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October 5, 1998

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## BY HAND DELIVERY

Ms. Blanca J. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Saumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Docket No. 980696-TP

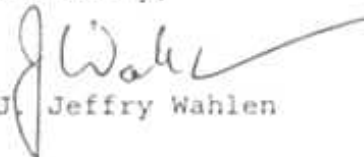
Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket are the original and fifteen (15) copies of the Revised (10/5/98) Composite Exhibit of Lynne G. Brewer consisting of two documents. Service has been made to the parties in accordance with the attached certificate of service.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Sincerely,

  
J. Jeffrey Wahlen

ACK     

AFA   2  

APP     

CAF Enclosures

Key  
cc: All parties of record

CFI       
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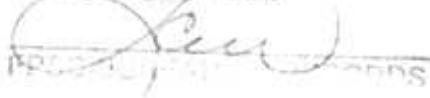
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John P. Fons  
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ATTORNEY

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DOCKET NO. 980696-TP  
NORTHEAST  
EXHIBIT \_\_\_\_\_ (LGB-1)  
(Revised 10/5/98)

Composite Exhibit  
OF  
Lynne G. Brewer  
(Revised)  
2 Documents

DOCUMENT NUMBER-DATE

10912 OCT-58

FRSD-RECORDS/REPORTING

DOCKET NO. 980696-TP  
NORTHEAST  
EXHIBIT \_\_\_\_\_ (LGB-1)  
Document 1 (21 pages)  
(Revised 10/5/98)

Northeast's Embedded  
Cost Study  
  
for  
  
Cost of Basic Local  
Telecommunications Service

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5-1 197

REVENUE REQUIREMENT SUMMARY

LN	DESCRIPTION	TOTAL OPERATING	ALLOCATION BASIS	INTERSTATE		MESSAGE TOLL		INTRA-STATE		SPECIAL ACCESS		EXCHANGE		EXCHANGE MESSAGE
				INTRA-STATE	INTERSTATE	INTRA-STATE	INTERSTATE	INTRA-STATE	INTERSTATE	INTRA-STATE	INTERSTATE	INTRA-STATE	INTERSTATE	
1	REVENUE REQUIREMENT SUMMARY													
2	RATE OF RETURN	1071440	NOTE A	0	200238	0	42790	82348	105849	178454	49433	0	0	8400290
3	RETURNS ON INVESTMENT	1132376	LN 1, LN 2	0.0000%	11,200%	0.0000%	11,200%	-4,2548%	-10,508%	-4,2548%	-10,508%	0.0000%	0.0000%	-1,0155%
4	ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	33885	LN 1, LN 2	0	40322	0	5339	4880	-17541	-14068	-4881	0	0	1228178
5	NET RETURN FOR SETTLEMENTS	1189195	LN 3, LN 4	0	39628	0	4910	7502	17968	15275	3078	0	0	282779
6	FEDERAL OPERATING INCOME TAX	178210	LN 28	0	1481	0	5959	4498	-11798	-3478	0	0	0	1199803
7	LESS FEDERAL ITC AMORTIZATION	202557	LN 9, LN 7	0	10568	0	172	111	349	282	75	0	0	15790
8	NET FEDERAL INCOME TAX	84851	LN 33	0	1777	0	1588	-615	-1405	-3051	0	0	0	415888
9	STATE AND LOCAL INCOME TAX	84851	LN 30	0	0	0	262	-1133	-3447	-2527	419	0	0	89279
10	LESS STATE ITC AMORTIZATION	84851	LN 9, LN 10	0	1777	0	262	-1133	-3447	-2527	419	0	0	89279
11	NET STATE INCOME TAX	84851	LN 9, LN 10	0	1777	0	262	-1133	-3447	-2527	419	0	0	89279
12	OPERATING EXPENSE AND TAX	540360	LN 20	0	54215	0	1725	36789	20572	6788	18028	0	0	4182232
13	OTHER ALLOWABLE EXPENSES	3790	LN 21, LN 22, LN 23	0	147	0	15	349	387	58	14	0	0	3881
14	UNCOLLECTIBLES	1790	LN 30	0	1254	0	644	515	0	0	0	0	0	18987
15	BASES FOR GROSS RECEIPTS TAX	719370	LN 9, LN 10, LN 11, LN 12	0.0000%	0.0000%	0.0000%	0.0000%	27221%	27221%	27221%	27221%	2.7221%	2.7221%	3400289
17A	GROSS RECEIPTS TAX RATE	17819	LN 9, LN 10, LN 11, LN 12	0.0000%	0.0000%	0.0000%	0.0000%	2.7221%	2.7221%	2.7221%	2.7221%	2.7221%	2.7221%	2.7221%
17B	GROSS RECEIPTS TAX	1272237	LN 9, LN 10, LN 11, LN 12	0	81881	0	2368	38407	6846	1387	202	0	0	10214
18	LESS 8-1/2% CREDITS	7372237	LN 9, LN 10, LN 11, LN 12	0	81881	0	2368	38407	6846	1387	202	0	0	10214
19	TOTAL REVENUE REQUIREMENT	1199188	LN 9, LN 10, LN 11, LN 12	0	81881	0	2368	38407	6846	1387	202	0	0	6000903
NOTE A. INCLUDES NET TEL PLANT FROM SOY 9-2 LN 26 LESS ACTS 2009, 2007 AND 1402 OTHER THAN RTB STOCK														
20	OPTIONAL GROSS UP INCOME TAX CALCULATION	1199188	LN 9	0	36528	0	810	-7280	-17688	-15273	-3018	0	0	1199803
21	RETURNS ON INVESTMENT	328189	LN 9, LN 10, LN 11, LN 12	0	10081	0	1483	2233	4999	5645	1524	0	0	310272
22	OTHER INCOME ADJUSTMENTS	36733	LN 21, LN 22, LN 23	0	8826	0	138	3187	3578	322	125	0	0	36848
23	TOTAL INCOME ADJUSTMENTS	36882	LN 21, LN 22, LN 23	0	9879	0	1821	5423	6544	6377	1658	0	0	36848
24	FEDERAL ITC AMORTIZATION	17902	LN 9, LN 7	0	823	0	72	111	249	262	78	0	0	15790
25	FEDERAL TAXABLE INCOME	1204816	LN 29, LN 28	0	33709	0	4905	-19112	-40577	-32028	-10214	0	0	1206048
26	FEDERAL INCOME TAX	409338	LN 29, LN 30	0	11481	0	1058	6498	-15796	-11798	-3478	0	0	431478
27	NET FEDERAL INCOME TAX BEFORE ITC	409338	LN 29, LN 30	0	11481	0	1058	6498	-15796	-11798	-3478	0	0	431478
28	STATE ITC AMORTIZATION	1299650	LN 9, LN 10, LN 11, LN 12	0	1481	0	1058	6498	-15796	-11798	-3478	0	0	431478
29	STATE INCOME TAX BEFORE ITC	1299650	LN 9, LN 10, LN 11, LN 12	0	1481	0	1058	6498	-15796	-11798	-3478	0	0	431478
30	STATE TAXABLE INCOME	1299650	LN 9, LN 10, LN 11, LN 12	0	1481	0	1058	6498	-15796	-11798	-3478	0	0	431478
31	STATE SURTAX EXEMPTION	19821	LN 30, LN 31	0	19821	0	19821	-19821	-19821	-19821	-19821	0	0	1320027
32	NET STATE INCOME TAX BEFORE ITC	1279829	LN 30, LN 31	0	1775	0	22	40	81	86	21	0	0	73894
33	TOTAL REVENUE REQUIREMENT	1199188	LN 9, LN 10, LN 11, LN 12	0	1777	0	262	-1133	-3447	-2527	419	0	0	69279

Northeast Florida Telephone Company's Embedded Cost per Access Line = \$6,060,903/7,781 = \$778.94/12 = \$64.91 per month

