

REDACTED

030867-TL

1 included in the interstate access ARPM.

2

3 Moreover, including the PICC in Verizon's interstate access rate is
 4 consistent with the Act. As stated above, the Act defines the term
 5 "intrastate switched network access rate" to include common line charges,
 6 but does not define the term "interstate switched network access rate."²³
 7 The PICC is a federal common line charge.²⁴ Because the Act includes
 8 common line charges in Verizon's intrastate access rate, the analogous
 9 PICC federal common line charge must be included in Verizon's
 10 calculation of the interstate ARPM for a consistent comparison.

11

12 **Q. YOU STATED PREVIOUSLY THAT VERIZON WOULD HAVE TO**
 13 **REDUCE ITS INTRASTATE ACCESS REVENUES BY**
 14 **APPROXIMATELY \$76.2 MILLION TO REDUCE ITS INTRASTATE**
 15 **ACCESS RATE TO PARITY. PLEASE EXPLAIN HOW YOU**
 16 **CALCULATED THIS AMOUNT.**

17 **A.** As explained above, I calculated intrastate and interstate ARPMs of
 18 \$.0485441 and \$.0117043, respectively, using rates in effect on January 1,
 19 2003 and units for the 12 months ending July 31, 2003. I then subtracted
 20 the interstate ARPM from the intrastate ARPM, and multiplied the
 21 difference (\$.0368398) by the intrastate demand (** **
 22 MOUs). This produced a required access revenue reduction of

²³ Section 364.164(6).

²⁴ See Footnote 22.

1 **CURRENT ESTIMATED SUPPORT**

2 **RESIDENCE**

3	Annualized	Present	Present Rate	Ordered	Estimated
4 <u>Service Description</u>	<u>Units</u>	<u>Rate</u>	<u>w/EUCL</u>	<u>UNE-P*</u>	<u>Support</u>
5 Basic Local Exchange Service					
6 Flat Rate – 1 Party Service/Business					
7 Rate Group 1		\$10.12	\$16.62	\$35.75	-53.51%
8 Rate Group 2		\$10.95	\$17.45	--	--
9 Rate Group 3		\$11.33	17.83	\$31.27	-42.98%
10 Rate Group 4		\$11.70	\$18.20	\$28.72	-36.63%
11 Rate Group 5		\$12.10	\$18.60	\$23.90	-22.18%

12

13 **CURRENT ESTIMATED SUPPORT**

14 **BUSINESS**

15	Annualized	Present	Present	Ordered	Estimated
16	<u>Units</u>	<u>Rate</u>	<u>Rate w/EUCL</u>	<u>UNE-P*</u>	<u>Support</u>
17 <u>Service Description</u>					
18 Basic Local Exchange Service					
19 Flat Rate – 1 Party Service/Business					
20 Rate Group 1		\$24.47	\$30.97	\$35.75	-13.37%
21 Rate Group 2		\$26.82	\$33.32	--	--
22 Rate Group 3		\$28.05	\$34.55	\$31.27	10.49%
23 Rate Group 4		\$28.85	\$35.35	\$28.72	23.08%
24 Rate Group 5		\$30.35	\$36.85	\$23.90	54.18%

25

26 **Q. HOW DID YOU DETERMINE WHAT ELEMENTS TO INCLUDE IN THE**

27 **COMPOSITE RATE, AND WHAT ASSUMPTIONS DID YOU MAKE**

28 **REGARDING SWITCHING AND TRANSPORT USAGE?**

29 **A. I used the network elements that are typically used to provide basic local**

1 residential and business telephone service. These elements are the loop,
2 port, switching and transport. The loop and port elements are priced on a
3 flat rate basis, and switching and transport are priced on a minute-of-use
4 basis. I determined, based on typical usage patterns, that 2,376 switching
5 minutes and 618 transport minutes are typically used to provision basic
6 local service in Florida.

7

8 **Q. WHAT ARE THE RESULTS OF YOUR COMPOSITE UNE ANALYSIS**
9 **AND WHAT CONCLUSIONS DO YOU REACH?**

10 A. Basic local residential rates are subsidized and receive substantial
11 support. In all five basic residential rate groups, the current rates are
12 below the ordered UNE rates. The estimated shortfall ranges from
13 in Rate Group 1 to in Rate Group 5. The two-year
14 rebalancing effort will make significant progress in eliminating support in
15 residential rates, but a level of subsidy will remain in all exchanges even
16 after residential rates are rebalanced.³⁶

17

18 With regard to business rates, there is currently a subsidy being provided
19 to rates in Rate Group 1 (the least dense rate group) only. Rates
20 (including the SLC) in Rate Groups 2 through 5 exceed their comparable
21 composite UNE rates.³⁷ Even using the conservative composite UNE
22 rates, this analysis confirms that basic local residential rates receive

³⁶ See Exhibit ODF-3.

³⁷ See Exhibit ODF-3.

VERIZON Communications				
Florida				
Calculation of the Interstate ATS ARPM				
Element	Rate Application	Aug '02 - Jul '03 Interstate Demand	1/1/2003 Interstate Rates	1/1/2003 Interstate Revenues
Switching				
End Office Switching - Bundled				
Premium	Per MOU		\$ 0.0032869	
Information Surcharge				
	Per MOU		\$0	
End Office Trunk Port				
Dedicated Voiceband	Per Month		\$ 25.00	
Dedicated DS1	Per Month		\$ 9.65	
Shared	Per MOU		\$ 0.0002324	
Transport				
Tandem Switching				
Tandem Switched Facility				
Zone 1	Per MOU/Mile		\$ 0.0000627	
Zone 2			\$ 0.0000752	
Zone 3			\$ 0.0000875	
Tandem Switched Termination				
Zone 1	Per MOU/Term		\$ 0.0001731	
Zone 2			\$ 0.0002077	
Zone 3			\$ 0.0002250	
Tandem Switching Rate				
Zone 1	Per MOU		\$ 0.0017800	
Zone 2			\$ 0.0022253	
Zone 3			\$ 0.0024106	
Shared Multiplexng				
Zone 1	Per MOU		\$ 0.0000459	
Zone 2			\$ 0.0000459	
Zone 3			\$ 0.0000459	
Dedicated Tandem Trunk Port				
Voiceband	Per Month		\$ 15.28	
DS1	Per Month		\$ 5.97	
Interconnection Charge				
	Per MOU		\$0	
Direct Trunk Transport:				
Voicegrade				
Zone 1	Per Mile/Month		\$4.30	
Zone 2			\$4.30	
Zone 3			\$4.30	
DS1 Facility				
Zone 1	Per Mile/Month		\$7.10	
Zone 2			\$8.03	
Zone 3			\$8.70	
DS1 Termination				
Zone 1	Per Month		\$21.30	
Zone 2			\$24.09	
Zone 3			\$26.10	
DS3 Facility				
Zone 1	Per Mile/Month		\$34.52	
Zone 2			\$36.50	
Zone 3			\$44.00	
DS3 Termination				
Zone 1	Per Month		\$346.88	
Zone 2			\$370.00	
Zone 3			\$444.25	

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VERIZON Communications				
Florida				
Calculation of the Interstate ATS ARPM				
			1/1/2003	1/1/2003
	Rate	Aug '02 - Jul '03	Interstate	Interstate
Element	Application	Interstate Demand	Rates	Revenues
Entrance Facility:				
Two Wire	Per Month			
Zone 1			\$31.40	
Zone 2			\$31.40	
Zone 3			\$31.40	
Four Wire	Per Month			
Zone 1			\$48.99	
Zone 2			\$48.99	
Zone 3			\$48.99	
DS1	Each DS1, Per Month			
Zone 1 - per system			\$165.00	
Zone 2 - per system			\$250.00	
Zone 3 - per system			\$250.00	
DS3 Electrical	Each DS3, Per Month			
Zone 1			\$1,000.00	
Zone 2			\$1,055.12	
Zone 3			\$1,055.12	
DS1 to Voice Multiplexing	Each, Per Month			
Zone 1			\$250.00	
Zone 2			\$250.00	
Zone 3			\$250.00	
DS3 to DS1 Multiplexing	Each, Per Month			
Zone 1			\$346.88	
Zone 2			\$370.00	
Zone 3			\$444.25	
			Total ATS Revenue	
			ATS ARPM	

VERIZON Communications				
Florida				
Calculation of PICC Equivalent ARPM and Total Composite ARPM				
			1/1/2003	1/1/2003
	Rate	Aug '02 - Jul '03	Interstate	Interstate
Element	Application	Intrastate Demand	Rates	Revenues
Presubscribed Interexchange Carrier Charge				
Multiline Business	Per Line, Per Month		\$3.20	
ISDN - PRI	Per Line, Per Month		\$16.00	
Centrex *	Per Line, Per Month		\$0.36	
1 Line			\$3.20	
2 Line			\$1.60	
3 Line			\$1.07	
4 Line			\$0.80	
5 Line			\$0.64	
6 Line			\$0.53	
7 Line			\$0.46	
8 Line			\$0.40	
9 + Lines			\$0.36	
		Total PICC Revenue		
		Intrastate Demand		
		PICC Equivalent ARPM		
* During the study period Centrex was billed a composite rate of \$0.36 per line.				
Interstate ATS ARPM				
PICC Equivalent ARPM				
Composite ARPM				

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VERIZON Communications							
Florida							
Intrastate Rate Reductions to Reach Interstate Composite							
Element	Rate Application	Aug '02 - Jul '03 Intrastate Demand	Current Intrastate Rates	Proposed Intrastate Rates	Current Intrastate Revenue	Proposed Intrastate Revenue	Difference
Switching							
End Office Switching - Bundled							
Premium	Per MOU		\$0.0089000	\$0.0089000			
Information Surcharge	Per MOU		\$0.0072000	\$0			
Transport *							
Tandem Switching							
Tandem Switched Facility	Per MOU/Mile		\$0.0000135	\$0.0000135			
Tandem Switched Termination	Per MOU/Term		\$0.0001344	\$0.0001344			
Tandem Switching Rate	Per MOU		\$0.0007500	\$0.0007500			
Interconnection Charge	Per MOU		\$0.0102494	\$0			
Direct Trunk Transport:							
Voicegrade	Per Mile/Month		\$5.08	\$5.08			
DS1 Facility	Per Mile/Month		\$5.00	\$5.00			
DS1 Termination	Per Month		\$30.00	\$30.00			
DS3 Facility	Per Mile/Month		\$70.00	\$70.00			
DS3 Termination	Per Month		\$500.00	\$500.00			
Entrance Facility:							
Two Wire	Per Month		\$33.08	\$33.08			
Four Wire	Per Month		\$52.93	\$52.93			
DS1 - First system	Each DS1, Per Month		\$260.00	\$260.00			
DS1 - Additional systems	Each DS1, Per Month		\$130.00	\$130.00			
DS3 Electrical	Each DS3, Per Month		\$1,400.00	\$1,400.00			
DS1 to Voice Multiplexing	Each, Per Month		\$250.00	\$250.00			
DS3 to DS1 Multiplexing	Each, Per Month		\$581.63	\$581.63			
Carrier Common Line							
Originating Carrier Common Line Access	Per MOU		\$0.0159409	\$0			
Terminating Carrier Common Line Access	Per MOU		\$0.0246950	\$0.0031065			
Total Revenue							
Total ARPM							
* Intrastate Transport in FL has 3 pricing zones. In the instances where the rates for zones within a rate element were different, the lowest price was applied.							

VERIZON Communications							
Florida							
Intrastate Switched Access Rate Reductions Year 1							
Element	Rate Application	Aug '02 - Jul '03 Intrastate Demand	Current Intrastate Rates	Proposed Year 1 Rates	Current Intrastate Revenue	Proposed Year 1 Revenue	Difference
Switching							
End Office Switching - Bundled							
Premium	Per MOU		\$0.0089000	\$0.0089000			
Information Surcharge	Per MOU		\$0.0072000	\$0			
Transport *							
Tandem Switching							
Tandem Switched Facility	Per MOU/Mile		\$0.0000135	\$0.0000135			
Tandem Switched Termination	Per MOU/Term		\$0.0001344	\$0.0001344			
Tandem Switching Rate	Per MOU		\$0.0007500	\$0.0007500			
Interconnection Charge	Per MOU		\$0.0102494	\$0.0058073			
Direct Trunk Transport:							
Voicegrade	Per Mile/Month		\$5.08	\$5.08			
DS1 Facility	Per Mile/Month		\$5.00	\$5.00			
DS1 Termination	Per Month		\$30.00	\$30.00			
DS3 Facility	Per Mile/Month		\$70.00	\$70.00			
DS3 Termination	Per Month		\$500.00	\$500.00			
Entrance Facility:							
Two Wire	Per Month		\$33.08	\$33.08			
Four Wire	Per Month		\$52.93	\$52.93			
DS1 - First system	Each DS1, Per Month		\$260.00	\$260.00			
DS1 - Additional systems	Each DS1, Per Month		\$130.00	\$130.00			
DS3 Electrical	Each DS3, Per Month		\$1,400.00	\$1,400.00			
DS1 to Voice Multiplexing	Each, Per Month		\$250.00	\$250.00			
DS3 to DS1 Multiplexing	Each, Per Month		\$581.63	\$581.63			
Carrier Common Line							
Originating Carrier Common Line Access	Per MOU		\$0.0159409	\$0.0159409			
Terminating Carrier Common Line Access	Per MOU		\$0.0246950	\$0.0246950			
Total Revenue							
Total ARPM							
* Intrastate Transport in FL has 3 pricing zones. In the instances where the rates for zones within a rate element were different, the lowest price was applied.							

VERIZON Communications								
Florida								
Intrastate Switched Access Rate Reductions Year 2								
			Year 1	Proposed	Year 1	Proposed		
Element	Rate Application	Aug '02 - Jul '03 Intrastate Demand	Intrastate Rates	Year 2 Rates	Intrastate Revenue	Year 2 Revenue	Difference	
Switching								
End Office Switching - Bundled								
Premium	Per MOU		\$0.0089000	\$0.0089000				
Information Surcharge	Per MOU		\$0	\$0				
Transport *								
Tandem Switching								
Tandem Switched Facility	Per MOU/Mile		\$0.0000135	\$0.0000135				
Tandem Switched Termination	Per MOU/Term		\$0.0001344	\$0.0001344				
Tandem Switching Rate	Per MOU		\$0.0007500	\$0.0007500				
Interconnection Charge	Per MOU		\$0.0058073	\$0				
Direct Trunk Transport:								
Voicegrade	Per Mile/Month		\$5.08	\$5.08				
DS1 Facility	Per Mile/Month		\$5.00	\$5.00				
DS1 Termination	Per Month		\$30.00	\$30.00				
DS3 Facility	Per Mile/Month		\$70.00	\$70.00				
DS3 Termination	Per Month		\$500.00	\$500.00				
Entrance Facility:								
Two Wire	Per Month		\$33.08	\$33.08				
Four Wire	Per Month		\$52.93	\$52.93				
DS1 - First system	Each DS1, Per Month		\$260.00	\$260.00				
DS1 - Additional systems	Each DS1, Per Month		\$130.00	\$130.00				
DS3 Electrical	Each DS3, Per Month		\$1,400.00	\$1,400.00				
DS1 to Voice Multiplexing	Each, Per Month		\$250.00	\$250.00				
DS3 to DS1 Multiplexing	Each, Per Month		\$581.63	\$581.63				
Carrier Common Line								
Originating Carrier Common Line Access	Per MOU		\$0.0159409	\$0				
Terminating Carrier Common Line Access	Per MOU		\$0.0246950	\$0.0228649				
Total Revenue								
Total ARPM								
* Intrastate Transport in FL has 3 pricing zones. In the instances where the rates for zones within a rate element were different, the lowest price was applied.								

VERIZON Communications							
Florida							
Intrastate Switched Access Rate Reductions Year 3							
Element	Rate Application	Aug '02 - Jul '03 Intrastate Demand	Year 2 Intrastate Rates	Proposed Year 3 Rates	Year 2 Intrastate Revenue	Proposed Year 3 Revenue	Difference
Switching							
End Office Switching - Bundled							
Premium	Per MOU		\$0 0089000	\$0 0089000			
Information Surcharge	Per MOU		\$0	\$0			
Transport *							
Tandem Switching							
Tandem Switched Facility	Per MOU/Mile		\$0.0000135	\$0.0000135			
Tandem Switched Termination	Per MOU/Term		\$0.0001344	\$0.0001344			
Tandem Switching Rate	Per MOU		\$0.0007500	\$0.0007500			
Interconnection Charge	Per MOU		\$0	\$0			
Direct Trunk Transport:							
Voicegrade	Per Mile/Month		\$5.08	\$5.08			
DS1 Facility	Per Mile/Month		\$5.00	\$5.00			
DS1 Termination	Per Month		\$30.00	\$30.00			
DS3 Facility	Per Mile/Month		\$70.00	\$70.00			
DS3 Termination	Per Month		\$500.00	\$500.00			
Entrance Facility:							
Two Wire	Per Month		\$33.08	\$33.08			
Four Wire	Per Month		\$52.93	\$52.93			
DS1 - First system	Each DS1, Per Month		\$260.00	\$260.00			
DS1 - Additional systems	Each DS1, Per Month		\$130.00	\$130.00			
DS3 Electrical	Each DS3, Per Month		\$1,400.00	\$1,400.00			
DS1 to Voice Multiplexing	Each, Per Month		\$250.00	\$250.00			
DS3 to DS1 Multiplexing	Each, Per Month		\$581.63	\$581.63			
Carrier Common Line							
Originating Carrier Common Line Access	Per MOU		\$0	\$0			
Terminating Carrier Common Line Access	Per MOU		\$0.0228649	\$0.0031065			
Total Revenue							
Total ARPM							
* Intrastate Transport in FL has 3 pricing zones. In the instances where the rates for zones within a rate element were different, the lowest price was applied							

**FLORIDA RATE REBALANCING
 SUMMARY**

BUSINESS BASIC EXCHANGE RATES

<u>Basic Flat Rate 1-party</u>	<u>Present Rate</u>	<u>Proposed Rate Yr-1</u>	<u>Proposed Rate Yr-2</u>	<u>Proposed Rate Yr-3</u>
Rate Group 1	\$24.47	\$26.98	\$29.49	\$32.00
Rate Group 2	\$26.82	\$28.54	\$30.26	\$32.00
Rate Group 3	\$28.05	\$29.37	\$30.69	\$32.00
Rate Group 4	\$28.85	\$29.90	\$30.95	\$32.00
Rate Group 5	\$30.35	\$30.35	\$31.60	\$32.00
Service Charges (NRC)				
Network Access	\$33.90	\$33.90	\$33.90	\$34.00
Established charges				

RESIDENTIAL BASIC EXCHANGE RATES

<u>Basic Flat Rate 1-party</u>	<u>Present Rate</u>	<u>Proposed Rate Yr-1</u>	<u>Proposed Rate Yr-2</u>	<u>Proposed Rate Yr-3</u>
Rate Group 1	\$10.12	\$11.70	\$13.28	\$14.85
Rate Group 2	\$10.95	\$12.53	\$14.11	\$15.68
Rate Group 3	\$11.33	\$12.91	\$14.49	\$16.06
Rate Group 4	\$11.70	\$13.28	\$14.86	\$16.43
Rate Group 5	\$12.10	\$13.68	\$15.26	\$16.83
Service Charges (NRC)				
Network Access	\$20.00	\$21.00	\$23.00	\$25.00
Establishment Charge				
Central Office Connection	\$35.00	\$36.00	\$38.00	\$40.00

**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS
 Summary of 1, 2 and 3 year Impacts**

1-Oct-03

FLORIDA RATE REBALANCING		Year 1		
Summary		Total Switched Access Reduction		\$ 76,231,567
	Present Revenue	Proposed Revenue - Year 1	Increase - Year 1	
Residential				
Business				
Total				\$ -
Total Basic Res and Bus Recovered - over (under)				\$ (76,231,567)

FLORIDA RATE REBALANCING		Year 2		
Summary		Total Switched Access Reduction		\$ 76,231,567
	Present Revenue	Proposed Revenue - Year 2	Increase - Year 2	Cummulative Revenue Years 1 & 2
Residential				\$0
Business				\$0
Total				\$ -
Total Basic Res and Bus Recovered - over (under)				\$ (76,231,567)

FLORIDA RATE REBALANCING		Year 3		
Summary		Total Switched Access Reduction		\$ 76,231,567
	Present Revenue	Proposed Revenue - Year 3	Increase - Year 3	Cummulative Revenue Years 1, 2, & 3
Residential				\$0
Business				\$0
Total				\$ -
Total Basic Res and Bus Recovered - over (under)				\$ (76,231,567)

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**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS**

1-Oct-03

Year 1 - Impact

Row	Service Description	Billing Type	Annualized Units	Present Rate	Proposed Rate-Year1	Inc. (Dec.)	Annual Present Revenue	Annual Proposed Revenue - Year 1	Annual Revenue Change - Year 1
1									
2	Basic Local Exchange Service								
3	Flat Rate - 1 Party Service/Business								
4	Rate Group 1	MRC		\$ 24 47	\$ 26 98	\$2.51			
5	Rate Group 1 - RESALE	MRC		\$ 21 28	\$ 23 46	\$2 18			
6									
7	Rate Group 2	MRC		\$ 26 82	\$ 28 54	\$1.72			
8	Rate Group 2 - RESALE	MRC		\$ 23 32	\$ 24 82	\$1 50			
9									
10	Rate Group 3	MRC		\$ 28 05	\$ 29 37	\$1 32			
11	Rate Group 3 - RESALE	MRC		\$ 24.39	\$ 25 54	\$1 15			
12									
13	Rate Group 4	MRC		\$ 28 85	\$ 29 90	\$1 05			
14	Rate Group 4 - RESALE	MRC		\$ 25 09	\$ 26 00	\$0 91			
15									
16	Rate Group 5	MRC		\$ 30 35	\$ 30 35	\$0 00			
17	Rate Group 5 - RESALE	MRC		\$ 26 39	\$ 26 39	\$0 00			
18									
19	Total Business Rategroups								
20									
21									
22	ECS Usage for Routes Established Before 7/1/95								
23	Business 1-Party Extended Calling Service								
24	- Call Connection	Usage		\$ 0 04	\$ 0 04	\$0.00			
25	Detail Billing								
26	- Charge Per Page of Billing Detail	Usage		\$ 0 11	\$ 0 11	\$0 00			
27									
28	Total ECS Usage								
29									
30									
31	Service Charges for Basic Business								
32	Network Access Establishment Charge	NRC		\$ 33 90	\$ 33 90	\$0 00			
33	Network Access Establishment Charge - RESALE	NRC		\$ 29 48	\$ 29 48	\$0.00			
34									
35	Total Service Charges								
36									
37	Total Basic Business Service								

FLORIDA RATE REBALANCING Summary		Year 1	
		Total Switched Access Reduction	\$ 76,231,567
	Present Revenue	Proposed Revenue - Year 1	Increase - Year 1
Residential Business			
Total			\$ -
		Total Basis Res and Bus Recovered - over (under)	\$ (76,231,567)

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**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS**

1-Oct-03

Year 2 - Impact

Row	Service Description	Billing Type	Annualized Units	Present Rate	Proposed Rate-Year 2	Inc. (Dec.)	Annual Present Revenue	Annual Proposed Revenue - Year 2	Annual Revenue Change - Year 2
1									
2	Basic Local Exchange Service								
3	Flat Rate - 1 Party Service/Business								
4	Rate Group 1	MRC		\$ 26.98	\$ 29.49	\$2.51			
5	Rate Group 1 - RESALE	MRC		\$ 23.46	\$ 25.64	\$2.18			
6									
7	Rate Group 2	MRC		\$ 28.54	\$ 30.26	\$1.72			
8	Rate Group 2 - RESALE	MRC		\$ 24.82	\$ 26.31	\$1.50			
9									
10	Rate Group 3	MRC		\$ 29.37	\$ 30.69	\$1.32			
11	Rate Group 3 - RESALE	MRC		\$ 25.54	\$ 26.69	\$1.15			
12									
13	Rate Group 4	MRC		\$ 29.90	\$ 30.95	\$1.05			
14	Rate Group 4 - RESALE	MRC		\$ 26.00	\$ 26.91	\$0.91			
15									
16	Rate Group 5	MRC		\$ 30.35	\$ 31.60	\$1.25			
17	Rate Group 5 - RESALE	MRC		\$ 26.39	\$ 27.48	\$1.09			
18									
19	Total Business Rategroups								
20									
21									
22	CS Usage for Routes Established Before 7/1/95								
23	Business 1-Party Extended Calling Service								
24	- Call Connection	Usage		\$ 0.04	\$ 0.04	\$0.00			
25	Detail Billing								
26	- Charge Per Page of Billing Detail	Usage		\$ 0.11	\$ 0.11	\$0.00			
27									
28	Total ECS Usage								
29									
30									
31	Service Charges for Basic Business								
32	Network Access Establishment Charge	NRC		\$ 33.90	\$ 33.90	\$0.00			
33	Network Access Establishment Charge - RESALE	NRC		\$ 29.48	\$ 29.48	\$0.00			
34									
35	Total Service Charges								
36									
37	Total Basic Business Service								

FLORIDA RATE REBALANCING Year 2 Summary				
	Present Revenue	Proposed Revenue - Year 2	Increase - Year 2	Cummulative Revenue Years 1 & 2
Total Switched Access Reduction			\$	76,231,567
Residential				\$0
Business				\$0
Total			\$	-
Total Basis Res and Bus Recovered - over (under)			\$	(76,231,567)

REDACTED

**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS**

1-Oct-03

Year 3 - Impact

Row	Service Description	Billing Type	Annualized Units	Present Rate	Proposed Rate-Year 3	Inc. (Dec.)	Annual Present Revenue	Annual Proposed Revenue - Year 3	Annual Revenue Change - Year 3
1									
2	Basic Local Exchange Service								
3	Flat Rate - 1 Party Service/Business								
4	Rate Group 1	MRC		\$ 29.49	\$ 32.00	\$2.51			
5	Rate Group 1 - RESALE	MRC		\$ 25.64	\$ 27.83	\$2.18			
6									
7	Rate Group 2	MRC		\$ 30.26	\$ 32.00	\$1.74			
8	Rate Group 2 - RESALE	MRC		\$ 26.31	\$ 27.83	\$1.51			
9									
10	Rate Group 3	MRC		\$ 30.69	\$ 32.00	\$1.31			
11	Rate Group 3 - RESALE	MRC		\$ 26.69	\$ 27.83	\$1.14			
12									
13	Rate Group 4	MRC		\$ 30.95	\$ 32.00	\$1.05			
14	Rate Group 4 - RESALE	MRC		\$ 26.91	\$ 27.83	\$0.91			
15									
16	Rate Group 5	MRC		\$ 31.60	\$ 32.00	\$0.40			
17	Rate Group 5 - RESALE	MRC		\$ 27.48	\$ 27.83	\$0.35			
18									
19	Total Business Rategroups								
20									
21									
22	CS Usage for Routes Established Before 7/1/95								
23	Business 1-Party Extended Calling Service								
24	- Call Connection	Usage		\$ 0.04	\$ 0.04	\$0.00			
25	Detail Billing								
26	- Charge Per Page of Billing Detail	Usage		\$ 0.11	\$ 0.14	\$0.03			
27									
28	Total ECS Usage								
29									
30									
31	Service Charges for Basic Business								
32	Network Access Establishment Charge	NRC		\$ 33.90	\$ 34.00	\$0.10			
33	Network Access Establishment Charge - RESALE	NRC		\$ 29.48	\$ 29.57	\$0.09			
34									
35	Total Service Charges								
36									
37	Total Basic Business Service								

FLORIDA RATE REBALANCING Year 3 Summary				
	Present Revenue	Proposed Revenue - Year 3	Increase - Year 3	Cummulative Revenue Years 1, 2 & 3
Total Switched Access Reduction			\$	76,231,567
Residential Business				\$0
Total			\$	-
Total Basis Res and Bus Recovered - over (under)			\$	(76,231,567)

REDACTED

**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS**

1-Oct-03

Year 1 Impact						Annual Present Revenue	Annual Proposed Revenue - Year 1	Annual Revenue Change - Year 1
Row	Service Description	Billing Type	Annualized Units	Present Rate	Proposed Rate-Year 1 (Dec.)			
1	Basic Local Exchange Service							
2	Flat Rate - 1 Party Service/Residence							
3	Rate Group 1	MRC		\$10.12	\$11.70	\$1.58		
4	Rate Group 1 - 50% Emp Concession	MRC		\$5.06	\$5.85	\$0.79		
5	Rate Group 1 - RESALE	MRC		\$8.80	\$10.17	\$1.37		
6								
7	Rate Group 2	MRC		\$10.95	\$12.53	\$1.58		
8	Rate Group 2 - 50% Emp Concession	MRC		\$5.48	\$6.27	\$0.79		
9	Rate Group 2 - RESALE	MRC		\$9.52	\$10.90	\$1.37		
10								
11	Rate Group 3	MRC		\$11.33	\$12.91	\$1.58		
12	Rate Group 3 - 50% Emp Concession	MRC		\$5.67	\$6.46	\$0.79		
13	Rate Group 3 - RESALE	MRC		\$9.85	\$11.23	\$1.37		
14								
15	Rate Group 4	MRC		\$11.70	\$13.28	\$1.58		
16	Rate Group 4 - 50% Emp Concession	MRC		\$5.85	\$6.64	\$0.79		
17	Rate Group 4 - RESALE	MRC		\$10.17	\$11.55	\$1.37		
18								
19	Rate Group 5	MRC		\$12.10	\$13.68	\$1.58		
20	Rate Group 5 - 50% Emp Concession	MRC		\$6.05	\$6.84	\$0.79		
21	Rate Group 5 - RESALE	MRC		\$10.52	\$11.90	\$1.37		
22								
23	Total Residential Rategroups							
24								
25	Vacation Service - Residence							
26	Vacation Service/Residence	MRC		\$5.77	\$5.77	\$0.00		
27								
28	Total Basic Residential Vacation Service							
29								
30	ECS Usage for Routes Established Before 7/1/95							
31	Residence 1-Party Extended Calling Service							
32	- Call Connection	Usage		\$0.25	\$0.25	\$0.00		
33								
34	Total ECS Usage							
35								
36	Service Charges for Basic Residence							
37	Network Access Establishment Charge	NRC		\$ 20.00	\$ 21.00	\$1.00		
38	Network Access Establishment Charge - RESALE	NRC		\$ 17.39	\$ 18.26	\$0.87		
39	Central Office Line Connection	NRC		\$ 35.00	\$ 36.00	\$1.00		
40	Central Office Line Connection - RESALE	NRC		\$ 30.44	\$ 31.31	\$0.87		
41								
42	Total Service Charges							
43								
44	Total Basic Residential Service							

FLORIDA RATE REBALANCING			
Summary			Year 1
Total Switched Access Reduction			\$ 76,231,567
	Present Revenue	Proposed Revenue - Year 1	Increase - Year 1
Residential			
Business			
Total			\$ -
Total Basis Res and Bus Recovered - over (under)			\$ (76,231,567)

REDACTED

**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS**

1-Oct-03

Year 2 Impact						Annual Present Revenue	Annual Proposed Revenue - Year 2	Annual Revenue Change - Year 2
Row	Service Description	Billing Type	Annualized Units	Present Rate	Proposed Rate - Year 2			
1	Basic Local Exchange Service							
2	Flat Rate - 1 Party Service/Residence							
3	Rate Group 1	MRC		\$11 70	\$13 28	\$1 58		
4	Rate Group 1 - 50% Emp Concession	MRC		\$5 85	\$6 64	\$0 79		
5	Rate Group 1 - RESALE	MRC		\$10 17	\$11 55	\$1 37		
6								
7	Rate Group 2	MRC		\$12 53	\$14 11	\$1 58		
8	Rate Group 2 - 50% Emp Concession	MRC		\$6 27	\$7 06	\$0 79		
9	Rate Group 2 - RESALE	MRC		\$10 90	\$12 27	\$1 37		
10								
11	Rate Group 3	MRC		\$12 91	\$14 49	\$1 58		
12	Rate Group 3 - 50% Emp Concession	MRC		\$5 46	\$7 25	\$0 79		
13	Rate Group 3 - RESALE	MRC		\$11 23	\$12 60	\$1 37		
14								
15	Rate Group 4	MRC		\$13 28	\$14 86	\$1 58		
16	Rate Group 4 - 50% Emp Concession	MRC		\$6 64	\$7 43	\$0 79		
17	Rate Group 4 - RESALE	MRC		\$11 55	\$12 92	\$1 37		
18								
19	Rate Group 5	MRC		\$13 68	\$15 26	\$1 58		
20	Rate Group 5 - 50% Emp Concession	MRC		\$6 84	\$7 63	\$0 79		
21	Rate Group 5 - RESALE	MRC		\$11 90	\$13 27	\$1 37		
22								
23	Total Residential Rategroups							
24								
25	Vacation Service - Residence							
26	Vacation Service/Residence	MRC		\$5 77	\$5 77	\$0 00		
27								
28	Total Basic Residential Vacation Service							
29								
30	ECS Usage for Routes Established Before 7/1/95							
31	Residence 1-Party Extended Calling Service							
32	- Call Connection	Usage		\$0 25	\$0 25	\$0 00		
33								
34	Total ECS Usage							
35								
36	Service Charges for Basic Residence							
37	Network Access Establishment Charge	NRC		\$21 00	\$23 00	\$2 00		
38	Network Access Establishment Charge - RESALE	NRC		\$ 18 26	\$ 20 00	\$1 74		
39	Central Office Line Connection	NRC		\$36 00	\$38 00	\$2 00		
40	Central Office Line Connection - RESALE	NRC		\$ 31 31	\$ 33 04	\$1 74		
41								
42	Total Service Charges							
43								
44	Total Basic Residential Service							

FLORIDA RATE REBALANCING Summary				
Year 2				
	Present Revenue	Proposed Revenue - Year 2	Increase - Year 2	Cummulative Revenue Years 1 & 2
Total Switched Access Reduction			\$ 76,231,567	
Residential			\$ -	
Business			\$ -	
Total			\$ -	
Total Basis Res and Bus Recovered - over (under)			\$ (76,231,567)	

REDACTED

**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS**

1-Oct-03

Row	Service Description	Billing Type	Year 3 Impact			Annual Present Revenue	Annual Proposed Revenue - Year 3	Annual Revenue Change - Year 3
			Annualized Units	Present Rate	Proposed Rate - Year 3			
1	Basic Local Exchange Service							
2	Flat Rate - 1 Party Service/Residence							
3	Rate Group 1	MRC		\$13 28	\$14 85	\$1 57		
4	Rate Group 1 - 50% Emp Concession	MRC		\$6 64	\$7 43	\$0 79		
5	Rate Group 1 - RESALE	MRC		\$11 55	\$12 91	\$1 37		
6								
7	Rate Group 2	MRC		\$14 11	\$15 68	\$1 57		
8	Rate Group 2 - 50% Emp Concession	MRC		\$7 06	\$7 84	\$0 79		
9	Rate Group 2 - RESALE	MRC		\$12 27	\$13 64	\$1 37		
10								
11	Rate Group 3	MRC		\$14 49	\$16 06	\$1 57		
12	Rate Group 3 - 50% Emp Concession	MRC		\$7 25	\$8 03	\$0 78		
13	Rate Group 3 - RESALE	MRC		\$12 60	\$13 97	\$1 37		
14								
15	Rate Group 4	MRC		\$14 86	\$16 43	\$1 57		
16	Rate Group 4 - 50% Emp Concession	MRC		\$7 43	\$8 22	\$0 79		
17	Rate Group 4 - RESALE	MRC		\$12 92	\$14 29	\$1 37		
18								
19	Rate Group 5	MRC		\$15 26	\$16 83	\$1 57		
20	Rate Group 5 - 50% Emp Concession	MRC		\$7 63	\$8 42	\$0 78		
21	Rate Group 5 - RESALE	MRC		\$13 27	\$14 64	\$1 37		
22								
23	Total Residential Rategroups							
24								
25	Vacation Service - Residence							
26	Vacaton Service/Residence	MRC		\$5 77	\$6 00	\$0 23		
27								
28	Total Basic Residential Vacation Service							
29								
30	ECS Usage for Routes Established Before 7/1/95							
31	Residence 1-Party Extended Calling Service							
32	- Call Connection	Usage		\$0 25	\$0 25	\$0 00		
33								
34	Total ECS Usage							
35								
36	Service Charges for Basic Residence							
37	Network Access Establishment Charge	NRC		\$23 00	\$25 00	\$2 00		
38	Network Access Establishment Charge - RESALE	NRC		\$20 00	\$ 21 74	\$1 74		
39	Central Office Line Connection	NRC		\$38 00	\$40 00	\$2 00		
40	Central Office Line Connection - RESALE	NRC		\$33 04	\$ 34 78	\$1 74		
41								
42	Total Service Charges							
43								
44	Total Basic Residential Service							

FLORIDA RATE REBALANCING		Year 3	
Summary			
		Total Switched Access Reduction	\$ 76,231,567
	Present Revenue	Proposed Revenue - Year 3	Increase - Year 3
Residential			Cummulative Revenue Years 1, 2 & 3
Business			\$ -
Total			\$ -
Total Basis Res and Bus Recovered - over (under)			\$ (76,231,567)

REDACTED

FLORIDA RATE REBALANCING BASIC EXCHANGE ACCESS SUMMARY UNE-P IMPACT - With Usage

Row	Service Description	Annual Present Revenue	Annual Estimated Costs at Ordered UNE-P* Rates	Estimated Contribution Margin*	Contribution Margin %
1					
2	Total Basic Business Service				
3	Current View		\$ -		
4	Year 1		\$ -		
5	Year 2		\$ -		
6	Year 3		\$ -		
7					
8	Total Basic Residential Service				
9	Current View		\$ -		
10	Year 1		\$ -		
11	Year 2		\$ -		
12	Year 3		\$ -		
13					
14	Total Basic Service				
15	Current View		\$ -		
16	Year 1		\$ -		
17	Year 2		\$ -		
18	Year 3		\$ -		

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt. 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design.

REDACTED

**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS
 UNE-P IMPACT - CURRENT - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)+(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P* Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1												
2	Basic Local Exchange Service											
3	Fiat Rate - 1 Party Service/Business											
4	Rate Group 1	MRC		\$ 24.47	\$ 6.50	\$ 30.97	\$ 35.75					
5	Rate Group 1 - RESALE	MRC		\$ 21.28	\$ 6.50	\$ 27.78	\$ 35.75					
6												
7	Rate Group 2	MRC		\$ 26.82	\$ 6.50	\$ 33.32						
8	Rate Group 2 - RESALE	MRC		\$ 23.32	\$ 6.50	\$ 29.82						
9												
10	Rate Group 3	MRC		\$ 28.05	\$ 6.50	\$ 34.55	\$ 31.27					
11	Rate Group 3 - RESALE	MRC		\$ 24.39	\$ 6.50	\$ 30.89	\$ 31.27					
12												
13	Rate Group 4	MRC		\$ 28.85	\$ 6.50	\$ 35.35	\$ 28.72					
14	Rate Group 4 - RESALE	MRC		\$ 25.09	\$ 6.50	\$ 31.59	\$ 28.72					
15												
16	Rate Group 5	MRC		\$ 30.35	\$ 6.50	\$ 36.85	\$ 23.90					
17	Rate Group 5 - RESALE	MRC		\$ 26.39	\$ 6.50	\$ 32.89	\$ 23.90					
18												
19	Total Business Rategroups											
20												
21												
22	ECS Usage for Routes Established Before 7/1/95											
23	Business 1-Party Extended Calling Service											
24	- Call Connection	Usage		\$ 0.04		\$ 0.04	\$ 0.04					
25	Detail Billing											
26	- Charge Per Page of Billing Detail	Usage		\$ 0.11		\$ 0.11	\$ 0.11					
27												
28	Total ECS Usage											
29												
30												
31	Service Charges for Basic Business											
32	Network Access Establishment Charge	NRC		\$ 33.90		\$ 33.90	\$ 33.90					
33	Network Access Establishment Charge - RESALE	NRC		\$ 29.48		\$ 29.48	\$ 29.48					
34												
35	Total Service Charges											
36												
37	Total Basic Business Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt. 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design.

REDACTED

**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS
 UNE-P IMPACT - YEAR 1 PROPOSED - With Usage**

	(A)	(B)	(C)	(D)	(E)	(F)=(D)+(E)	(G)	(H)=(F)-(G)	(I)=(C)*(F)	(J)=(C)*(G)	(K)=(I)-(J)	(L)=(K)/(J)
Row	Service Description	Billing Type	Annualized Units	Proposed Rate	EUCL	Proposed Rate w/EUCL	Estimated Costs at Ordered UNE-P* Rates	Unit Contribution	Annual Present Revenue	Annual Estimated Costs at Ordered UNE-P* Rates	Estimated Contribution Margin*	Contribution Margin %
1												
2	Basic Local Exchange Service											
3	Fiat Rate - 1 Party Service/Business											
4	Rate Group 1	MRC		\$ 26.98	\$ 6.50	\$ 33.48	\$ 35.75					
5	Rate Group 1 - RESALE	MRC		\$ 23.46	\$ 6.50	\$ 29.96	\$ 35.75					
6												
7	Rate Group 2	MRC		\$ 28.54	\$ 6.50	\$ 35.04						
8	Rate Group 2 - RESALE	MRC		\$ 24.82	\$ 6.50	\$ 31.32						
9												
10	Rate Group 3	MRC		\$ 29.37	\$ 6.50	\$ 35.87	\$ 31.27					
11	Rate Group 3 - RESALE	MRC		\$ 25.54	\$ 6.50	\$ 32.04	\$ 31.27					
12												
13	Rate Group 4	MRC		\$ 29.90	\$ 6.50	\$ 36.40	\$ 28.72					
14	Rate Group 4 - RESALE	MRC		\$ 26.00	\$ 6.50	\$ 32.50	\$ 28.72					
15												
16	Rate Group 5	MRC		\$ 30.35	\$ 6.50	\$ 36.85	\$ 23.90					
17	Rate Group 5 - RESALE	MRC		\$ 26.39	\$ 6.50	\$ 32.89	\$ 23.90					
18												
19	Total Business Rategroups											
20												
21												
22	ECS Usage for Routes Established Before 7/1/95											
23	Business 1-Party Extended Calling Service											
24	- Call Connection	Usage		\$ 0.04		\$ 0.04	\$ 0.05					
25	Detail Billing											
26	- Charge Per Page of Billing Detail	Usage		\$ 0.11		\$ 0.11	\$ 0.14					
27												
28	Total ECS Usage											
29												
30												
31	Service Charges for Basic Business											
32	Network Access Establishment Charge	NRC		\$ 33.90		\$ 33.90	\$ 34.00					
33	Network Access Establishment Charge - RESALE	NRC		\$ 29.48		\$ 29.48	\$ 29.48					
34												
35	Total Service Charges											
36												
37	Total Basic Business Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design.

REDACTED

**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS
 UNE-P IMPACT - YEAR 2 PROPOSED - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)+(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P* Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1												
2	Basic Local Exchange Service											
3	Fiat Rate - 1 Party Service/Business											
4	Rate Group 1	MRC		\$ 29 49	\$ 6 50	\$ 35 99	\$ 35 75					
5	Rate Group 1 - RESALE	MRC		\$ 25 64	\$ 6 50	\$ 32 14	\$ 35 75					
6												
7	Rate Group 2	MRC		\$ 30 26	\$ 6 50	\$ 36 76						
8	Rate Group 2 - RESALE	MRC		\$ 26 31	\$ 6 50	\$ 32 81						
9												
10	Rate Group 3	MRC		\$ 30 69	\$ 6 50	\$ 37 19	\$ 31 27					
11	Rate Group 3 - RESALE	MRC		\$ 26 69	\$ 6 50	\$ 33 19	\$ 31 27					
12												
13	Rate Group 4	MRC		\$ 30 95	\$ 6 50	\$ 37 45	\$ 28 72					
14	Rate Group 4 - RESALE	MRC		\$ 26 91	\$ 6 50	\$ 33 41	\$ 28 72					
15												
16	Rate Group 5	MRC		\$ 31 60	\$ 6 50	\$ 38 10	\$ 23 90					
17	Rate Group 5 - RESALE	MRC		\$ 27 48	\$ 6 50	\$ 33 98	\$ 23 90					
18												
19	Total Business Rategroups											
20												
21												
22	ECS Usage for Routes Established Before 7/1/95											
23	Business 1-Party Extended Calling Service											
24	- Call Connection	Usage		\$ 0 04		\$ 0 04	\$ 0 05					
25	Detail Billing											
26	- Charge Per Page of Billing Detail	Usage		\$ 0 11		\$ 0 11	\$ 0 14					
27												
28	Total ECS Usage											
29												
30												
31	Service Charges for Basic Business											
32	Network Access Establishment Charge	NRC		\$ 33 90		\$ 33 90	\$ 34 00					
33	Network Access Establishment Charge - RESALE	NRC		\$ 29 48		\$ 29 48	\$ 29 48					
34												
35	Total Service Charges											
36												
37	Total Basic Business Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design

REDACTED

**FLORIDA RATE REBALANCING
 BUSINESS BASIC EXCHANGE ACCESS
 UNE-P IMPACT - YEAR 3 PROPOSED - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)+(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P* Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1												
2	Basic Local Exchange Service											
3	Flat Rate - 1 Party Service/Business											
4	Rate Group 1	MRC		\$ 32 00	\$ 6 50	\$ 38 50	\$ 35 75					
5	Rate Group 1 - RESALE	MRC		\$ 27 83	\$ 6 50	\$ 34 33	\$ 35 75					
6												
7	Rate Group 2	MRC		\$ 32 00	\$ 6 50	\$ 38 50						
8	Rate Group 2 - RESALE	MRC		\$ 27 83	\$ 6 50	\$ 34 33						
9												
10	Rate Group 3	MRC		\$ 32 00	\$ 6 50	\$ 38 50	\$ 31 27					
11	Rate Group 3 - RESALE	MRC		\$ 27 83	\$ 6 50	\$ 34 33	\$ 31 27					
12												
13	Rate Group 4	MRC		\$ 32 00	\$ 6 50	\$ 38 50	\$ 28 72					
14	Rate Group 4 - RESALE	MRC		\$ 27 83	\$ 6 50	\$ 34 33	\$ 28 72					
15												
16	Rate Group 5	MRC		\$ 32 00	\$ 6 50	\$ 38 50	\$ 23 90					
17	Rate Group 5 - RESALE	MRC		\$ 27 83	\$ 6 50	\$ 34 33	\$ 23 90					
18												
19	Total Business Rategroups											
20												
21												
22	ECS Usage for Routes Established Before 7/1/95											
23	Business 1-Party Extended Calling Service											
24	- Call Connection	Usage		\$ 0 04		\$ 0 04	\$ 0 05					
25	Detail Billing											
26	- Charge Per Page of Billing Detail	Usage		\$ 0 14		\$ 0 14	\$ 0 14					
27												
28	Total ECS Usage											
29												
30												
31	Service Charges for Basic Business											
32	Network Access Establishment Charge	NRC		\$ 34 00		\$ 34 00	\$ 34 00					
33	Network Access Establishment Charge - RESALE	NRC		\$ 29 57		\$ 29 57	\$ 29 48					
34												
35	Total Service Charges											
36												
37	Total Basic Business Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt 990649-B-TP and are used in this analysis only as a cost indicator VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design

**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS
 UNE-P IMPACT - CURRENT - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Present Rate	(E) EUCL	(F)=(D)+(E) Present Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1	Basic Local Exchange Service											
2	Flat Rate - 1 Party Service/Residence											
3	Rate Group 1	MRC		\$ 10.12	\$ 6.50	\$ 16.62	\$ 35.75					
4	Rate Group 1 - 50% