANG	159,298	65,303	28,774	13,655	10,560	12,313	0	1198
TELCOM PLANT-OTHER	PLTOTH	12,069	4,948	2,180	1,035	800	933	0	1198
ACCUM DEPRECIATION	ACCDEP	3,765,465	1,544,340	679,859	318,875	251,307	294,300	0	1198
ACCUM AMORTIZATION	ACCAMO	154,716	63,424	27,947	13,262	10,257	11,959	0	1198
NET DEFERRED FIT	NTDFIT	836,038	342,709	151,021	71,635	55,427	64,626	0	1198
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1198
GENERAL SUPPORT EXP	GSFX	112,644	46,177	20,347	9,656	7,468	8,707	0	1198
COE EXPENSE	COEX	259,337	146,348	26,995	84,430	14,575	20,347	0	1198
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1198
C&WF EXPENSE	CWFX	344,218	119,393	71,098	0	23,243	25,052	0	1198
OTHER PROP & PL EXP	OTHPX	0	0	0	0	0	0	0	1198
NETWORK OPERATIONS EXP	NETOPX	147,893	60,627	26,714	12,678	9,804	11,431	0	1198
DEPREC & AMORT EXP	DEPAMX	914,715	388,862	159,505	79,420	66,563	83,373	0	1198
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1198
SERVICES EXPENSE	SERVX	114,014	52,380	4,028	19,242	10,731	11,262	7,117	1198
- CABSX EXPENSE	CABSX	65,462	32,732	0	12,236	9,463	11,033	0	1198
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1198
GENERAL & ADMIN EXP	GENADX	498,157	227,911	86,087	64,809	33,854	39,500	3,661	1198
OTHER TAXES (EXCL FIT & ITC)	OTAXES	87,160	36,040	15,880	7,536	5,828	6,795	0	1198
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1198
NON-OPERATING INC & EXP	NONOPX	1,500	686	302	144	111	129	0	1198
INTEREST & RELATED ITEMS(IRI)	INTREL	278,389	113,745	50,138	23,915	18,344	21,347	0	1198

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	198,367	50,139	12,406	32,958	746	4,029	0	1199
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1199
- GENERAL SUPPORT FACILITIES	GSF	5,611,269	2,784,191	688,904	1,830,134	41,403	223,749	0	1199
- CENTRAL OFFICE EQUIPMENT	COE	10,430,162	7,031,921	636,528	5,889,594	90,803	414,996	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	6,928,934	5,889,594	0	5,889,594	0	0	0	1199
-- COE CAT 4.11	COE411	367,515	358,638	0	0	0	358,638	0	1199
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1199
-- COE CAT 4.13	COE413	2,951,848	679,568	636,528	0	0	43,040	0	1199
-- COE CAT 4.2	COE42	181,865	104,121	0	0	90,803	13,318	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	7,627,580	1,927,941	1,580,448	0	42,438	305,054	0	1199
-- C&WF CAT 1.1	CWF11	900,540	0	0	0	0	0	0	1199
-- C&WF CAT 1.2	CWF12	106,864	106,864	0	0	0	106,864	0	1199
-- C&WF CAT 1.3	CWF13	6,321,793	1,580,448	1,580,448	0	0	0	0	1199
-- C&WF CAT 2	CWF2	213,733	192,127	0	0	0	192,127	0	1199
-- C&WF CAT 3	CWF3	84,650	48,501	0	0	42,438	6,063	0	1199
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1199
- TANGIBLES	TANGIB	82,857	41,112	10,172	27,024	611	3,304	0	1199
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1199
TELCOM PLANT-OTHER	PLTOTH	60,224	29,882	7,394	19,642	444	2,401	0	1199
ACCUM DEPRECIATION	ACCDEP	16,024,963	8,142,959	1,900,799	5,599,893	96,240	546,027	0	1199
ACCUM AMORTIZATION	ACCAMO	82,857	41,112	10,172	27,024	611	3,304	0	1199
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1199
NETWORK SUPPORT EXP	NETSPX	202,450	100,451	24,855	66,030	1,494	8,073	0	1199
GENERAL SUPPORT EXP	GSFX	1,285,714	637,944	157,849	419,340	9,487	51,268	0	1199
COE EXPENSE	COEX	1,747,782	1,178,339	252,784	724,687	36,060	164,807	0	1199
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1199
C&WF EXPENSE	CWFX	993,470	251,109	205,849	0	5,527	39,732	0	1199
OTHER PROP & PL EXP	OTHPPX	35,410	17,570	4,347	11,549	261	1,412	0	1199
NETWORK OPERATIONS EXP	NETOPX	1,384,516	686,967	169,979	451,565	10,216	55,207	0	1199
DEPREC & AMORT EXP	DEPAMX	1,826,183	1,012,044	187,451	748,134	12,135	64,325	0	1199
MARKETING EXPENSE	MRKTX	56,133	3,576	885	2,350	53	287	0	1199
SERVICES EXPENSE	SERVX	519,244	154,842	27,261	59,355	1,343	5,325	61,557	1199
- CABSX EXPENSE	CABSX	99,737	49,869	0	43,558	985	5,325	0	1199
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1199
GENERAL & ADMIN EXP	GENADX	1,856,509	898,344	261,266	505,376	18,772	94,998	17,932	1199
OTHER TAXES (EXCL FIT & ITC)	OTAXES	2,594	1,287	318	846	19	103	0	1199
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1199
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1199
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1199

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	265,642	65,943	41,477	13,294	1,703	9,469	0	1200
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1200
- GENERAL SUPPORT FACILITIES	GSF	12,426,873	3,855,252	2,424,876	777,186	99,576	553,614	0	1200
- CENTRAL OFFICE EQUIPMENT	COE	16,989,431	8,085,024	2,421,538	3,901,578	285,742	1,476,167	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	4,590,092	3,901,578	0	3,901,578	0	0	0	1200
-- COE CAT 4.11	COE411	1,319,631	1,312,886	0	0	0	1,312,886	0	1200
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1200
-- COE CAT 4.13	COE413	10,586,305	2,547,421	2,421,538	0	0	125,884	0	1200
-- COE CAT 4.2	COE42	493,403	323,139	0	0	285,742	37,397	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	45,395,116	11,268,851	9,751,662	0	214,141	1,303,048	0	1200
-- C&WF CAT 1.1	CWF11	3,118,032	0	0	0	0	0	0	1200
-- C&WF CAT 1.2	CWF12	506,941	506,941	0	0	0	506,941	0	1200
-- C&WF CAT 1.3	CWF13	39,006,649	9,751,662	9,751,662	0	0	0	0	1200
-- C&WF CAT 2	CWF2	802,547	775,339	0	0	0	775,339	0	1200
-- C&WF CAT 3	CWF3	1,823,087	191,060	0	0	170,292	20,768	0	1200
-- C&WF CAT 4	CWF4	137,861	43,849	0	0	43,849	0	0	1200
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1200
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1200
TELCOM PLANT-OTHER	PLTOTH	751,364	233,099	146,615	46,991	6,021	33,473	0	1200
ACCUM DEPRECIATION	ACCDEP	29,148,783	10,990,895	5,024,251	4,249,290	267,427	1,449,927	0	1200
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1200
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1200
NETWORK SUPPORT EXP	NETSPX	3,556	1,103	694	222	28	158	0	1200
GENERAL SUPPORT EXP	GSFX	975,733	302,707	190,396	61,023	7,818	43,469	0	1200
COE EXPENSE	COEX	1,539,103	732,437	255,507	291,023	30,150	155,757	0	1200
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1200
C&WF EXPENSE	CWFX	823,024	204,307	176,800	0	3,882	23,625	0	1200
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1200
NETWORK OPERATIONS EXP	NETOPX	725,273	225,005	141,524	45,359	5,812	32,311	0	1200
DEPREC & AMORT EXP	DEPAMX	4,117,705	1,487,308	733,318	505,470	38,674	209,847	0	1200
MARKETING EXPENSE	MRKTX	26,321	4,525	2,846	912	117	650	0	1200
SERVICES EXPENSE	SERVX	600,061	171,720	69,513	28,993	2,778	5,474	64,961	1200
- CABSX EXPENSE	CABSX	27,340	13,670	0	7,428	952	5,291	0	1200
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1200
GENERAL & ADMIN EXP	GENADX	2,601,710	937,339	501,056	231,845	27,432	141,777	35,228	1200
OTHER TAXES (EXCL FIT & ITC)	OTAXES	-841	-261	-164	-53	-7	-37	0	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	0	0	0	0	0	0	0	1200

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 SEPARATIONS/ALLOCATION RULES

NAME	PART	TOTAL COMPANY	TOTAL INTERSTATE	COMMON LINE	CENTRAL OFFICE	TRANSPORT	SPECIAL ACCESS	NON- ACCESS	SEQ
MATERIALS AND SUPPLIES	MATSUP	549,774	138,190	82,374	28,256	6,010	21,549	0	1201
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1201
- GENERAL SUPPORT FACILITIES	GSF	10,596,530	3,106,028	1,851,495	635,108	135,080	484,345	0	1201
- CENTRAL OFFICE EQUIPMENT	COE	41,564,292	14,851,946	3,206,846	6,482,222	1,410,309	3,752,569	0	1201
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1201
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1201
-- COE CAT 3	COE3	21,077,174	6,112,654	0	6,112,654	0	0	0	1201
-- COE CAT 4.11	COE411	3,245,374	3,115,703	0	0	0	3,115,703	0	1201
-- COE CAT 4.12	COE412	310,905	0	0	0	0	0	0	1201
-- COE CAT 4.13	COE413	13,608,419	3,331,625	3,206,846	0	0	124,779	0	1201
-- COE CAT 4.2	COE42	2,802,589	1,922,396	0	0	1,410,309	512,087	0	1201
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1201
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1201
- CABLE & WIRE FACILITIES	CWF	72,755,098	18,287,501	16,767,780	0	46,987	1,472,734	0	1201
-- C&WF CAT 1.1	CWF11	3,431,397	0	0	0	0	0	0	1201
-- C&WF CAT 1.2	CWF12	652,435	652,435	0	0	0	652,435	0	1201
-- C&WF CAT 1.3	CWF13	67,071,120	16,767,780	16,767,780	0	0	0	0	1201
-- C&WF CAT 2	CWF2	1,477,489	792,847	0	0	0	792,847	0	1201
-- C&WF CAT 3	CWF3	122,657	74,438	0	0	46,987	27,451	0	1201
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1201
- TANGIBLES	TANGIB	3,887,534	1,139,504	679,255	233,001	49,557	177,691	0	1201
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1201
TELCOM PLANT-OTHER	PLTOTH	1,647,345	482,866	287,835	98,734	21,000	75,297	0	1201
ACCUM DEPRECIATION	ACCDEP	108,519,078	31,761,648	18,817,405	6,759,471	1,341,037	4,843,735	0	1201
ACCUM AMORTIZATION	ACCAMO	2,902,480	850,768	507,140	173,962	37,000	132,666	0	1201
NET DEFERRED FIT	NTDFIT	186,008	61,652	10,617	40,705	2,724	7,606	0	1201
NETWORK SUPPORT EXP	NETSPX	8,085	2,370	1,413	485	103	370	0	1201
GENERAL SUPPORT EXP	GSFX	2,591,996	759,759	452,890	155,353	33,042	118,475	0	1201
COE EXPENSE	COEX	1,545,065	565,828	99,034	307,353	43,553	115,887	0	1201
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1201
C&WF EXPENSE	CWFX	1,606,892	403,903	370,338	0	1,038	32,527	0	1201
OTHER PROP & PL EXP	OTHPPX	3,597	1,054	628	216	46	164	0	1201
NETWORK OPERATIONS EXP	NETOPX	2,000,820	586,475	349,596	119,920	25,506	91,453	0	1201
DEPREC & AMORT EXP	DEPAMX	9,491,425	2,891,858	1,561,747	648,509	159,704	521,898	0	1201
MARKETING EXPENSE	MRKTX	802,450	234,412	139,732	47,932	10,194	36,554	0	1201
SERVICES EXPENSE	SERVX	2,649,565	615,615	138,044	102,414	12,764	75,323	287,070	1201
- CABSX EXPENSE	CABSX	112,626	56,313	0	28,508	6,063	21,741	0	1201
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1201
GENERAL & ADMIN EXP	GENADX	4,163,085	1,176,533	594,202	264,096	45,444	169,455	103,335	1201
OTHER TAXES (EXCL FIT & ITC)	OTAXES	835,554	248,086	150,424	45,475	11,510	40,677	0	1201
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1201
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1201
INTEREST & RELATED ITEMS(IRI)	INTREL	723,728	212,776	126,835	43,508	9,254	33,180	0	1201

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COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	262,345	76,346	27,525	32,755	5,656	10,409	0	1202
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1202
- GENERAL SUPPORT FACILITIES	GSF	4,342,990	1,934,911	697,607	830,148	143,358	263,799	0	1202
- CENTRAL OFFICE EQUIPMENT	COE	11,997,451	8,430,149	704,306	6,109,682	817,864	798,297	0	1202
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1202
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1202
-- COE CAT 3	COE3	7,187,861	6,109,682	0	6,109,682	0	0	0	1202
-- COE CAT 4.11	COE411	606,291	606,291	0	0	0	606,291	0	1202
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1202
-- COE CAT 4.13	COE413	3,038,269	799,040	704,306	0	0	94,734	0	1202
-- COE CAT 4.2	COE42	1,165,030	915,136	0	0	817,864	97,272	0	1202
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1202
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1202
- CABLE & WIRE FACILITIES	CWF	19,965,878	5,810,316	4,429,906	0	237,215	1,143,195	0	1202
-- C&WF CAT 1.1	CWF11	794,468	0	0	0	0	0	0	1202
-- C&WF CAT 1.2	CWF12	595,851	595,851	0	0	0	595,851	0	1202
-- C&WF CAT 1.3	CWF13	17,719,624	4,429,906	4,429,906	0	0	0	0	1202
-- C&WF CAT 2	CWF2	517,016	517,016	0	0	0	517,016	0	1202
-- C&WF CAT 3	CWF3	338,919	267,543	0	0	237,215	30,328	0	1202
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1202
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1202
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1202
TELCOM PLANT-OTHER	PLTOTH	189,694	84,513	30,470	36,259	6,262	11,522	0	1202
ACCUM DEPRECIATION	ACCDEP	24,734,857	12,068,505	3,556,927	6,330,051	789,896	1,391,631	0	1202
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1202
NET DEFERRED FIT	NTDFIT	622,874	277,506	100,051	119,060	20,561	37,834	0	1202
NETWORK SUPPORT EXP	NETSPX	18,722	8,341	3,007	3,579	618	1,137	0	1202
GENERAL SUPPORT EXP	GSFX	2,026,136	902,694	325,455	387,289	66,881	123,070	0	1202
COE EXPENSE	COEX	1,899,543	1,334,736	109,069	975,388	126,655	123,624	0	1202
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1202
C&WF EXPENSE	CWFX	1,745,032	507,826	387,177	0	20,733	99,916	0	1202
OTHER PROP & PL EXP	OTHPX	52,460	23,372	8,427	10,028	1,732	3,186	0	1202
NETWORK OPERATIONS EXP	NETOPX	912,400	406,497	146,557	174,402	30,117	55,420	0	1202
DEPREC & AMORT EXP	DEPAMX	2,094,587	1,025,853	299,752	498,483	91,018	136,600	0	1202
MARKETING EXPENSE	MRKTX	273,796	5,613	2,024	2,408	416	765	0	1202
SERVICES EXPENSE	SERVX	745,610	126,149	58,873	52,254	9,024	5,999	0	1202
- CABSX EXPENSE	CABSX	52,126	26,063	0	17,487	3,020	5,557	0	1202
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1202
GENERAL & ADMIN EXP	GENADX	3,050,084	1,302,225	428,592	616,574	98,390	158,668	0	1202
OTHER TAXES (EXCL FIT & ITC)	OTAXES	224,270	84,947	42,520	19,190	7,855	15,381	0	1202
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1202
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1202
INTEREST & RELATED ITEMS(IRI)	INTREL	204,020	71,691	39,562	10,860	7,112	14,156	0	1202

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	539,470	135,874	63,954	45,865	1,496	24,560	0	1203
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1203
- GENERAL SUPPORT FACILITIES	GSF	7,543,716	2,958,785	1,392,644	998,751	32,567	534,823	0	1203
- CENTRAL OFFICE EQUIPMENT	COE	11,974,496	7,307,739	1,154,685	4,048,451	121,884	1,982,718	0	1203
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1203
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1203
-- COE CAT 3	COE3	4,975,025	4,048,451	0	4,048,451	0	0	0	1203
-- COE CAT 4.11	COE411	1,961,412	1,923,802	0	0	0	1,923,802	0	1203
-- COE CAT 4.12	COE412	86,122	0	0	0	0	0	0	1203
-- COE CAT 4.13	COE413	4,755,525	1,195,524	1,154,685	0	0	40,839	0	1203
-- COE CAT 4.2	COE42	196,412	139,961	0	0	121,884	18,077	0	1203
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1203
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1203
- CABLE & WIRE FACILITIES	CWF	18,604,068	4,685,741	4,490,419	0	10,126	185,196	0	1203
-- C&WF CAT 1.1	CWF11	373,125	0	0	0	0	0	0	1203
-- C&WF CAT 1.2	CWF12	158,817	158,817	0	0	0	158,817	0	1203
-- C&WF CAT 1.3	CWF13	17,961,674	4,490,419	4,490,419	0	0	0	0	1203
-- C&WF CAT 2	CWF2	94,133	24,877	0	0	0	24,877	0	1203
-- C&WF CAT 3	CWF3	16,318	11,628	0	0	10,126	1,502	0	1203
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1203
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1203
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1203
TELCOM PLANT-OTHER	PLTOTH	189,846	74,461	35,047	25,135	820	13,459	0	1203
ACCUM DEPRECIATION	ACCDEP	29,348,994	11,245,957	5,499,927	4,146,149	91,404	1,508,477	0	1203
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1203
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1203
NETWORK SUPPORT EXP	NETSPX	57,836	22,684	10,677	7,657	250	4,100	0	1203
GENERAL SUPPORT EXP	GSFX	98,473	38,623	18,179	13,037	425	6,981	0	1203
COE EXPENSE	COEX	1,247,500	761,318	126,193	405,118	13,320	216,687	0	1203
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1203
C&WF EXPENSE	CWFX	1,350,224	340,076	325,900	0	735	13,441	0	1203
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1203
NETWORK OPERATIONS EXP	NETOPX	997,311	391,164	184,113	132,039	4,305	70,706	0	1203
DEPREC & AMORT EXP	DEPAMX	2,790,675	1,199,623	474,855	425,297	17,259	282,212	0	1203
MARKETING EXPENSE	MRKTX	167,037	76,503	36,008	25,824	842	13,829	0	1203
SERVICES EXPENSE	SERVX	575,590	307,650	137,439	91,787	2,981	66,682	8,761	1203
- CABSX EXPENSE	CABSX	88,940	44,470	0	28,359	925	15,186	0	1203
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1203
GENERAL & ADMIN EXP	GENADX	1,846,887	827,920	380,852	274,648	9,294	159,563	3,562	1203
OTHER TAXES (EXCL FIT & ITC)	OTAXES	149,536	58,651	27,606	19,798	646	10,602	0	1203
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1203
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1203
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1203

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	1,286,695	353,279	214,169	13,251	9,806	115,693	360	1204
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1204
- GENERAL SUPPORT FACILITIES	GSF	40,487,739	12,547,566	7,552,666	467,309	345,792	4,079,926	101,873	1204
- CENTRAL OFFICE EQUIPMENT	COE	105,020,136	38,810,959	13,204,905	3,284,255	1,755,560	20,566,239	0	1204
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1204
-- COE CAT 2	COE2	543,475	341,256	0	0	341,256	0	0	1204
-- COE CAT 3	COE3	25,228,178	3,284,255	0	3,284,255	0	0	0	1204
-- COE CAT 4.11	COE411	15,434,990	15,358,556	0	0	0	15,358,556	0	1204
-- COE CAT 4.12	COE412	35,639	0	0	0	0	0	0	1204
-- COE CAT 4.13	COE413	53,185,758	13,346,524	13,204,905	0	0	141,619	0	1204
-- COE CAT 4.2	COE42	9,985,409	6,281,253	0	0	1,215,189	5,066,064	0	1204
-- COE CAT 4.3	COE43	606,687	199,116	0	0	199,116	0	0	1204
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1204
- CABLE & WIRE FACILITIES	CWF	177,218,016	48,657,545	39,875,338	0	674,669	8,107,538	0	1204
-- C&WF CAT 1.1	CWF11	677,986	0	0	0	0	0	0	1204
-- C&WF CAT 1.2	CWF12	427,653	427,653	0	0	0	427,653	0	1204
-- C&WF CAT 1.3	CWF13	159,807,160	39,875,338	39,875,338	0	0	0	0	1204
-- C&WF CAT 2	CWF2	12,221,025	5,116,391	0	0	0	5,116,391	0	1204
-- C&WF CAT 3	CWF3	3,193,510	2,945,839	0	0	382,345	2,563,494	0	1204
-- C&WF CAT 4	CWF4	890,683	292,324	0	0	292,324	0	0	1204
- TANGIBLES	TANGIB	647,923	200,798	120,961	7,484	5,538	65,343	1,472	1204
- INTANGIBLES	INTANG	1,340	415	252	16	12	136	0	1204
TELCOM PLANT-OTHER	PLTOTH	7,464,942	2,308,520	1,405,187	85,927	63,861	753,544	0	1204
ACCUM DEPRECIATION	ACCDEP	180,105,475	54,531,021	33,060,025	2,669,467	1,535,604	17,215,530	50,396	1204
ACCUM AMORTIZATION	ACCAMO	215,129	66,129	40,131	2,483	1,837	21,678	0	1204
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1204
NETWORK SUPPORT EXP	NETSPX	15,347	4,756	2,883	178	132	1,558	5	1204
GENERAL SUPPORT EXP	GSFX	3,146,840	975,238	587,018	36,321	26,876	317,105	7,918	1204
COE EXPENSE	COEX	4,719,507	1,744,128	310,904	829,509	119,491	484,224	0	1204
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1204
C&WF EXPENSE	CWFX	6,416,524	1,761,741	1,443,764	0	24,428	293,549	0	1204
OTHER PROP & PL EXP	OTHPPX	19,931	6,177	3,748	232	172	2,025	0	1204
NETWORK OPERATIONS EXP	NETOPX	5,651,594	1,751,487	1,062,890	65,765	48,663	574,170	0	1204
DEPREC & AMORT EXP	DEPAMX	17,752,762	5,832,056	3,124,288	252,106	187,445	2,262,715	5,502	1204
MARKETING EXPENSE	MRKTX	1,611,905	659,933	400,072	24,754	18,317	216,118	672	1204
SERVICES EXPENSE	SERVX	8,584,470	2,362,759	919,670	271,566	36,234	114,792	1,020,497	1204
- CABSX EXPENSE	CABSX	192,284	96,142	0	9,182	6,794	80,166	0	1204
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1204
GENERAL & ADMIN EXP	GENADX	9,227,914	2,844,024	1,533,409	354,965	79,272	578,988	297,390	1204
OTHER TAXES (EXCL FIT & ITC)	OTAXES	1,399,783	433,365	262,988	16,272	12,041	142,065	0	1204
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1204
NON-OPERATING INC & EXP	NONOPX	22,823	7,034	4,264	264	195	2,304	7	1204
INTEREST & RELATED ITEMS(IRI)	INTREL	13,092	4,074	2,470	153	113	1,334	4	1204

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	213,534	57,493	13,739	30,808	73	12,872	0	1205
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1205
- GENERAL SUPPORT FACILITIES	GSF	5,764,958	3,066,297	732,752	1,643,112	3,905	686,529	0	1205
- CENTRAL OFFICE EQUIPMENT	COE	8,617,792	6,844,454	234,886	4,909,620	11,668	1,688,281	0	1205
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1205
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1205
-- COE CAT 3	COE3	5,918,413	4,909,620	0	4,909,620	0	0	0	1205
-- COE CAT 4.11	COE411	1,666,262	1,666,262	0	0	0	1,666,262	0	1205
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1205
-- COE CAT 4.13	COE413	1,010,617	254,702	234,886	0	0	19,816	0	1205
-- COE CAT 4.2	COE42	22,500	13,871	0	0	11,668	2,202	0	1205
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1205
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1205
- CABLE & WIRE FACILITIES	CWF	8,607,903	2,317,643	1,954,576	0	0	363,067	0	1205
-- C&WF CAT 1.1	CWF11	426,533	0	0	0	0	0	0	1205
-- C&WF CAT 1.2	CWF12	164,897	164,897	0	0	0	164,897	0	1205
-- C&WF CAT 1.3	CWF13	7,818,303	1,954,576	1,954,576	0	0	0	0	1205
-- C&WF CAT 2	CWF2	198,170	198,170	0	0	0	198,170	0	1205
-- C&WF CAT 3	CWF3	0	0	0	0	0	0	0	1205
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1205
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1205
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1205
TELCOM PLANT-OTHER	PLTOTH	831,361	442,189	105,670	236,952	563	99,004	0	1205
ACCUM DEPRECIATION	ACCDEP	12,873,572	7,136,897	1,497,311	4,444,468	6,460	1,188,657	0	1205
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1205
NET DEFERRED FIT	NTDFIT	0	0	0	0	0	0	0	1205
NETWORK SUPPORT EXP	NETSPX	2,137	1,137	272	609	1	254	0	1205
GENERAL SUPPORT EXP	GSFX	299,062	159,067	38,012	85,238	203	35,614	0	1205
COE EXPENSE	COEX	937,895	744,898	32,683	475,680	1,624	234,912	0	1205
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1205
C&WF EXPENSE	CWFX	588,736	158,515	133,683	0	0	24,832	0	1205
OTHER PROP & PL EXP	OTHPPX	467	248	59	133	0	56	0	1205
NETWORK OPERATIONS EXP	NETOPX	402,237	213,944	51,126	114,644	272	47,901	0	1205
DEPREC & AMORT EXP	DEPAMX	961,694	532,529	116,843	255,101	978	159,606	0	1205
MARKETING EXPENSE	MRKTX	17,024	2,128	509	1,140	3	476	0	1205
SERVICES EXPENSE	SERVX	463,904	151,257	25,259	24,153	44	2,118	99,684	1205
- CABSX EXPENSE	CABSX	14,100	7,050	0	4,964	12	2,074	0	1205
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1205
GENERAL & ADMIN EXP	GENADX	1,414,868	746,093	157,208	359,398	1,100	177,324	51,063	1205
OTHER TAXES (EXCL FIT & ITC)	OTAXES	0	0	0	0	0	0	0	1205
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1205
NON-OPERATING INC & EXP	NONOPX	32,207	16,984	4,059	9,101	22	3,803	0	1205
INTEREST & RELATED ITEMS(IRI)	INTREL	0	0	0	0	0	0	0	1205

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	MATSPU	672,783	201,533	66,432	38,799	69,220	26,968	114	1206
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1206
- GENERAL SUPPORT FACILITIES	GSF	16,532,792	6,063,332	1,995,767	1,165,619	2,079,535	810,177	12,234	1206
- CENTRAL OFFICE EQUIPMENT	COE	23,790,066	9,988,097	924,988	3,008,743	5,294,045	760,320	0	1206
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1206
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1206
-- COE CAT 3	COE3	11,626,511	3,008,743	0	3,008,743	0	0	0	1206
-- COE CAT 4.11	COE411	171,165	160,951	0	0	0	160,951	0	1206
-- COE CAT 4.12	COE412	0	0	0	0	0	0	0	1206
-- COE CAT 4.13	COE413	3,832,200	1,006,531	924,988	0	0	81,542	0	1206
-- COE CAT 4.2	COE42	7,974,176	5,772,520	0	0	5,254,694	517,827	0	1206
-- COE CAT 4.3	COE43	186,014	39,352	0	0	39,352	0	0	1206
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1206
- CABLE & WIRE FACILITIES	CWF	18,798,945	5,631,243	4,226,566	0	73,735	1,330,942	0	1206
-- C&WF CAT 1.1	CWF11	231,685	0	0	0	0	0	0	1206
-- C&WF CAT 1.2	CWF12	372,594	372,594	0	0	0	372,594	0	1206
-- C&WF CAT 1.3	CWF13	16,906,266	4,226,566	4,226,566	0	0	0	0	1206
-- C&WF CAT 2	CWF2	504,186	445,523	0	0	0	445,523	0	1206
-- C&WF CAT 3	CWF3	784,214	586,560	0	0	73,735	512,825	0	1206
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1206
- TANGIBLES	TANGIB	0	0	0	0	0	0	0	1206
- INTANGIBLES	INTANG	117,728	43,176	14,232	8,312	14,830	5,778	24	1206
TELCOM PLANT-OTHER	PLTOTH	1,545,011	566,307	186,779	109,087	194,618	75,822	0	1206
ACCUM DEPRECIATION	ACCDEP	33,943,199	12,225,917	3,953,036	2,681,807	3,992,484	1,593,487	5,104	1206
ACCUM AMORTIZATION	ACCAMO	0	0	0	0	0	0	0	1206
NET DEFERRED FIT	NTDFIT	3,087,774	1,230,449	221,246	321,528	567,881	119,794	0	1206
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1206
GENERAL SUPPORT EXP	GSFX	1,942,193	712,291	234,453	136,931	244,294	95,176	1,437	1206
COE EXPENSE	COEX	2,032,531	853,344	55,671	433,291	318,623	45,760	0	1206
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1206
C&WF EXPENSE	CWFX	2,236,554	669,962	502,844	0	8,772	158,345	0	1206
OTHER PROP & PL EXP	OTHPX	76,109	27,913	9,206	5,377	9,593	3,737	0	1206
NETWORK OPERATIONS EXP	NETOPX	3,122,839	1,145,288	377,738	220,616	393,592	153,342	0	1206
DEPREC & AMORT EXP	DEPAMX	3,531,640	1,235,248	282,897	434,466	393,648	123,629	608	1206
MARKETING EXPENSE	MRKTX	3,917	1,206	398	232	414	161	1	1206
SERVICES EXPENSE	SERVX	1,108,970	262,766	42,185	36,490	45,579	13,553	124,959	1206
- CABSX EXPENSE	CABSX	108,755	54,377	0	15,630	27,884	10,864	0	1206
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1206
GENERAL & ADMIN EXP	GENADX	2,494,846	860,255	304,216	189,018	231,664	106,674	28,683	1206
OTHER TAXES (EXCL FIT & ITC)	OTAXES	337,294	126,547	45,004	19,502	43,846	17,945	250	1206
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1206
NON-OPERATING INC & EXP	NONOPX	246,441	84,976	28,011	16,360	29,187	11,371	48	1206
INTEREST & RELATED ITEMS(IRI)	INTREL	826,928	305,947	109,849	44,702	107,203	43,948	245	1206

APPENDIX B1

2009 MODIFICATION OF AVERAGE SCHEDULES

COST COMPANY COST DATA

2006 COST STUDIES REFLECTING 2009/2010 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	29,669	8,181	3,720	3,874	39	546	1	1207
RTB STOCK	RTBSTK	0	0	0	0	0	0	0	1207
- GENERAL SUPPORT FACILITIES	GSF	439,329	174,668	79,336	82,628	842	11,642	220	1207
- CENTRAL OFFICE EQUIPMENT	COE	1,643,374	806,023	226,633	545,408	4,311	29,670	0	1207
-- COE CAT 1	COE1	0	0	0	0	0	0	0	1207
-- COE CAT 2	COE2	0	0	0	0	0	0	0	1207
-- COE CAT 3	COE3	641,657	545,408	0	545,408	0	0	0	1207
-- COE CAT 4.11	COE411	34,129	29,670	0	0	0	29,670	0	1207
-- COE CAT 4.12	COE412	46,377	0	0	0	0	0	0	1207
-- COE CAT 4.13	COE413	910,991	226,633	226,633	0	0	0	0	1207
-- COE CAT 4.2	COE42	10,220	4,311	0	0	4,311	0	0	1207
-- COE CAT 4.3	COE43	0	0	0	0	0	0	0	1207
- INFORMATION ORIG/TERM	IOT	0	0	0	0	0	0	0	1207
- CABLE & WIRE FACILITIES	CWF	1,252,891	345,469	297,047	0	1,244	47,179	0	1207
-- C&WF CAT 1.1	CWF11	5,844	0	0	0	0	0	0	1207
-- C&WF CAT 1.2	CWF12	0	0	0	0	0	0	0	1207
-- C&WF CAT 1.3	CWF13	1,188,186	297,047	297,047	0	0	0	0	1207
-- C&WF CAT 2	CWF2	55,789	47,179	0	0	0	47,179	0	1207
-- C&WF CAT 3	CWF3	3,072	1,244	0	0	1,244	0	0	1207
-- C&WF CAT 4	CWF4	0	0	0	0	0	0	0	1207
- TANGIBLES	TANGIB	53,646	21,328	9,699	10,101	103	1,424	0	1207
- INTANGIBLES	INTANG	0	0	0	0	0	0	0	1207
TELCOM PLANT-OTHER	PLTOTH	76,443	30,387	13,820	14,393	147	2,028	0	1207
ACCUM DEPRECIATION	ACCDEP	1,662,772	660,947	297,229	317,418	3,839	42,328	133	1207
ACCUM AMORTIZATION	ACCAMO	2,425	963	438	456	5	64	0	1207
NET DEFERRED FIT	NTDFIT	109,242	37,232	22,350	11,343	212	3,327	0	1207
NETWORK SUPPORT EXP	NETSPX	0	0	0	0	0	0	0	1207
GENERAL SUPPORT EXP	GSFX	122,136	48,559	22,056	22,971	234	3,237	61	1207
COE EXPENSE	COEX	63,811	31,297	20,332	7,917	387	2,662	0	1207
IOT EXPENSE	IOTX	0	0	0	0	0	0	0	1207
C&WF EXPENSE	CWFX	25,600	7,059	6,069	0	25	964	0	1207
OTHER PROP & PL EXP	OTHPPX	0	0	0	0	0	0	0	1207
NETWORK OPERATIONS EXP	NETOPX	223,486	88,853	40,409	42,086	429	5,930	0	1207
DEPREC & AMORT EXP	DEPAMX	240,541	91,169	44,756	39,448	578	6,373	13	1207
MARKETING EXPENSE	MRKTX	0	0	0	0	0	0	0	1207
SERVICES EXPENSE	SERVX	74,519	26,109	3,050	15,290	145	2,008	5,617	1207
- CABSX EXPENSE	CABSX	32,258	16,129	0	14,012	143	1,974	0	1207
EXEC & PLANNING EXP	EXEPLX	0	0	0	0	0	0	0	1207
GENERAL & ADMIN EXP	GENADX	430,107	195,198	88,875	85,344	1,180	14,310	5,490	1207
OTHER TAXES (EXCL FIT & ITC)	OTAXES	33,866	14,192	6,429	6,743	61	958	1	1207
INVESTMENT TAX CREDITS (ITC)	ITC	0	0	0	0	0	0	0	1207
NON-OPERATING INC & EXP	NONOPX	0	0	0	0	0	0	0	1207
INTEREST & RELATED ITEMS(IRI)	INTREL	39,179	15,639	7,064	7,448	60	1,064	2	1207

APPENDIX B2

2009 MODIFICATION OF AVERAGE SCHEDULES
 DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE
 USED FOR STUDIES OF SELECTED CATEGORIES
 2006 COST STUDIES REFLECTING 2009/2010 SEPARATIONS/ALLOCATION RULES

<u>SEQ</u>	TOTAL COMPANY <u>COE</u>	TOTAL INTERSTATE <u>COE CAT 2</u>	TOTAL COMPANY <u>C&WF</u>	TOTAL INTERSTATE <u>C&WF CAT 3</u>
1208	6,106,734	0	10,431,280	37,090
1209	7,286,090	275,455	11,198,812	40,708
1210	2,108,662	0	2,325,855	31,521
1211	8,729,217	0	11,147,381	661,580
1212	3,044,597	0	4,062,112	64,859
1213	2,891,645	0	6,727,123	45,515
1214	12,773,428	0	11,716,640	87,645
1215	4,511,199	0	5,685,856	14,283
1216	26,032,106	0	30,720,889	165,437
1217	6,835,687	0	5,488,472	19,553
1218	15,320,653	0	16,147,106	107,959
1219	6,927,472	0	7,765,706	61,902
1220	2,995,586	0	4,088,955	3,575
1221	6,422,485	0	10,562,473	180,310
1222	4,299,153	0	6,894,681	559,457
1223	7,046,344	0	11,697,248	368,939
1224	5,733,054	0	16,812,526	102,229
1225	24,258,087	19,653	47,556,806	2,055,794
1226	4,260,326	0	13,451,425	44,680
1227	6,367,627	0	10,496,845	8,314
1228	12,704,845	0	29,938,161	82,287
1229	6,639,778	0	7,744,750	7,072
1230	6,990,431	0	20,406,406	22,558
1231	1,718,379	0	2,376,261	11,093
1232	11,063,918	0	10,072,858	10,299
1233	7,341,317	0	8,295,821	12,257
1234	6,945,767	38,615	8,038,682	3,440
1235	9,263,577	0	32,507,035	14,122
1236	13,094,028	0	22,187,197	22,225
1237	18,590,380	0	27,227,055	49,604
1238	2,197,663	0	2,785,648	5,416
1239	16,942,022	0	52,970,187	37,590
1240	125,688,476	6,377,442	138,460,803	570,555
1241	22,479,830	148,140	49,944,128	65,435
1242	21,697,379	306,824	29,888,598	16,273
1243	5,385,273	0	6,778,972	33,109
1244	3,490,362	0	5,342,388	31,588
1245	18,653,353	0	36,625,328	73,209
1246	8,281,198	533,683	10,973,416	243,478
1247	2,344,956	0	4,704,628	94,357
1248	6,640,864	0	9,790,409	225,452
1249	2,170,654	0	3,382,809	21,935
1250	5,976,600	0	8,276,587	57,933
1251	25,306,662	152,816	49,832,747	42,741

APPENDIX B2

2009 MODIFICATION OF AVERAGE SCHEDULES
 DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE
 USED FOR STUDIES OF SELECTED CATEGORIES
 2006 COST STUDIES REFLECTING 2009/2010 SEPARATIONS/ALLOCATION RULES

<u>SEQ</u>	<u>TOTAL COMPANY COE</u>	<u>TOTAL INTERSTATE COE CAT 2</u>	<u>TOTAL COMPANY C&WF</u>	<u>TOTAL INTERSTATE C&WF CAT 3</u>
1252	10,113,024	0	21,942,054	19,769
1253	15,946,672	114,397	28,557,498	228,357
1254	4,151,548	0	8,873,828	34,060
1255	6,594,592	0	14,329,240	27,958
1256	1,577,857	0	4,091,684	99,653
1257	4,217,086	73,182	12,930,982	37,956
1258	17,858,725	215,252	40,577,088	1,227,151
1259	4,979,449	0	7,628,922	36,070
1260	4,592,370	0	7,988,775	60,471
1261	9,163,076	0	11,034,315	10,657
1262	1,275,730	0	1,788,736	22,268
1263	1,490,859	0	1,626,113	4,339
1264	1,128,165	0	741,539	806
1265	1,517,973	0	1,881,678	673
1266	10,942,497	0	22,011,324	689,424
1267	5,017,755	0	8,472,079	60,321
1268	24,679,404	0	38,485,309	209,214
1269	1,448,256	0	2,935,721	33,730
1270	23,246,444	0	44,063,098	111,428
1271	6,130,768	0	10,955,887	61,470
1272	32,883,004	885,408	96,395,698	434,982
1273	912,596	0	1,705,266	15,450
1274	8,280,994	0	20,953,205	59,732
1275	715,650	0	710,146	76,584
1276	1,624,243	0	2,720,964	11,505
1277	5,926,731	42,646	12,970,177	67,273
1278	2,367,599	0	2,509,753	28,850
1279	1,379,884	0	2,630,847	60,036
1280	2,503,396	0	9,485,651	4,458
1281	6,124,324	0	12,514,652	718,940
1282	10,647,194	0	13,214,233	40,322
1283	547,504	0	1,163,495	16,188
1284	2,637,950	0	2,363,410	3,149
1285	4,239,684	0	6,385,536	34,287
1286	1,559,688	0	3,501,253	9,251
1287	15,897,436	0	23,124,595	285,571
1288	805,046	0	1,548,347	3,786
1289	12,402,867	0	27,235,189	761,358
1290	3,762,440	0	11,504,377	30,336
1291	16,857,437	386,652	17,499,467	52,487
1292	508,188	0	1,041,278	17,401
1293	2,854,474	0	2,811,395	19,230
1294	10,244,951	0	15,251,719	18,284
1295	3,949,579	0	3,973,041	31,208

APPENDIX B2

2009 MODIFICATION OF AVERAGE SCHEDULES
 DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE
 USED FOR STUDIES OF SELECTED CATEGORIES
 2006 COST STUDIES REFLECTING 2009/2010 SEPARATIONS/ALLOCATION RULES

<u>SEQ</u>	<u>TOTAL COMPANY COE</u>	<u>TOTAL INTERSTATE COE CAT 2</u>	<u>TOTAL COMPANY C&WF</u>	<u>TOTAL INTERSTATE C&WF CAT 3</u>
1296	8,107,019	0	9,599,299	49,307
1297	8,119,277	0	14,179,584	32,989
1298	14,248,059	61,200	27,138,040	3,137,702
1299	6,634,016	0	7,571,343	482,517
1300	3,491,654	0	3,875,411	385,647
1301	6,219,295	0	13,311,496	1,234,349
1302	5,117,549	172,834	7,688,038	1,254,405
1303	4,574,644	0	7,378,767	1,235,552
1304	4,409,289	0	11,764,157	180,621
1305	7,318,771	0	13,332,057	7,375
1306	1,645,464	0	2,544,257	295,657
1307	3,868,654	0	7,203,200	31,624
1308	10,787,343	189,583	15,607,190	18,588
1309	2,517,726	0	4,585,955	268,941
1310	1,193,247	0	2,244,654	271,464
1311	1,150,425	0	1,899,078	43,714
1312	1,314,782	0	2,241,320	7,482
1313	997,263	0	727,776	27,398
1314	8,602,602	0	11,616,835	276,110
1315	2,287,467	0	2,552,247	187,675
1316	1,185,816	0	1,512,430	170,509
1317	3,429,423	0	4,830,317	305,418
1318	1,029,587	0	1,468,693	79,124
1319	785,539	0	627,158	22,712
1320	533,752	0	1,416,767	18,404
1321	7,023,848	0	12,164,714	626,002
1322	1,712,303	0	1,931,147	140,164
1323	5,233,271	0	13,392,743	234,856
1324	10,214,257	0	11,338,420	718,380
1325	4,157,998	0	4,484,645	39,342
1326	1,943,291	0	1,574,512	28,030
1327	3,421,328	0	4,297,005	137,457
1328	9,539,323	0	18,722,918	858,595
1329	16,133,692	0	20,494,883	1,902,754
1330	2,277,501	0	2,245,676	69,557
1331	918,534	0	1,342,830	23,943
1332	729,095	0	1,998,058	482,602
1333	698,529	0	510,171	33,416
1334	3,604,535	0	8,270,732	16,532
1335	20,732,610	1,040,355	14,107,419	1,524,994
1336	15,841,502	0	34,125,228	362,281
1337	2,700,134	0	6,488,441	45,324
1338	6,555,684	0	13,926,002	123,720
1339	821,569	0	1,542,565	103,783

APPENDIX B2

2009 MODIFICATION OF AVERAGE SCHEDULES
 DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE
 USED FOR STUDIES OF SELECTED CATEGORIES
 2006 COST STUDIES REFLECTING 2009/2010 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&WF</u>	<u>TOTAL</u> <u>INTERSTATE</u> <u>C&WF CAT 3</u>
1340	2,999,590	0	7,785,767	106,499
1341	1,982,069	0	2,906,388	243,347
1342	3,912,416	0	6,224,509	94,194
1343	2,394,852	0	4,417,492	413,765
1344	2,151,235	0	3,472,180	113,530
1345	2,394,569	0	2,106,026	73,734
1346	3,235,799	0	5,229,784	81,594
1347	2,009,958	0	2,030,019	15,036
1348	1,468,009	0	2,525,850	137,446
1349	1,657,693	0	2,486,119	113,240
1350	1,310,697	0	2,516,529	63,915
1351	2,012,195	0	3,373,548	41,191
1352	3,000,969	0	5,105,919	219,356
1353	3,505,883	0	6,574,805	315,077
1354	29,296,021	0	39,794,272	2,254,098
1355	18,388,862	0	34,548,519	1,416,267
1356	19,930,068	0	31,470,291	1,697,803
1357	4,924,350	0	8,699,015	68,323
1358	2,677,016	64,285	3,398,221	456,440
1359	19,415,260	0	30,842,979	1,628,298
1360	7,725,638	0	16,762,255	991,468
1361	20,186,396	3,001,568	13,542,380	110,760
1362	657,582	0	680,962	20,908
1363	2,549,324	0	4,898,960	141,676
1364	1,881,448	0	2,175,864	22,304
1365	30,007,195	595,252	55,866,815	2,331,715
1366	10,135,297	0	17,407,171	373,483
1367	25,336,160	0	57,250,728	1,796,819
1368	4,073,975	0	11,318,487	57,567
1369	4,269,176	57,120	6,564,876	47,529
1370	957,806	0	1,952,907	4,207
1371	7,563,632	17,661	19,358,058	158,502
1372	5,108,277	0	16,873,151	203,891
1373	8,618,042	248,402	12,440,280	223,787
1374	1,904,977	0	11,746,403	342,193
1375	2,159,608	0	4,004,994	168,390
1376	15,400,393	0	27,799,086	149,247
1377	3,475,958	0	6,073,414	27,114
1378	1,023,002	0	1,907,603	51,611
1379	4,511,603	0	6,198,287	103,493
1380	18,417,041	197,356	46,073,153	796,161
1381	5,805,083	0	10,557,466	221,309
1382	9,984,978	0	28,395,269	619,408
1383	6,745,240	0	13,563,716	885,143

APPENDIX B2

2009 MODIFICATION OF AVERAGE SCHEDULES
 DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE
 USED FOR STUDIES OF SELECTED CATEGORIES
 2006 COST STUDIES REFLECTING 2009/2010 SEPARATIONS/ALLOCATION RULES

<u>SEQ</u>	TOTAL COMPANY <u>COE</u>	TOTAL INTERSTATE <u>COE CAT 2</u>	TOTAL COMPANY <u>C&WF</u>	TOTAL INTERSTATE <u>C&WF CAT 3</u>
1384	9,366,301	0	24,530,906	405,653
1385	18,777,444	0	29,461,606	168,241
1386	9,857,114	0	10,166,448	244,967
1387	4,891,051	0	7,568,601	247,974
1388	340,824	0	445,849	5,153
1389	2,912,209	0	5,395,521	152,107
1390	9,847,517	0	23,045,631	589,805
1391	834,101	0	1,821,741	29,596
1392	2,407,506	0	4,545,099	12,995
1393	1,638,416	0	7,874,489	4,937
1394	24,408,179	0	57,295,107	1,099,200
1395	9,310,427	0	15,590,466	3,659
1396	4,270,474	0	11,555,567	279,763
1397	8,102,912	0	15,806,286	245,862
1398	1,538,736	0	2,730,970	40,417
1399	606,133	0	1,523,359	83,226
1400	20,090,586	691,252	34,146,714	1,473,243
1401	1,751,178	0	2,002,460	17,567
1402	3,582,595	0	11,325,643	69,677
1403	8,326,099	0	17,443,354	118,686
1404	3,607,346	0	8,881,562	78,826
1405	1,526,728	0	3,835,652	28,820
1406	4,341,862	0	7,871,095	676,689
1407	10,169,597	0	22,154,841	49,660
1408	4,957,821	66,726	15,592,389	67,639
1409	7,943,236	175,949	12,329,650	2,405,755
1410	1,942,407	0	2,798,052	638,796
1411	3,214,053	0	7,667,051	73,189
1412	8,753,314	109,736	15,827,725	4,038,392
1413	78,998,198	1,078,200	117,316,544	3,265,019
1414	1,654,685	0	2,677,705	628,092
1415	1,461,547	0	3,998,901	181,802
1416	3,531,528	0	5,756,030	3,940
1417	2,559,542	0	4,200,563	69,050
1418	49,203,188	348,739	68,189,207	1,226,529
1419	11,490,836	0	27,199,021	43,227
1420	5,933,390	0	13,451,810	357,933
1421	10,597,321	0	17,334,842	206,850
1422	4,265,121	0	16,824,046	63,450
1423	13,383,235	425,469	27,738,329	1,206,222
1424	2,623,226	0	5,471,261	3,421
1425	1,327,187	0	1,946,653	6,234
1426	8,200,688	119,108	14,954,697	2,922,210
1427	1,142,668	0	4,136,773	28,328

APPENDIX B2

2009 MODIFICATION OF AVERAGE SCHEDULES
 DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE
 USED FOR STUDIES OF SELECTED CATEGORIES

2006 COST STUDIES REFLECTING 2009/2010 SEPARATIONS/ALLOCATION RULES

<u>SEQ</u>	TOTAL COMPANY <u>COE</u>	TOTAL INTERSTATE <u>COE CAT 2</u>	TOTAL COMPANY <u>C&WF</u>	TOTAL INTERSTATE <u>C&WF CAT 3</u>
1428	7,551,690	174,169	15,772,721	319,575
1429	2,528,392	0	4,070,139	40,390
1430	3,494,946	0	12,449,013	287,089
1431	8,091,467	0	11,011,073	58,994
1432	6,889,456	0	18,582,639	162,501
1433	11,446,912	0	20,081,910	164,587
1434	2,871,332	0	5,807,533	256,832
1435	1,747,972	0	4,254,160	37,987
1436	2,609,250	0	6,425,637	12,079
1437	5,298,832	0	11,143,716	75,822
1438	5,448,258	143,446	12,574,260	40,775
1439	8,206,815	8,147	13,795,237	122,357
1440	9,665,583	0	18,867,020	45,403
1441	8,931,921	86,940	13,340,281	32,602
1442	711,003	0	2,432,132	40,419
1443	12,823,674	161,734	21,785,291	170,910
1444	13,971,924	0	62,575,386	408,523
1445	3,004,856	0	9,541,708	21,412
1446	3,792,295	0	10,942,750	63,082
1447	842,144	0	6,641,726	3,717,566
1448	4,167,699	0	4,173,731	4,370
1449	6,939,202	0	16,035,874	12,468
1450	10,517,408	112,444	18,150,808	710,886
1451	998,413	0	1,294,790	12,027
1452	516,305	0	427,436	8,485
1453	2,425,031	0	3,735,925	229,556
1454	7,314,047	0	3,263,962	46,198
1455	7,676,161	0	13,174,212	170,591
1456	1,503,073	0	4,443,973	238,262
1457	5,134,043	0	2,686,902	82,833
1458	1,894,181	0	3,408,719	86,560
1459	2,091,144	0	730,334	997
1460	2,581,437	0	3,993,248	242,256
1461	3,398,907	0	7,194,451	324,551
1462	8,182,815	0	10,275,415	288,440
1463	2,838,111	0	3,037,707	20,109
1464	5,554,023	0	15,535,595	678,601
1465	5,985,315	0	10,364,474	4,182,332
1466	10,388,942	0	22,778,162	7,232,492
1467	13,997,357	0	18,487,198	760,611
1468	5,263,434	0	13,895,316	6,273,809
1469	2,885,195	0	5,029,453	276,724
1470	17,229,924	246,762	27,607,053	73,413
1471	10,021,223	0	15,847,595	1,242,987

APPENDIX B2

2009 MODIFICATION OF AVERAGE SCHEDULES
 DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE
 USED FOR STUDIES OF SELECTED CATEGORIES
 2006 COST STUDIES REFLECTING 2009/2010 SEPARATIONS/ALLOCATION RULES

<u>SEQ</u>	TOTAL COMPANY <u>COE</u>	TOTAL INTERSTATE <u>COE CAT 2</u>	TOTAL COMPANY <u>C&WF</u>	TOTAL INTERSTATE <u>C&WF CAT 3</u>
1472	2,198,581	0	4,719,528	445,583
1473	2,564,943	15,667	6,441,288	1,317,473
1474	37,821,043	6,447,671	77,608,058	14,579,039
1475	5,846,353	150,134	10,104,584	103,371
1476	14,333,436	0	15,570,894	739,160
1477	9,384,703	0	17,165,630	1,179,155
1478	5,092,897	0	10,544,191	1,440,385
1479	15,902,868	0	17,275,428	161,829
1480	2,342,264	0	2,321,505	130,461
1481	479,422	0	1,458,262	72,798
1482	304,371	0	497,569	47,537
1483	5,512,023	0	7,203,270	285,861
1484	4,877,727	0	6,135,115	48,994
1485	4,134,053	0	8,015,913	108,797
1486	2,990,765	0	7,182,753	960,320
1487	1,819,352	0	733,907	25,115
1488	5,452,731	0	9,706,969	181,029
1489	16,653,177	0	17,355,890	380,416
1490	444,013	0	1,005,193	133,510
1491	6,239,084	0	7,946,071	227,103
1492	2,957,173	0	3,157,267	13,410
1493	1,811,721	0	1,947,105	366,209
1494	12,557,577	0	18,227,112	161,137
1495	2,282,768	0	3,058,538	352,848
1496	2,105,649	0	1,786,156	66,738
1497	1,059,449	0	1,675,048	287,380
1498	2,069,825	0	2,176,711	201,342
1499	1,723,951	0	2,905,974	51,153
1500	4,971,028	0	7,491,342	900,937
1501	2,756,525	0	10,126,707	490,252
1502	16,180,717	0	41,737,989	3,684,289
1503	2,378,331	0	10,458,168	48,641
1504	8,016,369	0	12,592,580	1,144,580
1505	2,854,453	0	7,871,176	307,792
1506	15,032,791	0	16,552,109	249,326
1507	8,507,821	0	15,018,098	625,238
1508	20,204,958	0	44,677,649	258,901
1509	35,310,305	0	65,550,702	2,432,182
1510	16,046,431	489,687	28,444,657	7,251,921
1511	19,886,641	0	32,606,504	194,907
1512	2,132,174	0	1,337,210	39,880
1513	6,148,394	0	6,143,620	1,793,352
1514	5,835,002	123,926	6,156,839	481,406
1515	865,493	0	1,327,042	4,572

APPENDIX B2

2009 MODIFICATION OF AVERAGE SCHEDULES
 DATA FROM GROUP C COST COMPANIES NOT IN NECA'S SAMPLE
 USED FOR STUDIES OF SELECTED CATEGORIES
 2006 COST STUDIES REFLECTING 2009/2010 SEPARATIONS/ALLOCATION RULES

<u>SEQ</u>	TOTAL COMPANY <u>COE</u>	TOTAL INTERSTATE <u>COE CAT 2</u>	TOTAL COMPANY <u>C&WF</u>	TOTAL INTERSTATE <u>C&WF CAT 3</u>
1516	427,632	0	306,024	46,011
1517	2,812,659	0	3,254,631	22,748
1518	1,743,759	0	3,197,620	18,004
1519	8,260,361	0	4,041,656	38,484
1520	4,621,423	0	5,331,496	70,591
1521	13,395,276	0	16,242,220	294,508
1522	3,646,460	0	5,660,466	7,146
1523	1,709,743	0	1,100,963	29,635
1524	23,215,818	0	145,881,950	33,355,374

APPENDIX C1
2009 MODIFICATION OF AVERAGE SCHEDULES
2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Land & Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable & Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials & Supplies</u>
100019	348,055	7,152,730	7,420,388	0	0	0
100020	1,204,935	6,490,953	6,275,316	0	0	5,174
120042	44,868	471,857	59,827	0	0	0
120043	900,697	1,798,145	2,106,063	0	0	42,474
132454	5,843,242	26,836,136	28,201,737	0	269,471	0
170151	4,913,651	18,912,144	24,203,262	0	0	298,814
170161	72,339,238	244,764,388	319,082,140	2,628,534	0	2,498,060
170162	14,169,346	47,624,465	72,465,604	0	0	643,440
170193	22,846,761	76,698,216	84,035,491	0	500	1,180,231
170196	9,129,504	9,240,369	10,644,954	0	0	222,116
190236	89,079	897,458	2,151,791	0	829	0
190248	4,788,451	6,438,798	11,735,683	0	0	330,479
200258	398,147	1,826,533	1,985,115	0	0	0
220387	2,951,508	30,741,925	19,671,470	0	0	596
220389	3,591,977	7,846,658	9,135,824	0	0	133,851
230500	269,049	1,293,493	2,136,232	38,242	20,362	4,244
240536	7,296,250	11,812,849	25,370,992	0	0	84,168
250283	4,450,137	9,386,614	13,434,655	277,517	0	108,781
250285	491,047	1,286,633	1,680,552	5,670	0	2,566
250322	1,862,110	8,164,600	10,731,099	0	0	134,516
260412	608,931	1,914,588	2,034,156	46,964	24,855	17,020
260414	6,110,594	24,590,617	37,536,980	0	2,434	213,325
270428	475,298	757,180	658,924	0	0	24,513
280460	1,562,976	6,942,489	10,246,051	0	0	949
290559	3,211,961	25,134,073	26,336,297	799,793	392,344	96,728
290565	7,986,625	24,464,505	45,310,397	0	2,422	1,110,324
300594	5,698,116	16,932,889	16,019,474	0	0	66,675
300609	1,289,268	3,391,591	3,691,151	0	0	21,148
310675	2,931,661	4,270,243	6,808,484	0	0	113,563
310688	1,329,141	4,960,387	1,780,747	66,830	0	519,696
320751	1,571,910	2,337,187	3,855,910	0	0	155,396
320792	884,750	3,010,213	5,968,504	0	0	43,790
320826	1,042,372	702,852	919,960	0	0	13,991
320827	762,377	1,747,893	1,548,910	0	0	15,512
330849	271,411	1,130,737	2,598,749	0	25,687	6,961
330863	2,251,357	5,096,848	5,596,294	0	0	46,013
330865	671,987	688,367	2,475,674	0	0	21,537
330899	1,033,598	2,618,381	4,139,550	0	0	48,131
330915	1,214,915	4,605,054	10,400,317	0	0	5,316
330955	2,253,519	7,760,546	12,147,719	0	14,019	73,259
330966	4,909,866	10,168,405	14,828,440	0	0	449,912
330968	797,815	5,146,111	9,023,785	287,179	130,370	43,381
351108	55,617	127,656	239,147	0	3,000	0
351113	736,905	1,113,827	1,398,610	0	944	17,456
351119	391,588	333,808	494,803	0	0	7,240
351139	799,195	3,227,658	4,120,644	0	0	31,373
351188	457,245	895,282	397,216	259,349	0	11,482
351199	465,764	768,526	461,312	0	0	8,433

APPENDIX C1
 2009 MODIFICATION OF AVERAGE SCHEDULES
 2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation & Amortization</u>	<u>Net Deferred Operating Income Tax</u>	<u>Network Support Expense</u>
100019	327,804	0	132,367	9,392,199	944,500	8,011
100020	51,477	0	56,459	9,137,027	0	8,188
120042	0	0	4,599	395,707	0	0
120043	0	0	36,744	3,245,228	293,800	10,748
132454	95,119	0	291,208	45,425,793	92,036	4,058
170151	541,196	0	161,764	32,458,713	2,115,118	27,406
170161	3,046,009	0	1,953,347	409,933,300	42,241,830	1,112,377
170162	2,139,875	0	531,969	95,867,889	3,733,366	149,192
170193	1,563,593	682,247	881,965	142,117,620	5,392,000	97,742
170196	331,772	0	251,161	16,607,860	2,602,081	66,943
190236	0	0	11,653	2,171,022	0	0
190248	6,974,217	0	160,332	12,896,707	0	78,610
200258	0	0	19,224	3,001,197	0	0
220387	2,020,781	0	-96,315	37,152,390	2,550,485	185
220389	4,815	0	104,080	13,390,638	1,061,020	18,238
230500	6,154	0	17,479	1,983,210	283,096	1,164
240536	2,197,701	0	173,665	32,003,042	574,187	80,406
250283	91,829	0	95,066	21,242,997	374,528	7,456
250285	0	0	23,578	2,630,718	130,372	9,093
250322	33,525	0	79,015	8,898,788	0	322
260412	1,161	0	19,931	3,155,927	133,425	6,386
260414	4,489,744	0	188,078	33,099,438	0	20,296
270428	0	0	44,150	846,041	0	38,548
280460	745,933	0	-19,128	14,240,309	660,454	250
290559	9,221,404	0	225,644	38,306,498	1,398,043	33,978
290565	1,759,713	0	304,361	47,807,899	0	7,911
300594	250,000	0	148,339	26,568,962	2,005,773	17,687
300609	1,400,000	1,000	73,476	5,984,814	75,713	0
310675	15,309	0	105,086	9,583,271	0	0
310688	170,464	0	13,214	5,379,812	2,052,228	1,220
320751	0	0	42,125	5,476,287	327,381	0
320792	425,842	0	43,754	4,791,778	0	168
320826	0	0	32,886	2,084,888	-2,200	15,338
320827	0	0	46,476	3,243,772	159,139	3
330849	277,707	0	20,532	2,090,345	258,619	2,231
330863	1,735	0	40,939	7,270,229	0	2,735
330865	0	0	26,804	2,279,045	92,596	24,945
330899	176,293	0	37,777	3,698,886	0	0
330915	0	0	57,603	11,427,170	0	0
330955	548,676	10,448	137,066	11,816,493	1,376,386	44,695
330966	412,289	0	38,551	21,040,528	0	0
330968	1,159,422	0	85,832	8,988,424	851,146	8,107
351108	6,901	0	3,098	317,322	0	0
351113	258,079	0	21,013	2,329,478	0	0
351119	0	0	7,567	984,389	25,618	0
351139	18,331	0	12,410	4,586,243	0	0
351188	0	0	14,692	1,645,375	283,630	1,072
351199	0	0	8,726	877,891	164,775	0

APPENDIX C1
 2009 MODIFICATION OF AVERAGE SCHEDULES
 2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable & 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>
100019	204,358	544,113	477,344	77,124	224,216
100020	169,868	223,839	150,300	4,644	190,139
120042	0	59,838	0	2,216	0
120043	57,731	102,584	65,146	33,409	21,602
132454	1,857,927	618,658	858,940	4,746	915,704
170151	227,864	331,526	855,981	8,973	1,122,432
170161	2,966,448	2,688,160	10,849,970	0	11,472,255
170162	567,310	423,761	2,030,142	20,201	2,556,628
170193	1,302,616	2,330,035	1,900,242	453,938	3,359,278
170196	726,031	563,696	969,659	8,266	510,153
190236	3,154	13,761	119,250	617	34,033
190248	367,796	405,611	738,435	36,240	332,624
200258	9,007	23,032	260,842	0	48,357
220387	784,059	550,395	390,020	8	959,526
220389	209,034	204,723	868,360	0	303,882
230500	15,523	68,852	36,033	0	71,027
240536	531,549	591,073	472,415	27,873	1,002,269
250283	214,201	478,074	622,241	0	475,704
250285	12,753	133,267	83,236	0	131,805
250322	182,032	177,561	214,202	0	342,540
260412	12,712	29,631	49,668	0	104,966
260414	566,067	737,944	1,607,457	0	604,975
270428	23,002	15,745	77,636	93,031	9,686
280460	248,635	136,778	327,698	2	322,349
290559	240,375	436,730	727,626	-49	1,172,864
290565	1,035,533	1,383,829	1,770,389	78,131	948,734
300594	395,455	300,605	484,120	0	499,077
300609	121,316	146,424	247,209	0	147,855
310675	185,710	162,154	210,379	326	168,743
310688	107,013	63,443	34,940	0	92,543
320751	76,004	131,525	471,511	0	34,304
320792	33,999	143,375	556,382	0	12,285
320826	57,203	50,559	286,761	0	20,941
320827	117,173	138,301	393,637	0	11,950
330849	10,403	100,987	48,987	0	73,904
330863	32,663	144,272	266,632	9,522	146,749
330865	35,169	86,394	145,835	0	100,356
330899	65,871	163,012	129,935	901	21,764
330915	73,642	263,562	338,304	0	86,354
330955	208,685	339,587	377,884	0	572,754
330966	141,071	560,790	475,943	7,880	234,827
330968	110,106	112,392	184,638	0	403,829
351108	3,480	9,480	3,892	0	3,550
351113	15,504	45,872	169,734	0	13,710
351119	7,724	12,939	56,535	0	10,679
351139	30,127	101,407	138,097	0	31,006
351188	20,497	56,068	56,384	0	24,605
351199	8,459	40,040	10,620	0	4,659

APPENDIX C1
2009 MODIFICATION OF AVERAGE SCHEDULES
2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Depreciation & Amortization Expense</u>	<u>Marketing Expense</u>	<u>Services Expense</u>	<u>General Administrative Expense</u>	<u>Contributions</u>
100019	424,850	134,676	552,937	889,882	0
100020	945,005	64,475	118,469	1,031,737	5,912
120042	31,382	0	128	67,429	0
120043	303,102	0	260,483	606,001	2,763
132454	2,794,004	2,372,129	19,879	1,474,026	22,700
170151	3,020,179	78,864	481,109	1,736,013	0
170161	33,892,951	2,276,341	4,754,135	24,992,823	52,373
170162	7,841,309	120,056	979,545	4,098,597	0
170193	12,633,205	1,990,775	2,836,839	12,101,656	52,373
170196	1,522,701	0	1,279,168	2,486,197	0
190236	187,466	0	71,455	173,245	0
190248	1,233,834	104,558	633,281	1,236,812	0
200258	237,820	14,429	64,595	193,859	1,722
220387	9,434,140	261,339	1,668,822	1,025,488	0
220389	1,093,085	0	593,147	526,622	0
230500	217,170	45,552	108,781	176,987	0
240536	2,273,999	75,254	804,097	1,763,421	0
250283	1,863,596	119,798	621,530	660,836	11,166
250285	181,384	0	140,057	178,451	1,752
250322	908,374	676	359,414	796,179	0
260412	249,858	45,418	176,296	140,206	1,729
260414	4,248,147	227,857	1,196,296	1,059,024	0
270428	135,794	368	66,977	805,059	2,513
280460	2,579,642	35,698	424,807	285,240	0
290559	4,674,620	944,973	1,810,198	2,832,342	26,394
290565	5,354,917	198,022	1,789,151	3,002,688	0
300594	1,812,459	779,044	769,299	1,545,025	0
300609	633,089	14,297	508,802	900,965	5,459
310675	477,781	0	405,707	657,917	0
310688	592,661	11,354	174,725	179,551	0
320751	559,202	10,780	190,596	492,687	3,966
320792	542,096	5,638	258,358	253,687	0
320826	161,231	0	101,390	335,487	0
320827	197,288	0	121,198	418,293	0
330849	227,814	45,565	81,523	199,501	1,644
330863	652,964	5,939	167,183	527,859	0
330865	243,092	0	105,154	289,470	0
330899	502,523	0	290,278	287,320	0
330915	990,406	0	506,931	572,975	0
330955	1,544,600	21,585	868,423	1,710,259	11,664
330966	2,549,415	39,060	481,506	767,382	10,743
330968	947,391	234,673	494,938	885,613	7,016
351108	9,489	0	19,334	32,889	0
351113	194,870	0	116,682	216,447	1,612
351119	95,398	0	50,068	94,894	707
351139	485,350	0	161,683	106,301	2,153
351188	118,210	6,730	74,375	200,516	0
351199	83,200	0	39,914	123,551	676

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<u>Study Area Code</u>	<u>Interest & 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>
100019	0	0	0	226,869	114,100	306,174
100020	-129	-1	184,586	208,782	0	142,547
120042	0	0	0	11,602	0	878
120043	43,610	240	652,714	29,003	-48,500	-35,888
132454	432,621	2,379	3,835,934	514,141	178,841	686,360
170151	1,118,804	6,154	618,565	605,012	0	357,865
170161	1,804,041	9,922	1,738,827	8,477,745	4,980,282	9,544,822
170162	7,485,981	41,174	3,615,012	1,496,374	0	856,771
170193	1,275,886	7,017	12,523,745	1,193,207	2,760,709	5,199,333
170196	1,140	6	0	472,951	195,088	522,672
190236	235	1	0	42,791	0	12,465
190248	416,007	2,288	2,353,587	664,319	120,741	120,741
200258	-31	0	0	53,464	0	36,306
220387	0	0	0	694,132	283,816	756,284
220389	19,421	107	33,981	275,630	70,151	606,551
230500	0	0	-11,763	66,040	18,871	52,500
240536	330,975	1,820	2,244,447	534,893	0	26,320
250283	0	0	20,347	270,360	384,561	695,421
250285	0	0	0	31,204	14,370	33,483
250322	0	0	0	532,039	0	225,945
260412	32,563	179	-682	59,019	39,349	76,239
260414	491,761	2,705	0	1,762,475	0	550,000
270428	0	0	0	47,328	0	30,208
280460	0	0	0	203,385	64,706	129,287
290559	92,833	511	32,221	1,108,729	365,725	737,943
290565	769,340	4,231	2,101,296	1,359,059	0	417,788
300594	0	0	8,359,345	89,937	227,596	541,764
300609	69,287	381	22,315	164,177	19,133	90,149
310675	600,986	3,305	0	201,542	86,324	429,527
310688	27,692	152	0	61,720	23,002	57,824
320751	300	2	0	93,638	15,523	78,909
320792	133	1	0	245,130	0	97,549
320826	25,223	139	0	26,387	10,419	42,155
320827	28	0	0	29,717	52,913	97,884
330849	20,083	110	-273	85,681	22,783	56,886
330863	140,985	775	3,016,075	119,702	0	84,871
330865	0	0	0	65,733	15,638	42,256
330899	193,190	1,063	174,126	183,270	0	86,169
330915	160,395	882	1,027,736	166,804	118,587	223,069
330955	0	0	623,255	397,171	180,289	327,034
330966	193,190	1,063	3,099,880	293,224	0	281,768
330968	65,633	361	-1,669	292,838	136,013	236,082
351108	0	0	0	4,954	-309	7,292
351113	15,479	85	0	52,881	19,612	58,236
351119	16	0	0	9,618	20,740	36,350
351139	160	1	0	159,737	243	56,610
351188	17,545	96	0	4,051	3,531	13,862
351199	71	0	0	29,257	20,700	38,275

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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>
100019	0	72	0	N	N
100020	0	66	0	N	N
120042	0	4	0	N	N
120043	0	9	234,200	N	N
132454	0	163	413,154	N	N
170151	0	191	-58,529	N	N
170161	0	2,683	-1,081,348	N	N
170162	0	474	464,668	N	N
170193	0	378	0	N	N
170196	0	150	-232,780	N	N
190236	0	14	0	N	N
190248	231,406	210	0	N	N
200258	0	17	0	N	N
220387	51,976	220	-138,819	N	N
220389	0	87	119,674	N	N
230500	0	21	-8,352	N	N
240536	0	169	0	N	N
250283	0	86	0	N	N
250285	0	10	-26,164	N	N
250322	0	168	0	Y	N
260412	0	19	-15,837	N	N
260414	0	558	0	N	N
270428	0	15	0	Y	N
280460	4,007	64	-146,127	N	N
290559	69,996	351	-603,894	N	N
290565	129,080	430	0	N	N
300594	0	28	132,038	N	N
300609	0	52	28,013	N	N
310675	0	64	0	N	N
310688	0	20	-189,820	N	N
320751	0	30	-57,148	N	N
320792	0	78	0	N	N
320826	0	8	-18,321	N	N
320827	0	9	5,474	N	N
330849	669	27	-17,445	N	N
330863	0	38	0	N	N
330865	0	21	-19,996	N	N
330899	14,105	58	0	N	N
330915	0	53	-208,928	N	N
330955	0	126	132,980	N	N
330966	14,105	93	0	N	N
330968	0	93	-68,936	N	N
351108	0	2	0	N	N
351113	0	17	0	N	N
351119	0	3	0	N	N
351139	158	51	0	N	N
351188	0	1	0	N	N
351199	0	9	0	N	N

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2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Land & Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable & Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials & Supplies</u>
351228	170,576	474,028	451,811	0	208	963
351237	1,005,617	2,770,897	2,690,835	0	203	36,145
351242	407,883	975,949	1,174,005	0	0	16,407
351274	78,500	1,307,790	1,729,673	0	0	1,226
351277	455,260	394,015	467,558	0	148	2,653
351292	432,215	920,581	424,592	0	1,582	3,746
351293	785,390	1,612,451	2,771,177	0	0	35,731
351302	482,611	1,664,915	1,977,035	0	299	23,259
351303	532,945	628,781	947,573	0	0	21,239
351309	488,140	716,599	859,793	0	16,828	19,679
351322	55,466	410,442	1,201,606	0	0	0
351336	2,651,350	1,481,098	2,283,190	0	1,928	32,350
361347	1,657,013	3,618,242	7,751,251	0	202	43,483
361348	20,425	118,859	76,445	0	0	0
361353	68,070	1,358,325	726,139	0	0	0
361358	1,114,735	8,724,522	9,778,964	0	0	306,124
361365	56,753	262,238	700,219	0	0	0
361424	1,275,430	1,307,883	1,948,632	0	0	25,199
361479	3,994,223	10,630,456	25,154,446	0	0	347,325
361485	300,502	1,311,251	1,743,337	0	790	21,333
361495	193,341	630,131	1,370,289	0	0	0
361505	3,690,183	7,582,418	18,582,443	0	0	441,530
371530	861,195	2,779,954	3,234,256	9,206	0	0
371555	1,073,325	2,470,503	6,921,554	5,000	0	129,013
371562	171,206	783,906	2,072,583	0	0	0
371581	1,198,015	2,145,002	3,139,725	0	480	64,566
371590	28,750	263,049	164,840	0	0	1,746
381614	1,087,994	3,699,900	5,691,279	9,838	456,983	0
381622	2,144,092	1,057,455	1,784,791	0	0	70,598
391640	132,059	938,935	1,207,708	0	486,000	35,065
391677	1,811,385	8,450,436	10,023,375	0	532	68,479
421759	151,255	3,040,887	8,222,299	0	0	25,453
421936	338,200	902,142	501,908	0	0	0
432141	28,426	757,980	1,525,162	0	0	0
442107	2,212,703	9,471,428	6,477,627	0	421,528	172,516
462206	72,055	173,531	65,931	0	0	975
472227	904,290	2,692,598	2,785,395	0	0	114,798
502279	1,012,903	2,218,882	1,532,234	0	0	24,742
502283	1,142,586	4,064,769	7,027,648	561,495	0	0
522430	1,409,094	4,555,375	6,450,887	40,345	73,736	22,243

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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 & Amortization</u>	<u>Net Deferred Operating Income Tax</u>	<u>Network Support Expense</u>
351228	0	0	5,935	917,373	0	0
351237	0	0	14,587	4,455,340	405,229	-2
351242	0	0	8,528	1,730,866	0	-80
351274	0	0	29,721	2,559,480	-28,784	2,100
351277	837,439	0	14,070	975,446	0	0
351292	0	0	27,391	995,820	0	122,355
351293	168,640	0	19,287	3,205,170	298,796	0
351302	8,419	0	13,966	2,931,054	0	2,077
351303	17,716	0	12,330	1,798,524	0	0
351309	161	0	14,445	1,308,606	0	0
351322	0	0	3,150	1,071,340	54,284	782
351336	3,267	0	37,618	4,758,990	285,889	3,523
361347	0	0	44,185	8,162,529	0	0
361348	0	0	3,884	142,759	0	1,718
361353	0	0	14,543	1,815,941	0	1,411
361358	0	0	103,200	13,230,760	0	18,000
361365	124	0	3,717	519,309	85,476	124
361424	0	0	11,582	2,586,656	0	3,590
361479	0	0	172,876	24,456,221	0	0
361485	0	0	24,136	2,163,307	0	19
361495	0	0	22,899	1,451,681	81,656	5,704
361505	85	0	161,109	23,805,423	0	0
371530	16,125	0	31,441	5,548,253	0	11,400
371555	0	0	115,940	7,384,340	461,000	24,934
371562	1,471	0	37,511	819,300	0	10,440
371581	6,985	0	39,178	4,949,066	0	18,585
371590	0	0	1,322	384,307	0	0
381614	8,969	0	-6,076	7,770,702	0	0
381622	0	0	19,996	3,755,009	46,293	24,123
391640	24,152	0	6,428	0	20,907	234
391677	318,476	0	74,880	15,877,825	1,863,558	24,468
421759	77,062	0	19,525	4,357,234	0	0
421936	0	0	12,182	1,022,483	0	25,541
432141	0	0	13,178	1,684,196	0	4
442107	0	0	127,175	10,803,733	1,156,663	28,102
462206	0	0	2,684	233,959	0	29
472227	0	0	17,996	4,795,705	0	32,658
502279	0	0	27,500	2,562,379	0	18,311
502283	0	0	45,154	8,276,621	0	3,426
522430	810,721	0	52,415	7,570,803	655,642	7,242

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<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable & 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>
351228	4,221	22,908	34,848	0	7,639
351237	38,872	121,441	85,629	0	43,800
351242	11,903	49,351	43,489	0	13,533
351274	33,532	107,119	134,357	169	75,603
351277	13,981	22,960	46,646	0	8,766
351292	5,155	40,716	85,181	0	9,464
351293	37,589	100,109	128,505	0	11,250
351302	6,755	53,795	142,814	0	14,245
351303	8,637	26,879	34,828	0	48,252
351309	26,471	15,398	20,858	0	9,084
351322	3,237	2,978	15,587	0	11,974
351336	95,466	47,147	37,195	0	52,568
361347	54,661	161,994	119,758	0	70,713
361348	1,719	20,568	19,496	0	2,201
361353	8,101	97,119	106,877	0	0
361358	347,266	150,289	801,856	4,488	73,567
361365	809	6,979	2,965	67	20,669
361424	39,089	27,691	32,686	664	12,151
361479	186,708	298,008	439,700	0	1,370,744
361485	49,249	33,265	56,018	0	14,391
361495	6,170	63,309	61,654	0	43,990
361505	753,081	414,861	459,666	0	785,053
371530	26,458	73,614	214,527	0	169,189
371555	106,941	924,291	282,236	0	210,012
371562	31,126	45,710	181,020	0	196,715
371581	51,562	96,796	117,693	0	11,883
371590	0	10,831	627	0	805
381614	16,060	32,834	133,172	0	32,252
381622	96,049	49,125	66,605	0	34,113
391640	6,007	11,542	58,439	0	5,679
391677	48,565	186,249	334,787	594	227,724
421759	43,091	146,942	173,568	0	106,127
421936	20,897	29,998	52,305	0	30,415
432141	2,722	184,206	68,715	0	15,785
442107	211,480	581,025	718,564	0	374,283
462206	118	397	454	0	9,617
472227	0	141,295	106,401	0	182,336
502279	35,917	38,962	10,215	0	12,540
502283	61,139	217,396	298,151	0	40,971
522430	36,660	136,281	142,158	0	263,668

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<u>Study Area Code</u>	<u>Depreciation & Amortization Expense</u>	<u>Marketing Expense</u>	<u>Services Expense</u>	<u>General Administrative Expense</u>	<u>Contributions</u>
351228	64,639	0	40,588	76,752	0
351237	539,122	25,568	127,341	246,751	2,612
351242	165,598	366	70,515	123,093	0
351274	173,852	26,974	184,569	130,171	2,022
351277	75,967	3,305	87,827	143,699	805
351292	165,250	1,850	54,643	406,208	1,862
351293	262,010	0	92,552	204,244	1,722
351302	252,285	2,507	105,780	202,513	0
351303	94,892	537	74,301	165,775	0
351309	145,345	4,505	67,847	138,505	896
351322	100,607	2,420	15,241	56,398	0
351336	413,480	13,176	106,313	631,878	2,882
361347	667,889	0	267,435	666,092	0
361348	18,228	0	14,008	42,399	234
361353	24,020	4,569	40,582	93,230	0
361358	996,250	67,273	645,445	926,136	8,143
361365	61,457	19,825	34,269	46,800	0
361424	231,464	0	81,099	228,703	0
361479	2,746,136	256,707	825,539	2,660,812	0
361485	195,651	15,849	193,930	290,062	1,656
361495	98,307	8,373	96,597	275,455	0
361505	1,911,375	0	916,754	1,584,400	13,830
371530	408,968	40,759	128,618	428,637	0
371555	443,312	103,944	358,081	960,996	6,940
371562	208,266	32,889	107,138	379,765	0
371581	395,592	35,144	237,403	540,228	2,989
371590	24,629	0	9,499	29,202	0
381614	662,452	0	92,796	29,164	0
381622	287,524	0	124,918	291,470	1,930
391640	108,734	3,165	8,292	42,458	0
391677	877,496	36,135	408,951	499,187	0
421759	445,232	1,036	146,812	191,311	2,630
421936	105,316	0	55,839	123,376	917
432141	118,289	3,440	37,341	80,785	0
442107	1,380,516	13,931	1,051,304	989,883	10,786
462206	10,742	0	8,867	48,690	0
472227	421,738	396	142,675	147,391	2,334
502279	302,493	0	97,044	606,668	0
502283	753,655	6,604	91,323	339,644	0
522430	803,886	232,088	349,625	603,664	5,133

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<u>Study Area Code</u>	<u>Interest & 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>
351228	1,338	7	0	7,963	0	12,804
351237	10,781	59	0	72,678	70,015	118,575
351242	0	0	0	37,308	0	23,624
351274	0	0	0	25,981	118,042	174,463
351277	26,044	143	0	52,265	0	12,027
351292	0	0	0	34,740	33,720	69,578
351293	20,732	114	0	82,697	24,971	51,908
351302	24	0	0	54,198	-6,911	7,391
351303	515	3	0	15,471	760	19,721
351309	145,431	800	0	34,317	16,730	33,519
351322	55	0	0	23,971	27,085	44,611
351336	192,038	1,056	0	62,214	-28,539	84,425
361347	169,830	934	34,040	215,585	0	16,924
361348	6,768	37	0	3,228	0	405
361353	25,994	143	0	0	0	0
361358	0	0	0	296,103	152,569	168,791
361365	245	1	0	18,338	0	810
361424	-202	-1	0	87,168	618	618
361479	1,940	11	264,198	681,513	189,240	230,887
361485	69,547	383	0	53,664	0	5,280
361495	53,158	292	0	29,215	-2,410	11,870
361505	307,700	1,692	0	290,824	258,420	303,674
371530	7,872	43	151,935	53,108	0	19,839
371555	0	0	0	121,831	115,000	164,267
371562	389	2	0	97,757	0	38,056
371581	129,791	714	0	71,010	0	35,811
371590	0	0	0	3,277	433	2,552
381614	57,635	317	0	120,646	0	0
381622	8,721	48	0	55,545	14,576	21,478
391640	0	0	0	102,497	26,793	26,793
391677	560,854	3,085	0	129,648	242,368	242,368
421759	6,752	37	0	0	0	101,977
421936	1,392	8	0	31,881	0	29,169
432141	0	0	0	27,753	0	18,187
442107	0	0	0	281,960	0	213,698
462206	0	0	0	3,474	0	4,405
472227	0	0	0	75,263	0	28,867
502279	316	2	0	98,488	22,157	53,166
502283	377,295	2,075	0	199,945	122,752	216,454
522430	7,831	43	23,258	222,908	0	71,981

APPENDIX C1
 2009 MODIFICATION OF AVERAGE SCHEDULES
 2007 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>
351228	0	3	0	N	N
351237	0	23	0	N	N
351242	0	12	0	N	N
351274	0	8	-34,857	N	N
351277	18,593	17	0	Y	N
351292	0	11	0	N	N
351293	0	26	0	N	N
351302	0	17	0	N	N
351303	0	5	0	N	N
351309	0	11	0	N	N
351322	0	8	0	N	N
351336	0	20	0	N	N
361347	0	68	0	N	N
361348	0	1	0	Y	N
361353	0	5	0	Y	Y
361358	0	94	0	N	N
361365	0	6	-1,650	Y	N
361424	0	28	0	N	N
361479	0	216	0	N	N
361485	0	17	0	N	N
361495	0	9	0	N	N
361505	0	92	0	N	N
371530	0	17	0	Y	N
371555	0	39	-38,000	N	N
371562	0	31	0	Y	N
371581	0	22	0	Y	N
371590	0	1	0	N	N
381614	0	38	0	N	N
381622	0	18	0	N	N
391640	0	32	0	N	N
391677	2,900	41	0	N	N
421759	9,513	100	0	Y	Y
421936	0	10	0	N	N
432141	0	9	0	N	N
442107	0	89	-155,195	N	N
462206	0	1	0	N	N
472227	0	24	201,955	N	N
502279	0	31	0	N	N
502283	0	63	-46,941	N	N
522430	0	71	-118,141	N	N

APPENDIX C2
2009 MODIFICATION OF AVERAGE SCHEDULES
2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2006

<u>Study Area Code</u>	<u>Land & Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable & Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials & Supplies</u>
100019	400,233	7,630,865	7,754,480	0	0	0
100020	1,258,473	6,587,313	6,578,832	0	0	3,036
120042	44,868	493,780	59,827	0	0	0
120043	914,481	1,908,085	2,165,114	0	0	40,926
132454	6,748,541	27,342,729	29,334,868	0	269,471	0
170151	4,838,402	19,331,606	24,953,360	0	0	271,439
170161	73,984,222	251,434,574	329,222,692	2,781,191	0	2,992,192
170162	14,096,308	50,297,177	74,357,548	0	0	720,799
170193	23,281,440	73,220,301	86,825,153	0	500	1,812,948
170196	9,335,155	9,219,020	10,972,651	0	0	223,338
190236	89,079	897,458	2,287,620	0	829	0
190248	5,473,974	7,207,622	15,261,453	0	0	284,907
200258	442,633	1,878,060	2,007,681	0	0	22,441
220387	2,476,801	31,535,522	20,680,794	0	0	19,274
220389	4,165,375	8,012,634	9,350,127	0	0	132,287
230500	272,037	1,305,441	2,160,055	38,242	19,173	5,245
240536	7,505,651	12,207,881	25,675,146	0	0	177,521
250283	5,111,489	10,022,025	13,855,726	277,517	0	76,493
250285	500,715	1,395,376	1,709,408	6,150	0	2,566
250322	1,829,725	8,646,317	10,794,514	0	0	117,850
260412	612,741	2,022,249	2,058,593	55,288	22,054	21,591
260414	6,713,799	24,388,723	39,980,211	0	2,434	209,011
270428	476,740	801,936	689,756	0	0	33,488
280460	1,283,760	7,193,515	10,369,000	0	0	943
290559	3,537,964	30,162,047	32,701,126	808,060	340,994	121,154
290565	8,310,322	25,783,179	47,042,881	0	2,422	1,749,846
300594	5,801,944	10,556,812	16,285,178	0	0	120,007
300609	1,348,431	3,408,756	3,770,305	0	0	42,341
310675	3,023,305	4,339,063	6,945,513	0	0	158,350
310688	1,329,197	4,960,387	1,780,747	66,830	0	620,047
320751	1,845,197	2,611,267	3,936,346	0	0	196,822
320792	890,595	3,218,834	6,251,049	0	0	38,827
320826	990,110	720,980	937,112	0	0	13,879
320827	743,548	1,821,877	1,648,145	0	0	14,205
330849	285,566	1,377,076	2,808,817	0	22,621	17,607
330863	2,297,323	5,191,404	5,555,116	0	0	48,949
330865	682,095	709,548	2,495,024	0	0	18,937
330899	1,597,980	2,819,254	4,480,362	0	0	61,245
330915	1,227,093	4,734,503	10,975,276	0	0	8,811
330955	2,288,366	8,609,590	12,765,399	0	2,329	89,561
330966	4,896,393	10,352,049	15,313,837	0	0	623,691
330968	803,742	6,677,727	9,473,588	294,577	115,167	109,425
351108	56,194	127,656	244,800	0	3,000	0
351113	731,746	1,234,960	1,411,931	0	944	15,978
351119	394,809	388,512	503,458	0	0	7,108
351139	823,569	3,454,298	4,339,453	0	0	36,563
351188	468,861	918,232	397,216	259,349	0	9,123
351199	465,764	782,642	479,975	0	0	14,519

APPENDIX C2
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2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2006

<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation & Amortization</u>	<u>Net Deferred Operating Income Tax</u>	<u>Network Support Expense</u>
100019	152,911	0	135,675	9,783,560	1,054,300	14,707
100020	233,918	0	66,656	9,656,291	0	3,345
120042	0	0	5,676	423,256	0	0
120043	0	0	41,836	3,536,703	-27,800	7,356
132454	540,966	0	305,497	48,447,378	68,340	27,124
170151	316,692	0	182,158	34,903,512	1,801,223	30,819
170161	3,918,347	0	2,455,464	425,200,978	44,406,318	803,071
170162	973,324	0	577,596	103,037,822	2,471,119	141,231
170193	3,487,276	360,348	1,107,052	147,428,528	5,129,000	112,343
170196	176,382	0	190,341	18,035,599	2,337,459	65,524
190236	0	0	12,580	2,352,882	0	0
190248	4,799,390	0	205,072	13,957,447	0	75,051
200258	26,761	0	13,850	3,245,927	0	233
220387	1,753,154	0	-136,572	40,875,053	2,005,329	1
220389	377,707	0	78,851	14,300,656	958,704	11,720
230500	0	0	16,216	2,178,642	269,830	1,192
240536	2,679,388	0	168,486	34,613,442	571,972	131,287
250283	13,871	0	106,576	23,080,498	620,824	3,920
250285	0	0	26,345	2,818,234	114,498	10,204
250322	262,453	0	80,345	9,793,510	0	-1,656
260412	3,966	0	16,309	3,394,148	137,890	4,885
260414	1,831,723	0	218,945	34,013,245	0	28,836
270428	0	0	43,758	960,387	0	32,842
280460	786,024	0	-23,671	15,444,563	321,888	0
290559	1,976,913	0	222,289	41,638,046	1,118,746	31,482
290565	8,734,815	0	351,449	53,276,978	0	11,041
300594	0	0	143,908	20,176,069	2,020,766	6,327
300609	1,401,893	1,000	71,838	6,613,764	-45,795	16,017
310675	140,910	0	105,408	9,949,677	0	0
310688	692,099	0	16,407	5,878,259	2,075,178	1,144
320751	21,054	0	50,430	5,977,893	255,777	0
320792	66,975	0	48,876	5,257,608	0	671
320826	0	0	34,671	1,803,679	39,093	18,437
320827	129,584	0	52,437	3,433,252	153,341	0
330849	55,286	0	16,316	2,320,496	262,889	2,349
330863	793,240	0	43,162	7,805,819	0	3,506
330865	0	0	22,691	2,519,780	67,535	16,583
330899	45,616	0	41,631	4,188,156	0	0
330915	0	0	59,709	12,420,866	13	0
330955	154,494	12,012	136,991	13,283,055	1,309,989	46,844
330966	410,170	0	58,729	22,545,823	0	0
330968	593,493	900	85,880	9,782,161	856,150	9,720
351108	0	0	3,528	326,869	0	0
351113	304,900	0	22,856	2,472,672	0	0
351119	3,200	0	9,334	1,048,075	20,019	0
351139	0	0	9,007	5,091,724	0	0
351188	69,628	0	14,428	1,742,130	299,266	5,993
351199	0	0	7,387	948,508	165,881	0

APPENDIX C2
 2009 MODIFICATION OF AVERAGE SCHEDULES
 2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2006

<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable & 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>
100019	287,967	435,284	322,324	100,938	276,159
100020	255,851	224,394	181,909	2,949	158,552
120042	0	60,667	0	3,912	0
120043	59,082	104,943	62,196	26,823	21,927
132454	1,940,199	697,481	1,064,281	4,786	1,058,839
170151	309,511	565,460	872,940	9,251	1,162,161
170161	3,219,021	2,698,994	13,102,680	0	11,214,203
170162	576,912	879,053	1,955,936	12,627	2,530,836
170193	1,346,146	2,324,546	1,705,555	475,766	3,473,109
170196	695,388	499,445	645,909	8,066	530,445
190236	3,391	23,272	124,386	163	33,789
190248	439,246	533,531	1,272,385	56,147	494,807
200258	13,485	15,067	248,528	0	56,293
220387	597,504	505,467	486,962	0	934,572
220389	128,091	145,716	531,133	0	236,313
230500	13,336	73,588	41,683	0	78,638
240536	391,606	620,983	457,656	27,211	1,132,331
250283	201,717	433,175	624,089	0	461,751
250285	1,733	200,218	75,913	0	138,657
250322	174,375	248,209	196,886	0	410,250
260412	19,846	47,924	53,329	1	116,024
260414	617,356	782,338	1,737,898	0	720,440
270428	8,703	12,500	88,524	96,626	10,324
280460	193,126	132,755	335,816	0	307,851
290559	265,133	675,619	935,455	1	1,258,027
290565	1,193,873	1,451,209	2,540,001	45,266	993,285
300594	368,259	522,990	467,597	0	490,148
300609	120,351	156,026	172,778	0	139,916
310675	124,601	178,906	208,301	1,883	148,725
310688	117,077	84,538	12,262	340	92,612
320751	84,760	171,642	543,651	4,804	37,698
320792	41,763	157,744	659,439	0	18,349
320826	64,663	96,717	292,000	0	11,503
320827	127,910	149,275	447,986	0	10,512
330849	12,008	86,262	22,123	0	82,554
330863	28,359	153,125	267,287	7,747	99,437
330865	24,926	73,870	85,658	0	116,124
330899	74,554	185,132	157,880	3,882	26,814
330915	70,083	292,359	340,415	0	85,664
330955	139,047	431,685	371,889	0	562,415
330966	203,446	432,217	400,880	10,974	305,842
330968	128,851	249,507	176,826	0	429,007
351108	11,366	8,696	8,925	0	3,540
351113	15,307	74,051	159,629	0	13,939
351119	14,843	18,365	42,877	0	12,122
351139	25,738	94,736	134,333	0	37,154
351188	16,182	43,808	68,145	0	19,232
351199	9,778	6,300	40,208	0	5,291

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 2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2006

<u>Study Area Code</u>	<u>Depreciation & Amortization Expense</u>	<u>Marketing Expense</u>	<u>Services Expense</u>	<u>General Administrative Expense</u>	<u>Contributions</u>
100019	412,942	284,506	728,203	718,360	0
100020	724,613	57,071	114,607	987,776	5,531
120042	27,549	0	122	89,267	0
120043	311,999	0	256,671	625,107	3,032
132454	2,854,454	1,553,857	25,140	2,501,823	23,850
170151	3,108,033	147,648	545,473	1,792,010	0
170161	22,122,539	2,045,893	4,805,510	23,098,003	52,373
170162	8,079,199	162,972	1,124,322	3,816,808	0
170193	7,345,692	2,117,717	2,458,895	13,372,373	52,373
170196	1,614,982	0	1,235,481	1,573,087	0
190236	188,576	0	71,490	185,868	0
190248	1,257,798	121,716	630,742	1,309,665	0
200258	244,730	25,033	50,739	90,578	1,503
220387	9,591,295	172,245	1,674,829	940,526	0
220389	1,080,928	0	604,015	584,285	0
230500	248,857	40,522	109,163	180,034	0
240536	2,314,011	44,431	765,324	1,733,509	0
250283	1,922,748	109,158	565,175	458,215	11,978
250285	187,516	0	125,686	206,408	1,908
250322	916,799	1,029	326,558	767,456	0
260412	251,035	36,307	121,845	147,819	1,631
260414	4,415,288	272,929	1,346,094	1,359,468	0
270428	102,424	1,998	60,985	781,561	2,368
280460	2,582,060	30,238	351,347	261,853	0
290559	5,040,250	897,427	1,484,101	3,260,425	27,700
290565	5,583,214	119,973	1,774,311	3,212,171	0
300594	1,921,419	804,260	780,939	1,532,674	0
300609	658,163	13,742	439,592	913,243	5,357
310675	470,508	0	457,721	761,878	0
310688	572,835	11,976	189,485	186,673	0
320751	561,499	12,514	200,432	543,574	4,329
320792	574,851	2,816	267,943	274,249	0
320826	147,264	0	100,358	336,423	0
320827	229,390	0	116,452	503,379	0
330849	253,359	37,477	91,070	206,261	0
330863	651,478	2,710	155,592	611,838	0
330865	247,615	0	108,972	270,289	0
330899	540,173	0	306,948	330,788	0
330915	1,030,591	0	519,649	686,327	0
330955	1,587,852	10,111	829,000	1,842,352	11,835
330966	2,018,991	62,252	448,267	836,614	9,729
330968	1,005,590	244,407	424,225	1,032,564	0
351108	9,547	0	21,422	29,846	0
351113	156,097	0	120,637	211,999	1,566
351119	71,700	0	49,640	115,104	697
351139	526,859	0	138,567	101,288	2,158
351188	116,857	6,066	72,031	205,231	0
351199	88,610	0	37,346	100,688	637

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<u>Study Area Code</u>	<u>Interest & 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>
100019	0	0	0	235,201	137,900	310,632
100020	-1,973	-11	156,871	215,071	0	141,411
120042	0	0	0	11,353	0	335
120043	41,608	229	754,271	33,860	74,300	87,383
132454	343,113	1,887	4,662,498	477,266	60,329	552,726
170151	1,223,261	6,728	583,962	549,545	0	331,673
170161	2,220,190	12,211	1,582,646	8,596,782	5,674,533	9,995,051
170162	8,742,789	48,086	4,750,934	1,335,300	0	852,487
170193	1,107,293	6,090	16,160,743	896,644	2,343,322	4,840,847
170196	1,557	9	0	437,328	231,907	525,134
190236	302	2	0	40,754	0	11,266
190248	479,181	2,636	2,814,217	719,099	116,061	116,061
200258	-205	-1	0	50,061	0	30,407
220387	0	0	0	601,312	96,083	354,443
220389	54,616	300	28,312	298,765	41,410	404,872
230500	0	0	-11,706	59,465	19,563	45,808
240536	312,122	1,717	873,604	545,788	0	18,555
250283	0	0	15,672	249,501	1,010,953	1,397,326
250285	0	0	0	30,147	18,063	37,702
250322	0	0	0	524,531	0	224,040
260412	1,184	7	-2,193	55,056	0	42,015
260414	454,060	2,497	0	1,730,111	0	692,860
270428	0	0	0	46,074	0	24,690
280460	0	0	0	171,054	111,982	221,973
290559	2,742	15	34,091	1,173,000	188,116	437,774
290565	696,105	3,829	2,356,776	1,591,962	4,230	505,412
300594	0	0	10,581,140	0	180,315	449,981
300609	146,438	805	0	150,616	410	125,804
310675	599,081	3,295	0	206,031	98,031	294,979
310688	25,559	141	0	66,172	20,292	62,520
320751	7,808	43	0	105,152	4,796	72,228
320792	667	4	0	230,415	0	110,029
320826	1,964	11	0	36,244	6,281	32,612
320827	28	0	0	34,096	64,582	115,703
330849	0	0	419	86,728	0	23,531
330863	146,040	803	2,939,478	138,936	0	87,127
330865	0	0	0	58,317	20,993	45,008
330899	191,020	1,051	185,073	204,871	0	71,227
330915	151,772	835	144,007	193,792	61,822	143,384
330955	0	0	428,246	393,636	148,269	282,358
330966	191,020	1,051	3,407,196	249,634	0	297,110
330968	281	2	3,236	323,455	0	76,385
351108	0	0	0	4,502	-291	7,087
351113	4,851	27	0	54,272	17,465	55,989
351119	31	0	0	10,130	20,992	35,014
351139	1	0	0	157,579	0	54,416
351188	17,202	95	0	3,584	0	10,450
351199	0	0	0	27,803	23,484	40,299

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 2009 MODIFICATION OF AVERAGE SCHEDULES
 2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2006

<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>
100019	0	74	0	N	N
100020	0	68	0	N	N
120042	0	4	0	N	N
120043	0	11	-321,600	N	N
132454	9,351	151	812,251	N	N
170151	0	174	-370,338	N	N
170161	0	2,721	1,964,310	N	N
170162	0	423	-1,077,454	N	N
170193	0	284	0	N	N
170196	0	138	-179,848	N	N
190236	0	13	0	N	N
190248	303,597	228	0	N	N
200258	0	16	0	N	N
220387	27,260	190	-58,171	N	N
220389	0	95	102,316	N	N
230500	0	19	-13,266	N	N
240536	0	173	0	N	N
250283	0	79	0	N	N
250285	0	10	-16,644	N	N
250322	0	166	0	Y	N
260412	0	17	4,465	N	N
260414	0	548	0	N	N
270428	0	15	0	Y	N
280460	3,275	54	-172,325	N	N
290559	0	371	-279,297	N	N
290565	336,465	504	0	N	N
300594	0	0	-228,852	N	N
300609	0	48	-102,256	N	N
310675	0	65	0	N	N
310688	0	21	-218,012	N	N
320751	0	33	-71,604	N	N
320792	0	73	0	N	N
320826	0	11	40,576	N	N
320827	0	11	-12,922	N	N
330849	0	27	4,270	N	N
330863	0	44	0	N	N
330865	0	18	-25,928	N	N
330899	9,688	65	0	N	N
330915	0	61	-169	N	N
330955	0	125	120,685	N	N
330966	9,688	79	0	N	N
330968	0	102	5,004	N	N
351108	0	1	0	N	N
351113	0	17	0	N	N
351119	0	3	0	N	N
351139	0	50	0	N	N
351188	0	1	0	N	N
351199	0	9	0	N	N

APPENDIX C2
2009 MODIFICATION OF AVERAGE SCHEDULES
2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2006

<u>Study Area Code</u>	<u>Land & Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable & Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials & Supplies</u>
351228	174,831	479,883	451,811	0	208	664
351237	1,005,617	2,852,308	2,746,351	0	203	43,311
351242	413,909	1,351,936	1,191,350	0	0	16,355
351274	79,187	1,320,709	1,783,297	0	0	1,034
351277	458,031	562,943	960,139	0	148	10,011
351292	447,660	1,041,077	431,103	0	1,582	3,746
351293	801,690	1,690,973	2,790,477	0	0	33,809
351302	490,178	1,827,760	2,347,965	0	299	15,819
351303	541,558	629,813	970,126	0	0	20,022
351309	498,295	531,944	859,793	0	10,578	19,475
351322	55,466	410,442	1,234,242	0	0	0
351336	2,739,502	1,490,075	2,325,581	0	1,928	25,362
361347	1,691,338	3,744,130	7,925,413	0	202	59,132
361348	20,425	118,859	76,445	0	0	0
361353	68,092	1,358,325	920,288	0	0	0
361358	1,135,512	8,801,652	10,370,815	0	0	361,215
361365	56,753	264,428	716,500	0	0	0
361424	1,224,611	1,451,844	2,011,020	0	0	26,471
361479	3,990,090	10,706,941	26,972,278	0	0	315,413
361485	318,116	1,401,171	1,753,225	0	790	24,509
361495	193,341	643,195	1,371,995	0	0	0
361505	3,772,260	7,909,085	19,141,587	0	0	418,284
371530	952,942	2,856,154	3,324,959	9,206	0	0
371555	1,083,208	2,499,228	7,140,155	5,000	0	131,039
371562	155,388	833,924	2,126,467	0	0	0
371581	1,206,141	2,245,091	3,264,114	0	480	58,899
371590	28,750	263,049	164,840	0	0	1,746
381614	1,088,044	3,703,670	5,734,780	9,838	456,983	0
381622	2,151,773	1,220,381	1,883,835	0	0	76,046
391640	167,140	979,241	1,224,865	0	486,000	35,065
391677	2,096,675	3,560,182	10,312,802	0	532	128,953
421759	157,172	3,117,981	8,189,125	0	0	30,464
421936	339,265	916,413	508,345	0	0	0
432141	28,426	797,617	1,569,539	0	0	0
442107	2,325,832	9,637,504	6,821,632	0	432,952	158,834
462206	72,055	173,530	65,931	0	0	975
472227	942,925	3,130,142	2,825,401	0	0	108,970
502279	1,028,197	2,386,749	1,536,928	0	0	24,742
502283	1,192,238	4,221,500	7,143,034	559,641	0	0
522430	1,393,818	4,604,330	6,636,496	40,345	64,904	32,108

APPENDIX C2
2009 MODIFICATION OF AVERAGE SCHEDULES
2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2006

<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation & Amortization</u>	<u>Net Deferred Operating Income Tax</u>	<u>Network Support Expense</u>
351228	0	0	5,201	981,958	0	60
351237	0	0	15,203	4,964,017	342,307	0
351242	0	0	10,889	1,911,127	0	0
351274	31,832	0	29,534	2,661,208	-47,423	1,828
351277	600,175	0	16,867	1,073,932	0	0
351292	0	0	33,568	1,166,864	0	117,491
351293	294,029	0	18,334	3,440,692	296,442	1,034
351302	8,419	0	12,913	3,197,062	0	3,647
351303	2,637,794	0	16,958	1,886,226	0	0
351309	0	0	14,812	1,062,656	0	0
351322	0	0	2,111	1,184,396	-7,784	293
351336	31,583	0	45,559	5,124,477	215,998	3,667
361347	0	0	45,679	8,695,092	0	0
361348	0	0	4,018	161,204	0	2,903
361353	0	0	12,975	1,844,473	0	1,016
361358	644,990	0	101,809	13,948,063	0	1,500
361365	1	0	3,687	581,113	0	64
361424	0	0	11,668	2,761,132	0	3,248
361479	0	0	182,398	26,887,838	0	0
361485	0	0	21,267	2,355,117	0	1,024
361495	66,230	0	21,587	1,519,771	81,009	5,777
361505	45,589	0	162,727	25,700,780	0	0
371530	120,098	0	28,149	5,971,006	0	4,644
371555	0	0	120,478	7,799,273	415,500	29,805
371562	0	0	38,036	1,041,216	0	4,224
371581	0	0	36,982	5,304,702	0	15,164
371590	0	0	1,316	407,094	0	0
381614	0	0	-8,312	8,425,608	0	0
381622	0	0	25,405	3,927,775	13,955	22,454
391640	3,517	0	7,090	0	11,682	922
391677	124,218	0	87,765	11,296,186	772,601	19,286
421759	100,851	0	20,809	4,826,770	0	0
421936	0	0	12,234	1,130,564	0	21,740
432141	0	0	13,499	1,811,006	0	0
442107	0	0	137,143	11,914,584	1,077,401	25,071
462206	0	0	2,488	244,306	0	13
472227	26,045	0	15,306	5,247,224	0	0
502279	0	0	28,232	2,828,415	0	19,295
502283	0	0	53,586	9,010,370	0	2,465
522430	580,382	0	50,999	6,864,707	685,609	4,572

APPENDIX C2
2009 MODIFICATION OF AVERAGE SCHEDULES
2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2006

<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable & 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>
351228	2,459	24,306	29,140	0	3,000
351237	33,759	157,293	100,240	0	39,356
351242	13,173	69,051	67,047	0	19,512
351274	26,822	112,726	162,741	-25	66,539
351277	14,427	34,128	38,741	0	21,552
351292	6,410	28,176	77,733	0	12,665
351293	29,763	94,936	123,960	0	6,800
351302	17,176	36,611	132,565	0	13,050
351303	9,179	24,435	45,632	0	40,917
351309	36,848	13,596	17,635	0	8,517
351322	5,234	2,063	24,425	0	12,305
351336	108,746	47,347	32,724	0	62,182
361347	57,356	158,360	111,379	0	99,413
361348	2,967	20,287	18,081	0	2,296
361353	5,193	78,473	81,762	0	0
361358	323,959	240,806	671,607	3,958	93,180
361365	1,406	8,982	4,352	893	21,043
361424	19,869	24,806	41,022	462	12,909
361479	210,686	286,323	514,680	0	1,501,491
361485	47,630	31,419	71,344	0	20,014
361495	6,476	61,389	65,942	0	42,841
361505	822,449	482,442	416,996	0	796,329
371530	59,954	72,621	164,904	0	184,157
371555	116,334	939,347	290,858	0	250,584
371562	74,384	55,609	173,351	47	225,958
371581	48,074	108,941	122,694	0	13,527
371590	0	8,875	922	0	816
381614	21,370	38,493	114,525	0	33,344
381622	83,973	73,439	88,208	0	34,276
391640	9,089	8,177	43,872	0	5,924
391677	57,177	208,261	490,982	710	255,790
421759	31,105	184,104	152,908	0	131,493
421936	24,440	22,751	46,693	0	36,134
432141	81	192,788	74,638	0	22,561
442107	224,413	633,703	673,588	0	369,280
462206	1,022	1,471	903	0	6,903
472227	24,995	151,427	127,558	0	90,242
502279	42,325	31,368	9,115	0	13,082
502283	76,469	283,524	281,939	0	47,912
522430	44,701	159,290	195,870	0	252,920

APPENDIX C2
 2009 MODIFICATION OF AVERAGE SCHEDULES
 2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2006

<u>Study Area Code</u>	<u>Depreciation & Amortization Expense</u>	<u>Marketing Expense</u>	<u>Services Expense</u>	<u>General Administrative Expense</u>	<u>Contributions</u>
351228	64,980	0	32,085	78,607	0
351237	535,791	16,663	127,404	270,441	2,644
351242	180,261	394	73,636	133,636	0
351274	106,524	19,570	191,335	104,779	0
351277	98,517	2,792	100,889	166,445	0
351292	186,916	2,189	63,680	557,552	2,239
351293	258,554	0	92,786	210,145	1,671
351302	266,009	1,024	114,149	182,593	0
351303	95,271	590	63,065	177,599	0
351309	130,326	5,387	74,563	155,964	0
351322	124,467	2,149	15,173	50,915	0
351336	379,280	15,904	90,916	711,965	3,092
361347	715,547	0	277,766	680,699	0
361348	18,445	0	13,011	46,101	242
361353	28,502	5,205	37,890	109,924	0
361358	1,029,563	55,312	641,265	955,441	8,148
361365	61,193	16,439	24,309	52,040	0
361424	199,991	0	84,428	206,741	0
361479	2,791,028	317,933	830,130	2,670,779	0
361485	218,659	3,596	161,705	312,612	1,679
361495	88,903	9,175	94,128	259,287	0
361505	1,915,934	0	924,383	1,566,044	14,047
371530	470,893	50,047	143,252	390,981	0
371555	429,104	134,751	360,793	959,054	7,108
371562	221,916	44,695	116,967	326,078	0
371581	452,276	44,295	253,459	555,225	3,188
371590	22,787	0	9,208	29,146	0
381614	664,271	0	89,513	18,261	0
381622	209,532	0	120,085	318,725	1,859
391640	106,021	2,758	8,384	63,624	539
391677	902,829	24,594	473,290	552,173	6,229
421759	463,773	845	149,022	199,521	2,763
421936	108,169	0	54,243	138,561	939
432141	126,809	3,465	37,989	76,094	0
442107	1,405,979	9,482	1,233,818	1,092,042	11,390
462206	10,918	0	7,659	45,923	0
472227	452,401	260	173,073	160,525	0
502279	310,127	0	94,549	642,686	0
502283	733,749	1,450	81,999	326,542	0
522430	861,232	180,813	306,568	606,320	5,244

APPENDIX C2
 2009 MODIFICATION OF AVERAGE SCHEDULES
 2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2006

<u>Study Area Code</u>	<u>Interest & 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>
351228	817	4	0	5,540	0	15,534
351237	15,827	87	0	59,333	36,101	82,744
351242	0	0	0	46,998	0	21,774
351274	0	0	0	26,679	89,801	112,181
351277	52,790	290	0	67,123	0	10,028
351292	0	0	0	33,475	42,900	102,112
351293	16,840	93	0	82,893	19,701	43,832
351302	2,282	13	0	66,049	-7,161	11,054
351303	163	1	0	128,866	1,365	17,432
351309	120,998	666	0	37,462	4,614	19,780
351322	87	0	0	23,160	24,932	40,027
351336	214,256	1,178	0	56,253	23,810	140,821
361347	214,414	1,179	42,663	207,128	0	19,670
361348	7,461	41	0	2,412	0	465
361353	24,761	136	0	0	0	0
361358	0	0	0	325,854	163,668	185,783
361365	218	1	0	20,197	0	970
361424	13	0	0	86,386	3,989	3,989
361479	2,696	15	224,606	657,902	193,620	236,532
361485	36,894	203	0	50,514	0	-2,293
361495	16,654	92	0	29,815	8,656	22,692
361505	283,575	1,560	0	250,780	282,242	316,526
371530	5,972	33	70,912	54,033	0	25,262
371555	0	0	0	116,956	109,000	155,113
371562	252	1	0	91,772	0	34,100
371581	92,478	509	0	65,008	0	30,096
371590	0	0	0	2,269	1,177	3,573
381614	53,116	292	0	93,372	0	0
381622	15,399	85	0	61,503	1,572	7,768
391640	0	0	0	106,086	28,591	29,123
391677	541,520	2,978	0	183,762	220,710	224,608
421759	6,066	33	0	0	0	112,203
421936	597	3	0	28,063	23	31,702
432141	0	0	0	25,860	0	21,810
442107	0	0	0	263,289	0	206,948
462206	0	0	0	3,016	0	4,552
472227	0	0	0	79,018	0	17,717
502279	595	3	0	95,030	20,234	49,026
502283	530,507	2,918	0	181,638	119,816	223,157
522430	962	5	21,455	252,845	0	92,031

APPENDIX C2
 2009 MODIFICATION OF AVERAGE SCHEDULES
 2007 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2006

<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>
351228	0	2	0	N	N
351237	0	19	0	N	N
351242	0	15	0	N	N
351274	0	8	-16,891	N	N
351277	51,234	21	0	Y	N
351292	0	11	0	N	N
351293	4,470	26	0	N	N
351302	0	21	0	N	N
351303	0	41	0	N	N
351309	0	12	0	N	N
351322	0	7	0	N	N
351336	0	18	0	N	N
361347	0	66	0	N	N
361348	0	1	0	Y	N
361353	0	7	0	Y	Y
361358	0	103	0	N	N
361365	0	6	-85,570	Y	N
361424	0	27	0	N	N
361479	0	208	0	N	N
361485	0	16	0	N	N
361495	0	9	0	N	N
361505	0	79	0	N	N
371530	0	17	0	Y	N
371555	0	37	-62,000	N	N
371562	0	29	0	Y	N
371581	0	21	0	Y	N
371590	0	1	0	N	N
381614	0	30	0	N	N
381622	0	19	0	N	N
391640	0	34	0	N	N
391677	3,969	58	0	N	N
421759	8,297	95	0	Y	Y
421936	0	9	0	N	N
432141	0	8	0	N	N
442107	0	83	-102,322	N	N
462206	0	1	0	N	N
472227	0	25	0	N	N
502279	0	30	0	N	N
502283	0	57	-78,108	N	N
522430	0	80	29,967	N	N

APPENDIX C3
2009 MODIFICATION OF AVERAGE SCHEDULES
2006 OR 2007 SAMPLE HIGH TRAFFIC VOLUME COMPANY ACCOUNTING DATA
FOR 2004, 2005 OR 2006

<u>Study Area Code</u>	170191	290559	442038	532399
<u>Data Year</u>	2006	2006	2004	2006
<u>Land & Support Facilities</u>	3,901,157	3,537,964	840,576	5,051,536
<u>Central Office Equipment</u>	14,738,361	30,162,047	1,413,824	10,886,866
<u>Cable & Wire Facilities</u>	17,881,540	32,701,126	1,121,092	12,036,351
<u>Tangible Assets</u>	0	808,060	0	0
<u>Intangible Assets</u>	150	340,994	0	0
<u>Materials & Supplies</u>	583,366	121,154	0	252,519
<u>Other Telephone Plant</u>	13,619	1,976,913	0	83,411
<u>Other Non-Current Assets</u>	0	0	0	0
<u>Cash Working Capital</u>	0	222,289	0	0
<u>Accumulated Depreciation & Amortization</u>	24,467,564	41,638,046	2,797,294	14,800,756
<u>Net Deferred Operating Income Tax</u>	2,808,769	1,118,746	0	705,779
<u>Network Support Expense</u>	54,510	31,482	92,895	0
<u>General Support Expense</u>	569,919	265,133	0	201,380
<u>Central Office Equipment Expense</u>	486,254	675,619	44,924	375,831
<u>Cable & Wire Facilities Expense</u>	476,019	935,455	103,067	429,483
<u>Other Property & Plant Expense</u>	0	1	0	0
<u>Network Operations Expense</u>	350,902	1,258,027	23,949	369,150
<u>Depreciation & Amortization Expense</u>	2,645,003	5,040,250	321,829	1,659,176
<u>Marketing Expense</u>	78,660	897,427	1,511	231,915
<u>Services Expense</u>	610,926	1,484,101	74,843	527,970
<u>General Administrative Expense</u>	1,828,673	3,260,425	372,075	1,161,293
<u>Contributions</u>	1,460	27,700	110	489
<u>Interest & Related Items</u>	13,107	2,742	195	26,437
<u>Interest on Customer Deposits</u>	72	15	1	145
<u>Other Long Term Liabilities</u>	315,035	34,091	0	526,879
<u>Federal Income Tax</u>	0	1,173,000	0	0
<u>State Income Tax</u>	379,663	188,116	0	252,258
<u>Other Operating Taxes</u>	752,659	437,774	56,538	252,258
<u>Allowance For Funds Used During Construction</u>	0	0	0	0
<u>Federal Investment Tax Credit</u>	0	371	0	0
<u>Provision For Deferred Operating Income Tax</u>	4,774	-279,297	0	0
<u>State Income Tax Indicator</u>	N	N	N	N
<u>Federal Income Tax Indicator</u>	N	N	N	N

APPENDIX C4
2009 MODIFICATION OF AVERAGE SCHEDULES
2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Land & Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable & Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials & 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 C4
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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 & 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

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 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable & 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>& 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

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2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Depreciation & 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

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 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Interest & 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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<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 C4
2009 MODIFICATION OF AVERAGE SCHEDULES
2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Land & Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable & Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials & 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

APPENDIX C4
2009 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 & 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

APPENDIX C4
 2009 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 & 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>& Plant</u>	<u>Expense</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

APPENDIX C4
 2009 MODIFICATION OF AVERAGE SCHEDULES
 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Depreciation & 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 C4
 2009 MODIFICATION OF AVERAGE SCHEDULES
 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2004

<u>Study Area Code</u>	<u>Interest & 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 C4
 2009 MODIFICATION OF AVERAGE SCHEDULES
 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 C5
2009 MODIFICATION OF AVERAGE SCHEDULES
2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Land & Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable & Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials & 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 C5
2009 MODIFICATION OF AVERAGE SCHEDULES
2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation & 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 C5
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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 & 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>& Plant</u>	<u>Expense</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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 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Depreciation & 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

APPENDIX C5
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 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Interest & 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

APPENDIX C5
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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

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2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Land & Support Facilities</u>	<u>Central Office Equipment</u>	<u>Cable & Wire Facilities</u>	<u>Tangible Assets</u>	<u>Intangible Assets</u>	<u>Materials & 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

APPENDIX C5
2009 MODIFICATION OF AVERAGE SCHEDULES
2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Other Telephone Plant</u>	<u>Other Non-Current Assets</u>	<u>Cash Working Capital</u>	<u>Accumulated Depreciation & 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

APPENDIX C5
 2009 MODIFICATION OF AVERAGE SCHEDULES
 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>General</u>	<u>Central Office</u>	<u>Cable & 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

APPENDIX C5
2009 MODIFICATION OF AVERAGE SCHEDULES
2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Depreciation & 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

APPENDIX C5
 2009 MODIFICATION OF AVERAGE SCHEDULES
 2006 SAMPLE AVERAGE SCHEDULE COMPANY ACCOUNTING DATA FOR 2005

<u>Study Area Code</u>	<u>Interest & 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 C5
 2009 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 D1
2009 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>
100019	6,044	1,208,385	139	14,721	14,721	0
100020	6,244	1,088,311	661	6,980	6,980	0
120042	462	44,608	0	51	51	0
120043	1,695	374,308	0	700	700	0
140053	876	146,665	0	191	191	0
150076	1,220	169,064	0	328	328	0
150125	7,501	1,261,538	0	582	582	0
170151	19,145	2,919,889	0	4,283	4,283	0
170161	275,762	45,232,326	6,506	926,794	926,794	0
170162	50,397	7,896,990	0	24,945	24,945	0
170193	59,006	17,121,691	2,903	70,858	70,858	0
170195	485	128,355	0	17	17	0
170196	10,516	2,360,951	0	2,461	2,461	0
170197	1,348	161,185	0	344	344	0
170210	1,298	224,924	0	502	502	0
190236	1,041	149,069	0	188	188	0
190237	1,384	310,790	0	1,106	1,106	0
190248	6,198	2,516,268	0	26,225	26,225	0
190253	2,146	492,321	0	1,636	1,636	0
200258	1,397	715,449	0	778	778	0
220387	20,047	3,038,205	0	25,205	25,205	0
220389	6,320	1,260,119	0	2,598	2,598	0
230491	99,020	24,819,464	1,789	45,843	45,843	0
230500	1,138	273,141	0	437	437	0
240516	15,678	3,760,127	1,613	73,006	73,006	0
240532	581	56,117	0	0	0	0
240536	13,707	3,179,612	0	30,505	30,505	0
240541	2,141	608,927	0	1,464	1,464	0
240546	16,111	3,869,419	0	31,277	31,277	0
250283	10,904	3,032,170	1,698	16,035	16,035	0
250285	941	274,042	0	16	16	0
250311	2,209	396,579	0	601	601	0
250312	7,024	1,752,336	0	9,557	9,557	0
250322	4,367	2,014,920	712	24,070	24,070	0
260412	1,295	240,854	0	372	372	0
260414	15,996	3,630,260	659	171,787	103,140	68,647
260419	7,541	1,626,448	397	130,975	112,440	18,535
270428	1,215	144,579	0	0	0	0
280460	5,248	993,627	0	729	729	0
287449	754	139,920	0	180	180	0
290554	12,298	2,273,482	662	18,478	18,478	0
290565	25,433	4,659,771	0	57,334	57,334	0
300594	9,149	1,400,421	0	3,777	3,777	0
300609	3,393	454,937	0	377	377	0
300634	3,068	665,007	0	377	377	0
300645	1,138	277,013	0	122	122	0

APPENDIX D1
 2009 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>
100019	931	1,034	3,203	6	3.0000	2007
100020	816	1,064	37,292	3	2.0000	2007
120042	22	24	354	1	3.0621	2007
120043	152	163	8,198	1	1.0000	2007
140053	33	35	3,046	1	6.0000	2006
150076	29	31	5,953	1	5.0000	2006
150125	166	178	46,512	2	2.0000	2006
170151	753	809	56,731	2	2.0000	2007
170161	19,352	22,019	923,962	79	2.0000	2007
170162	1,643	1,765	188,363	10	2.0000	2007
170193	5,288	5,915	676,353	8	2.0000	2007
170195	20	21	3,010	1	6.7887	2006
170196	441	474	0	4	2.0000	2007
170197	55	59	563	1	2.0000	2006
170210	74	79	9,422	1	2.0000	2006
190236	37	40	0	1	5.0000	2007
190237	77	83	6,233	3	8.2435	2006
190248	801	860	16,955	6	2.0000	2007
190253	232	249	27,866	1	2.0000	2006
200258	130	140	5,217	1	1.0000	2007
220387	934	1,003	86,002	2	2.0000	2007
220389	264	284	30,729	3	6.9197	2007
230491	5,072	5,876	729,624	3	2.0000	2006
230500	82	88	6,267	1	5.1524	2007
240516	2,195	2,801	123,133	3	2.0000	2006
240532	11	0	0	1	7.7542	2006
240536	518	556	69,670	6	6.2590	2007
240541	181	194	11,335	1	5.0000	2006
240546	826	970	58,873	7	2.0000	2006
250283	2,088	2,243	90,307	3	2.0000	2007
250285	60	64	1,487	1	5.2659	2007
250311	112	120	1,881	4	6.5751	2006
250312	538	586	22,948	1	2.0000	2006
250322	699	657	28,661	4	2.0000	2007
260412	56	60	17,229	1	5.0000	2007
260414	1,719	2,024	58,732	7	3.0000	2007
260419	1,874	1,083	41,419	6	2.0000	2006
270428	135	145	6,999	1	6.0000	2007
280460	287	308	15,204	4	9.7132	2007
287449	46	49	847	1	6.2351	2006
290554	999	1,374	33,735	5	3.0000	2006
290565	1,615	1,735	118,107	10	2.0000	2007
300594	239	257	38,148	2	2.0000	2007
300609	159	171	3,952	1	2.0000	2007
300634	93	100	5,989	1	5.0000	2006
300645	25	0	3,568	1	5.0009	2006

APPENDIX D1
2009 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>
300651	390	69,771	0	62	62	0
310675	4,706	951,766	0	23,706	23,706	0
310676	7,091	1,070,227	0	5,666	5,666	0
310688	1,307	219,279	0	6,557	6,557	0
310725	1,087	220,742	0	150	150	0
320744	1,572	304,137	0	722	722	0
320751	2,319	429,944	0	56,485	56,485	0
320756	1,050	172,010	0	29,374	29,374	0
320777	2,507	484,000	0	326	326	0
320792	2,702	312,527	0	69,808	69,808	0
320826	963	131,702	0	27,842	27,842	0
320827	1,662	221,973	0	39,817	39,817	0
330842	6,527	1,321,438	248	84,567	32,580	51,987
330848	196	43,447	0	49	49	0
330849	1,367	198,468	0	545	545	0
330865	1,555	330,466	0	1,341	1,341	0
330881	30,692	12,913,246	0	19,296	19,296	0
330889	1,934	460,210	0	4,506	3,060	1,446
330896	1,606	257,570	0	1,170	1,170	0
330915	4,855	860,180	0	1,077	1,077	0
330944	8,754	2,438,034	224	157,803	54,540	103,263
330951	2,837	795,176	0	3,444	3,444	0
330955	9,655	1,811,018	303	4,298	4,298	0
330966	7,319	1,217,172	0	8,790	8,790	0
330968	7,053	1,086,883	0	518	518	0
341050	3,043	1,169,106	0	1,696	1,696	0
341087	629	95,725	0	1,037	1,037	0
351108	157	26,212	0	63	63	0
351113	1,475	172,448	0	5,597	1,920	3,677
351119	402	72,895	0	4,598	1,080	3,518
351139	1,436	168,111	0	14,892	5,220	9,672
351146	342	47,637	0	3,137	1,200	1,937
351160	1,030	195,560	0	15,776	3,360	12,416
351168	1,763	381,178	134	25,124	8,760	16,364
351188	533	72,831	69	10,609	2,280	8,329
351189	869	135,982	38	2,203	2,160	43
351199	451	62,700	0	6,531	960	5,571
351220	1,731	221,011	0	20,489	20,489	0
351228	250	31,092	0	3,366	1,920	1,446
351237	1,449	269,631	57	8,004	8,004	0
351242	726	92,713	0	6,347	1,080	5,267
351243	86	8,912	0	7,122	2,100	5,022
351251	1,982	386,462	0	33,399	8,040	25,359
351252	4,685	1,230,669	0	54,287	34,500	19,787
351271	1,903	327,484	0	24,085	7,920	16,165
351274	1,661	1,912,197	0	346	346	0

APPENDIX D1
 2009 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>
300651	13	14	0	1	6.7646	2006
310675	422	453	0	4	2.0000	2007
310676	166	178	7,912	4	9.2479	2006
310688	1,163	493	30,555	1	2.0000	2007
310725	30	32	1,770	1	5.0000	2006
320744	49	53	9,825	3	7.3964	2006
320751	1,464	169	10,505	2	5.1985	2007
320756	1,447	85	287	1	5.0000	2006
320777	40	0	12,221	1	5.0000	2006
320792	2,177	211	16,481	1	5.0000	2007
320826	1,660	82	2,987	1	5.0000	2007
320827	1,754	119	14,339	1	5.0000	2007
330842	543	522	37,543	3	2.0000	2006
330848	10	0	302	2	5.0000	2006
330849	20	22	7,602	1	5.0000	2007
330865	31	0	11,534	1	5.0000	2007
330881	2,567	2,758	323,848	2	2.0000	2006
330889	51	0	5,904	2	5.4779	2006
330896	87	93	2,240	2	7.0621	2006
330915	162	174	24,927	1	5.0000	2007
330944	909	909	108,081	2	2.0000	2006
330951	95	102	7,560	1	5.0000	2006
330955	625	743	42,867	1	2.0000	2007
330966	481	413	14,576	8	10.5860	2007
330968	120	129	38,420	1	2.0000	2007
341050	256	275	10,041	1	5.0000	2006
341087	77	23	2,680	1	5.4394	2006
351108	7	0	0	1	5.0000	2007
351113	32	59	11,409	1	5.7293	2007
351119	18	36	2,585	1	9.8923	2007
351139	87	140	13,989	4	7.4286	2007
351146	20	36	1,231	1	8.8062	2006
351160	56	100	4,570	2	10.0819	2006
351168	146	280	17,623	7	2.0000	2006
351188	38	71	5,149	1	2.0000	2007
351189	36	66	8,196	2	5.0000	2006
351199	16	33	2,719	1	8.2136	2007
351220	544	110	10,836	2	6.2224	2006
351228	32	57	2,203	1	8.0328	2007
351237	133	272	15,924	4	5.0221	2007
351242	18	33	6,269	1	6.6342	2007
351243	35	62	0	1	5.0000	2006
351251	134	233	16,281	3	5.1868	2006
351252	575	356	35,906	1	5.0000	2006
351271	132	211	11,712	1	9.5035	2006
351274	98	106	5,110	1	2.0000	2007

APPENDIX D1
2009 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>
351277	467	60,850	0	4,353	1,380	2,973
351291	1,744	504,552	37	65,524	23,880	41,644
351292	222	1,588,926	714	179,136	26,940	152,196
351293	1,090	183,104	0	14,228	3,600	10,628
351298	13,461	2,485,485	0	101,043	73,920	27,123
351301	681	139,581	53	24,169	5,520	18,649
351302	1,141	138,499	0	17,726	2,880	14,846
351303	601	75,005	0	9,972	9,600	372
351319	2,708	406,584	0	18,340	5,640	12,700
351320	546	152,648	0	39,957	39,957	0
351322	472	58,970	0	15	15	0
351328	4,481	569,256	253	66,026	22,020	44,006
351331	4,691	719,774	130	46,314	37,860	8,454
351336	1,760	212,749	0	17,091	2,400	14,691
351343	600	296,700	0	12,299	2,040	10,259
361347	3,497	394,575	0	7,387	5,640	1,747
361348	75	4,906	0	2,390	900	1,490
361353	1,216	231,829	0	3,890	3,890	0
361358	6,435	1,011,852	172	16,845	16,845	0
361362	7,666	1,454,114	0	13,278	13,278	0
361365	295	64,100	0	0	0	0
361373	9,448	1,054,444	0	33,777	21,480	12,297
361384	251	29,289	0	100	100	0
361403	803	210,483	0	10,224	4,500	5,724
361409	11,095	1,393,046	0	28,366	12,840	15,526
361412	4,277	649,036	0	1,944	1,944	0
361424	756	125,916	0	3,770	3,770	0
361431	2,682	369,480	0	13,850	7,740	6,110
361443	11,675	2,013,595	0	45,220	29,580	15,640
361479	16,837	2,899,287	0	4,892	4,892	0
361485	1,280	255,191	0	3,587	3,587	0
361494	1,093	136,997	0	3,087	2,040	1,047
361495	757	351,868	0	54,539	10,920	43,619
361505	6,200	1,021,319	383	66,231	35,700	30,531
371530	1,492	385,206	174	17,374	17,374	0
371555	5,797	1,570,484	0	10,515	10,515	0
371555	5,797	1,570,484	0	10,515	10,515	0
371562	1,112	220,381	0	2,129	2,129	0
371581	1,711	231,618	178	1,560	1,560	0
371590	83	13,772	0	0	0	0
371590	83	13,772	0	0	0	0
381614	2,087	564,065	0	13,619	13,619	0
381622	919	174,113	69	3,538	3,538	0
383303	36,529	8,214,277	1,693	211,462	211,462	0
391640	1,543	302,778	0	70,701	70,701	0
391650	12,431	3,884,134	0	70,045	26,100	43,945

APPENDIX D1
 2009 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>
351277	23	23	5,420	1	7.2608	2007
351291	398	328	3,042	4	2.0000	2006
351292	449	898	0	1	2.0000	2007
351293	60	102	10,469	2	8.2440	2007
351298	1,232	632	89,199	6	2.0000	2006
351301	92	178	1,905	3	5.7158	2006
351302	48	87	10,945	1	5.0000	2007
351303	160	65	4,170	2	11.4777	2007
351319	94	141	14,576	6	6.0161	2006
351320	1,025	196	2,752	1	2.0000	2006
351322	9	0	2,783	1	6.3712	2007
351328	367	728	18,518	16	7.0269	2006
351331	631	282	15,202	6	2.0000	2006
351336	40	80	12,521	1	5.0000	2007
351343	34	64	3,624	1	6.5412	2006
361347	94	141	10,026	3	12.0517	2007
361348	15	26	0	1	5.0000	2007
361353	66	118	6,477	1	5.0000	2007
361358	268	288	69,438	7	2.0000	2007
361362	456	490	88,654	2	2.0000	2006
361365	0	0	1,278	1	6.0568	2007
361373	358	456	28,918	10	5.6348	2006
361384	10	9	0	1	2.0000	2006
361403	75	94	2,065	1	5.3140	2006
361409	214	365	66,980	1	2.0000	2006
361412	83	125	1,642	3	5.0000	2006
361424	115	124	4,444	2	9.2261	2007
361431	129	182	16,945	4	5.0000	2006
361443	493	683	39,585	9	5.0886	2006
361479	551	592	50,587	3	2.0000	2007
361485	81	87	6,320	2	7.0845	2007
361494	34	50	3,695	1	5.0000	2006
361495	182	276	3,723	2	2.0000	2007
361505	595	895	10,579	18	3.0000	2007
371530	287	311	22,315	5	1.0000	2007
371555	295	317	58,493	9	3.1577	2006
371555	295	317	52,828	9	6.0000	2007
371562	82	129	9,158	3	3.1610	2007
371581	124	201	15,649	2	6.0000	2007
371590	10	11	0	1	6.0000	2006
371590	10	11	0	1	2.5000	2007
381614	522	99	72,433	6	9.1748	2007
381622	90	144	8,646	2	5.8309	2007
383303	3,451	3,707	550,877	26	2.0000	2006
391640	2,005	197	10,018	3	6.0000	2007
391650	435	713	50,556	1	1.0000	2006

APPENDIX D1
 2009 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>
391660	6,236	1,249,904	0	15,660	15,660	0
391677	4,911	750,134	181	146,460	130,920	15,540
391677	4,911	750,134	181	146,460	130,920	15,540
391684	1,734	241,519	40	25,680	25,680	0
401712	6,947	1,697,446	168	14,612	14,612	0
421759	2,408	701,236	0	6,022	6,022	0
421893	542	87,476	0	0	0	0
421936	522	119,584	0	161	161	0
431704	1,202	264,298	0	70	70	0
431704	1,202	264,298	0	70	70	0
431968	1,776	303,756	0	2,989	2,989	0
432141	751	170,011	0	1,416	1,416	0
442107	7,509	1,238,605	0	867	867	0
462206	75	13,086	0	0	0	0
462206	75	13,086	0	0	0	0
472227	1,413	425,111	0	37,272	11,400	25,872
502279	1,642	400,299	0	608	608	0
502282	3,091	493,813	0	3,391	3,391	0
502283	2,605	646,363	0	95,851	78,360	17,491
522430	4,214	915,938	0	3,000	3,000	0
613026	179	26,994	0	0	0	0

APPENDIX D1
 2009 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>
391660	348	374	10,651	8	6.0000	2006
391677	2,182	1,832	18,872	5	6.0000	2006
391677	2,182	1,832	21,798	5	1.0000	2007
391684	2,102	261	0	2	4.2565	2006
401712	742	916	21,763	8	2.0000	2006
421759	256	96	10,506	6	5.0042	2007
421893	61	65	2,311	1	7.1518	2006
421936	50	54	0	1	6.2201	2007
431704	80	86	4,997	1	1.0000	2006
431704	80	86	4,997	1	6.0000	2006
431968	155	167	12,056	1	2.5000	2006
432141	28	30	7,756	3	6.0000	2007
442107	295	317	47,318	1	1.0000	2007
462206	20	21	0	1	2.5000	2006
462206	20	21	0	1	6.0000	2007
472227	190	190	3,384	5	3.0087	2007
502279	57	61	7,218	1	5.0000	2007
502282	223	240	14,285	2	11.1059	2006
502283	1,306	567	141,592	5	5.4728	2007
522430	225	242	15,997	3	6.0000	2007
613026	7	7	997	1	6.0000	2006

APPENDIX D2

2009 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY DEMAND DATA

Sequence	Exchange Count	Access Lines	Minutes of Use	DEM Weighting Factor	High Volume Minutes of Use	Interstate	Host	Circuit Miles	Switched Terminations	Host	Host Imputed ITD	Adjusted	Adjusted	Data	Sample Weight	TS Participant	Special Access Indicator
						Toll Circuit Miles	Remote Circuit Miles			Special Access Revenues		Adjusted DSL Revenues	Collection Year				
1001	3	1,420	301,114	3.0	0	2,981	792	3,772	162	35	0	2,987	2,551	2006	12.42	1	1
1002	4	4,838	1,111,354	3.0	0	826	894	1,719	242	86	0	20,706	12,894	2007	6.19	1	1
1003	24	23,549	6,242,651	2.0	0	109,876	0	109,876	1,930	0	0	144,092	59,921	2006	5.00	1	1
1004	4	12,498	3,439,819	2.5	0	7,033	2,888	9,922	1,492	102	587	54,700	25,418	2007	5.49	1	1
1005	1	1,652	630,736	3.0	168,176	1,030	0	1,030	168	0	0	4,859	3,633	2007	2.00	1	1
1006	9	20,822	6,256,735	2.0	426,575	172,061	18,032	190,092	3,192	479	0	147,567	83,719	2006	2.00	1	1
1007	8	6,270	1,867,826	3.0	112,226	2,618	0	2,618	471	0	0	31,284	18,095	2006	5.24	1	1
1008	4	3,536	815,257	3.0	0	1,432	3,357	4,789	128	71	0	20,087	13,801	2007	7.76	1	1
1009	3	6,287	1,359,184	3.0	0	2,662	209	2,871	360	30	0	32,696	9,573	2007	5.27	1	1
1010	6	7,543	1,374,130	3.0	0	2,299	1,662	3,961	308	171	0	17,002	8,983	2006	5.51	1	1
1011	1	1,039	200,470	3.0	0	84	0	84	70	0	0	6,767	6,621	2006	12.07	1	1
1012	2	1,779	403,661	3.0	0	363	0	363	51	0	0	16,616	9,185	2006	5.00	1	1
1013	3	5,243	1,789,840	3.0	321,800	6,775	2,091	8,866	305	82	0	13,528	12,029	2007	5.76	1	1
1014	4	7,340	1,423,389	3.0	0	3,525	366	3,892	307	30	0	27,334	11,864	2006	5.73	1	1
1015	1	1,130	291,929	3.0	0	4,821	0	4,821	91	0	0	4,775	2,800	2006	2.61	1	1
1016	1	3,799	1,497,923	3.0	434,203	2,519	0	2,519	200	0	0	21,712	5,820	2006	5.00	1	1
1017	3	12,595	2,278,221	2.5	0	5,503	744	6,247	340	84	0	49,709	20,496	2006	5.00	1	1
1018	4	4,940	952,476	3.0	0	3,216	462	3,678	193	27	0	20,573	9,252	2006	6.87	1	1
1019	1	15,724	2,980,274	2.5	0	22,347	0	22,347	1,271	0	0	143,811	17,774	2007	3.00	1	1
1020	7	11,634	2,707,346	2.5	0	49,736	1,756	51,492	1,300	214	596	101,039	25,269	2007	4.00	1	1
1021	6	11,344	1,796,607	2.5	0	20,257	14,504	34,761	947	227	0	73,600	22,607	2007	5.77	1	1
1022	4	11,286	2,106,026	2.5	0	33,308	9,901	43,210	747	175	0	54,771	22,777	2006	6.40	1	1
1023	7	11,788	2,695,042	2.5	0	48,996	6,353	55,349	1,024	141	0	77,130	36,835	2006	5.63	1	1
1024	3	4,254	1,143,242	3.0	0	1,477	0	1,477	327	0	0	11,360	4,605	2007	5.00	1	1
1025	3	2,454	754,534	3.0	67,414	4,400	1,453	5,853	225	75	0	19,231	11,069	2006	9.65	1	1
1026	2	3,491	853,161	3.0	0	5,028	1,213	6,241	285	76	0	3,928	2,880	2006	7.24	1	1
1027	1	3,025	683,426	3.0	0	6,063	0	6,063	144	0	0	20,331	16,071	2007	5.00	1	1
1028	3	5,558	962,730	3.0	0	10,682	1,447	12,129	352	56	0	21,727	15,148	2006	5.00	1	1
1029	4	12,880	2,894,183	2.5	0	24,454	5,477	29,931	545	100	0	46,200	31,048	2007	5.00	1	1
1030	6	6,423	1,536,349	3.0	0	15,327	2,329	17,657	474	42	380	34,383	17,513	2007	5.00	1	1
1031	19	17,007	4,286,517	2.5	0	111,212	5,755	116,967	2,426	61	819	86,414	59,805	2006	3.00	1	1
1032	3	4,780	520,577	3.0	0	3,131	0	3,131	312	0	0	57,484	36,959	2006	5.00	1	1
1033	5	13,229	2,810,657	2.5	0	2,407	17,689	20,097	654	290	0	109,870	19,890	2007	5.93	1	1
1034	2	4,974	1,182,709	3.0	0	4,054	0	4,054	592	0	491	17,429	0	2007	8.90	1	1
1035	7	4,017	1,270,804	3.0	146,044	2,095	7,044	9,139	225	47	0	14,342	5,433	2007	7.44	1	1
1036	10	8,471	2,221,413	3.0	0	7,558	4,209	11,766	386	105	0	30,745	15,900	2006	5.11	1	1
1037	8	16,952	3,611,373	2.5	0	14,646	4,595	19,242	1,698	108	0	63,600	35,453	2006	5.00	1	1
1038	4	4,284	610,920	3.0	0	465	637	1,101	149	44	0	16,392	3,831	2007	5.00	1	1
1039	1	1,971	392,388	3.0	0	832	0	832	121	0	0	9,913	6,122	2007	7.36	1	1
1040	1	1,438	376,474	3.0	0	0	1,948	1,948	79	34	0	9,284	78	2006	7.31	1	1
1041	6	3,971	1,019,447	3.0	0	4,340	2,437	6,777	163	67	0	19,063	5,071	2007	6.41	1	1
1042	1	2,388	791,459	3.0	122,819	0	0	0	242	0	0	18,578	8,509	2007	6.30	1	1

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Sequence	Exchange Count	Access Lines	Minutes of Use	DEM Weighting Factor	High Volume Minutes of Use	Interstate	Host	Circuit Miles	Switched Terminations	Host	Host Imputed ITD	Adjusted	Adjusted DSL Revenues	Data	Sample Weight	TS Participant	Special
						Toll Circuit Miles	Remote Circuit Miles			Special Access Revenues		Collection Year		Access Indicator			
1043	5	12,907	4,116,533	2.5	502,573	9,837	1,327	11,164	1,798	128	820	74,602	22,862	2007	2.00	1	1
1044	3	4,540	1,807,066	3.0	535,866	22,766	0	22,766	589	0	0	34,538	15,406	2007	2.00	1	1
1045	1	1,754	406,579	3.0	0	419	0	419	49	0	0	6,362	2,390	2006	8.46	1	1
1046	6	5,854	1,277,559	3.0	0	20,861	3,719	24,581	443	75	393	18,704	0	2006	3.00	1	1
1047	5	2,815	667,315	3.0	0	17,268	0	17,268	407	0	255	996	0	2007	5.62	1	1
1048	4	26,032	4,770,160	2.0	0	15,855	1,831	17,686	1,388	116	0	96,885	1,849	2007	3.00	1	1
1049	1	539	119,933	3.0	0	0	0	0	0	0	0	4,511	1,238	2006	20.10	1	1
1050	1	691	120,987	3.0	0	2,938	0	2,938	51	0	0	8,619	5,271	2007	5.84	1	1
1051	2	854	289,806	3.0	50,686	3,461	0	3,461	86	0	0	6,085	2,264	2007	2.00	1	1
1052	1	997	146,166	3.0	0	806	0	806	60	0	0	5,911	4,268	2007	2.00	1	1
1053	1	508	100,766	3.0	0	1,460	0	1,460	119	0	0	110	0	2006	2.00	1	1
1054	2	390	73,310	3.0	0	0	0	0	20	0	0	2,963	2,575	2007	5.00	1	1
1055	8	4,681	1,061,994	3.0	0	1,846	3,412	5,258	224	103	0	8,959	6,788	2006	6.39	1	1
1056	2	1,947	369,862	3.0	0	12,968	67	13,035	103	7	0	3,704	0	2006	8.95	1	1
1057	2	1,703	208,022	3.0	0	3,181	183	3,363	127	10	119	3,283	0	2006	16.83	1	1
1058	12	17,955	3,600,374	2.0	0	55,869	28,881	84,750	883	282	372	90,745	33,155	2007	4.00	1	1
1059	1	4,791	847,420	3.0	0	9,689	0	9,689	247	0	0	41,565	26,848	2007	2.00	1	1
1060	1	1,485	218,020	3.0	0	8,429	0	8,429	93	0	0	7,008	5,526	2006	8.93	1	1
1061	24	15,431	3,187,923	2.5	0	67,625	26,066	93,691	903	294	439	71,274	40,936	2007	4.00	1	1
1062	6	12,826	1,691,447	2.5	0	23,172	0	23,172	625	0	419	72,410	28,074	2006	4.00	1	1
1063	1	517	65,096	3.0	0	87	0	87	14	0	0	4,786	3,464	2007	2.00	1	1
1064	2	3,201	527,345	3.0	0	2,049	173	2,222	100	18	0	8,168	0	2007	8.19	1	1
1065	4	17,463	2,282,913	2.5	0	20,096	0	20,096	831	0	0	45,518	0	2007	2.00	1	1
1066	5	5,960	1,033,435	3.0	0	10,120	0	10,120	119	0	0	28,270	0	2007	5.00	1	1
1067	7	3,411	837,882	3.0	0	23,321	4,550	27,872	186	91	0	21,903	8,572	2007	6.92	1	1
1068	7	2,231	540,398	3.0	0	76,114	1,991	78,105	146	50	0	23,124	11,640	2007	10.83	1	1
1069	3	854	159,473	3.0	0	840	76	916	50	9	0	4,399	2,791	2006	20.13	1	1
1070	8	3,185	974,288	3.0	82,488	6,454	1,681	8,135	225	81	0	14,573	5,834	2006	8.16	1	1
1071	1	1,591	898,738	3.0	453,258	63,080	0	63,080	318	0	0	12,972	5,533	2006	1.00	1	1
1072	1	716	150,279	3.0	0	51	0	51	51	0	0	4,314	2,812	2007	3.24	1	1
1073	20	7,770	1,917,659	3.0	0	30,648	8,792	39,440	429	168	0	68,072	15,535	2007	5.00	1	1
1074	19	7,042	1,734,293	3.0	0	10,283	16,427	26,711	434	183	0	21,694	19,902	2006	5.30	1	1
1075	2	3,758	1,123,104	3.0	70,864	3,725	274	3,999	132	19	0	25,700	9,624	2006	6.02	1	1
1076	18	6,701	1,423,169	3.0	0	34,491	30,173	64,664	506	183	0	54,085	23,161	2006	5.00	1	1
1077	12	4,742	985,097	3.0	0	33,125	16,185	49,310	837	132	0	38,412	14,096	2007	5.12	1	1
1078	21	8,106	1,537,438	3.0	0	132,792	18,017	150,809	576	222	176	61,051	17,096	2006	5.78	1	1
1079	20	8,719	2,104,881	3.0	0	68,426	17,059	85,485	856	211	250	109,068	20,328	2006	4.00	1	1
1080	5	3,339	879,004	3.0	0	7,633	3,710	11,343	173	50	0	18,292	8,905	2007	5.00	1	1
1081	27	15,039	4,098,841	2.5	0	139,371	47,568	186,939	1,035	246	0	128,444	36,216	2006	4.00	1	1
1082	10	4,496	868,294	3.0	0	31,888	0	31,888	626	0	282	42,841	30,968	2007	1.00	1	1
1083	10	4,690	891,557	3.0	0	17,036	10,685	27,722	268	113	0	40,215	27,130	2007	5.46	1	1
1084	8	3,768	1,125,707	3.0	70,667	13,049	7,180	20,229	312	113	0	24,229	7,944	2007	2.00	1	1

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Sequence	Exchange Count	Access Lines	Minutes of Use	DEM Weighting Factor	High Volume Minutes of Use	Interstate	Host	Circuit Miles	Switched Terminations	Host	Imputed ITD	Adjusted	Adjusted	Data	Sample Weight	TS Participant	Special Access Indicator
						Toll Circuit Miles	Remote Circuit Miles			Special Access Revenues		DSL Revenues	Collection Year				
1085	4	8,327	2,031,380	3.0	0	12,809	237	13,047	848	50	353	43,246	12,478	2007	7.31	1	1
1086	4	3,643	901,837	3.0	0	183	937	1,120	363	48	0	20,293	8,133	2007	7.34	1	1
1087	1	1,568	308,357	3.0	0	189	0	189	59	0	0	8,153	5,746	2007	2.00	1	1
1088	6	7,444	2,361,000	3.0	276,680	1,061	4,021	5,082	322	166	0	54,846	27,313	2007	2.00	1	1
1089	5	9,378	1,803,317	3.0	0	35,775	0	35,775	1,130	0	0	52,761	26,207	2007	2.00	1	1
1090	10	6,790	1,728,345	3.0	0	7,798	13,085	20,883	614	196	155	31,509	10,675	2006	7.38	1	1
1091	2	3,764	912,028	3.0	0	2,138	0	2,138	298	0	232	26,035	8,441	2006	10.54	1	1
1092	12	4,299	1,839,530	3.0	635,810	235	0	235	115	0	0	40,306	20,823	2006	2.00	1	1
1093	1	1,521	357,493	3.0	0	6,007	0	6,007	121	0	0	29,542	7,278	2007	2.00	1	1
1094	4	372	77,984	3.0	0	817	330	1,147	130	11	0	3,087	2,090	2006	6.00	1	1
1095	12	3,527	856,168	3.0	0	1,263	0	1,263	200	0	0	22,248	13,118	2007	5.00	1	1
1096	3	805	216,803	3.0	0	9,013	351	9,364	992	22	0	15,457	3,179	2006	10.74	1	1
1097	15	2,633	650,370	3.0	0	792	0	792	125	0	0	15,762	10,939	2007	5.00	1	1
1098	10	2,090	510,545	3.0	0	5,651	0	5,651	167	0	0	26,156	6,988	2006	5.00	1	1
1099	1	369	243,214	3.0	139,894	138	0	138	208	0	0	0	0	2007	1.00	1	0
1100	2	662	147,999	3.0	0	172	0	172	50	0	0	5,699	1,830	2006	5.00	1	1
1101	3	3,751	805,409	3.0	0	1,590	0	1,590	165	0	0	37,988	10,330	2006	5.00	1	1
1102	3	2,654	799,953	3.0	56,833	5,042	496	5,538	131	24	0	44,980	6,515	2006	2.00	1	1
1103	15	14,242	3,572,747	2.5	0	190,462	28,064	218,526	63,961	265	0	249,942	23,760	2007	3.00	1	1
1104	39	10,807	2,877,270	2.5	0	31,758	0	31,758	1,826	0	0	106,724	40,012	2006	3.00	1	1
1105	2	865	504,175	3.0	261,975	223	0	223	36	0	0	8,615	5,197	2006	5.00	1	1
1106	14	4,683	2,540,560	3.0	1,229,320	4,866	8,332	13,199	730	166	0	18,500	10,386	2007	7.99	1	1
1107	8	1,268	358,656	3.0	3,616	199	1,433	1,632	149	51	0	9,629	2,404	2007	2.00	1	1
1108	1	842	215,691	3.0	0	283	0	283	79	0	0	2,055	1,380	2007	12.44	1	1
1109	2	2,604	1,338,202	3.0	609,082	0	1,507	1,507	106	106	0	8,002	2,115	2007	2.00	1	1
1110	9	15,895	2,665,723	2.5	0	1,236	7,578	8,814	1,068	123	0	109,337	37,151	2007	5.00	1	1
1111	7	5,605	955,267	3.0	0	338,775	171	338,945	944	15	596	31,955	16,363	2006	7.96	1	1
1112	2	1,640	760,751	3.0	301,551	1,536	0	1,536	98	0	0	9,435	7,068	2007	2.00	1	1
1113	14	4,237	982,821	3.0	0	18,202	7,983	26,184	498	127	0	11,147	8,871	2007	9.25	1	1
1114	1	480	83,712	3.0	0	26	0	26	26	0	0	2,617	1,955	2006	15.68	1	1
1115	2	329	122,774	3.0	30,654	312	0	312	32	0	0	657	657	2007	5.00	1	1
1116	3	1,581	2,539,996	3.0	2,097,316	7,661	0	7,661	755	0	286	2,608	1,738	2007	2.00	1	1
1117	2	10,229	2,137,999	2.5	0	1,653	3,666	5,319	927	285	0	48,998	10,633	2007	7.05	1	1
1118	2	1,206	318,449	3.0	0	232	65	297	78	22	0	7,252	2,651	2006	2.00	1	1
1119	7	2,230	517,097	3.0	0	2,978	0	2,978	131	0	133	12,736	8,606	2006	9.71	1	1
1120	9	7,958	2,097,405	3.0	0	179	0	179	926	0	909	59,277	26,359	2006	2.00	1	1
1121	11	9,542	2,384,063	2.5	0	11,261	24,566	35,827	631	214	0	136,398	24,896	2007	5.56	1	1
1122	9	4,032	824,735	3.0	0	97,392	2,052	99,445	3,369	97	2,225	49,105	18,435	2006	2.00	1	1
1123	3	8,501	1,400,733	3.0	0	89,675	1,106	90,781	2,983	125	0	44,820	21,098	2006	7.54	1	1
1124	22	15,871	7,958,027	2.0	3,514,147	105,228	45,543	150,771	2,482	262	726	183,050	55,421	2007	2.00	1	1
1125	5	5,994	2,339,939	3.0	661,619	22,795	0	22,795	1,674	0	882	29,799	10,825	2007	2.00	1	1
1126	5	2,404	547,901	3.0	0	295	2,032	2,327	128	54	0	7,215	7,215	2007	9.95	1	1

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Sequence	Exchange Count	Access Lines	Minutes of Use	DEM Weighting Factor	High Volume Minutes of Use	Interstate	Host	Circuit Miles	Switched Terminations	Host	Host Imputed ITD	Adjusted	Adjusted	Data	Sample Weight	TS Participant	Special Access Indicator
						Toll Circuit Miles	Remote Circuit Miles			Special Access Revenues		Adjusted DSL Revenues	Collection Year				
1127	6	7,632	1,804,593	3.0	0	4,628	636	5,264	1,283	83	1,049	56,012	13,415	2006	6.54	1	1
1128	5	917	178,807	3.0	0	3,288	369	3,657	90	20	49	3,100	1,421	2007	5.00	1	1
1129	6	2,200	445,754	3.0	0	2,822	1,946	4,768	282	51	0	16,509	4,263	2006	2.00	1	1
1130	17	7,293	983,876	3.0	0	29,317	4,197	33,514	548	109	320	42,127	24,846	2007	6.50	1	1
1131	8	5,012	836,601	3.0	0	15,951	638	16,589	650	49	332	27,609	7,303	2007	7.75	1	1
1132	21	30,736	4,872,032	2.0	0	22,094	0	22,094	2,087	0	1,249	169,552	43,049	2006	4.00	1	1
1133	15	40,679	6,833,519	2.0	0	29,666	160	29,826	2,558	13	1,683	374,523	146,317	2007	4.00	1	1
1134	15	17,043	2,970,630	2.5	0	5,279	968	6,247	408	68	216	62,270	11,671	2007	5.00	1	1
1135	3	2,339	268,177	3.0	0	2,226	0	2,226	233	0	0	19,233	6,985	2007	11.11	1	1
1136	11	2,091	489,426	3.0	0	0	7,767	7,767	91	91	0	3,653	1,439	2007	9.09	1	1
1137	1	2,617	551,396	3.0	0	986	474	1,459	86	40	0	8,746	4,058	2007	5.37	1	1
1138	10	7,669	2,257,764	3.0	110,444	11,677	1,049	12,726	700	46	301	109,575	29,469	2006	2.00	1	1
1139	1	191	33,037	3.0	0	0	0	0	19	0	0	1,722	0	2006	2.00	1	1
1140	3	1,073	403,881	3.0	103,441	859	0	859	119	0	0	8,488	3,014	2006	2.00	1	1
1141	5	1,352	382,946	3.0	4,386	1,112	0	1,112	87	0	0	5,288	3,100	2007	5.00	1	1
1142	7	4,687	1,599,003	3.0	286,643	0	0	0	262	0	0	54,960	11,914	2006	2.00	1	1
1143	1	3,450	788,113	3.0	0	3,913	0	3,913	332	0	0	50,739	5,874	2007	5.06	1	1
1144	1	567	249,312	3.0	90,552	325	0	325	26	0	0	4,122	2,408	2006	2.00	1	1
1145	1	987	263,212	3.0	0	836	0	836	60	0	0	7,235	4,032	2006	10.21	1	1
1146	2	223	65,689	3.0	3,249	0	0	0	0	0	0	1,468	0	2006	5.00	1	1
1147	1	203	67,688	3.0	10,848	191	0	191	10	0	0	5,162	1,537	2007	17.05	1	1
1148	4	1,777	383,697	3.0	0	0	0	0	0	0	0	8,063	0	2007	5.00	1	1
1149	9	4,546	1,442,026	3.0	169,146	9,317	2,259	11,576	387	92	0	32,147	10,965	2007	5.55	1	1
1150	5	2,063	732,417	3.0	154,777	13,471	7,791	21,262	264	84	0	13,715	4,110	2006	2.00	1	1
1151	2	3,443	947,627	3.0	0	2,656	0	2,656	219	0	0	36,746	7,457	2007	5.00	1	1
1152	7	1,153	433,378	3.0	110,538	7,634	0	7,634	191	0	0	5,620	3,370	2006	5.00	1	1
1153	5	5,074	1,940,644	3.0	519,924	11,425	0	11,425	747	0	0	61,158	26,107	2006	2.00	1	1
1154	2	374	140,824	3.0	36,104	471	0	471	44	0	0	836	53	2006	5.00	1	1
1155	13	8,007	2,357,190	3.0	115,230	0	14,494	14,494	258	258	0	44,813	24,831	2006	5.00	1	1
1156	1	821	259,257	3.0	29,377	1,124	0	1,124	60	0	0	4,277	4,134	2007	10.36	1	1
1157	2	2,246	946,123	3.0	317,243	5,699	0	5,699	173	0	0	20,346	10,716	2007	2.00	1	1
1158	2	1,106	407,528	3.0	97,848	3,368	0	3,368	48	0	0	4,565	3,650	2007	5.00	1	1
1159	27	10,799	3,580,050	2.5	556,330	165,271	29,120	194,391	1,848	346	699	105,202	26,634	2007	2.00	1	1
1160	6	1,503	463,494	3.0	42,654	17,731	0	17,731	96	0	0	20,741	6,759	2006	7.61	1	1
1161	11	4,500	1,464,006	3.0	204,006	506	14,177	14,683	375	176	103	37,463	8,004	2007	2.00	1	1
1162	26	20,123	5,603,556	2.0	0	131,363	18,098	149,461	2,195	290	953	116,479	39,538	2007	4.00	1	1
1163	26	10,708	2,950,951	2.5	0	102,209	19,494	121,703	1,435	339	546	102,173	20,760	2006	4.00	1	1
1164	9	8,815	3,374,856	3.0	906,656	0	31,099	31,099	302	302	0	77,358	28,557	2006	2.00	1	1
1165	13	7,855	1,969,728	3.0	0	13,460	8,737	22,197	415	120	0	47,168	17,721	2007	5.00	1	1
1166	1	1,194	142,862	3.0	0	2,322	0	2,322	166	0	0	18,938	3,112	2007	8.51	1	1
1167	3	1,348	502,564	3.0	125,124	2,440	0	2,440	90	0	0	28,850	4,241	2007	2.00	1	1
1168	2	722	263,738	3.0	61,578	3,827	856	4,683	72	13	0	7,151	2,573	2006	2.00	1	1

APPENDIX D2

2009 MODIFICATION OF AVERAGE SCHEDULES
COST COMPANY DEMAND DATA

Sequence	Exchange Count	Access Lines	Minutes of Use	DEM Weighting Factor	High Volume Minutes of Use	Interstate	Host	Circuit Miles	Switched Terminations	Host	Host Imputed ITD	Adjusted	Adjusted	Data	Sample Weight	TS Participant	Special Access Indicator
						Toll Circuit Miles	Remote Circuit Miles			Special Access Revenues		Adjusted DSL Revenues	Collection Year				
1169	9	6,976	2,635,751	3.0	682,471	26,535	24,411	50,945	501	221	0	69,937	8,808	2006	2.00	1	1
1170	6	3,287	1,005,661	3.0	85,301	11,619	6,102	17,720	285	91	0	30,321	7,756	2007	2.00	1	1
1171	8	2,038	368,535	3.0	0	1,373	1,368	2,741	225	64	0	10,386	4,435	2006	8.49	1	1
1172	11	15,168	3,438,923	2.5	0	13,886	901	14,787	855	60	0	364,837	50,560	2007	4.00	1	1
1173	12	14,271	3,788,303	2.5	0	99,335	26,601	125,936	1,164	361	0	74,435	13,009	2006	5.00	1	1
1174	10	19,058	4,546,568	2.0	0	98,456	26,151	124,608	635	203	0	344,528	39,943	2007	5.00	1	1
1175	20	18,431	5,747,234	2.5	586,554	119,576	0	119,576	1,229	0	0	165,560	39,847	2006	2.00	1	1
1176	1	318	163,439	3.0	74,399	0	596	596	25	25	0	2,572	0	2006	2.00	1	1
1177	4	2,368	885,006	3.0	221,966	14,667	0	14,667	189	0	0	18,868	6,271	2007	2.00	1	1
1178	4	3,268	1,325,692	3.0	410,652	21,005	0	21,005	429	0	0	38,081	19,661	2006	2.00	1	1
1179	1	20,567	3,873,762	2.0	0	6,341	0	6,341	160	0	0	210,339	0	2006	3.00	1	1
1180	1	1,450	244,296	3.0	0	919	0	919	80	0	0	6,545	2,260	2007	9.21	1	1
1181	4	2,659	612,517	3.0	0	761	0	761	179	0	0	29,091	8,851	2006	2.00	1	1
1182	2	3,535	754,231	3.0	0	557	0	557	96	0	0	21,756	8,905	2006	5.00	1	1
1183	2	1,197	351,094	3.0	15,934	0	101	101	61	12	0	5,586	3,832	2007	6.81	1	1
1184	2	13,057	3,368,446	2.5	0	81,854	2,657	84,511	2,345	36	1,382	109,388	62,557	2007	5.00	1	1
1185	1	10,885	2,194,580	2.5	0	21,168	639	21,807	524	61	169	86,334	46,404	2006	3.00	1	1
1186	1	3,564	732,501	3.0	0	1,465	0	1,465	179	0	0	8,368	537	2006	6.16	1	1
1187	1	221	87,177	3.0	25,297	0	89	89	12	12	0	1,346	1,346	2007	2.00	1	1
1188	1	6,346	923,313	3.0	0	8,098	35	8,133	207	9	0	19,015	0	2006	5.00	1	1
1189	1	3,093	547,225	3.0	0	1,061	0	1,061	91	0	0	19,389	11,912	2006	5.55	1	1
1190	1	512	186,742	3.0	43,382	724	0	724	36	0	0	4,203	1,680	2007	2.00	1	1
1191	4	706	411,174	3.0	213,494	27,750	529	28,280	350	29	0	9,293	1,301	2007	2.00	1	1
1192	1	1,401	265,338	3.0	0	0	278	278	26	26	0	7,003	4,179	2006	5.00	1	1
1193	2	4,422	833,689	3.0	0	2,309	496	2,805	143	26	0	23,685	13,676	2006	7.44	1	1
1194	1	621	254,540	3.0	80,660	0	144	144	31	31	0	14,807	2,023	2007	2.00	1	1
1195	3	1,050	321,041	3.0	27,041	823	0	823	57	0	0	7,890	2,728	2006	2.00	1	1
1196	2	12,799	4,488,309	2.5	904,589	3,655	426	4,081	850	82	0	148,914	40,582	2007	2.00	1	1
1197	3	10,364	3,790,738	2.5	888,818	0	478	478	475	43	0	97,771	31,774	2007	2.00	1	1
1198	6	1,017	366,695	3.0	81,935	4,970	1,900	6,870	164	37	0	19,442	9,228	2006	2.00	1	1
1199	9	5,170	2,298,773	3.0	851,173	371	0	371	395	0	0	45,193	7,786	2007	2.00	1	1
1200	6	5,533	1,622,738	3.0	73,498	861	86	947	249	12	0	59,366	19,206	2006	5.00	1	1
1201	1	26,571	7,810,284	2.0	370,404	1,257	0	1,257	1,534	0	0	225,483	78,286	2006	3.00	1	1
1202	11	8,490	4,761,353	3.0	2,384,153	1,830	0	1,830	731	0	0	95,447	10,665	2007	2.00	1	1
1203	1	9,516	2,730,826	2.5	66,346	0	0	0	1,150	0	0	77,275	35,637	2007	6.13	1	1
1204	11	58,908	17,504,639	1.0	1,010,399	42,854	13,549	56,402	6,604	366	2,593	473,089	237,064	2007	3.00	1	1
1205	12	3,381	1,241,001	3.0	294,321	0	0	0	270	0	0	39,421	14,375	2006	2.00	1	1
1206	60	12,217	3,743,945	2.5	323,185	2,061	0	2,061	353	0	0	76,113	3,947	2007	5.00	1	1
1207	3	255	60,390	3.0	0	11	0	11	6	0	0	2,023	0	2007	2.00	1	1

APPENDIX D3
 2009 MODIFICATION OF AVERAGE SCHEDULES
 AVERAGE SCHEDULE HIGH TRAFFIC VOLUME STUDY AREA DEMAND DATA

<u>Study Area Code</u>	170191	290559	442038	532399
<u>Data Collection Year</u>	2006	2006	2004	2006
<u>Access Lines</u>	11,922	21,519	1,471	7,519
<u>Traffic Sensitive Minutes of Use</u>	3,481,833	8,807,775	1,021,542	2,494,082
<u>Intertoll Dial Circuits</u>	0	0	0	333
<u>Adjusted Special Access Revenues</u>	0	204,369	0	63,359
<u>Circuit Miles</u>	0	5,649	522	5,735
<u>Normal Route Circuit Miles</u>	0	5,649	522	5,735
<u>Long Route Circuit Miles</u>	0	0	0	0
<u>Interstate Circuits</u>	0	1,749	58	717
<u>Switch Circuit Terminations</u>	0	1,749	58	717
<u>Number of Exchanges</u>	8	1	1	1

APPENDIX D4
 2009 MODIFICATION OF AVERAGE SCHEDULES
 AVERAGE SCHEDULE ACCESS MINUTE HISTORY
 ACCESS MINUTES OF USE TIME SERIES MODEL

<u>Date</u>	<u>Interstate Access Minutes</u>	<u>Date</u>	<u>Interstate Access Minutes</u>	<u>Date</u>	<u>Interstate Access Minutes</u>	<u>Date</u>	<u>Interstate Access Minutes</u>
199901	353,766,750	200201	380,488,404	200501	397,333,734	200801	326,107,529
199902	354,668,499	200202	369,092,117	200502	389,090,039	200802	321,823,935
199903	353,907,380	200203	370,509,827	200503	380,867,298	200803	312,073,948
199904	356,381,178	200204	384,464,283	200504	378,698,961	200804	313,530,706
199905	352,055,910	200205	371,965,435	200505	378,965,750	200805	307,936,389
199906	357,248,198	200206	369,816,074	200506	375,363,279		
199907	354,208,891	200207	371,927,216	200507	378,828,183		
199908	380,699,260	200208	384,534,808	200508	393,033,218		
199909	373,208,384	200209	387,477,402	200509	379,802,572		
199910	367,960,708	200210	378,272,887	200510	382,668,425		
199911	364,050,958	200211	373,985,679	200511	374,759,313		
199912	368,411,429	200212	373,779,558	200512	375,027,190		
200001	386,156,058	200301	383,292,999	200601	380,427,968		
200002	389,833,915	200302	385,132,718	200602	366,682,697		
200003	377,493,253	200303	363,559,313	200603	357,732,525		
200004	380,519,450	200304	373,636,331	200604	364,230,544		
200005	371,208,025	200305	363,979,259	200605	354,330,321		
200006	363,333,266	200306	380,336,502	200606	357,899,902		
200007	381,012,341	200307	372,286,909	200607	360,528,514		
200008	391,613,350	200308	380,853,428	200608	372,514,323		
200009	385,981,767	200309	386,469,174	200609	358,260,221		
200010	381,887,041	200310	374,074,114	200610	357,393,634		
200011	376,566,856	200311	375,235,621	200611	345,262,091		
200012	380,809,693	200312	384,596,038	200612	343,398,148		
200101	400,562,633	200401	389,091,381	200701	360,785,475		
200102	381,550,803	200402	391,835,245	200702	343,492,118		
200103	381,283,550	200403	385,367,777	200703	333,668,192		
200104	388,634,250	200404	377,323,674	200704	331,829,196		
200105	373,410,739	200405	369,622,204	200705	326,106,646		
200106	373,369,245	200406	382,459,465	200706	325,317,535		
200107	376,480,119	200407	378,464,167	200707	324,231,459		
200108	385,740,726	200408	397,894,132	200708	335,740,947		
200109	390,092,314	200409	389,233,044	200709	309,069,957		
200110	380,091,495	200410	375,430,281	200710	323,540,822		
200111	369,087,102	200411	379,283,598	200711	319,263,056		
200112	366,501,041	200412	382,562,118	200712	327,898,973		

APPENDIX D5

2009 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>
1208	9	7,001	4,312	12,421
1209	5	5,991	27,006	287
1210	1	2,742	250	14,359
1211	4	7,850	5,065	61,706
1212	1	3,345	219	27,596
1213	3	5,758	4,575	106,317
1214	6	10,512	6,146	87,795
1215	3	3,766	802	18,504
1216	11	27,484	21,892	167,490
1217	1	9,412	313	36,969
1218	5	14,423	9,123	45,623
1219	2	8,206	2,393	22,544
1220	1	2,982	333	7,675
1221	1	3,752	65,688	19,674
1222	3	4,504	7,395	29,725
1223	1	10,494	3,930	102,977
1224	2	10,070	1,440	40,050
1225	13	33,941	60,309	363,385
1226	3	7,513	3,151	49,828
1227	4	6,005	2,253	29,775
1228	6	10,681	13,452	51,208
1229	2	6,331	733	28,957
1230	3	6,401	7,934	33,805
1231	1	1,012	824	3,866
1232	1	9,259	2,637	57,342
1233	1	4,867	3,385	32,775
1234	2	4,203	5,543	31,934
1235	5	9,673	13,718	42,802
1236	7	9,676	4,117	59,970
1237	1	13,148	8,128	109,161
1238	1	1,506	532	10,839
1239	1	21,105	1,780	69,092
1240	9	106,263	94,543	559,603
1241	6	13,016	11,216	104,134
1242	6	16,081	6,829	98,671
1243	2	3,468	1,605	24,124
1244	3	2,102	1,001	9,795
1245	7	18,361	2,839	76,330
1246	5	7,005	29,687	33,270
1247	1	1,663	398	10,133
1248	4	2,510	5,160	11,166
1249	1	1,298	618	5,407
1250	2	5,087	1,977	28,648
1251	7	16,470	9,990	105,608
1252	4	8,535	27,263	34,273
1253	6	5,588	33,516	73,223

APPENDIX D5

2009 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>
1254	4	2,525	2,068	15,842
1255	3	3,096	453	18,492
1256	2	911	241	4,547
1257	5	4,394	2,392	15,489
1258	12	11,553	55,525	41,046
1259	4	2,997	4,352	12,532
1260	3	3,742	1,324	13,854
1261	4	7,906	3,367	42,070
1262	1	372	171	720
1263	1	999	92	2,789
1264	1	927	174	1,805
1265	1	547	172	2,185
1266	5	9,838	31,568	33,662
1267	3	4,072	210	11,483
1268	10	19,619	46,964	96,903
1269	1	1,805	403	16,145
1270	10	22,036	17,971	88,660
1271	3	5,291	533	17,433
1272	15	37,068	234,310	269,270
1273	1	700	140	2,441
1274	1	6,937	2,438	27,875
1275	1	469	123	2,722
1276	2	1,381	917	6,145
1277	9	6,583	9,420	17,473
1278	3	1,998	731	9,497
1279	1	1,788	1,089	7,295
1280	2	2,403	1,048	1,362
1281	5	5,463	6,499	24,632
1282	10	7,270	876	47,743
1283	1	436	147	2,022
1284	1	1,408	303	6,298
1285	4	3,547	387	23,804
1286	1	1,835	272	5,774
1287	18	6,511	2,114	29,319
1288	1	542	304	5,329
1289	9	12,237	8,938	70,189
1290	4	3,490	1,563	11,356
1291	3	8,288	0	31,540
1292	1	517	59	2,718
1293	1	2,143	2,497	8,961
1294	6	5,824	8,532	40,657
1295	2	1,687	1,902	7,701
1296	1	7,612	0	41,660
1297	4	4,813	15,817	31,455
1298	13	9,331	63,454	71,961
1299	4	4,043	1,355	13,678

APPENDIX D5

2009 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>
1300	2	2,675	12,286	18,591
1301	4	4,105	18,123	25,336
1302	4	4,562	14,921	17,256
1303	3	2,234	15,462	16,567
1304	3	4,609	0	22,655
1305	2	9,881	0	46,430
1306	1	1,181	1,123	7,423
1307	3	3,465	623	18,866
1308	6	6,290	3,607	50,157
1309	2	2,512	277	14,506
1310	2	823	993	7,197
1311	1	876	188	1,952
1312	1	494	171	2,879
1313	1	458	92	3,860
1314	5	5,030	2,540	26,203
1315	4	1,572	889	9,154
1316	1	725	1,008	1,441
1317	4	3,386	0	27,271
1318	1	673	11	5,202
1319	1	481	60	1,004
1320	2	308	570	3,169
1321	6	6,161	1,915	62,298
1322	1	514	1,269	2,082
1323	5	3,921	2,436	19,063
1324	1	6,127	42,229	32,758
1325	3	1,558	1,606	13,483
1326	1	871	441	3,835
1327	1	1,951	814	8,905
1328	15	7,979	32,189	60,279
1329	12	11,247	22,660	96,438
1330	2	702	299	4,964
1331	1	653	62	3,164
1332	3	687	3,719	2,368
1333	1	228	102	1,117
1334	3	2,054	2,794	14,071
1335	1	11,898	23,221	34,709
1336	12	10,826	36,611	18,179
1337	3	2,136	0	12,495
1338	5	3,914	6,926	3,020
1339	1	204	135	2,097
1340	5	1,262	6,020	5,810
1341	2	1,207	4,034	8,992
1342	1	2,451	405	17,089
1343	1	773	1,514	8,707
1344	4	860	717	12,014
1345	3	409	838	4,176

APPENDIX D5

2009 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>
1346	1	843	80	11,258
1347	1	982	117	7,573
1348	2	550	313	5,750
1349	1	1,055	638	6,411
1350	2	939	525	5,664
1351	1	1,119	601	6,873
1352	1	582	1,332	5,409
1353	2	1,040	440	13,388
1354	26	17,720	54,546	158,429
1355	18	7,836	31,205	69,457
1356	29	10,969	107,832	110,938
1357	9	2,493	1,081	5,965
1358	3	1,687	7,220	43,758
1359	15	11,894	37,231	77,397
1360	4	9,064	26,828	151,223
1361	14	6,048	25,470	13,790
1362	1	461	338	2,857
1363	2	728	1,881	10,686
1364	3	700	2,223	901
1365	25	13,183	83,766	46,249
1366	9	3,391	16,990	31,453
1367	24	18,100	54,307	65,575
1368	2	3,098	1,241	13,361
1369	4	3,831	2,618	19,583
1370	3	861	555	10,922
1371	8	6,073	7,929	47,910
1372	6	5,202	1,380	40,854
1373	7	5,153	1,302	48,763
1374	1	1,938	81	20,136
1375	6	1,319	3,112	18,603
1376	18	5,514	373	50,033
1377	5	1,936	185	15,704
1378	1	467	445	3,485
1379	1	1,575	708	14,258
1380	31	12,891	16,978	114,135
1381	8	1,873	11,581	8,071
1382	9	2,695	3,095	20,306
1383	10	4,986	6,190	52,198
1384	13	3,254	2,355	24,128
1385	19	3,676	295,176	57,002
1386	3	5,076	74,592	40,293
1387	7	2,095	9,051	15,075
1388	1	196	186	2,080
1389	3	3,606	1,341	20,006
1390	6	7,679	625	47,768
1391	1	361	120	4,865

APPENDIX D5

2009 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>
1392	5	2,112	1,551	8,991
1393	2	1,883	2,290	3,995
1394	32	13,830	106,881	90,922
1395	13	3,400	95,457	30,488
1396	3	4,191	2,357	36,259
1397	12	4,015	7,948	32,040
1398	1	1,016	391	8,791
1399	2	525	428	2,464
1400	14	7,534	40,496	60,028
1401	1	1,104	359	9,429
1402	2	3,245	4,944	19,618
1403	4	4,583	3,490	31,550
1404	10	1,136	8,914	13,480
1405	2	1,477	990	9,765
1406	3	3,217	1,260	20,252
1407	10	7,581	19,860	25,751
1408	2	3,969	3,250	19,796
1409	6	3,314	4,451	18,455
1410	1	759	30	8,449
1411	6	2,019	2,219	16,361
1412	9	3,313	19,837	8,746
1413	76	50,327	116,881	581,720
1414	5	792	2,928	4,175
1415	1	275	126	915
1416	3	2,043	235	8,920
1417	2	1,095	662	14,153
1418	14	5,505	18,044	90,962
1419	2	5,761	2,238	31,948
1420	10	5,654	3,173	36,180
1421	16	4,787	12,405	79,032
1422	6	2,214	2,935	6,921
1423	6	6,834	36,223	64,860
1424	6	1,758	460	8,308
1425	1	825	425	17,229
1426	4	718	61,505	28,423
1427	1	1,664	392	10,685
1428	11	6,375	19,509	59,526
1429	1	120	51	3,740
1430	3	2,914	600	21,328
1431	10	2,031	1,822	34,155
1432	1	10,577	4,037	1,621
1433	1	11,288	5,622	68,038
1434	3	1,109	1,392	11,208
1435	1	977	748	9,691
1436	2	1,513	454	15,919
1437	10	3,064	278	25,346

APPENDIX D5

2009 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>
1438	6	4,181	1,378	26,568
1439	15	2,943	2,950	24,264
1440	6	4,512	16,392	52,193
1441	16	4,920	36,650	47,999
1442	1	1,075	202	6,655
1443	14	7,244	72,620	59,481
1444	17	6,121	13,799	96,075
1445	9	2,055	0	23,014
1446	10	2,821	15,990	19,869
1447	2	862	1,614	4,767
1448	3	1,785	1,242	17,596
1449	3	3,795	2,105	43,107
1450	7	3,844	12,682	38,179
1451	7	312	0	1,190
1452	1	138	0	1,392
1453	2	1,452	2,537	21,100
1454	1	1,435	17,257	7,209
1455	10	5,129	2,759	23,791
1456	3	1,574	9,335	5,883
1457	5	1,761	0	9,961
1458	1	681	0	6,266
1459	1	203	3	0
1460	1	1,950	2,878	22,297
1461	7	1,414	0	21,434
1462	3	2,421	1,912	14,030
1463	2	1,538	0	7,924
1464	4	2,289	182	15,958
1465	2	2,002	618	21,154
1466	3	5,377	91,261	53,724
1467	5	7,436	28,908	27,064
1468	3	1,332	29,381	4,734
1469	7	660	719	1,139
1470	33	12,533	138,709	170,329
1471	11	5,624	16,241	44,679
1472	5	1,032	4,470	5,470
1473	4	451	11,320	1,506
1474	24	11,332	290,900	315,445
1475	2	2,248	43,851	12,496
1476	4	2,189	20,165	9,747
1477	3	4,712	4,417	49,622
1478	6	3,745	7,893	33,358
1479	3	6,419	3,359	63,519
1480	1	949	772	5,794
1481	2	22	11	91
1482	1	138	136	0
1483	3	2,035	641	17,394

APPENDIX D5

2009 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>
1484	1	3,139	190	27,945
1485	2	3,809	1,606	20,351
1486	1	838	2,140	4,404
1487	1	642	427	2,157
1488	1	2,196	897	10,325
1489	1	12,511	3,702	23,554
1490	2	248	372	1,963
1491	1	4,280	3,482	71,864
1492	1	1,144	403	7,098
1493	1	445	2,327	10,770
1494	10	8,754	2,467	56,897
1495	1	1,011	204	10,515
1496	1	661	831	6,853
1497	2	299	639	4,158
1498	1	668	3,312	3,397
1499	1	912	259	2,201
1500	5	1,796	8,463	24,622
1501	2	945	42	6,490
1502	14	15,031	6,268	94,818
1503	1	1,747	34,131	9,465
1504	4	2,470	11,569	26,238
1505	3	1,252	645	2,440
1506	5	13,941	2,027	73,763
1507	1	6,476	13,449	33,307
1508	8	9,467	9,151	58,259
1509	3	22,806	118,442	156,725
1510	7	4,696	26,768	28,005
1511	4	11,160	4,122	58,272
1512	2	255	63	2,807
1513	6	2,441	26,226	47,602
1514	4	3,957	9,571	44,648
1515	1	199	15	2,947
1516	3	191	6	1,744
1517	6	1,764	109	14,205
1518	10	1,023	72	9,483
1519	1	1,970	755	15,079
1520	13	4,122	283	27,487
1521	20	11,069	443	75,030
1522	3	2,464	118	16,216
1523	3	616	60	6,787
1524	9	1,394	84,784	4,962

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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
351270	3,853	71,834	75,687	4,163	54,605	58,768	-16,919	268	-63.13	-22.35%
351292	2,743	55,417	58,160	2,957	49,894	52,851	-5,309	188	-28.24	-9.13%
310735	14,637	71,774	86,410	15,992	52,519	68,511	-17,899	1,008	-17.76	-20.71%
381601	659	7,874	8,533	708	7,386	8,093	-439	44	-9.99	-5.15%
300588	12,716	62,745	75,462	14,112	51,419	65,532	-9,930	1,033	-9.61	-13.16%
351232	7,281	43,318	50,599	7,934	39,626	47,560	-3,039	533	-5.70	-6.01%
462210	867	5,977	6,844	931	5,659	6,590	-254	58	-4.38	-3.71%
462206	1,103	6,565	7,667	1,185	6,199	7,383	-284	74	-3.83	-3.70%
361348	1,103	6,169	7,271	1,185	5,824	7,009	-262	74	-3.55	-3.61%
250322	56,000	118,731	174,731	61,734	101,548	163,282	-11,449	4,225	-2.71	-6.55%
341092	1,279	7,002	8,281	1,374	6,696	8,070	-211	86	-2.45	-2.55%
371532	44,017	136,642	180,659	47,101	127,062	174,163	-6,496	2,716	-2.39	-3.60%
391677	67,006	116,446	183,452	73,497	98,459	171,956	-11,496	4,860	-2.37	-6.27%
381631	68,856	121,478	190,334	74,134	105,879	180,013	-10,321	4,484	-2.30	-5.42%
371590	1,191	7,752	8,943	1,279	7,487	8,767	-177	80	-2.21	-1.97%
351126	2,890	9,353	12,244	3,087	8,774	11,861	-383	177	-2.16	-3.13%
361472	88,479	146,170	234,649	96,166	126,044	222,210	-12,439	6,170	-2.02	-5.30%
340976	57,626	98,146	155,772	62,081	86,734	148,815	-6,958	3,826	-1.82	-4.47%
502283	38,491	160,422	198,914	41,617	152,793	194,409	-4,504	2,563	-1.76	-2.26%
401722	55,624	83,810	139,435	60,173	73,305	133,478	-5,957	3,763	-1.58	-4.27%
330967	41,128	70,459	111,587	48,435	57,377	105,812	-5,775	3,674	-1.57	-5.17%
361426	7,855	16,304	24,159	8,489	14,833	23,322	-837	547	-1.53	-3.46%
260419	94,314	155,104	249,418	104,722	134,154	238,876	-10,542	7,420	-1.42	-4.23%
351310	8,182	20,800	28,982	8,814	19,442	28,257	-725	518	-1.40	-2.50%
391654	175,872	233,516	409,387	181,445	209,260	390,705	-18,682	13,511	-1.38	-4.56%
361450	60,752	84,140	144,892	66,063	73,414	139,476	-5,416	4,193	-1.29	-3.74%
250283	120,301	204,468	324,770	141,532	169,480	311,012	-13,758	10,728	-1.28	-4.24%
383303	390,482	628,928	1,019,410	415,641	558,697	974,338	-45,072	35,964	-1.25	-4.42%
361505	91,904	118,545	210,449	99,204	103,919	203,123	-7,326	6,202	-1.18	-3.48%
351334	55,653	100,108	155,760	59,846	91,793	151,639	-4,121	3,494	-1.18	-2.65%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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
140064	51,012	81,333	132,345	55,445	72,720	128,166	-4,179	3,574	-1.17	-3.16%
371555	84,445	136,451	220,896	91,552	122,772	214,324	-6,572	5,687	-1.16	-2.98%
190250	256,877	495,357	752,233	283,432	441,527	724,959	-27,275	24,395	-1.12	-3.63%
381625	84,060	145,009	229,068	90,479	132,487	222,966	-6,102	5,458	-1.12	-2.66%
170277	600	5,972	6,572	644	5,888	6,531	-40	40	-1.01	-0.61%
170193	538,030	966,861	1,504,892	585,920	862,383	1,448,303	-56,588	56,622	-1.00	-3.76%
190248	83,518	128,943	212,461	91,796	114,701	206,498	-5,964	6,138	-0.97	-2.81%
170191	131,763	227,318	359,081	140,581	207,475	348,056	-11,025	11,966	-0.92	-3.07%
351328	69,833	127,150	196,984	74,926	118,136	193,062	-3,922	4,393	-0.89	-1.99%
330881	344,148	471,920	816,069	368,240	421,984	790,223	-25,845	30,363	-0.85	-3.17%
260414	166,206	252,859	419,065	182,115	225,061	407,175	-11,890	15,857	-0.75	-2.84%
351252	49,524	85,386	134,910	58,600	73,014	131,615	-3,295	4,428	-0.74	-2.44%
351243	1,205	9,356	10,561	1,295	9,207	10,502	-59	81	-0.73	-0.56%
330879	44,178	57,895	102,073	48,943	50,780	99,724	-2,350	3,451	-0.68	-2.30%
351125	67,067	134,638	201,705	75,456	122,676	198,132	-3,573	5,257	-0.68	-1.77%
100020	73,011	115,580	188,591	83,247	101,237	184,485	-4,106	6,044	-0.68	-2.18%
351306	16,426	67,939	84,365	18,216	65,288	83,505	-860	1,269	-0.68	-1.02%
361500	615	5,487	6,102	660	5,414	6,074	-28	41	-0.68	-0.46%
351283	6,070	26,611	32,681	6,593	25,797	32,391	-291	436	-0.67	-0.89%
351298	135,103	211,922	347,024	147,902	190,589	338,491	-8,533	13,042	-0.65	-2.46%
351188	7,134	19,493	26,626	7,770	18,524	26,294	-332	521	-0.64	-1.25%
220395	51,020	69,784	120,804	56,727	61,608	118,335	-2,470	3,999	-0.62	-2.04%
220364	81,837	119,369	201,206	92,200	104,999	197,199	-4,007	6,659	-0.60	-1.99%
351342	3,177	11,017	14,194	3,428	10,635	14,063	-131	219	-0.60	-0.92%
351331	66,479	92,096	158,575	72,359	83,565	155,924	-2,651	4,583	-0.58	-1.67%
361358	84,948	128,490	213,438	93,188	116,671	209,859	-3,579	6,261	-0.57	-1.68%
361443	126,312	135,764	262,076	133,825	121,809	255,634	-6,442	11,382	-0.57	-2.46%
330944	93,541	159,153	252,694	110,575	137,647	248,222	-4,472	8,379	-0.53	-1.77%
190225	90,903	143,426	234,330	101,297	129,521	230,818	-3,511	7,158	-0.49	-1.50%
351320	7,207	31,144	38,352	7,852	30,252	38,104	-248	527	-0.47	-0.65%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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
240516	173,481	286,387	459,869	204,945	248,107	453,052	-6,817	15,283	-0.45	-1.48%
100015	112,735	146,434	259,168	120,262	134,382	254,644	-4,525	10,316	-0.44	-1.75%
280460	62,763	86,608	149,372	69,903	77,599	147,502	-1,870	5,063	-0.37	-1.25%
250312	73,979	98,840	172,819	84,859	85,446	170,305	-2,514	6,924	-0.36	-1.45%
100022	97,359	135,223	232,582	112,611	117,069	229,680	-2,902	8,181	-0.35	-1.25%
401712	95,367	145,486	240,853	104,289	134,163	238,452	-2,401	6,832	-0.35	-1.00%
290553	363,517	424,663	788,180	393,866	384,012	777,878	-10,302	33,067	-0.31	-1.31%
100019	80,978	85,652	166,630	89,053	75,835	164,888	-1,742	6,011	-0.29	-1.05%
330846	47,963	77,913	125,876	55,068	69,750	124,818	-1,058	4,149	-0.26	-0.84%
330955	96,488	128,957	225,445	105,132	118,430	223,562	-1,883	9,354	-0.20	-0.84%
330930	49,702	49,682	99,384	54,164	44,551	98,715	-669	3,519	-0.19	-0.67%
290570	71,067	92,136	163,203	78,369	83,825	162,194	-1,009	5,364	-0.19	-0.62%
351259	34,425	78,079	112,504	37,015	75,084	112,099	-405	2,214	-0.18	-0.36%
351261	19,331	43,524	62,855	20,735	41,915	62,650	-205	1,204	-0.17	-0.33%
240536	134,634	184,117	318,752	147,968	168,815	316,783	-1,969	13,393	-0.15	-0.62%
330842	72,379	112,005	184,384	83,284	100,406	183,690	-694	6,329	-0.11	-0.38%
230491	933,207	1,011,955	1,945,162	1,012,501	923,246	1,935,747	-9,416	94,958	-0.10	-0.48%
522430	50,516	58,071	108,587	56,470	51,782	108,252	-335	4,138	-0.08	-0.31%
361409	110,342	116,414	226,756	118,780	107,429	226,208	-548	11,051	-0.05	-0.24%
330962	56,166	69,742	125,907	62,125	63,579	125,704	-203	4,363	-0.05	-0.16%
351179	4,381	14,688	19,069	4,739	14,322	19,061	-8	307	-0.03	-0.04%
170165	471,592	373,986	845,578	499,050	345,934	844,984	-594	51,208	-0.01	-0.07%
351101	14,047	27,481	41,529	15,256	26,283	41,539	10	915	0.01	0.02%
391660	85,633	98,485	184,118	93,644	90,662	184,306	188	6,226	0.03	0.10%
361373	123,584	105,818	229,401	135,870	93,854	229,723	322	9,276	0.03	0.14%
260396	82,482	102,401	184,884	89,969	95,157	185,126	242	5,767	0.04	0.13%
351149	4,189	14,440	18,629	4,483	14,158	18,641	12	255	0.05	0.06%
310675	59,376	71,697	131,073	65,951	65,458	131,409	337	4,733	0.07	0.26%
361347	44,273	44,643	88,916	49,078	40,121	89,199	283	3,475	0.08	0.32%
330880	71,651	84,020	155,671	80,305	75,869	156,174	503	5,912	0.09	0.32%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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
361381	3,205	13,822	17,027	3,458	13,589	17,048	20	221	0.09	0.12%
330914	68,958	63,168	132,126	76,069	56,708	132,778	651	5,247	0.12	0.49%
330848	2,908	12,603	15,511	3,126	12,411	15,537	26	196	0.13	0.17%
351107	4,341	14,342	18,683	4,695	14,028	18,724	41	304	0.14	0.22%
320816	5,413	17,078	22,491	5,870	16,695	22,565	75	385	0.19	0.33%
391682	5,894	21,882	27,775	6,356	21,516	27,872	96	405	0.24	0.35%
320830	42,144	53,971	96,115	45,915	50,919	96,835	720	2,954	0.24	0.75%
613005	659	5,379	6,038	708	5,342	6,049	11	44	0.25	0.18%
330970	77,126	81,630	158,756	85,152	75,204	160,356	1,601	5,802	0.28	1.01%
351303	9,529	23,237	32,767	10,215	22,717	32,932	166	589	0.28	0.51%
240546	167,812	193,511	361,323	183,859	182,277	366,136	4,813	15,948	0.30	1.33%
341021	1,512	6,084	7,596	1,626	6,001	7,627	31	102	0.30	0.41%
320829	46,105	59,972	106,077	54,353	52,973	107,327	1,250	4,075	0.31	1.18%
170161	2,640,385	2,343,670	4,984,055	2,948,086	2,123,447	5,071,532	87,478	263,134	0.33	1.76%
290565	257,116	255,016	512,132	282,958	237,457	520,415	8,284	24,699	0.34	1.62%
341046	2,375	6,850	9,225	2,558	6,723	9,281	56	162	0.35	0.61%
442107	76,349	93,225	169,574	87,146	84,942	172,088	2,514	7,169	0.35	1.48%
220324	40,268	44,048	84,316	47,274	38,294	85,569	1,253	3,546	0.35	1.49%
341053	40,895	54,439	95,334	46,516	50,088	96,604	1,270	3,517	0.36	1.33%
361430	125,378	108,741	234,119	139,439	98,337	237,777	3,657	10,000	0.37	1.56%
330856	38,862	52,898	91,760	43,944	49,157	93,101	1,341	3,287	0.41	1.46%
341041	1,337	8,964	10,301	1,437	8,902	10,339	38	90	0.42	0.37%
361412	50,743	41,178	91,921	56,804	36,908	93,712	1,791	4,198	0.43	1.95%
220380	70,877	81,387	152,264	77,776	76,748	154,524	2,260	5,260	0.43	1.48%
330966	97,556	93,587	191,143	107,177	87,202	194,379	3,236	7,287	0.44	1.69%
220387	179,105	183,146	362,250	199,094	170,539	369,633	7,383	16,611	0.44	2.04%
351308	5,361	16,216	21,577	5,813	15,941	21,754	177	381	0.46	0.82%
351407	2,375	17,097	19,472	2,558	16,991	19,549	77	162	0.47	0.39%
330968	74,315	69,330	143,645	85,211	61,719	146,930	3,285	6,865	0.48	2.29%
260398	246,053	262,039	508,092	272,676	246,978	519,654	11,563	23,667	0.49	2.28%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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
310676	65,115	63,750	128,865	74,009	58,370	132,379	3,514	6,986	0.50	2.73%
361356	62,316	48,517	110,833	68,480	44,748	113,228	2,395	4,651	0.51	2.16%
351137	8,073	26,472	34,545	8,727	26,119	34,845	300	563	0.53	0.87%
330843	56,591	59,430	116,021	63,900	54,786	118,686	2,665	4,797	0.56	2.30%
230496	120,204	117,639	237,843	133,614	109,470	243,084	5,241	9,384	0.56	2.20%
361474	7,244	17,310	24,554	7,893	16,965	24,858	304	530	0.57	1.24%
371530	23,888	70,766	94,654	25,566	69,921	95,486	832	1,443	0.58	0.88%
361475	58,484	62,597	121,081	63,281	60,119	123,400	2,319	3,991	0.58	1.92%
150125	81,679	120,384	202,062	96,198	110,170	206,368	4,306	7,308	0.59	2.13%
330938	97,240	102,414	199,655	111,826	92,929	204,755	5,100	8,458	0.60	2.55%
330900	36,423	76,938	113,362	41,047	74,189	115,236	1,874	3,092	0.61	1.65%
351228	3,551	12,952	16,503	3,834	12,822	16,656	154	246	0.62	0.93%
220389	72,904	94,805	167,710	83,854	87,835	171,689	3,980	6,348	0.63	2.37%
290554	141,364	167,421	308,785	163,255	153,197	316,452	7,666	12,131	0.63	2.48%
351280	5,204	15,028	20,232	5,641	14,839	20,480	248	369	0.67	1.23%
381622	13,573	32,265	45,838	14,647	31,825	46,473	635	893	0.71	1.38%
230503	147,130	152,409	299,539	161,180	148,344	309,525	9,986	13,864	0.72	3.33%
230505	43,117	45,559	88,676	47,589	43,468	91,057	2,381	3,274	0.73	2.68%
330943	39,453	48,427	87,880	44,628	45,679	90,308	2,428	3,327	0.73	2.76%
340990	3,989	8,416	12,405	4,311	8,297	12,608	203	278	0.73	1.64%
351108	2,218	6,901	9,120	2,389	6,843	9,232	112	151	0.74	1.23%
361362	86,008	106,366	192,373	101,065	96,979	198,044	5,671	7,537	0.75	2.95%
391650	124,963	0	124,963	134,373	0	134,373	9,410	12,164	0.77	7.53%
351114	6,203	15,659	21,862	6,660	15,502	22,162	301	385	0.78	1.38%
170151	187,968	115,009	302,977	205,087	112,846	317,933	14,956	18,815	0.79	4.94%
170162	488,318	328,354	816,672	551,498	304,844	856,342	39,670	49,223	0.81	4.86%
361427	288,085	0	288,085	310,519	0	310,519	22,434	27,076	0.83	7.79%
421936	7,060	17,294	24,354	7,688	17,112	24,800	447	515	0.87	1.83%
351175	5,152	15,914	21,066	5,583	15,804	21,387	321	365	0.88	1.52%
351157	11,047	25,605	36,653	11,843	25,405	37,248	595	677	0.88	1.62%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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
350739	3,344	11,377	14,720	3,609	11,322	14,931	210	231	0.91	1.43%
300663	3,440	0	3,440	3,721	0	3,721	281	306	0.92	8.18%
310669	49,914	67,942	117,857	59,123	62,858	121,980	4,124	4,484	0.92	3.50%
351307	2,729	14,079	16,808	2,942	14,043	16,985	177	187	0.94	1.05%
361419	4,488	9,699	14,188	4,857	9,628	14,485	298	315	0.94	2.10%
300651	5,387	11,232	16,618	5,841	11,142	16,984	365	383	0.95	2.20%
330915	52,810	62,168	114,977	62,609	56,901	119,511	4,533	4,736	0.96	3.94%
170196	114,656	109,875	224,531	132,629	101,471	234,100	9,569	9,901	0.97	4.26%
351119	5,452	15,277	20,729	5,913	15,192	21,105	375	388	0.97	1.81%
421893	7,072	19,633	26,706	7,702	19,505	27,207	502	516	0.97	1.88%
300591	7,410	0	7,410	8,129	0	8,129	718	726	0.99	9.69%
170179	61,694	58,799	120,493	71,803	54,098	125,901	5,408	5,429	1.00	4.49%
361431	38,090	48,965	87,055	41,401	48,285	89,686	2,631	2,635	1.00	3.02%
351309	7,109	24,438	31,547	7,743	24,348	32,091	544	519	1.05	1.72%
351301	9,921	35,539	45,460	10,707	35,482	46,189	729	685	1.06	1.60%
351238	4,273	14,109	18,382	4,622	14,080	18,702	320	299	1.07	1.74%
351294	6,775	20,506	27,282	7,373	20,439	27,812	530	492	1.08	1.94%
351150	7,705	14,873	22,578	8,406	14,800	23,206	628	568	1.11	2.78%
300659	89,556	85,050	174,606	105,839	77,693	183,532	8,926	8,059	1.11	5.11%
230511	298,773	0	298,773	330,241	0	330,241	31,468	28,394	1.11	10.53%
230501	370,729	0	370,729	409,357	0	409,357	38,628	34,642	1.12	10.42%
230495	48,028	54,309	102,337	56,494	50,553	107,048	4,711	4,168	1.13	4.60%
391664	57,268	0	57,268	61,589	0	61,589	4,321	3,734	1.16	7.55%
351098	4,582	15,536	20,118	4,959	15,534	20,493	375	322	1.16	1.86%
351213	9,457	0	9,457	10,167	0	10,167	711	609	1.17	7.51%
391669	32,462	0	32,462	34,884	0	34,884	2,421	2,058	1.18	7.46%
170204	32,832	68,856	101,688	36,653	68,185	104,838	3,149	2,675	1.18	3.10%
300590	14,915	0	14,915	16,157	0	16,157	1,242	1,054	1.18	8.33%
391688	16,448	0	16,448	17,721	0	17,721	1,273	1,078	1.18	7.74%
351277	6,450	15,913	22,363	7,013	15,903	22,915	553	466	1.19	2.47%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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
391642	42,702	0	42,702	46,177	0	46,177	3,476	2,820	1.23	8.14%
351230	27,482	0	27,482	29,770	0	29,770	2,288	1,838	1.24	8.33%
300633	8,441	0	8,441	9,228	0	9,228	787	630	1.25	9.32%
170195	6,525	19,336	25,862	7,096	19,360	26,456	594	472	1.26	2.30%
300594	99,690	89,488	189,179	118,248	82,315	200,563	11,384	9,028	1.26	6.02%
300589	9,019	0	9,019	9,877	0	9,877	858	680	1.26	9.51%
300650	19,665	0	19,665	21,451	0	21,451	1,785	1,408	1.27	9.08%
300654	9,371	0	9,371	10,273	0	10,273	903	711	1.27	9.63%
340993	6,998	21,966	28,964	7,620	21,994	29,614	650	510	1.27	2.24%
361390	32,706	63,798	96,503	35,114	64,025	99,139	2,636	2,068	1.27	2.73%
361375	122,261	0	122,261	132,792	0	132,792	10,530	8,232	1.28	8.61%
351264	9,271	22,954	32,225	10,035	23,031	33,066	841	652	1.29	2.61%
300614	11,717	0	11,717	12,763	0	12,763	1,046	808	1.29	8.92%
351146	4,835	13,254	18,089	5,236	13,299	18,535	446	341	1.31	2.47%
351278	11,310	0	11,310	12,482	0	12,482	1,172	891	1.32	10.36%
351284	11,263	22,021	33,284	12,191	22,055	34,246	962	728	1.32	2.89%
300585	8,076	16,273	24,349	8,819	16,336	25,155	806	599	1.35	3.31%
421206	16,021	45,226	61,247	17,152	45,424	62,575	1,329	982	1.35	2.17%
300619	13,433	0	13,433	14,955	0	14,955	1,521	1,110	1.37	11.33%
300586	13,900	0	13,900	15,508	0	15,508	1,608	1,162	1.38	11.57%
371562	16,706	38,847	55,554	17,974	39,086	57,060	1,506	1,074	1.40	2.71%
190226	331,171	0	331,171	373,579	0	373,579	42,407	30,221	1.40	12.81%
300656	14,639	0	14,639	16,393	0	16,393	1,754	1,248	1.41	11.98%
351169	6,638	17,093	23,731	7,221	17,190	24,411	680	481	1.41	2.87%
351304	12,961	25,563	38,524	14,108	25,658	39,766	1,242	875	1.42	3.22%
502282	34,941	48,405	83,345	39,475	48,220	87,695	4,350	3,054	1.42	5.22%
351222	10,985	24,601	35,587	11,904	24,713	36,617	1,030	722	1.43	2.90%
391657	96,906	0	96,906	107,370	0	107,370	10,464	7,197	1.45	10.80%
351285	13,600	32,528	46,128	14,800	32,765	47,566	1,437	988	1.45	3.12%
351133	10,776	41,950	52,725	11,614	42,187	53,801	1,076	738	1.46	2.04%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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
391649	18,266	0	18,266	20,407	0	20,407	2,141	1,466	1.46	11.72%
351191	8,066	17,570	25,636	8,725	17,699	26,424	788	538	1.46	3.07%
310692	9,991	19,223	29,215	10,878	19,363	30,241	1,026	700	1.47	3.51%
300625	17,697	0	17,697	19,886	0	19,886	2,189	1,492	1.47	12.37%
351189	13,873	28,755	42,628	14,889	28,986	43,875	1,246	848	1.47	2.92%
351235	9,021	19,437	28,457	9,752	19,576	29,328	870	590	1.48	3.06%
351260	58,172	0	58,172	64,923	0	64,923	6,750	4,559	1.48	11.60%
351250	7,729	18,780	26,509	8,433	18,932	27,365	856	570	1.50	3.23%
361396	42,907	38,875	81,782	46,810	39,558	86,368	4,586	3,044	1.51	5.61%
240532	7,633	8,057	15,690	8,325	8,220	16,545	855	562	1.52	5.45%
351319	40,763	51,451	92,214	43,947	52,309	96,256	4,042	2,650	1.53	4.38%
120042	6,437	9,991	16,428	6,999	10,139	17,138	710	465	1.53	4.32%
361479	177,180	140,660	317,839	209,122	133,269	342,391	24,552	16,036	1.53	7.72%
482252	39,915	0	39,915	44,898	0	44,898	4,983	3,245	1.54	12.48%
351326	10,752	22,714	33,466	11,654	22,909	34,564	1,098	711	1.54	3.28%
351246	11,177	25,427	36,604	12,050	25,696	37,746	1,142	738	1.55	3.12%
341050	33,057	56,172	89,229	38,641	55,159	93,800	4,571	2,940	1.55	5.12%
351217	14,792	35,298	50,090	15,858	35,668	51,527	1,437	914	1.57	2.87%
351199	6,261	15,189	21,449	6,804	15,372	22,176	726	451	1.61	3.39%
361439	12,784	27,306	40,090	13,777	27,698	41,475	1,385	855	1.62	3.45%
300609	36,636	32,624	69,259	42,943	31,717	74,660	5,400	3,248	1.66	7.80%
381638	16,294	43,640	59,935	17,511	44,162	61,674	1,739	1,034	1.68	2.90%
300634	35,021	44,992	80,013	40,807	44,312	85,119	5,106	3,026	1.69	6.38%
260408	73,284	0	73,284	83,731	0	83,731	10,447	6,134	1.70	14.26%
320837	10,739	19,866	30,605	11,685	20,211	31,897	1,292	741	1.74	4.22%
351176	8,064	15,822	23,886	8,806	16,126	24,932	1,045	598	1.75	4.38%
351173	38,822	56,244	95,066	41,859	57,533	99,392	4,326	2,441	1.77	4.55%
351245	5,230	12,564	17,794	5,669	12,786	18,456	662	371	1.78	3.72%
351121	1,946	10,251	12,197	2,094	10,339	12,433	236	132	1.79	1.93%
351141	9,894	23,296	33,190	10,865	23,685	34,551	1,361	758	1.80	4.10%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
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351239	8,614	21,796	30,410	9,317	22,180	31,497	1,087	603	1.80	3.57%
340998	6,824	14,926	21,750	7,420	15,229	22,649	900	491	1.83	4.14%
351136	7,837	14,930	22,767	8,553	15,279	23,833	1,066	579	1.84	4.68%
310703	28,889	31,796	60,685	31,368	33,317	64,685	4,000	2,159	1.85	6.59%
351130	10,502	21,721	32,223	11,386	22,134	33,520	1,296	698	1.86	4.02%
240535	9,584	19,946	29,530	10,514	20,377	30,891	1,361	730	1.86	4.61%
371581	25,036	37,445	62,480	27,265	38,404	65,669	3,189	1,707	1.87	5.10%
190243	34,501	42,694	77,195	38,458	43,882	82,341	5,146	2,752	1.87	6.67%
361440	27,948	39,265	67,213	30,264	40,530	70,794	3,581	1,913	1.87	5.33%
361401	30,055	83,855	113,910	32,085	85,174	117,259	3,349	1,788	1.87	2.94%
351206	5,685	23,622	29,307	6,076	23,885	29,961	654	345	1.89	2.23%
361502	28,797	55,511	84,307	31,851	56,707	88,558	4,251	2,227	1.91	5.04%
341086	6,324	14,331	20,655	6,873	14,654	21,527	873	456	1.91	4.23%
532396	8,241	18,435	26,676	9,004	18,856	27,861	1,184	613	1.93	4.44%
361384	3,688	8,536	12,225	3,984	8,736	12,720	496	256	1.94	4.05%
351203	11,373	21,829	33,201	12,352	22,331	34,682	1,481	763	1.94	4.46%
351212	38,242	0	38,242	44,612	0	44,612	6,370	3,275	1.95	16.66%
341016	74,702	0	74,702	87,734	0	87,734	13,032	6,674	1.95	17.44%
351097	4,675	10,957	15,632	5,061	11,217	16,278	646	329	1.96	4.13%
351115	28,474	40,544	69,018	31,150	43,006	74,156	5,138	2,597	1.98	7.44%
361424	11,439	24,379	35,818	12,325	24,980	37,305	1,487	748	1.99	4.15%
330951	31,757	51,314	83,070	37,043	51,637	88,680	5,609	2,813	1.99	6.75%
351242	10,640	19,853	30,493	11,557	20,389	31,947	1,453	721	2.02	4.77%
351269	7,500	26,677	34,177	8,177	27,114	35,291	1,114	551	2.02	3.26%
170156	47,197	0	47,197	55,699	0	55,699	8,502	4,183	2.03	18.01%
351257	10,394	19,610	30,004	11,434	20,206	31,640	1,636	804	2.03	5.45%
351225	26,421	43,767	70,188	28,372	45,184	73,556	3,369	1,635	2.06	4.80%
330945	30,811	40,188	70,999	34,193	41,808	76,001	5,001	2,422	2.06	7.04%
351322	5,634	11,964	17,598	6,126	12,448	18,574	977	472	2.07	5.55%
240515	56,875	0	56,875	66,823	0	66,823	9,948	4,799	2.07	17.49%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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
170175	55,118	0	55,118	65,143	0	65,143	10,025	4,832	2.07	18.19%
371565	8,533	25,417	33,950	9,229	25,968	35,197	1,247	597	2.09	3.67%
351174	16,867	39,158	56,025	18,088	40,129	58,217	2,192	1,037	2.11	3.91%
100005	9,927	15,484	25,411	10,903	16,121	27,024	1,612	761	2.12	6.34%
310694	8,558	20,139	28,696	9,359	20,696	30,054	1,358	640	2.12	4.73%
361403	11,289	26,446	37,735	12,303	27,119	39,423	1,688	787	2.14	4.47%
330905	30,755	33,857	64,612	34,265	35,710	69,975	5,363	2,497	2.15	8.30%
341062	7,488	18,095	25,583	8,164	18,608	26,772	1,189	550	2.16	4.65%
391653	4,848	13,311	18,159	5,250	13,654	18,904	745	342	2.18	4.10%
361404	13,801	25,997	39,799	14,955	26,926	41,881	2,083	953	2.19	5.23%
351241	9,606	18,485	28,091	10,539	19,166	29,706	1,614	732	2.21	5.75%
270428	15,489	22,585	38,074	17,080	23,537	40,617	2,543	1,152	2.21	6.68%
341017	16,670	28,647	45,318	18,237	29,616	47,853	2,535	1,137	2.23	5.59%
442043	10,053	16,813	26,866	10,892	17,580	28,472	1,606	711	2.26	5.98%
351147	11,258	22,503	33,761	12,423	23,344	35,767	2,006	886	2.26	5.94%
351293	15,612	32,283	47,895	16,947	33,419	50,366	2,471	1,088	2.27	5.16%
351168	28,980	75,138	104,118	30,995	77,167	108,162	4,044	1,748	2.31	3.88%
320792	32,048	37,776	69,823	36,986	39,009	75,996	6,172	2,667	2.31	8.84%
320751	29,364	42,562	71,926	32,451	44,694	77,145	5,219	2,247	2.32	7.26%
361365	4,314	12,312	16,626	4,666	12,663	17,329	703	302	2.33	4.23%
170215	10,276	28,300	38,576	11,299	29,127	40,427	1,851	793	2.33	4.80%
250311	31,080	34,189	65,268	33,711	36,594	70,305	5,037	2,147	2.35	7.72%
351139	22,544	39,527	62,071	24,197	41,181	65,378	3,307	1,403	2.36	5.33%
300662	8,881	11,660	20,541	9,722	12,415	22,138	1,596	668	2.39	7.77%
351166	12,384	17,640	30,024	13,444	18,545	31,989	1,965	818	2.40	6.54%
351160	16,391	24,374	40,765	17,614	25,576	43,191	2,426	1,005	2.41	5.95%
351343	7,981	25,086	33,067	8,713	25,790	34,503	1,436	591	2.43	4.34%
341087	8,359	19,606	27,964	9,136	20,345	29,481	1,517	623	2.43	5.42%
341075	6,588	16,161	22,749	7,165	16,753	23,918	1,169	477	2.45	5.14%
230497	35,694	34,270	69,964	39,907	37,168	77,075	7,111	2,894	2.46	10.16%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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	10,034	22,888	32,922	10,895	23,711	34,606	1,684	682	2.47	5.11%
330851	21,421	24,306	45,727	24,406	25,890	50,297	4,570	1,833	2.49	9.99%
320796	11,203	15,852	27,055	12,205	16,796	29,001	1,946	779	2.50	7.19%
351152	21,245	34,208	55,453	22,958	35,900	58,858	3,405	1,358	2.51	6.14%
320777	27,346	29,651	56,998	31,618	31,367	62,986	5,988	2,381	2.51	10.51%
432141	11,023	24,618	35,641	11,864	25,627	37,491	1,850	731	2.53	5.19%
280467	12,143	19,952	32,095	13,263	21,002	34,265	2,170	857	2.53	6.76%
361423	11,124	16,490	27,614	12,268	17,599	29,867	2,253	873	2.58	8.16%
351265	2,870	11,900	14,770	3,094	12,186	15,281	511	197	2.59	3.46%
351273	10,026	18,530	28,555	11,015	19,537	30,552	1,997	770	2.59	6.99%
190239	12,223	16,917	29,140	13,372	18,045	31,417	2,278	876	2.60	7.82%
300664	11,697	21,392	33,089	12,928	22,582	35,510	2,421	929	2.61	7.32%
361380	3,921	10,165	14,086	4,237	10,565	14,802	716	273	2.62	5.08%
351247	12,681	28,955	41,636	13,682	30,246	43,928	2,291	874	2.62	5.50%
330868	32,534	36,793	69,327	35,439	39,841	75,281	5,954	2,268	2.63	8.59%
351202	8,962	19,325	28,287	9,813	20,246	30,059	1,772	675	2.63	6.27%
351237	23,012	48,433	71,446	24,711	50,522	75,234	3,788	1,439	2.63	5.30%
351251	29,998	57,278	87,276	32,440	59,966	92,406	5,130	1,947	2.63	5.88%
170145	30,444	36,084	66,527	35,307	38,202	73,509	6,981	2,633	2.65	10.49%
401710	13,426	24,384	37,810	14,607	25,795	40,402	2,592	974	2.66	6.86%
361499	27,495	26,430	53,925	31,816	28,530	60,346	6,421	2,402	2.67	11.91%
330847	10,598	21,118	31,716	11,666	22,251	33,917	2,202	823	2.68	6.94%
361494	14,071	18,745	32,817	15,553	20,170	35,723	2,907	1,086	2.68	8.86%
351118	25,865	39,912	65,777	28,172	42,468	70,641	4,863	1,758	2.77	7.39%
140053	11,207	20,779	31,986	12,363	22,096	34,459	2,473	881	2.81	7.73%
351248	25,562	40,575	66,137	28,036	43,353	71,389	5,252	1,866	2.81	7.94%
613026	2,800	8,605	11,404	3,018	8,928	11,947	542	192	2.82	4.76%
341029	18,252	24,951	43,202	19,871	26,991	46,862	3,659	1,292	2.83	8.47%
381615	28,371	43,870	72,241	30,662	46,970	77,631	5,391	1,894	2.85	7.46%
351276	16,524	21,985	38,510	17,917	23,816	41,733	3,223	1,130	2.85	8.37%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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	2,926	11,879	14,805	3,155	12,226	15,381	576	201	2.87	3.89%
361515	24,220	24,018	48,238	27,837	26,467	54,305	6,067	2,102	2.89	12.58%
150076	15,225	20,168	35,393	16,827	21,915	38,742	3,349	1,158	2.89	9.46%
351209	22,400	48,201	70,601	24,024	50,549	74,573	3,972	1,349	2.94	5.63%
361413	27,887	23,378	51,265	30,107	26,595	56,702	5,437	1,840	2.95	10.61%
351344	12,901	35,050	47,951	13,954	36,667	50,621	2,670	903	2.96	5.57%
190236	12,697	17,762	30,459	14,090	19,423	33,512	3,053	1,031	2.96	10.02%
287449	9,314	17,342	26,656	10,210	18,551	28,761	2,105	706	2.98	7.90%
391671	27,877	55,651	83,528	32,069	58,502	90,571	7,044	2,347	3.00	8.43%
361508	13,399	17,761	31,160	14,777	19,457	34,235	3,075	1,022	3.01	9.87%
351171	24,284	33,612	57,896	27,477	36,361	63,838	5,942	1,921	3.09	10.26%
330849	17,230	20,347	37,576	19,158	22,600	41,758	4,182	1,348	3.10	11.13%
371563	15,905	30,091	45,996	17,175	32,048	49,223	3,227	1,040	3.10	7.02%
351113	18,895	26,549	45,444	21,042	28,976	50,018	4,574	1,469	3.11	10.06%
361389	16,001	32,929	48,930	17,222	35,022	52,244	3,315	1,056	3.14	6.77%
462198	11,818	24,106	35,924	13,067	25,814	38,881	2,957	941	3.14	8.23%
351112	14,928	41,041	55,969	16,172	43,116	59,287	3,318	1,055	3.15	5.93%
190253	24,406	54,369	78,775	28,046	57,407	85,454	6,679	2,112	3.16	8.48%
351282	17,869	27,215	45,084	19,253	29,639	48,893	3,808	1,188	3.21	8.45%
361408	27,125	35,705	62,830	29,516	39,454	68,970	6,140	1,911	3.21	9.77%
351302	13,650	23,571	37,221	15,212	25,660	40,872	3,651	1,134	3.22	9.81%
351329	17,370	23,796	41,166	19,157	26,091	45,249	4,083	1,267	3.22	9.92%
351262	20,072	35,933	56,005	21,621	38,566	60,187	4,182	1,292	3.24	7.47%
320809	23,042	28,678	51,720	24,976	31,875	56,851	5,131	1,581	3.25	9.92%
351405	33,153	83,337	116,491	35,601	87,712	123,313	6,822	2,100	3.25	5.86%
361353	15,690	27,657	43,347	17,383	29,927	47,310	3,963	1,212	3.27	9.14%
351162	18,411	30,798	49,209	19,941	33,310	53,251	4,042	1,229	3.29	8.21%
330875	15,037	23,542	38,580	16,624	25,771	42,394	3,815	1,149	3.32	9.89%
330902	28,653	43,050	71,703	31,716	47,511	79,227	7,524	2,232	3.37	10.49%
351220	21,228	37,508	58,735	23,369	40,979	64,347	5,612	1,649	3.40	9.55%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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
250285	11,626	26,584	38,210	12,846	28,515	41,361	3,150	922	3.42	8.24%
190220	2,574	12,494	15,068	2,773	12,896	15,669	601	176	3.42	3.99%
351336	20,711	31,003	51,714	23,457	34,174	57,631	5,917	1,731	3.42	11.44%
361485	18,447	30,758	49,205	20,039	33,523	53,562	4,357	1,273	3.42	8.85%
310725	14,063	27,172	41,235	15,548	29,416	44,964	3,729	1,088	3.43	9.04%
230478	25,660	32,474	58,134	29,256	36,076	65,331	7,198	2,093	3.44	12.38%
330925	26,396	29,763	56,159	30,375	33,552	63,927	7,768	2,256	3.44	13.83%
351195	27,741	44,892	72,633	29,959	49,010	78,969	6,336	1,839	3.45	8.72%
351324	13,650	21,838	35,488	14,856	24,052	38,908	3,420	992	3.45	9.64%
320778	22,130	24,968	47,098	25,280	28,413	53,693	6,596	1,903	3.47	14.00%
330889	25,350	33,374	58,724	27,893	37,478	65,371	6,647	1,910	3.48	11.32%
230500	14,189	25,023	39,212	15,684	27,338	43,022	3,810	1,094	3.48	9.72%
351335	4,689	12,539	17,228	5,076	13,301	18,377	1,149	330	3.48	6.67%
300639	13,908	15,029	28,938	15,518	17,473	32,991	4,053	1,163	3.48	14.01%
351271	22,750	35,143	57,893	25,851	38,617	64,468	6,575	1,882	3.49	11.36%
300604	17,314	17,081	34,395	19,419	20,028	39,447	5,052	1,446	3.49	14.69%
361507	17,634	25,400	43,034	19,697	28,350	48,047	5,013	1,423	3.52	11.65%
340983	16,984	24,162	41,146	18,497	27,403	45,900	4,753	1,344	3.54	11.55%
351205	21,275	36,331	57,605	23,215	39,750	62,965	5,359	1,514	3.54	9.30%
170197	16,745	18,899	35,644	18,665	21,789	40,454	4,811	1,343	3.58	13.50%
351424	14,357	23,679	38,036	15,441	25,937	41,378	3,342	928	3.60	8.79%
532386	20,958	32,563	53,521	23,916	36,185	60,101	6,579	1,821	3.61	12.29%
330946	15,396	32,471	47,867	16,672	34,975	51,647	3,780	1,044	3.62	7.90%
320750	22,881	26,276	49,157	26,160	30,095	56,255	7,098	1,958	3.63	14.44%
431968	21,786	42,969	64,756	24,558	46,599	71,158	6,402	1,742	3.68	9.89%
361487	16,318	22,067	38,386	18,456	25,349	43,805	5,419	1,464	3.70	14.12%
320756	13,960	28,773	42,733	15,328	31,185	46,513	3,781	1,016	3.72	8.85%
381614	31,883	89,827	121,709	34,307	95,083	129,390	7,680	2,060	3.73	6.31%
170171	15,882	22,776	38,658	17,707	25,773	43,480	4,822	1,289	3.74	12.47%
320827	18,950	30,933	49,883	21,391	34,494	55,885	6,001	1,601	3.75	12.03%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 SETTLEMENTS DATA

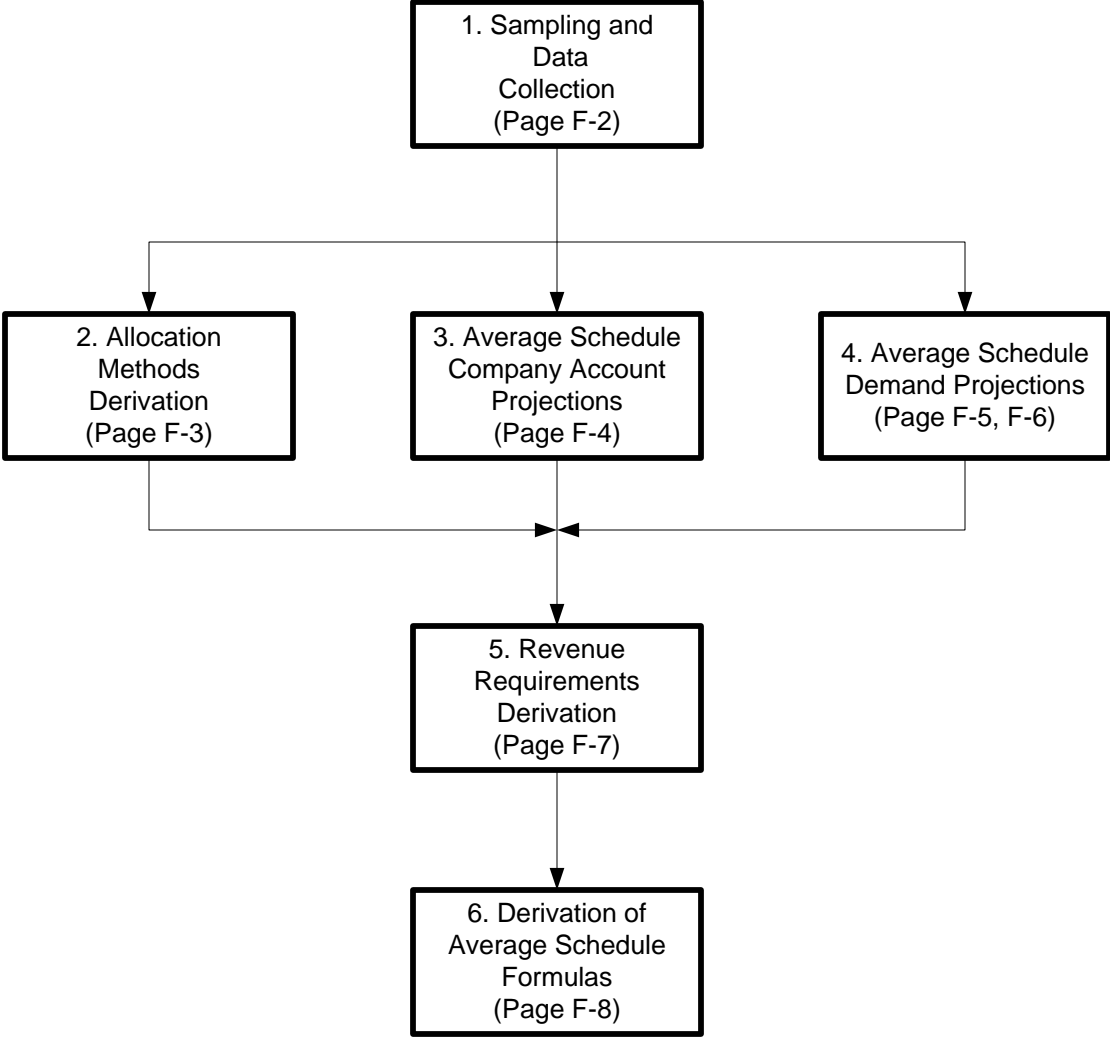
Study Area Code	Current Common Line Settlement	Current Traffic Sensitive Settlement	Current Total Settlement	Proposed Common Line Settlement	Proposed Traffic Sensitive Settlement	Proposed Total Settlement	Total Settlement Difference	Access Lines	Total Settlement Difference Per Line	Total Settlement Percent Difference
320771	6,638	21,594	28,232	7,221	22,818	30,039	1,807	481	3.76	6.40%
260412	15,959	25,743	41,701	17,749	28,720	46,469	4,768	1,269	3.76	11.43%
361448	20,653	27,301	47,954	23,411	31,070	54,481	6,527	1,736	3.76	13.61%
300645	14,440	21,585	36,026	15,978	24,293	40,271	4,245	1,120	3.79	11.78%
421876	2,616	10,044	12,661	2,819	10,531	13,351	690	179	3.86	5.45%
421759	35,468	57,893	93,361	38,222	64,251	102,473	9,112	2,319	3.93	9.76%
391640	22,927	44,415	67,342	24,771	48,545	73,316	5,975	1,515	3.94	8.87%
250301	25,950	41,938	67,888	28,602	47,121	75,723	7,835	1,979	3.96	11.54%
170200	24,277	35,570	59,847	27,775	40,214	67,989	8,141	2,051	3.97	13.60%
320839	11,227	26,118	37,345	12,387	28,464	40,851	3,506	883	3.97	9.39%
361476	6,273	11,280	17,553	6,818	12,534	19,351	1,798	452	3.98	10.24%
310678	16,716	27,428	44,144	18,557	30,775	49,332	5,188	1,298	4.00	11.75%
240541	25,272	50,893	76,165	28,929	55,719	84,647	8,483	2,119	4.00	11.14%
431704	15,067	27,258	42,325	16,661	30,294	46,956	4,631	1,154	4.01	10.94%
260417	22,800	27,231	50,032	26,110	31,851	57,961	7,929	1,971	4.02	15.85%
320744	22,872	29,428	52,300	24,751	33,750	58,501	6,202	1,541	4.02	11.86%
290598	22,510	30,718	53,228	24,252	34,905	59,157	5,930	1,473	4.03	11.14%
170210	17,608	30,869	48,477	19,407	34,229	53,636	5,159	1,274	4.05	10.64%
280451	20,839	27,166	48,005	23,477	31,414	54,891	6,886	1,685	4.09	14.35%
472227	20,275	44,373	64,648	21,754	48,586	70,340	5,692	1,391	4.09	8.80%
330896	21,884	27,122	49,006	23,956	31,629	55,586	6,579	1,603	4.10	13.43%
361495	11,795	34,593	46,388	12,708	36,858	49,566	3,178	769	4.13	6.85%
310688	17,945	37,494	55,439	19,726	40,942	60,669	5,230	1,264	4.14	9.43%
190237	21,607	45,173	66,780	23,261	49,225	72,486	5,706	1,372	4.16	8.54%
330865	18,737	30,116	48,852	21,077	34,715	55,791	6,939	1,558	4.45	14.20%
361512	2,460	9,464	11,925	2,651	10,026	12,676	752	168	4.47	6.30%
330892	18,580	25,217	43,797	20,998	29,936	50,934	7,137	1,591	4.49	16.29%
341024	31,655	45,177	76,832	34,036	52,100	86,137	9,304	2,046	4.55	12.11%
320826	11,818	26,039	37,857	13,067	29,070	42,137	4,280	941	4.55	11.31%
120043	20,423	30,650	51,073	23,015	35,763	58,777	7,704	1,665	4.63	15.08%

APPENDIX E

2009 MODIFICATION OF AVERAGE SCHEDULES
 IMPACTS OF PROPOSED FORMULAS FOR JULY 2009 USING 9/08 VIEW OF 7/08 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
421932	18,038	29,649	47,687	20,104	34,192	54,297	6,610	1,425	4.64	13.86%
351263	20,272	31,262	51,534	22,882	36,473	59,355	7,821	1,673	4.67	15.18%
230494	20,659	44,092	64,751	23,328	49,366	72,693	7,942	1,698	4.68	12.27%
421900	20,861	36,467	57,328	22,491	41,337	63,829	6,501	1,385	4.69	11.34%
381509	4,465	13,983	18,448	4,808	15,112	19,920	1,472	304	4.84	7.98%
421942	24,859	47,032	71,891	26,942	53,268	80,210	8,318	1,690	4.92	11.57%
351266	3,482	13,169	16,651	3,759	14,091	17,850	1,199	241	4.98	7.20%
502279	20,020	30,281	50,301	22,536	35,910	58,445	8,145	1,633	4.99	16.19%
330872	18,580	31,147	49,727	21,014	36,851	57,865	8,138	1,598	5.09	16.37%
391684	24,860	38,842	63,701	27,151	45,578	72,729	9,028	1,748	5.16	14.17%
351177	23,655	29,789	53,444	25,428	35,848	61,276	7,832	1,497	5.23	14.65%
351291	25,500	54,354	79,853	27,590	62,346	89,936	10,083	1,742	5.79	12.63%
361654	23,251	38,531	61,782	25,216	45,909	71,125	9,343	1,604	5.82	15.12%
200258	17,570	36,156	53,726	19,575	42,428	62,003	8,277	1,391	5.95	15.41%
190238	24,053	41,206	65,259	25,933	49,961	75,894	10,635	1,605	6.63	16.30%
351274	19,085	33,743	52,828	21,458	41,857	63,315	10,488	1,572	6.67	19.85%
361405	9,416	31,283	40,699	10,094	34,681	44,774	4,075	594	6.86	10.01%
391405	7,886	24,206	32,092	8,445	28,052	36,497	4,405	494	8.92	13.73%
361372	2,743	13,617	16,360	2,957	15,443	18,401	2,040	188	10.85	12.47%
TOTAL	21,580,280	26,095,867	47,676,148	23,877,369	24,796,168	48,673,566	997,409	1,872,830	\$0.53	2.09%

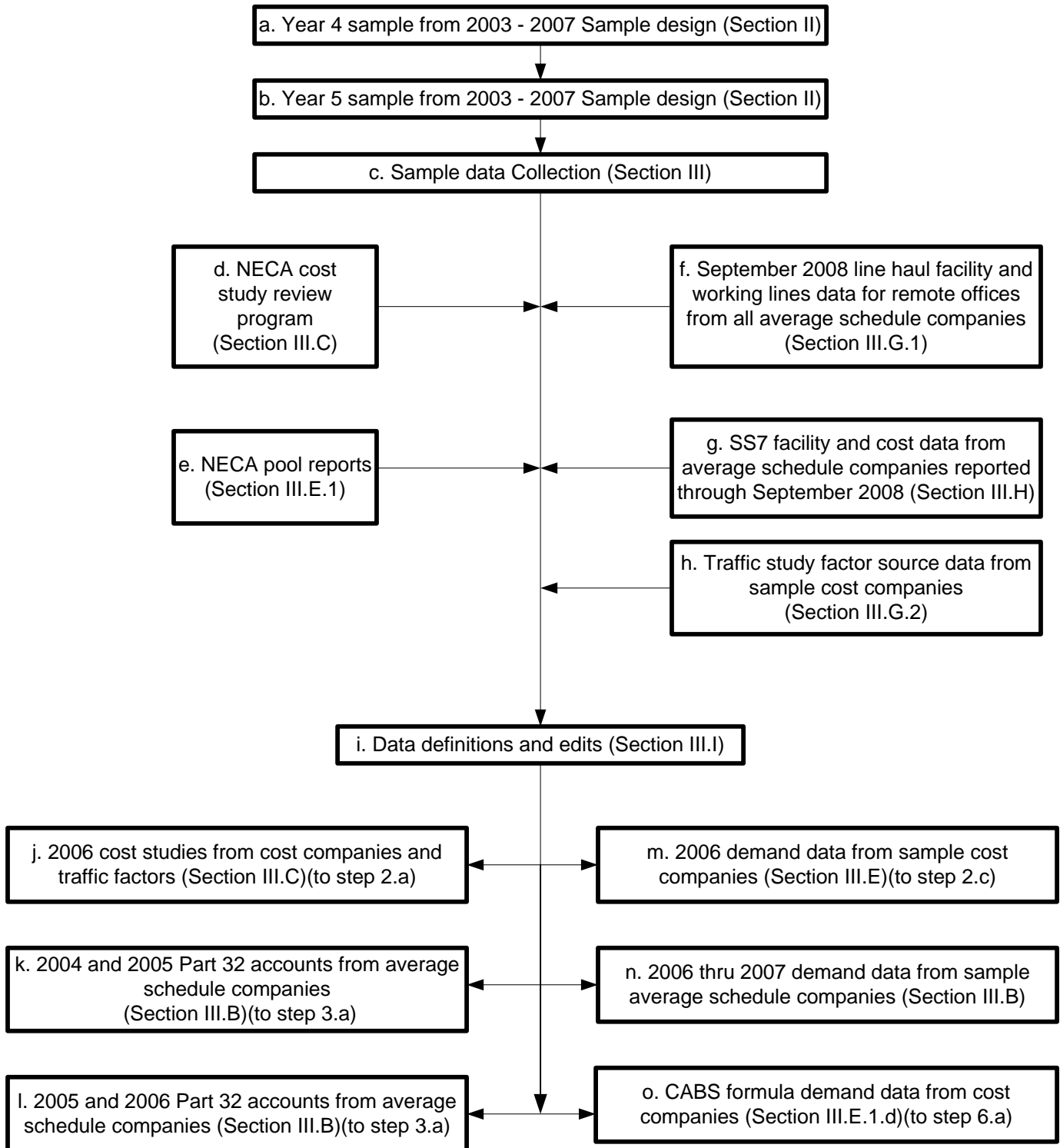
APPENDIX F
2009 MODIFICATIONS OF AVERAGE SCHEDULES
FLOW CHARTS OF SETTLEMENT FORMULA
DEVELOPMENT STEPS



The numbered step references, used in this Appendix, refer to other steps within this Appendix

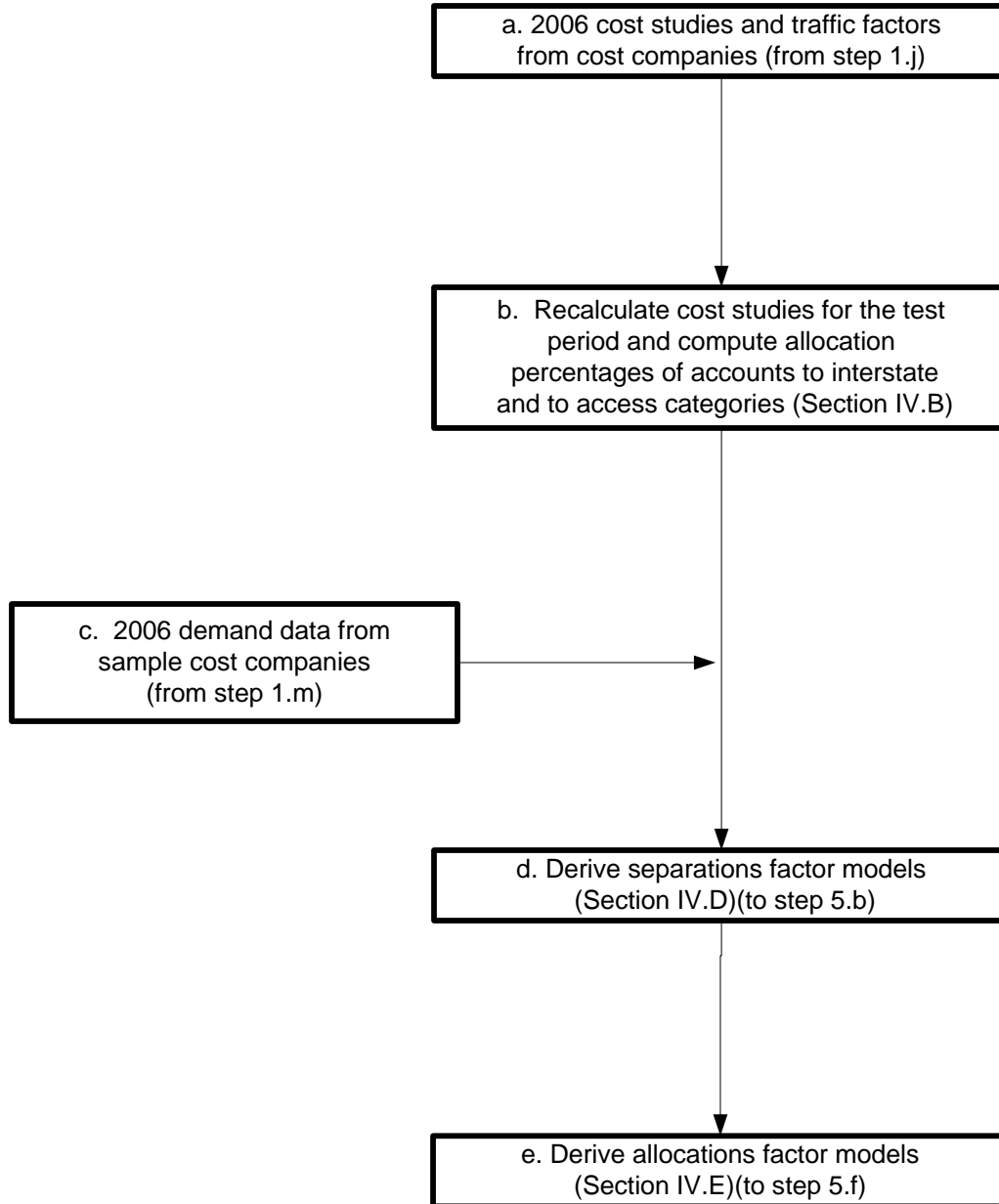
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2009 MODIFICATIONS OF AVERAGE SCHEDULES
FLOW CHARTS OF SETTLEMENT FORMULA
DEVELOPMENT STEPS

1. Sampling and Data Collection



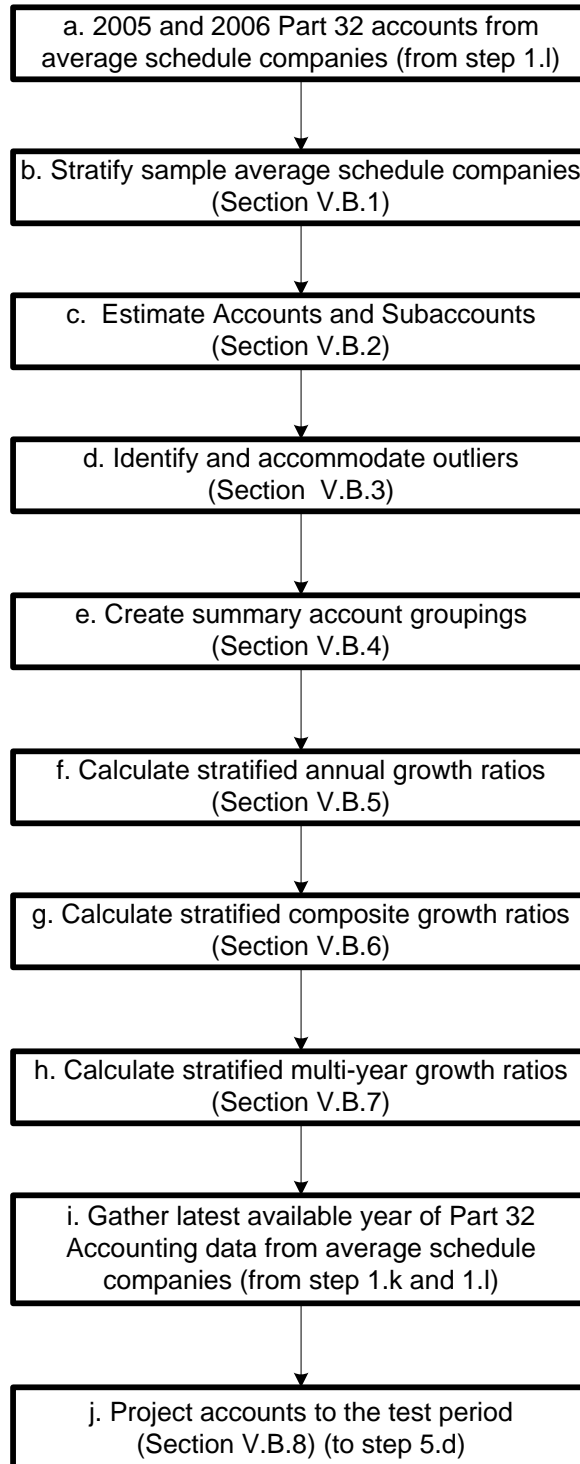
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FLOW CHARTS OF SETTLEMENT FORMULA
DEVELOPMENT STEPS

2. Allocation Methods Derivation



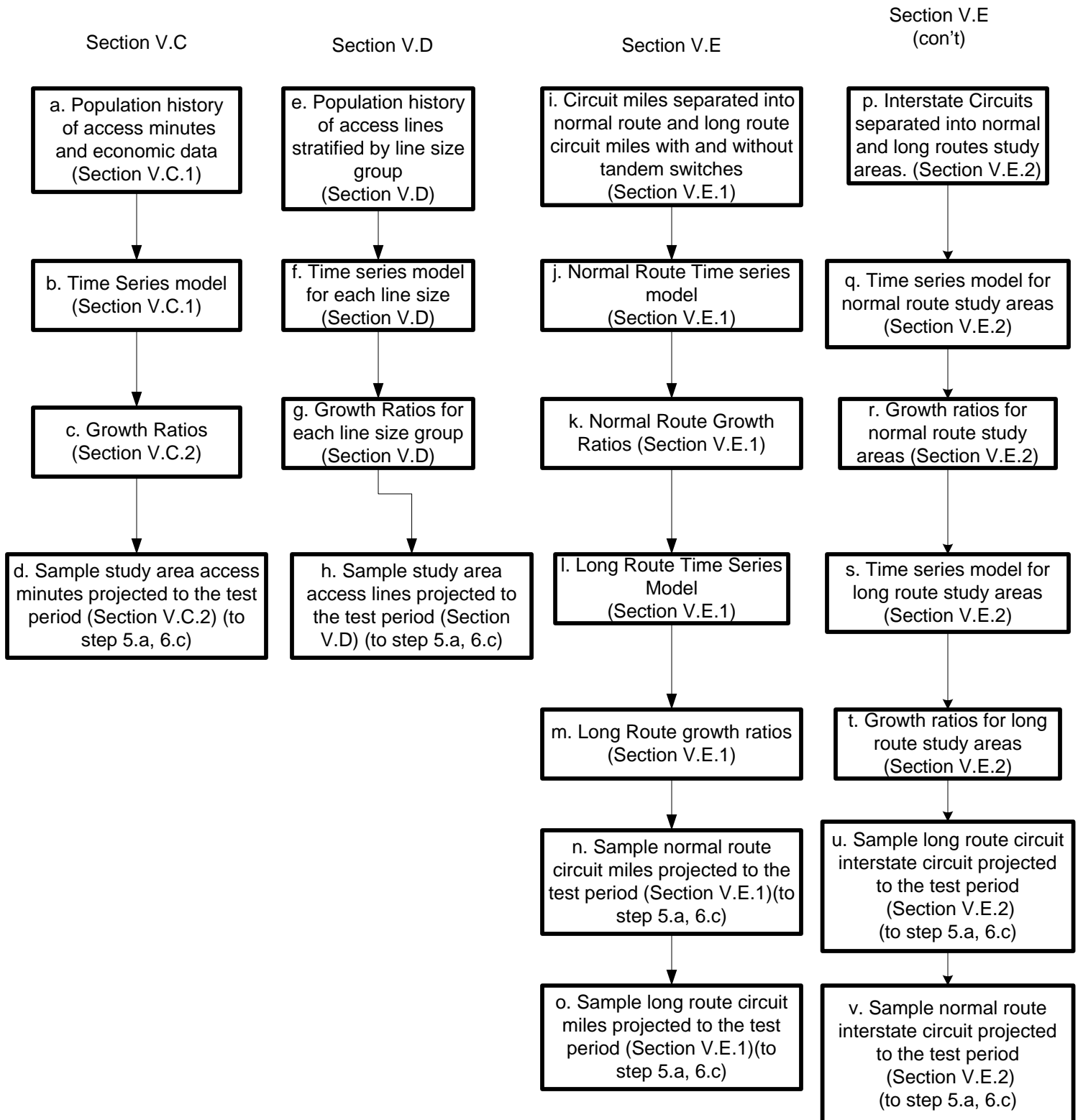
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FLOW CHARTS OF SETTLEMENT FORMULA
DEVELOPMENT STEPS

3. Average Schedule Company Account Projections



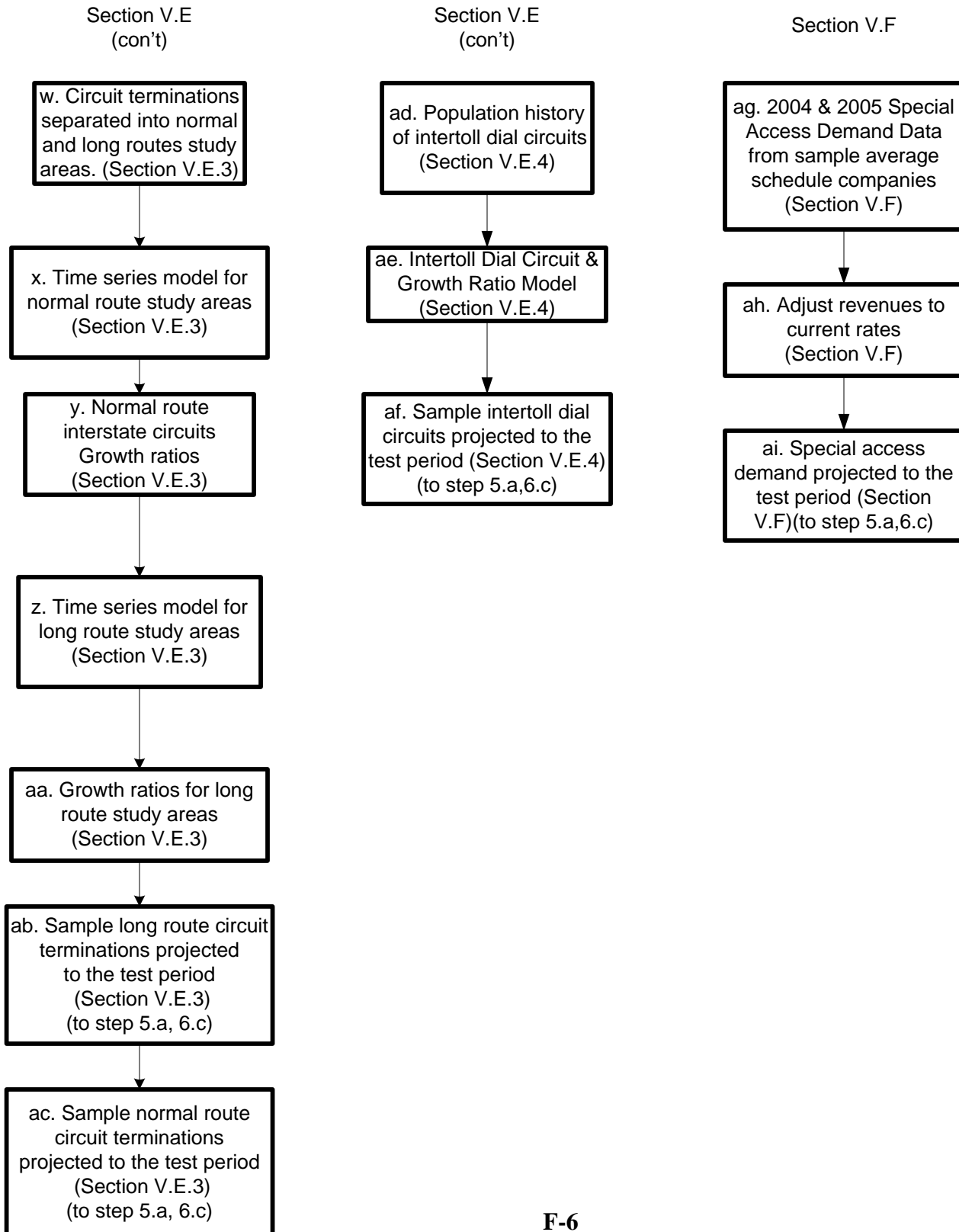
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FLOW CHARTS OF SETTLEMENT FORMULA
DEVELOPMENT STEPS

4. Average Schedule Demand Projections



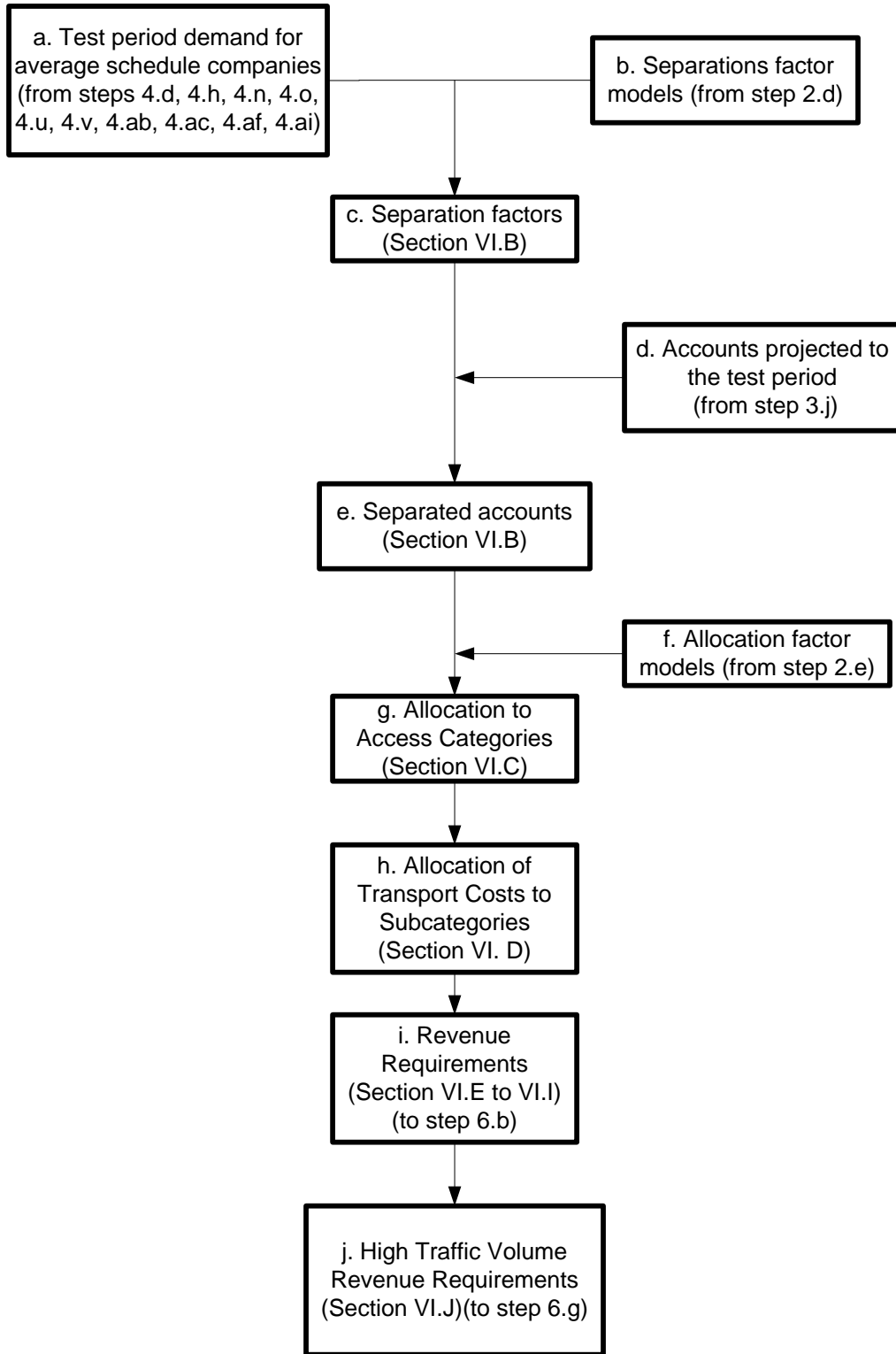
APPENDIX F
2009 MODIFICATIONS OF AVERAGE SCHEDULES
FLOW CHARTS OF SETTLEMENT FORMULA
DEVELOPMENT STEPS

4. Average Schedule Demand Projections



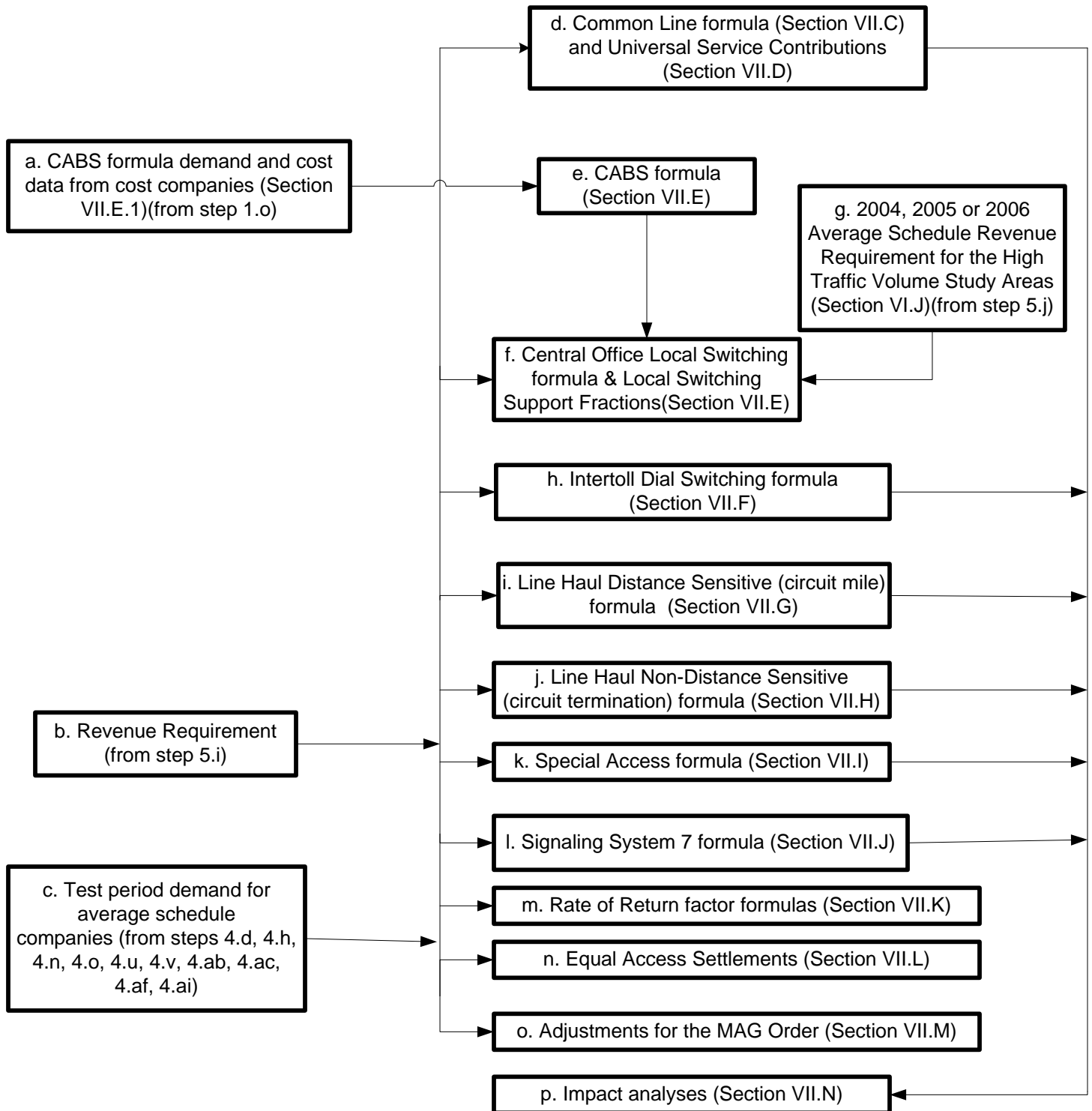
APPENDIX F
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DEVELOPMENT STEPS

5. Revenue Requirements Derivation



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DEVELOPMENT STEPS

6. Derivation of Average Schedule Formulas



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2009 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.
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	CONSOLIDATED COMMUNICATIONS OF PA COMPANY
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
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.
190248	SCOTT COUNTY TEL. COOP. INC.
190250	SHENANDOAH TEL. CO.

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2009 MODIFICATION OF AVERAGE SCHEDULES
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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.
260419	THACKER/GRIGSBY TEL. CO., INC.
270428	DELCAMBRE TEL. CO.

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2009 MODIFICATION OF AVERAGE SCHEDULES
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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	BLED SOE 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.
310692	DRENTHE TEL. CO.
310694	FARMERS MUT. OF CHAPIN DBA CHAPIN TEL. CO.

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 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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.
320826	SWAYZEE TEL. CO., INC.
320827	SWEETSER RURAL TEL. CO., INC.
320829	TIPTON TEL. CO., INC.
320830	TRI-COUNTY TEL. CO., INC.-IN
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.
330851	BONDUEL TEL. CO.
330856	BURLINGTON BRIGHTON & WHEATLAND TEL.
330863	CITIZENS TEL. COOP., INC.-WI
330865	CLEAR LAKE TEL. CO., INC.-WI
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.
330889	HAGER TELECOM, INC.
330892	HILLSBORO TEL. CO., INC.
330896	LAKEFIELD TEL. CO.
330899	LA VALLE TEL. COOP.
330900	LEMONWEIR VALLEY TEL. CO.

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 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
330902	LUCK TEL. CO.
330905	MANAWA TEL. CO.
330914	EASTCOAST TELECOM, INC.
330915	MOSINEE TELEPHONE COMPANY, LLC
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.
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.
341087	VIOLA HOME TEL. CO.
341092	STELLE TEL. CO.
350739	REASNOR TELEPHONE COMPANY, LLC
351097	ANDREW TEL. CO., INC.
351098	ARCADIA TEL. COOP.

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 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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
351173	FARMERS MUTUAL TEL. COOP.-SHELLSBURG
351174	FARMERS MUTUAL TEL. CO.-STANTON
351175	FARMERS TEL. CO.-BATAVIA
351176	FARMERS TEL. CO.-ESSEX
351177	FARMERS TEL. CO.-RICEVILLE
351179	FENTON COOP. TEL. CO.
351188	GOLDFIELD TEL. CO.
351189	RIVER VALLEY TELECOMMUNICATIONS COOP.
351191	GRAND MOUND COOP. TEL. ASSN.
351195	GRISWOLD COOP. TEL. CO.

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2009 MODIFICATION OF AVERAGE SCHEDULES
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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
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

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2009 MODIFICATION OF AVERAGE SCHEDULES
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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.
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.
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.

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2009 MODIFICATION OF AVERAGE SCHEDULES
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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.
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.

APPENDIX G

2009 MODIFICATION OF AVERAGE SCHEDULES
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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
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.
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
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)
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

APPENDIX G

2009 MODIFICATION OF AVERAGE SCHEDULES
 AVERAGE SCHEDULE STUDY AREA CODES AND NAMES

<u>Study Area Code</u>	<u>Study Area Name</u>
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)
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.
462206	STONEHAM COOPERATIVE TEL. CO.
462210	WILLARD TEL. CO.
472227	MUD LAKE TELEPHONE COOPERATIVE ASSN. INC.
482252	RONAN TEL. CO.
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

2009 MODIFICATION OF AVERAGE SCHEDULES
 DSL GROSS-UP ADJUSTMENT FACTOR - SPECIAL ACCESS REVENUE DATA
 FOR AVERAGE SCHEDULE STUDY AREAS THAT LEFT DSL POOL IN JULY 2007
 AND HAD NON ZERO DSL REVENUES IN THE PRECEDING 6 MONTHS

Study Area Code	Special Access Revenues January - June 2007	DSL Revenues January - June 2007
100005	16,295	13,198
190253	220,633	27,685
220364	326,841	91,243
220395	392,464	85,557
230500	36,934	7,357
240535	19,965	7,499
250311	83,013	21,846
260412	103,829	27,449
260417	54,802	14,563
300585	49,943	10,504
300645	26,333	23,915
300659	266,261	31,896
300662	15,072	10,169
320744	89,338	34,226
320777	93,246	62,024
320778	95,161	42,033
320792	112,798	84,643
320809	115,328	32,764
320816	31,954	5,081
320829	240,352	57,391
320830	187,955	83,235
330849	45,228	24,829
330851	80,387	14,017
330856	122,814	46,522
330875	50,248	24,550
330880	258,661	105,200
330914	251,705	62,006
330930	118,192	72,039
330943	184,342	45,310
330945	129,519	28,119
351320	36,914	23,876
361413	17,616	11,304
361507	117,634	31,330
361654	61,188	48,815
383303	3,463,012	750,964
391654	615,607	411,342
391671	311,071	40,808
522430	131,290	52,561
TOTAL	8,573,945	2,567,870
Average DSL Share		0.2995
Gross-up Factor: 1/(1-Average DSL Share)		1.4275