5-2-87

5-2-87

SUMMARY OF NET TELEPHONE PLANT, MBS AND WORKING CAPITAL

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE				INTRASTATE				EXCHANGE TOL	SPECIAL ACCESS	MESSAGE TOL	EXCHANGE MESSAGE
						MESSAGE TOL	INTRALATA	INTERLATA	EXCHANGE	MESSAGE TOL	INTRALATA	INTERLATA	EXCHANGE				
1	NET INVESTMENT SUMMARY																
2	GENERAL SUPPORT FACILITIES	2110		217882	5-3 LN 10	0	0	0	0	0	0	0	0	0	0	0	0
3	CENTRAL OFFICE SWITCHING EQUIPMENT	2210		3425210	5-4 LN 52	0	19442	0	0	0	0	0	0	0	0	0	0
4	OPERATOR SYSTEMS EQUIPMENT	2220		1147803	5-4 LN 41	0	0	0	0	0	0	0	0	0	0	0	0
5	CENTRAL OFFICE TRANSMISSION EQUIPMENT	2230		1776	5-4 LN 78	0	17775	0	0	0	0	0	0	0	0	0	0
6	INFORMATION ORIGINATOR EQUIPMENT	2310		1132098	5-3 LN 17	0	0	0	0	0	0	0	0	0	0	0	0
7	CABLE AND WIRE FACILITIES	2410		0	5-3 LN 42	0	19421	0	0	0	0	0	0	0	0	0	0
8	TANGIBLE ASSETS	2600		0	5-3 LN 29	0	0	0	0	0	0	0	0	0	0	0	0
9	INTANGIBLE ASSETS	2600		0	5-3 LN 36	0	0	0	0	0	0	0	0	0	0	0	0
10	TOTAL PLANT IN SERVICE - A/C 2001			1807970		0	18277	0	0	0	0	0	0	0	0	0	0
11	% DISTRIBUTION			100.000%		0.000%	2.844%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
12	PROPERTY HELD FOR FUTURE USE	2002		0	5-4 LN 6	0	0	0	0	0	0	0	0	0	0	0	0
13	PLANT UNDER CONSTRUCTION	2002		0	5-4 LN 15	0	0	0	0	0	0	0	0	0	0	0	0
14	RESERVED FOR FUTURE USE	N/A		0	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0
15	TELEPHONE PLANT ADJUSTMENT	2008		0	5-4 LN 27	0	0	0	0	0	0	0	0	0	0	0	0
16	NONOPERATING PLANT	2008		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
17	GOODWILL	2007		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
18	TOTAL PROPERTY, PLANT & EQUIPMENT			1828814		0	18220	0	0	0	0	0	0	0	0	0	0
19	% DISTRIBUTION			100.000%		0.000%	0.996%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
20	ACCUM DEPRECIATION - PART IN SERVICE	3100		848083	5-7 LN 16	0	0	0	0	0	0	0	0	0	0	0	0
21	ACCUM DEPRECIATION - FUTURE USE	3200		0	5-7 LN 18	0	0	0	0	0	0	0	0	0	0	0	0
22	ACCUM AMORTIZATION - TANGIBLE FINANCIAL	3300		0	5-7 LN 23	0	0	0	0	0	0	0	0	0	0	0	0
23	ACCUM AMORTIZATION - INTANGIBLE FINANCIAL	3400		0	5-7 LN 24	0	0	0	0	0	0	0	0	0	0	0	0
24	OPERATING DEPOSIT - TEL PLANT ADJUST	3000		0	5-7 LN 34	0	0	0	0	0	0	0	0	0	0	0	0
25	OPERATING DEPOSIT - TEL PLANT ADJUST	3000		0	5-7 LN 34	0	0	0	0	0	0	0	0	0	0	0	0
26	OPERATING DEPOSIT - TEL PLANT ADJUST	3000		0	5-7 LN 34	0	0	0	0	0	0	0	0	0	0	0	0
27	OTHER DEFERRED CREDITS - NET	4310		0	5-7 LN 43	0	0	0	0	0	0	0	0	0	0	0	0
28	OTHER DEFERRED CREDITS - NET	4300		0	5-7 LN 42	0	0	0	0	0	0	0	0	0	0	0	0
29	NET TELEPHONE PLANT			1828814		0	18220	0	0	0	0	0	0	0	0	0	0
30	% DISTRIBUTION			100.000%		0.000%	0.996%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
31	MATERIALS AND SUPPLIES	1220		84677	5-4 LN 31	0	0	0	0	0	0	0	0	0	0	0	0
32	NONCURRENT ASSETS - POST RET BENEFIT	1410		189112	5-4 LN 35	0	0	0	0	0	0	0	0	0	0	0	0
33	EQUAL ASSETS EQUIPMENT	1420		0	5-4 LN 36	0	0	0	0	0	0	0	0	0	0	0	0
34	OTHER JURISDICTIONAL ASSETS	1500		0	5-4 LN 37	0	0	0	0	0	0	0	0	0	0	0	0
35	CASH WORKING CAPITAL	X000		210998	5-4 LN 38	0	0	0	0	0	0	0	0	0	0	0	0
36	NET TEL PLANT, MBS AND CASH WORKING CAPITAL			10314840		0	18220	0	0	0	0	0	0	0	0	0	0
37	% DISTRIBUTION			100.000%		0.000%	0.176%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

5.3.101

OTHER TELECOMMUNICATIONS PLANT

5.3.101

LN	DESCRIPTION	AC	CAT	TOTAL COMPANY	ALLOCATION BASIS		MESSAGE TOLL		SPECIAL ACCESS		EXCHANGE TOLL		EXCHANGE MESSAGE	OTHER
					INT'L	INT'L	INT'L	INT'L	INT'L	INT'L	INT'L	INT'L		
BASIS FOR GENERAL SUPPORT FACILITIES														
1	CLASS A SEPARATIONS			2231147	0	202081	0	6082	142111	157108	27423	5474	0	198821
2	BUS THREE EXPENSES			100 0000%	0.0000%	13 4496%	0.0000%	0 2725%	0 2799%	7 2442%	1 2489%	2 2454%	0 0.0000%	71 8989%
3	% DISTRIBUTION													2.0000%
4	CLASS B SEPARATIONS			9895685	0	491579	0	70081	108598	243108	278065	73368	0	15423062
5	COE, COT AND CAMP			100 0000%	0.0000%	2 8449%	0.0000%	0 4198%	0 8120%	1 4584%	1 8334%	0 4373%	0 0.0000%	82 4382%
6	% DISTRIBUTION													0.0000%
LAND AND SUPPORT ASSETS														
7	CLASS A COMPANIES			2174682	0	84048	0	8120	14182	31578	20960	8512	0	2010281
8	CLASS B COMPANIES			100 0000%	0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%
9	DIRECT ASSIGNED NON ACCESS			2174682	0	84048	0	8120	14182	31578	20960	8512	0	2010281
10	TOTAL LAND AND SUPPORT ASSETS			100 0000%	0.0000%	2 8449%	0.0000%	0 4198%	0 8120%	1 4584%	1 8334%	0 4373%	0 0.0000%	82 4382%
11	% DISTRIBUTION													1.0000%
GEN SUPPORT ASSETS COE INFORMATION														
12	ORIG TERM AND CAMP			1887287	0	585727	0	79187	123037	274642	312015	82178	0	17463441
13	% DISTRIBUTION			100 0000%	0.0000%	2 8449%	0.0000%	0 4198%	0 8120%	1 4584%	1 8334%	0 4373%	0 0.0000%	82 4382%
TANGIBLE ASSETS														
15	CAPITAL LEASES			2881	0	0	0	0	0	0	0	0	0	0
16	GENERAL SUPPORT			100 0000%	0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%
17	CENTRAL OFFICE EQUIP			0	0	0	0	0	0	0	0	0	0	0
18	INFORMATION ORGTERM			0	0	0	0	0	0	0	0	0	0	0
19	CABLE AND WIRE FACILITIES			0	0	0	0	0	0	0	0	0	0	0
20	UNDISTRIBUTED			0	0	0	0	0	0	0	0	0	0	0
21	SUBTOTAL CAPITAL LEASES			0	0	0	0	0	0	0	0	0	0	0
22	LEASEHOLD IMPROVEMENTS			2882	0	0	0	0	0	0	0	0	0	0
23	GENERAL SUPPORT			100 0000%	0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%
24	CENTRAL OFFICE EQUIP			0	0	0	0	0	0	0	0	0	0	0
25	INFORMATION ORGTERM			0	0	0	0	0	0	0	0	0	0	0
26	CABLE AND WIRE FACILITIES			0	0	0	0	0	0	0	0	0	0	0
27	UNDISTRIBUTED			0	0	0	0	0	0	0	0	0	0	0
28	SUBTOTAL LEASEHOLD IMPROVEMENTS			0 0.0000%	0.0000%	0 0.0000%	0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%
29	TOTAL TANGIBLE ASSETS			1887287	0	585727	0	79187	123037	274642	312015	82178	0	17463441
30	% DISTRIBUTION			100 0000%	0.0000%	2 8449%	0.0000%	0 4198%	0 8120%	1 4584%	1 8334%	0 4373%	0 0.0000%	82 4382%
INTANGIBLE ASSETS														
31	GEN SUPPORT ASSETS COE INFORMATION			2880	0	0	0	0	0	0	0	0	0	0
32	ORIGTERM CAMP AND TANGIBLE ASSETS			100 0000%	0.0000%	0 0.0000%	0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%
33	% DISTRIBUTION													0.0000%
34	ALLOCATED			0	0	0	0	0	0	0	0	0	0	0
35	DIRECT ASSIGNMENT			0	0	0	0	0	0	0	0	0	0	0
36	TOTAL INTANGIBLES			0 0.0000%	0.0000%	0 0.0000%	0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%	0 0.0000%
37	% DISTRIBUTION													0.0000%



8-4 192

CENTRAL OFFICE EQUIPMENT SEPARATIONS

8-4 192

LN	DESCRIPTION	AC	CAT	TOTAL COMPANY	ALLOCATION BASIS		INTERSTATE		MESSAGE TOLL		SPECIAL ACCESS		EXCHANGE MESSAGE	
					INTRASTATE	INTERSTATE	INTRASTATE	INTERSTATE	INTRASTATE	INTERSTATE	INTRASTATE	INTERSTATE	INTRASTATE	INTERSTATE
<b>SEPARATION FACTORS</b>														
1	STANDARD WORK SECONDS			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2	COMBINED TOLL AND LOCAL BOARDS			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
3	SEPARATE TOLL BOARDS			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
4	CSA BOARDS			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
5	OSB BOARDS			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
6	DIRRECT ASSISTANCE BOARD			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
7	TPS COMPLEX			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
8	SURFACE OBSERVING TOLL MOUNTS			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
9	PROCESSION REAL TIME - TPS COMPLEX			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
10	REL MOUNTS - TANDER SWITCHING			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
11	DAL EQUIPMENT MOUNTS (COM)			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
12	REL MOUNTS - EXCHANGE TRUNK			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
13	HOT-RESERVE MOUNTS			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
14	EQUIPMENT FURNISHED OTHERS FACTOR			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
<b>COE BOOK COST</b>														
17	OPERATOR SYSTEMS EQUIPMENT	2220	1 1	0	0	0	0	0	0	0	0	0	0	0
18	MANGAL SWITCHBOARDS			0	0	0	0	0	0	0	0	0	0	0
19	COMBINED TOLL AND LOCAL			0	0	0	0	0	0	0	0	0	0	0
20	SEPARATE TOLL BOARDS			0	0	0	0	0	0	0	0	0	0	0
21	SEPARATE CSA BOARDS			0	0	0	0	0	0	0	0	0	0	0
22	SEPARATE OSB BOARDS			0	0	0	0	0	0	0	0	0	0	0
23	DIRRECT ASSISTANCE			0	0	0	0	0	0	0	0	0	0	0
24	% DISTRIBUTION			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
25	AUXILIARY SWITCHBOARDS	2220	1 2	0	0	0	0	0	0	0	0	0	0	0
26	AUXILIARY SWITCHBOARDS			0	0	0	0	0	0	0	0	0	0	0
27	INTERCEPT			0	0	0	0	0	0	0	0	0	0	0
28	TOLL BATE AND ROUTE			0	0	0	0	0	0	0	0	0	0	0
29	SUBTOTAL AUXILIARY BOARDS			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
30	% DISTRIBUTION			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
31	SERVICE OBSERVING	2220	1 3	0	0	0	0	0	0	0	0	0	0	0
32	EXCHANGE			0	0	0	0	0	0	0	0	0	0	0
33	DIRRECT ASSIGNMENT			0	0	0	0	0	0	0	0	0	0	0
34	SUBTOTAL SERVICE OBSERVING			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
35	% DISTRIBUTION			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
36	OPERATOR	2220	1 4	0	0	0	0	0	0	0	0	0	0	0
37	REMOTE TRUNK ARRANGEMENT			0	0	0	0	0	0	0	0	0	0	0
38	OTHER			0	0	0	0	0	0	0	0	0	0	0
39	SUBTOTAL, TPS			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
40	% DISTRIBUTION			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
41	TOTAL OPERATOR SYSTEMS EQUIPMENT			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
42	% DISTRIBUTION			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

5-4-362

CENTRAL OFFICE EQUIPMENT SEPARATIONS

3-4-2-0

LN	DESCRIPTION	AC	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE		INTRA STATE		MESSAGE TOL		SPECIAL ACCESS		EXCHANGE	
						INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA
43	TANDEN SWITCHING EQUIPMENT	2270	2 0	0	LN 11-DIRECT	0	0	0	0	0	0	0	0	0	0
44	NON ACCESS	2 1	0	0	DIRECT	0	0	0	0	0	0	0	0	0	0
45	TANDEN SWITON TRANSPORT	2 2	0	0	LN 12-DIRECT	0	0	0	0	0	0	0	0	0	0
46	SUBTOTAL TANDEN SWITCHING	2 3	0	0	LN 13-DIRECT	0	0	0	0	0	0	0	0	0	0
47	% DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
48	LOCAL SWITCHING EQUIPMENT	2270	3 0	3401485	LN 13-DIRECT	0	184188	0	42087	0	30762	0	3084459	0	0
49	ACCESS	3 1	0	23715	5-4 LN 3	0	11290	0	8420	0	0	0	0	0	0
50	EGAL ACCESS	3 2	0	3425270	LN 13-DIRECT	0	0	0	42087	0	30762	0	3084459	0	0
51	SE7 SWITCHING	3 3	0	100.0000%	% DISTRIBUTION	0.0000%	0.0000%	0.0000%	1.2287%	0.0000%	2.8857%	0.0000%	90.2817%	0.0000%	0
52	TOTAL SWITCHING EQUIPMENT			3425270	% DISTRIBUTION	0.0000%	0.0000%	0.0000%	1.2287%	0.0000%	2.8857%	0.0000%	90.2817%	0.0000%	0
53	% DISTRIBUTION			100.0000%		0.0000%	0.0000%	0.0000%	1.2287%	0.0000%	2.8857%	0.0000%	90.2817%	0.0000%	0.0000%
54	CENTRAL OFFICE TRANSMISSION	2220	4 0	0	AL 11-NV0	0	0	0	0	0	0	0	0	0	0
55	EXCHANGE CIRCUIT	4 1	0	0	DIRECT	0	0	0	0	0	0	0	0	0	0
56	EXCH TRUNK - WIDE BAND	4 11	0	0	AL 11-NV1	0	0	0	0	0	0	0	0	0	0
57	EACH TRUNK - ACE BAND	4 12	0	0	LN 11-DIRECT	0	0	0	0	0	0	0	0	0	0
58	EXCH TRUNK - BASIC	4 13	0	0	LN 11-DIRECT	0	0	0	0	0	0	0	0	0	0
59	EXCH TRUNK - SPECIAL	4 14	0	1187188	AL 11-NV2	0	5877	0	0	0	0	0	0	0	0
60	SUBSCRIBER LINE - BASIC	4 15	0	1187188	DIRECT	0	0	0	0	0	0	0	0	0	0
61	SUBSCRIBER LINE - SPECIAL	4 16	0	1187188	DIRECT	0	0	0	0	0	0	0	0	0	0
62	SUBTOTAL EXCHANGE CIRCUIT			1187188		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
63	% DISTRIBUTION			100.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
64	PLURISERVICE CIRCUIT	4 2	0	0	DIRECT	0	0	0	0	0	0	0	0	0	0
65	PLURISERVICE OTHERS - INTERSTATE	4 21	0	0	AL 11-NV4	0	0	0	0	0	0	0	0	0	0
66	WIDE BAND	4 22	0	0	AL 11-NV5	0	0	0	0	0	0	0	0	0	0
67	OTHER - BASIC	4 23	0	308628	AL 11-NV6	0	148753	0	4887	0	13338	0	69815	0	8145
68	OTHER - SE7	4 24	0	0	AL 11-NV7	0	0	0	0	0	0	0	0	0	0
69	NON ACCESS	4 24	0	0	DIRECT	0	0	0	0	0	0	0	0	0	0
70	SUBTOTAL INTEREXCHANGE CIRCUIT			308628		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
71	% DISTRIBUTION			100.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
72	HOST-REMOTE CIRCUIT	4 3	0	276653	LN 15-DIRECT	0	27622	0	8173	0	13315	0	364	0	22343
73	EXCLUDING WATS	4 31	0	840	DIRECT	0	188	0	188	0	188	0	0	0	0
74	CLOSED END WATS	4 32	0	276795		0	27622	0	8173	0	13315	0	364	0	22343
75	SUBTOTAL HOST-REMOTE CIRCUIT			276795		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
76	% DISTRIBUTION			100.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
77	EQUIPMENT RENTED OTHERS	7 1	0	172775	LN 16-DIRECT	0	0	0	0	0	0	0	0	0	0
78	TOTAL TRANSMISSION EQUIPMENT			172775		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
79	% DISTRIBUTION			100.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
80	TOTAL CENTRAL OFFICE EQUIPMENT			9173113		0	372337	0	81927	0	194220	0	66443	0	4443300
81	% DISTRIBUTION			100.0000%		0.0000%	0.4137%	0.0000%	0.0000%	0.0000%	0.2124%	0.0000%	0.0000%	0.0000%	85.3834%

8-5 1/81

INFORMATION ORIGIN-TERM AND CAUSE REPARATIONS

8-5 1/81

LN	DESCRIPTION	AC	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE			INTRA-STATE			EXCHANGE MESSAGE	OTHER
						MESSAGE TOLL	SPECIAL ACCESS	EXCHANGE TOLL	MESSAGE TOLL	SPECIAL ACCESS	EXCHANGE TOLL		
						INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA		
1	SUBSCRIBER PLANT FACTOR (SPT)			100.0000%	INPUT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%
2	RELATIVE LOSS - COMBLES PAY TEL			0.0000%	INPUT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
3	EQUIVALENT MOVES - CMP			100.0000%	AL-1 LN 4	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	87.2537%
4	EQUIVALENT CHANNELS - EACH WIDEBAND			0.0000%	AL-1 LN 12	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
5	EQUIVALENT CHANNELS - 18 WIDEBAND			0.0000%	AL-1 LN 14	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
6	REL MOVES - EXCHANGE TRUNK			100.0000%	AL-1 LN 8	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
7	REL MOVES - EXCHANGE TRUNK			0.0000%	INPUT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
8	HOST-REMOTE MOU MILES			100.0000%	INPUT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	82.7840%
9	EQUIPMENT FURNISHED OTHERS FACTOR			0.0000%	INPUT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
INFORMATION ORIGIN-TERMINATION													
10	OTHER COT EQUIPMENT			0.0000%	LN 1-DIRECT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
11	CORN PUBLIC TELEPHONE			0.0000%	LN 2-DIRECT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
12	COINLESS PUBLIC TELEPHONE			178	LN 1-DIRECT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	178
13	OTHER			178		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	178
14	SUBTOTAL			100.0000%	DIRECT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
15	% DIST/TERMINATION			178		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
16	NEW CUSTOMER PREMIUM EQUIPMENT			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
17	TOTAL INFO ORIG-TERM EQUIP			100.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
18	% DISTRIBUTION			178		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CABLE AND WIRE FACILITIES													
19	SUBSCRIBER USE - JOINT			1072981	LN 3	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1072981
20	SUBSCRIBER USE - DIRECT			0	DIRECT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
21	SUBTOTAL CABLE FACILITIES			1072981		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1072981
22	EXCHANGE WIREBAND - JOINT			0	LN 4	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
23	EXCHANGE WIREBAND - DIRECT			0	DIRECT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
24	SUBTOTAL EXCHANGE WIREBAND			0		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
25	EXCHANGE TRUNK - JOINT			0	LN 7	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
26	EXCHANGE TRUNK - SPECIAL			0	DIRECT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
27	SUBTOTAL EXCHANGE TRUNK			0		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
28	INTEREXCHANGE WIREBAND - JOINT			0	LN 5	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
29	INTEREXCHANGE WIREBAND - DIRECT			0	DIRECT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
30	SUBTOTAL INTEREXCHANGE WIREBAND			0		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
31	IX TRUNK - ACCESS - JOINT			111315	LN 6	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	111315
32	IX TRUNK - ACCESS - DIRECT			0	DIRECT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
33	SUBTOTAL IX TRUNK - ACCESS - 537			111315		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	111315
34	SUBTOTAL INTEREXCHANGE ACCESS			111315	LN 8	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	111315
35	HOST-REMOTE - JOINT			868220	DIRECT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	868220
36	HOST-REMOTE - DIRECT			0	LN 8	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
37	SUBTOTAL HOST-REMOTE, EXCL WATS			868220		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	868220
38	HOST-REMOTE - CLOSED ENCL WATS			11800	DIRECT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	11800
39	EQUIPMENT FURNISHED OTHERS - JOINT			0	LN 9	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
40	EQUIPMENT FURNISHED OTHERS - DIRECT			0	DIRECT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
41	SUBTOTAL EQUIPMENT FURNISHED OTHERS			0		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0
42	TOTAL CABLE AND WIRE FACILITIES			1132066		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1132066
43	% DISTRIBUTION			100.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%

OTHER TELEPHONE PLANT AND DEFERRED CHARGES

LN	DESCRIPTION	AC	CAT	TOTAL COMPANY	INTERSTATE			INTRA-STATE			EXCHANGE TOL			EXCHANGE MESSAGE			
					ALLOCATION BASIS	MESSAGE TOLL	SPECIAL ACCESS	MESSAGE TOLL	SPECIAL ACCESS	MESSAGE TOLL	SPECIAL ACCESS	EXCHANGE TOL	SPECIAL ACCESS	EXCHANGE TOLL	SPECIAL ACCESS	EXCHANGE MESSAGE	OTHER
					INTRA-STATE	INTERSTATE	INTRA-STATE	INTERSTATE	INTRA-STATE	INTERSTATE	INTRA-STATE	INTERSTATE	INTRA-STATE	INTERSTATE	INTRA-STATE	INTERSTATE	
1	TELEPHONE PLANT IN SERVICE	2001		100.0000%	5-2 LN 10	0.0000%	0.4196%	0.0000%	0.0000%	1.4564%	0.4377%	0.0000%	0.0000%	0.0000%	82.4367%	0.0000%	
2	CABLE AND WIRE FACILITIES	2410		100.0000%	5-5 LN 43	0.0000%	0.0000%	0.2389%	0.0000%	0.9108%	0.5107%	0.0000%	0.0000%	0.0000%	95.3726%	0.0000%	
3	EQUAL ACCESS MON'YS			100.0000%	IMP'Y	0.0000%	0.0000%	0.0000%	0.0000%	35.5039%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
OTHER TELECOMMUNICATIONS PLANT																	
4	PROPERTY HELD FOR FUTURE USE	2002		0	5-3 LN 11	0	0	0	0	0	0	0	0	0	0	0	
5	GENERAL SUPPORT FACILITIES			0	5-4 LN 81	0	0	0	0	0	0	0	0	0	0	0	
6	CENTRAL OFFICE EQUIPMENT			0	5-4 LN 43	0	0	0	0	0	0	0	0	0	0	0	
7	CABLE AND WIRE FACILITIES			0	LN 1-CORRECT	0	0	0	0	0	0	0	0	0	0	0	
8	UNDISTRIBUTED			0		0	0	0	0	0	0	0	0	0	0	0	
9	PROPERTY HELD FOR FUTURE USE	2003		0	5-3 LN 11	0	0	0	0	0	0	0	0	0	0	0	
10	PLANT UNDER CONSTRUCTION			0	7-4 LN 81	0	0	0	0	0	0	0	0	0	0	0	
11	GENERAL SUPPORT FACILITIES			0	5-5 LN 43	0	0	0	0	0	0	0	0	0	0	0	
12	CENTRAL OFFICE EQUIPMENT			0	LN 1-CORRECT	0	1823	2087	0	75%	2084	0	0	0	423580	0	
13	CABLE AND WIRE FACILITIES			0		13484	0	0	0	0	0	0	0	0	0	0	
14	UNDISTRIBUTED			0		13484	0	0	0	0	0	0	0	0	0	0	
15	TOTAL TRVC			0		0	1823	2087	0	0	0	0	0	0	423580	0	
16	RESERVED FOR FUTURE USE	XXXX		0	5-3 LN 11	0	0	0	0	0	0	0	0	0	0	0	
17	GENERAL SUPPORT FACILITIES			0	5-4 LN 81	0	0	0	0	0	0	0	0	0	0	0	
18	CENTRAL OFFICE EQUIPMENT			0	5-4 LN 43	0	0	0	0	0	0	0	0	0	0	0	
19	CABLE AND WIRE FACILITIES			0	LN 1-CORRECT	0	0	0	0	0	0	0	0	0	0	0	
20	UNDISTRIBUTED			0		0	0	0	0	0	0	0	0	0	0	0	
21	TOTAL			0		0	0	0	0	0	0	0	0	0	0	0	
22	OTHER TELECOMMUNICATIONS PLANT ADJUSTMEN	2005		0	5-3 LN 11	0	0	0	0	0	0	0	0	0	0	0	
23	GENERAL SUPPORT FACILITIES			0	5-4 LN 81	0	0	0	0	0	0	0	0	0	0	0	
24	CENTRAL OFFICE EQUIPMENT			0	5-4 LN 43	0	0	0	0	0	0	0	0	0	0	0	
25	CABLE AND WIRE FACILITIES			0	LN 1-CORRECT	0	0	0	0	0	0	0	0	0	0	0	
26	UNDISTRIBUTED			0		0	0	0	0	0	0	0	0	0	0	0	
27	TOTAL TEL PLANT ADJUSTMENT			0		0	0	0	0	0	0	0	0	0	0	0	
28	TOTAL OTHER TELEPHONE PLANT			458227		11494	1823	2087	0	75%	2084	0	0	0	423580	0	
MATERIALS AND SUPPLIES																	
29	PIPE	1220		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
30	OTHER			84077	LN 2-CORRECT	0	482	223	0	1712	480	0	0	0	88725	0	
31	TOTAL			84077		0	482	223	0	1712	480	0	0	0	88725	0	
32	% DISTRIBUTION			100.0000%		0.0000%	0.5727%	0.2689%	0.0000%	2.0184%	0.5727%	0.0000%	0.0000%	0.0000%	95.3726%	0.0000%	
INVESTMENT IN NONAFFILIATED COMPANIES																	
33	RTS STOCK	1402		184112	LN 1	0	794	1233	0	2754	827	0	0	0	174038	0	
34	OTHER			189112	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
35	TOTAL			373224		0	794	1233	0	2754	827	0	0	0	174038	0	
36	NONCURRENT ASSETS - POST RET BENEFIT	1410		0	5-3 LN 3	0	0	0	0	0	0	0	0	0	0	0	
37	EQUAL ACCESS EQUIPMENT - NET	1408		0	LN 2-CORRECT	0	0	0	0	0	0	0	0	0	0	0	
38	OTHER JURISDICTIONAL ASSETS	1500		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	

ACCUMULATED DEPRECIATION/AMORTIZATION SEPARATIONS

LN	DESCRIPTION	ACC	CAT	TOTAL COMPANY	ALLOCATION BASIS	MESSAGE TOL		INTERSTATE		MESSAGE TOL		INTERSTATE		EXCHANGE MESSAGE	OTHER
						INT'LATA	INT'LATA	INT'LATA	INT'LATA	INT'LATA	INT'LATA	INT'LATA	INT'LATA		
1	GENERAL SUPPORT FACILITIES	2110		100 0000%	5-3 LN 11	0 0000%	0 4186%	0 8520%	1 4564%	0 4373%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
2	CENTRAL OFFICE EQUIPMENT	2230		100 0000%	5-4 LN 81	0 0000%	0 2157%	1 3789%	3 5630%	0 2724%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
3	INFORMATION ORG-TERM EQUIPMENT	2310		100 0000%	5-3 LN 18	0 0000%	0 0000%	0 2070%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
4	CABLE & WIRE FACILITIES	2410		100 0000%	5-3 LN 43	0 0000%	0 3127%	0 22 89%	0 5157%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
5	GLN SUPPORT C-E, OT AND CRMP			100 0000%	5-3 LN 14	0 0000%	0 0000%	0 8620%	0 4364%	0 6175%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
6	CAPITAL LEASES	2981		0 0000%	5-3 LN 21	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
7	LEASEHOLD IMPROVEMENTS	2982		0 0000%	5-3 LN 27	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
8	TANGIBLE ASSETS	2980		0 0000%	5-3 LN 20	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
9	PLANT HELD FOR FUTURE USE	2022		0 0000%	5-4 LN 9	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
12	TELECOMMUNICATIONS PLANT ADJUSTMEN	2058		0 0000%	5-4 LN 27	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
ACCU DEPRECIATION - PLANT IN SERVICE															
11	GENERAL SUPPORT	3100		197254		0	23479	0	23479	0	3148	0	11912	0	72652
12	CENTRAL OFFICE SWITCHING EQUIPMENT			137910		0	80148	0	80148	0	0	0	30950	0	123879
13	OPERATOR SERVICES EQUIPMENT			0		0	0	0	0	0	0	0	0	0	0
14	CENTRAL OFFICE TRANSMISSION			714489		0	70623	0	70623	0	4518	0	34802	0	558498
15	UNDISTRIBUTED COE			0		0	0	0	0	0	0	0	0	0	0
16	INFORMATION ORG-TERM			875		0	0	0	0	0	0	0	0	0	875
17	CABLE AND WIRE FACILITIES			58722		0	18221	0	18221	0	2802	0	20591	0	32052
18	TOTAL ACCUM DEP - PLANT IN SERVICE			848089		0	232273	0	232273	0	36333	0	114363	0	367081
19	ACCU DEPRECIATION - FUTURE USE	3000		0		0	0	0	0	0	0	0	0	0	0
ACCUMULATED AMORTIZATION															
20	TANGIBLE ASSETS	3400		0		0	0	0	0	0	0	0	0	0	0
21	CAPITAL LEASES			0		0	0	0	0	0	0	0	0	0	0
22	LEASEHOLD IMPROVEMENTS			0		0	0	0	0	0	0	0	0	0	0
23	UNDISTRIBUTED			0		0	0	0	0	0	0	0	0	0	0
24	TOTAL ACCUM AMORT - TANGIBLE ASSETS	3000		0		0	0	0	0	0	0	0	0	0	0
25	INTANGIBLE ASSETS	3900		0		0	0	0	0	0	0	0	0	0	0
26	TELECOMMUNICATIONS PLANT ADJUSTME			0		0	0	0	0	0	0	0	0	0	0
28	TOTAL ACCUM AMORTIZATION			0		0	0	0	0	0	0	0	0	0	0
NET OPERATING DEFERRED INC TAX															
27	GENERAL SUPPORT	4300		86219		0	2169	0	2169	0	370	0	1283	0	81346
28	CENTRAL OFFICE SWITCHING EQUIPMENT			62016		0	26117	0	26117	0	0	0	17967	0	50645
29	OPERATOR SERVICES EQUIPMENT			0		0	0	0	0	0	0	0	0	0	0
30	CENTRAL OFFICE TRANSMISSION			13771		0	1381	0	1381	0	47	0	4571	0	1270
31	INFORMATION ORG-TERM			198		0	0	0	0	0	0	0	0	0	198
32	CABLE AND WIRE FACILITIES			193248		0	2003	0	2003	0	892	0	887	0	18408
33	UNDISTRIBUTED			0		0	0	0	0	0	0	0	0	0	0
34	TOTAL NET DEFERRED INCOME TAX			868040		0	28357	0	28357	0	1273	0	19558	0	81379

8-7-242

ACCUMULATED DEPRECIATION/AMORTIZATION SEPARATIONS

8-7-242

LN	DESCRIPTION	ACC	CAT	TOTAL COMPANY	ALLOCATION BASE	INTERSTATE		INTRA-LATA		MESSAGE TOLL		SPECIAL ACCESS		EXCHANGE MESSAGE	
						INTRA-LATA	INTER-LATA	INTRA-LATA	INTER-LATA	INTRA-LATA	INTER-LATA	INTRA-LATA	INTER-LATA	INTRA-LATA	INTER-LATA
35	OTHER DEFERRED CREDITS - NET	4380		0	LN 1-DIRECT	0	0	0	0	0	0	0	0	0	0
36	GENERAL SUPPORT			0	54-LN3-COR	0	0	0	0	0	0	0	0	0	0
37	OPERATOR SERVICES EQUIPMENT			0	54-LN2-COR	0	0	0	0	0	0	0	0	0	0
38	CENTRAL OFFICE TRANSMISSION			0	54-LN7-COR	0	0	0	0	0	0	0	0	0	0
39	INFORMATION CREDIT			0	LN 1-DIRECT	0	0	0	0	0	0	0	0	0	0
40	CABLE AND WIRE FACILITIES			0	LN 4-DIRECT	0	0	0	0	0	0	0	0	0	0
41	UNDISTRIBUTED			0	LN 1-DIRECT	0	0	0	0	0	0	0	0	0	0
42	TOTAL OTHER DEFERRED CREDITS			0		0	0	0	0	0	0	0	0	0	0
43	OTHER LT LAB - POST RET BENEFIT	4310		0	3-3-LA 2	0	0	0	0	0	0	0	0	0	0

5-8 NP7

5-8 NP7

LN	DESCRIPTION	AC	CAT	TOTAL COMPANY	ALLOCATION BASIS		MESSAGE TOLL		INTRASTATE		MESSAGE TOLL		EXCHANGE	
					BASE	PERCENT	INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA	EXCHANGE	MESSAGE
1	OPERATING EXPENSE AND TAX SUMMARY													
2	NETWORKS SUPPORT EXPENSE	8110		14887			0	441	0	83	36	218	248	0
3	GENERAL SUPPORT EXPENSE	8120		22922			0	873	0	362	148	3340	1762	0
4	CENTRAL OFFICE EXPENSE	8210		314813			0	22842	0	872	481	1210	4581	0
5	INFORMATION CRYPTO-SYSTEM EXPENSE	8310		0			0	0	0	0	0	0	0	0
6	CABLE AND WIRE FACILITIES EXPENSE	8410		471481			0	2413	0	2413	1117	2408	8178	0
7	OTHER PLANT EXPENSE	8510		0			0	0	0	0	0	0	0	0
8	NETWORK OPERATIONS EXPENSE	8610		422718			0	172	0	172	213	8148	8881	0
9	ACCESS CHARGE EXPENSE	8640		328575			0	1428	0	277	4833	3814	848	0
10	MARKETING EXPENSE	8650		879873			0	248993	0	345	12848	132488	2958	0
11	RESEARCH AND PLANNING EXPENSE	8710		648228			0	8897	0	1781	4050	8822	8179	0
12	GENERAL AND ADMINISTRATIVE EXPENSE	8720		781780			0	10338	0	2104	4733	38188	8213	0
13	SUBTOTAL OPERATING EXPENSES			420008			0.000%	89938	0.000%	11207	25742	281418	4328	0.000%
14	% DISTRIBUTION			1184871			0.000%	38471	0.000%	3032	8858	18883	2938	0.000%
15	DEPRECIATION AND AMORTIZATION	8880		278058			0	8130	0	1158	482	462	4884	0
16	OTHER OPERATING TAX	7140		0			0	0	0	0	0	0	0	0
17	EQUAL ACCESS EXPENSE	7280		848			0	28	0	28	131	154	42	0
18	INTEREST ON CUSTOMER DEPOSITS	8240		4128			0	181	0	1728	38768	288272	8168	0
19	TOTAL OPERATING EXPENSE AND TAX			1203008			0.000%	84738	0.000%	17208	88244	518872	12217	0.000%
20	% DISTRIBUTION			1203008			0.000%	84738	0.000%	17208	88244	518872	12217	0.000%
21	NON-OPERATING EXPENSE	7370		0			0	0	0	0	0	0	0	0
22	ABANDONED CONSTRUCTION			0			0	0	0	0	0	0	0	0
23	CONTRIBUTIONS			8588			0	147	0	15	348	381	18	0
24	OTHER NON-OPERATING EXPENSE			238873			0.000%	0	0	0	0	0	0	0
25	TOTAL NON-OPERATING EXPENSE			246461			0.000%	147	0.000%	15	348	381	18	0.000%
26	% DISTRIBUTION			1203008			0.000%	84738	0.000%	17208	88244	518872	12217	0.000%
27	UNCOLLECTIBLES			0			0	0	0	0	0	0	0	0
28	END USER MSG TOLLS	8310		36371			0	8645	0	0	8444	815	2	0
29	END USER COMMON LINE	8320		1388			0	0	0	0	0	0	0	0
30	IX CARRIER	8330		0			0	0	0	0	0	0	0	0
31	TOTAL UNCOLLECTIBLES			37720			0	11204	0	0	8444	815	2	0
32	ALLOWANCE FOR FUNDS USED DURING CO	7340		30885			0	864	0	128	200	447	508	0

5-8 18P

5-8 18P

PLANT SPECIFIC OPERATIONS EXPENSE SEPARATIONS

LN	DESCRIPTION	AC	CAT	TOTAL COMPANY	ALLOCATION BASIS		INTERSTATE		MESSAGE TOLL		INTRASTATE		MESSAGE TOLL		SPECIAL ACCESS		EXCHANGE		OTHER
					INTRA-LN	INTRA-STATE	INTRA-LN	INTRA-STATE	INTRA-LN	INTRA-STATE	INTRA-LN	INTRA-STATE	INTRA-LN	INTRA-STATE	INTRA-LN	INTRA-STATE	INTRA-LN	INTRA-STATE	
1	GENERAL SUPPORT FACTORS	2110		1487	0	441	0	55	0	218	248	0	0	0	0	13613	0	0	0
2	CENTRAL OFFICE SWITCHING EXPENSE	8210		23912	0	1713	0	82	0	3340	3762	0	0	0	0	211877	0	0	0
3	OPERATOR SYSTEMS EXPENSE	8220		24308	0	7195	0	1025	0	3058	4038	0	0	0	0	225830	0	0	0
4	CENTRAL OFFICE TRANSMISSION EXPENSE	8230		100	0	28489	0	0	0	14054	16534	0	0	0	0	624000	0	0	0
5	UN-DISTRIBUTED			274111	0	19729	0	588	0	4322	810	0	0	0	0	256440	0	0	0
6	TOTAL CENTRAL OFFICE EXPENSE			4082	0	2913	0	0	0	0	0	0	0	0	0	0	0	0	0
7	INFORMATION ORG-TERM EXPENSE			314813	0	22840	0	872	0	4081	11210	0	0	0	0	278229	0	0	0
8	INFORMATION ORG-TERM EXPENSE			100	0	15800	0	27100	0	15100	33000	0	0	0	0	853000	0	0	0
9	OT EXPENSES - COMM-FEL			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	OT EXPENSES - COM-LESS PAY TEL			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	OT EXPENSES - OTHER			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	OT EXPENSES - CPE			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	TOTAL INFORMATION ORG-TERM EXP			63000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	% DISTRIBUTION			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	CABLE AND WIRE TOLL EXPENSE	8410		47481	0	4887	0	2415	0	1117	2408	0	0	0	0	48849	0	0	0
16	CABLE AND WIRE TOLL EXPENSE			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	CABLE AND WIRE TOLL EXPENSE			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	CABLE AND WIRE TOLL EXPENSE			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	CABLE AND WIRE TOLL EXPENSE			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	TOTAL CABLE AND WIRE TOLL EXPENSE			47481	0	4887	0	2415	0	1117	2408	0	0	0	0	48849	0	0	0
21	% DISTRIBUTION			100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	TOTAL PLANT SPECIFIC EXPENSE			1030383	0	34721	0	4112	0	7670	17118	0	0	0	0	848708	0	0	0
23	% DISTRIBUTION			100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	PLANT SPECIFIC EXP EXCLUDING GENERAL SUPPORT			786074	0	27528	0	3087	0	8077	13618	0	0	0	0	718877	0	0	0
25	% DISTRIBUTION			100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



5-10-10T

PLANT NONSPECIFIC OPERATIONS EXPENSE SEPARATIONS

5-10-10T

LN	DESCRIPTION	A.C.	CAT.	TOTAL COMPANY	ALLOCATION BASIS	MESSAGE TOLL		SPECIAL ACCESS		EXCHANGE		EAS	MESSAGE	EXCHANGE	OTHER
						INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA				
1	TELEPHONE PLANT IN SERVICE	2001		100 0000%	5-2 LN 12	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
2	CAPITAL LEASES	2001		0 0000%	5-7 LN 8	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
3	LEASEHOLD IMPROVEMENTS	2002		0 0000%	5-7 LN 7	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
4	TANGIBLE PROPERTY	2000		0 0000%	5-3 LN 30	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
5	INTANGIBLE PROPERTY	2000		0 0000%	5-3 LN 37	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
6	TELEPHONE PLANT ADJUSTMENT	2000		0 0000%	5-7 LN 10	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
7	COE LOT AND CAMP	2000		0 0000%	5-3 LN 7	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
OTHER PROPERTY PLANT & EQUIPMENT EXPENSE															
8	UNDISTRIBUTED	8510		0 0000%	LN 1-CORRECT	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
9	PROPERTY HELD FOR FUTURE USE	8511		0 0000%	LN 1-CORRECT	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
10	MATERIALS & SUPPLIES PROVISIONING	8512		0 0000%	LN 1-CORRECT	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
11	TOTAL OTHER PROP PLANT & EQUIP EXPENSE			0 0000%		0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
12	% DISTRIBUTION														
13	NETWORK OPERATIONS EXPENSE	6500		42218	LN 1-CORRECT	0 0000%	12404	0 0000%	1772	2763	8148	8881	1948	0 0000%	240283
14	ACCESS CHARGE EXPENSE	6540		12873	DIRECT	0 0000%	0 0000%	0 0000%	0 0000%	12873	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
15	DEPRECIATION EXPENSE	6900		13673	5-3 LN 11	0 4101	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
16	GENERAL SUPPORT	214808		13673	5-4 LN 33	0 0000%	13518	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
17	CENTRAL OFFICE SWITCHING EQUIPMENT	214808		0 0000%	5-4 LN 42	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
18	CENTRAL OFFICE TRANSMISSION	162876		0 0000%	5-4 LN 71	0 0000%	16130	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
19	UNOBTAINABLE COE	238		0 0000%	5-4 LN 81	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
20	INFORMATION ORGATEM	238		0 0000%	5-4 LN 18	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
21	CABLE AND WIRE FACILITIES	867336		0 0000%	5-5 LN 43	0 0000%	8917	0 0000%	3418	1581	3428	12141	3428	0 0000%	238
22	TOTAL DEP EXP - PLANT IN SERVICE	1194821		0 0000%	LN 1-CORRECT	0 0000%	39634	0 0000%	5032	8808	19583	20826	5337	0 0000%	636462
23	PROPERTY HELD FOR FUTURE USE	1194821		0 0000%	LN 1-CORRECT	0 0000%	39634	0 0000%	5032	8808	19583	20826	5337	0 0000%	1085680
24	TOTAL DEPRECIATION EXPENSE			100 0000%		0 0000%	53427%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
25	% DISTRIBUTION														
AMORTIZATION EXPENSE															
26	CAPITAL LEASE	6903		0 0000%	LN 2-CORRECT	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
27	LEASEHOLD IMPROVEMENTS	6903		0 0000%	LN 3-CORRECT	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
28	UNOBTAINABLE	6903		0 0000%	LN 4-CORRECT	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
29	INTANGIBLE ASSETS	6904		0 0000%	LN 5-CORRECT	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
30	OTHER - TYPA	6905		0 0000%	LN 6-CORRECT	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
31	TOTAL AMORTIZATION EXPENSE			0 0000%		0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
32	% DISTRIBUTION														
RENT REVENUES															
33	GEN SUPPORT ASSETS	1240		0 0000%	5-3 LN 11-38	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
34	CENTRAL OFFICE EQUIPMENT	1240		0 0000%	5-4 LN 81-08R	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
35	CABLE & WIRE FACILITIES	1240		0 0000%	5-5 LN 43-08R	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
36	UNOBTAINABLE	1240		0 0000%	5-2 LN 10-08R	0 0000%	181	0 0000%	26	42	89	101	27	0 0000%	9672
37	TOTAL RENT REVENUES			0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%

5-11-1987

CUSTOMER OPERATIONS EXPENSE DEBITMENTS

5-11-1987

LN	DESCRIPTION	AC	CAT	TOTAL COMPANY	ALLOCATION BASIS		MESSAGE TOLL		INTERSTATE		MESSAGE TOLL		SPECIAL ACCESS		EXCHANGE		OTHER	
					MP/JT	LN 11-DIRECT	INT'L/STA	INT'L/STA	INT'L/STA	INT'L/STA	INT'L/STA	INT'L/STA	INT'L/STA	INT'L/STA	INT'L/STA	INT'L/STA		INT'L/STA
1	SMS - OPERATOR SERVICES EXCL DA			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
2	SMS - DIRECTORY ASSISTANCE BOARDS			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
3	SUBSCRIBER LINE USE (BLU)			150.0000%	150.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
4	END USER BELLED REVENUE INCL CCL			150.0000%	150.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
5	X CARRIER BELLED REVENUE			150.0000%	150.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
6	PAYSTATION REVENUE			150.0000%	150.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
7	BUSINESS OFFICE CONTACTS			150.0000%	150.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
8	BILLING INQUIRY CONTACTS			150.0000%	150.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
9	X CARRIER SVC ORDER CONTACTS			150.0000%	150.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
10	X CARRIER BILLING INQUIRY CONTACTS			150.0000%	150.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
11	CARRIER ACCESS BILLING FACTOR			150.0000%	150.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
CUSTOMER OPERATIONS EXPENSES																		
12	MARKETING			47132	MP/JT	0	11428	0	277	4835	3914	848	0	0	0	2615	0	
13	TELEPHONE OPERATOR SERVICES			0	MP/JT	0	0	0	0	0	0	0	0	0	0	0	0	
14	CALL COMPLETION INCL DA			108332	DIRECT	0	0	0	8275	0	0	0	0	0	0	10320	0	
15	OPERATOR SERVICES UNDER CONTRACT			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	
16	PURCHASED DIRECTORY LISTINGS			31620	DIRECT	0	0	0	0	0	0	0	0	0	0	31620	0	
17	CLASSIFIED			8679	LN 1	0	8471	0	0	2164	4867	0	0	0	0	8477	0	
18	ALPHA			0	LN 1	0	0	0	0	0	0	0	0	0	0	0	0	
19	FORBON			131384	DIRECT	0	8471	0	0	2164	4867	0	0	0	0	11482	0	
20	SUBTOTAL			6223	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	
21	LOCAL BUSINESS OFFICE			1.0	LN 8	0	0	0	0	0	0	0	0	0	0	0	0	
22	END USER SVC ORDER PROCESSING			1.1	LN 8	0	0	0	0	0	0	0	0	0	0	0	0	
23	PRESCRIPTION			1.1	LN 8	0	0	0	0	0	0	0	0	0	0	0	0	
24	OTHER			1.2	LN 7	0	0	0	0	0	0	0	0	0	0	0	0	
25	END USER PAYMENT & COLLECTION			1.2	LN 4	0	0	0	0	0	0	0	0	0	0	0	0	
26	END USER BILLING INQUIRY			1.3	LN 4	0	0	0	0	0	0	0	0	0	0	0	0	
27	X CARRIER SVC ORDER PROCESSING			1.4	LN 9	0	0	0	0	0	0	0	0	0	0	0	0	
28	X CARRIER PAYMENT & COLLECTION			1.5	LN 5	0	0	0	0	0	0	0	0	0	0	0	0	
29	X CARRIER BILLING INQUIRY			1.6	LN 5	0	0	0	0	0	0	0	0	0	0	0	0	
30	CON COLLECTION AND ADMINISTRATION			1.7	LN 10	0	0	0	0	0	0	0	0	0	0	0	0	
31	SUBTOTAL LOCAL BUSINESS OFFICE			17	LN 8	0	0	0	0	0	0	0	0	0	0	0	0	
32	CUSTOMER SERVICES (REV ACTOR)			2.0	LN 8	0	81053	0	943	30242	29015	2960	0	0	0	181971	0	
33	MESSAGE PROCESSING			2.1	LN 8	0	0	0	0	0	0	0	0	0	0	0	0	
34	TOLL TOLLET PROCESSING			2.1	LN 8	0	0	0	0	0	0	0	0	0	0	0	0	
35	LOCAL MESSAGE PROCESSING			2.2	LN 7	0	0	0	0	0	0	0	0	0	0	0	0	
36	OTHER BILLING & COLLECTION			2.2	LN 11	0	0	0	0	0	0	0	0	0	0	0	0	
37	END USER COMMON LINE			2.3	LN 11	0	0	0	0	0	0	0	0	0	0	0	0	
38	CARRIER ACCESS BILLING (LARS)			2.4	LN 11	0	0	0	0	0	0	0	0	0	0	0	0	
39	SUBTOTAL CUSTOMER SERVICES			41	LN 11	0	0	0	0	0	0	0	0	0	0	0	0	
40	TOTAL CAT 1 AND CAT 2			100.0000%	LN 12-LN 40	0	0	0	0	0	0	0	0	0	0	0	0	
41	DISTRIBUTION			11846	LN 41-DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	
42	ALL OTHER CUSTOMER SERVICE			87887	LN 13-LN 44	0	0	0	0	0	0	0	0	0	0	0	0	
43	TOTAL SERVICES EXPENSE			100.0000%	LN 13-LN 44	0	0	0	0	0	0	0	0	0	0	0	0	
44	DISTRIBUTION			100.0000%	LN 13-LN 44	0	0	0	0	0	0	0	0	0	0	0	0	
45	TOTAL CUSTOMER OPERATIONS EXPENSE			100.0000%	LN 13-LN 44	0	0	0	0	0	0	0	0	0	0	0	0	
46	DISTRIBUTION			100.0000%	LN 13-LN 44	0	0	0	0	0	0	0	0	0	0	0	0	

AL-1 1/87

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DEVELOPMENT OF ALLOCATION RATIOS

LN	ALLOCATION RATIOS	TOTAL COMPANY		INTERSTATE		MESSAGE TOLL		SPECIAL ACCESS		EXCHANGE TOLL		EXCHANGE MESSAGE	
		132 0000%	132 0000%	132 0000%	132 0000%	132 0000%	132 0000%	132 0000%	132 0000%	132 0000%	132 0000%	132 0000%	132 0000%
1	ALLOCATED LOOPS - COE	8000	0	0	0	41	0	0	0	0	0	0	7788
2	PERCENT DISTRIBUTION	132 0000%	0 0000%	0 0000%	0 0000%	0 1118%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	87 2531%
3	ALLOCATED LOOPS - CWF	8000	0	0	0	41	0	0	0	0	0	0	7788
4	PERCENT DISTRIBUTION	132 0000%	0 0000%	0 0000%	0 0000%	0 1118%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	87 2531%
5	ALLOCATED CIRCUIT TERMINATIONS - COE	570	0	0	0	0	0	0	0	0	0	0	0
6	PERCENT DISTRIBUTION	132 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
7	ALLOCATED CIRCUIT MILES - CWF	2850 0	0	0	0	45 0	0	0	0	0	0	0	0
8	PERCENT DISTRIBUTION	132 0000%	0 0000%	0 0000%	0 0000%	0 1578%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
9	ALLOCATED EACH WIDEBAND LOOPS	0	0	0	0	0	0	0	0	0	0	0	0
10	PERCENT DISTRIBUTION	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
11	ALLOCATED EACH WIDEBAND CHANNELS (MOU/H)	0	0	0	0	0	0	0	0	0	0	0	0
12	PERCENT DISTRIBUTION	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
13	ALLOCATED 14 WIDEBAND CHANNELS (MOU/MILES)	0	0	0	0	0	0	0	0	0	0	0	0
14	PERCENT DISTRIBUTION	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
15	ALLOCATED TOLL MESSAGES (SP * MC)	1200015	0	0	0	0	0	0	0	0	0	0	0
16	PERCENT DISTRIBUTION	132 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%
17	ALLOCATED USERS	132000	0	0	0	0	0	0	0	0	0	0	0
18	PERCENT DISTRIBUTION	132 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%	0 0000%

CNC-1

CASH WORKING CAPITAL WORKSHEET

CNC-1

LN	DESCRIPTION	TOTAL COMPANY	ALLOCATION BASIS	INTERESTATE		MESSAGE TOLL		INTRASTATE		EXCHANGE	MESSAGE
				INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA		
1	PLANT SPECIFIC EXPENSES	102283	5-8 LN 27	0	34721	0	1573	1778	1879	4328	0
2	PLANT NON SPECIFIC EXPENSE EXCL DEP & AMORT	347791	VARIOUS	0	12034	0	12328	8148	8881	1848	0
3	CUSTOMER OPERATIONS EXP - MARKETING	47182	5-11 LN 12	0	11428	0	277	3974	344	89	0
4	CUSTOMER OPERATIONS EXP - SERVICES	479873	5-11 LN 14	0	248833	0	22648	133483	2764	290	0
5	CORPORATE OPERATIONS EXPENSE	1429429	5-12 LN 13	0	162353	0	3898	132882	4894	2327	0
6	EQUAL ACCESS EXPENSE	0	5-12 LN 15	0	0	0	0	0	0	0	0
7	OTHER EXPENSE - CONTRIBUTIONS	1658	5-12 LN 14	0	747	0	349	301	34	14	0
8	INTEREST ON CUSTOMER DEPOSITS	368175	5-12 LN 17	0	283	0	154	154	40	0	0
9	FEDERAL INCOME TAX (ACTUAL)	478071	5-12 LN 31	0	467153	0	1138	151443	21336	2674	0
10	STATE INCOME TAX (ACTUAL)	276258	5-12 LN 32	0	138822	0	1267	23878	4190	472	0
11	OTHER OPERATING TAX	0	5-12 LN 33	0	8130	0	1108	4821	4864	1227	0
12	OPERATING TAXES - DIRECT ASSIGN	48729	5-12 LN 34	0	0	0	0	3712	0	0	0
13	GROSS RECEIPTS TAX (ACTUAL)	238788	5-12 LN 18	0	10301	0	2223	4888	5645	1334	0
14	INTEREST ON CAPITAL LEASES	1123682	RECORDS	0	1462388	0	14827	41188	21331	8198	0
15	OTHER FIXED CHARGES - OPERATING	210988	RECORDS	0	821110	0	24110	81410	24110	0	0
16	TOTAL CASH WORKING CAPITAL EXPENSES	210988	RECORDS	0	821110	0	24110	81410	24110	0	0
17	CASH WORKING CAPITAL MATD	0	RECORDS	0	0	0	0	0	0	0	0
18	CASH WORKING CAPITAL	0	LN 18	0	0	0	0	0	0	0	0
19	MEMORIAL BOND FINANCE	0	LN 18	0	0	0	0	0	0	0	0
20	WORKING CASH ADVANCES	0	LN 18	0	0	0	0	0	0	0	0
21	TOTAL CASH WORKING CAPITAL	210988		0	821110	0	24110	81410	24110	0	0
				0	82104	0	774	18267	877	337	0

TAX-1

EFFECTIVE FEDERAL INCOME TAX RATE

LN	DESCRIPTION	SOURCE	TAXABLE INCOME TOTAL	OPERATING	TOTAL	INCOME TAX OPERATING
1	AVERAGE NET INVESTMENT	S-1 Ln 1	10314540	10314540		
2	ASSUMED RATE OF RETURN FOR ESTIMATING TAX RATE		12.0005%	11.8237%		
3	RETURN ON INVESTMENT	Ln 1 Ln 2	1238778	1229680		
4	FIT INCOME ADJUSTMENT (FROM COST STUDY)		365770	366922		
5	INVESTMENT TAX CREDIT AMORTIZATION	S-12 Ln 29	17082	17082		
6	AFTER TAX INCOME BEFORE TAX CREDITS	Ln 3-4-5	825878	825878		
7	FIT BEFORE TAX CREDITS (MUST EQUAL LN 17)		425451	425451		
8	TAXABLE INCOME	Ln 6+Ln 7	1251327	1251327		
9	FIT ON \$0 TO \$50,000 @ 15%		50000	50000	7500	7500
10	FIT ON \$50,000 TO \$75,000 @ 25%		25000	25000	6250	6250
11	FIT ON \$75,000 TO \$100,000 @ 34%		25000	25000	8500	8500
12	FIT ON \$100,000 TO \$335,000 @ 38%		235000	235000	91850	91850
13	FIT ON \$335,000 TO \$110,000,000 @ 34%		918327	918327	311351	311351
14	FIT ON \$10,000,000 TO \$15,000,000 @ 35%		0	0	0	0
15	FIT ON \$15,000,000 TO \$18,333,333 @ 38%		0	0	0	0
16	FIT ON OVER \$18,333,333 @ 35%		0	0	0	0
17	TOTAL TAXABLE INCOME/FIT BEFORE TAX CREDITS	Ln 8-16	1251327	1251327	425451	425451
18	EFFECTIVE FIT TAX RATE				34.0000%	34.0000%

AC NUMBER	ALLOCATION BASIS	MESSAGE		INTERSTATE		SPECIAL ACCESS		INTRASTATE		SPECIAL ACCESS		EXCHANGE		OTHER
		INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA	SAS	MESSAGE	
<b>NET INVESTMENT SUMMARY</b>														
2110	100.0000%	0.0000%	2.8449%	0.0000%	0.4186%	0.8520%	1.6534%	1.6534%	0.4377%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2110	100.0000%	0.0000%	5.4239%	0.0000%	1.1981%	1.2318%	2.8817%	2.8817%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2200	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2210	100.0000%	0.0000%	9.8647%	0.0000%	0.6227%	2.7617%	4.8758%	4.8758%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2410	100.0000%	0.0000%	1.5988%	0.0000%	0.1127%	0.2368%	0.5109%	0.5109%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2460	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2680	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2680	100.0000%	0.0000%	2.8449%	0.0000%	0.4186%	0.8520%	1.6534%	1.6534%	0.4377%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2002	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2003	100.0000%	0.0000%	2.8449%	0.0000%	0.4186%	0.8520%	1.6534%	1.6534%	0.4377%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2004	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2005	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2006	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2007	100.0000%	0.0000%	2.8449%	0.0000%	0.4186%	0.8520%	1.6534%	1.6534%	0.4377%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
3100	100.0000%	0.0000%	2.7311%	0.0000%	0.4325%	0.6039%	1.6234%	1.6234%	0.4467%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
3270	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
3400	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
3500	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
3600	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
4040	100.0000%	0.0000%	4.4179%	0.0000%	0.1437%	0.3019%	2.2521%	2.2521%	0.1672%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
4270	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
4270	100.0000%	0.0000%	2.8449%	0.0000%	0.4186%	0.8520%	1.6534%	1.6534%	0.4377%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
4270	100.0000%	0.0000%	2.8900%	0.0000%	0.4325%	0.6039%	1.7385%	1.7385%	0.4629%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
1270	100.0000%	0.0000%	1.0368%	0.0000%	0.1272%	0.2269%	0.5109%	0.5109%	0.1107%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
1420	100.0000%	0.0000%	2.8449%	0.0000%	0.4186%	0.8520%	1.6534%	1.6534%	0.4377%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
1300	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
1300	100.0000%	0.0000%	25.0307%	0.0000%	0.2677%	0.8778%	8.8124%	8.8124%	0.1622%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
1300	100.0000%	0.0000%	3.4535%	0.0000%	0.4342%	0.6060%	1.6181%	1.6181%	0.1710%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
<b>NET TEL PLANT, M&amp;S AND CASH WORKING CAPITAL</b>														
<b>ACCUM DEPRECIATION - PLANT IN SERVICE</b>														
<b>ACCUM DEPRECIATION - FUTURE USE</b>														
<b>ACCUM AMORTIZATION - TANGIBLE PROPERTY</b>														
<b>ACCUM AMORTIZATION - INTANGIBLE PROPERTY</b>														
<b>ACCUM AMORTIZATION - TEL PLANT ADJUSTMENT</b>														
<b>NONCURRENT DEFERRED INCOME TAX - NET</b>														
<b>OTHER DEFERRED CREDITS - NET</b>														
<b>CUSTOMER DEPOSITS</b>														
<b>NET TELEPHONE PLANT</b>														
<b>MATERIALS AND SUPPLIES</b>														
<b>INVESTMENT IN NONAFFILIATED CO'S</b>														
<b>EQUAL ACCESS EQUIPMENT</b>														
<b>OTHER JURISDICTIONAL ASSETS</b>														
<b>CASH WORKING CAPITAL</b>														

ALLOCATION RATIOS	AC NUMBER		MESSAGE		INTERSTATE		PRIVATE LINE		MESSAGE		INTRA STATE		PRIVATE LINE		EXCHANGE		EXCHANGE		OTHER
	TOTAL	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	
OPERATING EXPENSE AND TAX SUMMARY																			
NETWORK SUPPORT EXPENSE	8110	100.0000%	0.0000%	2.8449%	0.0000%	0.4198%	0.0000%	0.0000%	0.0000%	0.0000%	1.4064%	0.0000%	0.0000%	0.4372%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
GENERAL SUPPORT EXPENSE	8120	100.0000%	0.0000%	2.8449%	0.0000%	0.4198%	0.0000%	0.0000%	0.0000%	0.0000%	1.4064%	0.0000%	0.0000%	0.4372%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CENTRAL OFFICE EXPENSE	8210	100.0000%	0.0000%	1.9800%	0.0000%	0.3117%	0.0000%	0.0000%	0.0000%	0.0000%	0.9500%	0.0000%	0.0000%	0.2736%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
INFORMATION DRUG-TERM EXPENSE	8210	100.0000%	0.0000%	1.9800%	0.0000%	0.3117%	0.0000%	0.0000%	0.0000%	0.0000%	0.9500%	0.0000%	0.0000%	0.2736%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CABLE AND WIRE FACILITIES EXPENSE	8410	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
OTHER PLANT EXPENSE	8510	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
NETWORK OPERATIONS EXPENSE	8530	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
ACCESS CHARGE EXPENSE	8540	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
MARKETING EXPENSE	8610	100.0000%	0.0000%	24.2203%	0.0000%	3.8664%	0.0000%	0.0000%	0.0000%	0.0000%	8.2698%	0.0000%	0.0000%	0.1400%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
SERVICES EXPENSE	8620	100.0000%	0.0000%	25.4607%	0.0000%	3.9699%	0.0000%	0.0000%	0.0000%	0.0000%	8.5241%	0.0000%	0.0000%	0.1400%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
EXECUTIVE AND PLANNING EXPENSE	8710	100.0000%	0.0000%	13.4468%	0.0000%	2.1295%	0.0000%	0.0000%	0.0000%	0.0000%	4.5842%	0.0000%	0.0000%	0.0299%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
GENERAL AND ADMINISTRATIVE EXPENSE	8720	100.0000%	0.0000%	13.4468%	0.0000%	2.1295%	0.0000%	0.0000%	0.0000%	0.0000%	4.5842%	0.0000%	0.0000%	0.0299%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
SUBTOTAL OPERATING EXPENSES		100.0000%	0.0000%	17.7038%	0.0000%	2.7795%	0.0000%	0.0000%	0.0000%	0.0000%	6.8588%	0.0000%	0.0000%	0.2464%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
DEPRECIATION AND AMORTIZATION	6860	100.0000%	0.0000%	3.2417%	0.0000%	0.4248%	0.0000%	0.0000%	0.0000%	0.0000%	0.7403%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
OTHER OPERATING TAX	7240	100.0000%	0.0000%	2.8449%	0.0000%	0.4198%	0.0000%	0.0000%	0.0000%	0.0000%	1.4064%	0.0000%	0.0000%	0.4372%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
EQUAL ACCESS EXPENSE	7530	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
INTEREST ON CUSTOMER DEPOSITS	5140	100.0000%	0.0000%	2.8449%	0.0000%	0.4198%	0.0000%	0.0000%	0.0000%	0.0000%	1.4064%	0.0000%	0.0000%	0.4372%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
RENT REVENUE - ACCESS	5140	100.0000%	0.0000%	8.9034%	0.0000%	0.3132%	0.0000%	0.0000%	0.0000%	0.0000%	3.1899%	0.0000%	0.0000%	0.3022%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TOTAL OPERATING EXPENSE AND TAX																			
NON OPERATING EXPENSE	7270	100.0000%	0.0000%	2.8449%	0.0000%	0.4198%	0.0000%	0.0000%	0.0000%	0.0000%	1.4064%	0.0000%	0.0000%	0.4372%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
ABANDONED CONSTRUCTION																			
CONTRIBUTIONS																			
OTHER NON OPERATING EXPENSE																			
TOTAL NON OPERATING EXPENSE																			
UNCOLLECTIBLES	8310	100.0000%	0.0000%	27.0867%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	17.7174%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
END USER MBO TOLLS	8320	100.0000%	0.0000%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
EX CARRIER	8330	100.0000%	0.0000%	28.8542%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	17.0762%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TOTAL UNCOLLECTIBLES																			
ALLOWANCE FOR FUNDS USED DURING CONSTR	7340	100.0000%	0.0000%	13.4468%	0.0000%	0.4198%	0.0000%	0.0000%	0.0000%	0.0000%	1.4064%	0.0000%	0.0000%	0.4372%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
OTHER INCOME ADJUSTMENTS	8330	100.0000%	0.0000%	13.4468%	0.0000%	0.4198%	0.0000%	0.0000%	0.0000%	0.0000%	1.4064%	0.0000%	0.0000%	0.4372%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

DOCKET NO. 980696-TP  
NORTHEAST  
EXHIBIT \_\_\_\_\_ (LGB-1)  
Document 2 (3 pages)  
(Revised 10/5/98)

Cost Study Assumptions



**NORTHEAST FLORIDA TELEPHONE COMPANY**  
**DOCKET NUMBER 980696**  
**Determination of the Cost of Basic Local Telecommunications Service**  
**Fully Distributed Allocation of 1997 Embedded Costs**  
**Cost Study Assumptions**  
 Revised as of 10/02/98

Northeast Florida Telephone Company has performed a fully distributed allocation of 1997 embedded costs using the following assumptions:

- COE Category 3.1 Joint Use investment was split between Switching (Traffic Sensitive) and Subscriber Line Cards (Non-Traffic Sensitive) based on COE/CPR Records. The entire investment in Subscriber Line Cards was assigned to the Local jurisdiction, while Switching investment was multiplied by the local SLU (subscriber line usage) factor to determine the amount to be apportioned to the "Local" jurisdiction. These two "Local" amounts were added together and then divided by the Total Investment in COE Category 3.1 from the Interstate cost study. This calculation yielded a Local Dial Office Factor (DOF), which was used in this study to allocate the appropriate portion of COE Category 3.1 to the "Local" jurisdiction. The amounts for Intrastate IntraLata, Intrastate InterLata and Interstate were allocated from the remaining Category 3.1 Switching investment by developing DOF factors that represented the same allocation relationship as that in the Interstate cost study. The calculations used to develop these new DOF factors are indicated below.

Total Category 3.1 Investment from '97 Interstate C/S	\$3,401,495
Total Cat. 3.1 Local Subscriber Line Card Inv. (CPR Rec's)	\$1,461,044
Total Cat. 3.1 Local Switching Inv. (See (A) Below)	<u>1,623,414</u>
Total Cat. 3.1 Local Investment	<u>\$3,084,458</u>

$$\text{Total Cat. 3.1 Switching Inv.} = \$3,401,495 - \$1,461,044 = \$1,940,451$$

$$\text{Total Cat. 3.1 Local Switching Inv.} = \$1,940,451 \times 0.836617 \text{ Local SLU factor (A)}$$

$$\text{Remaining Cat. 3.1 Inv.} = \$3,401,495 - \$3,084,458 = \$317,037$$

$$\text{Local DOF} = \$3,084,458 / \$3,401,495 = 0.906795$$

$$\text{Intrastate/IntraLata DOF} = (\$1,940,451 \times 0.021690 \text{ IntraLata SLU}) / \$3,401,495 = 0.012373$$

$$\text{Intrastate/InterLata DOF} = (\$1,940,451 \times 0.046773 \text{ InterLata SLU}) / \$3,401,495 = 0.026683$$

$$\text{Interstate DOF} = (\$1,940,451 \times 0.094920 \text{ Interstate SLU}) / \$3,401,495 = 0.054149$$

$$\text{Intrastate/IntraLata Cat. 3.1 Switching Investment} = \$3,401,495 \times 0.012373 = \$42,087$$

$$\text{Intrastate/InterLata Cat. 3.1 Switching Investment} = \$3,401,495 \times 0.026683 = \$90,762$$

$$\text{Interstate Cat. 3.1 Switching Investment} = \$3,401,495 \times 0.054149 = \$184,188$$

- The "Local" Cash Working Capital Factor was changed to .04110 in the cost study.
- Exchange Private Line (PL) loops used to allocate COE Category 4.13 and CWF Category 1 Private Line investment were moved to the Interstate PL jurisdiction in the cost study.

4. All investment, depreciation reserve, deferred taxes, depreciation expense, coin collection expense and information, origination and termination expense associated with Paystations was removed from the cost study.
5. The Subscriber Plant Factor (SPF), which is used to allocate joint investment in COE Category 4.13 and CWF Category 1, was changed to allocate 100% of this investment to the Local jurisdiction in the cost study.
6. A simple average of 97-1 USF loops (year-end 1996 loops) and 98-1 USF loops (year-end 1997 loops) was used to calculate the number of Access Lines for the calculation of Northeast's Local Revenue Requirement/Line.
7. An amount of \$451,785 was removed from Account 6560, Depreciation Expense, for additional depreciation associated with the write-off of the Macclenny DCO switch and its associated remotes (Blackwell, Conner, Mudlake and Sanderson). Also, depreciation expense for the new Macclenny EWSD switch was calculated as if it had been in-service for the entire year of 1997.

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by U. S. Mail or hand delivery (\*) this 5<sup>th</sup> day October, 1998, to the following:

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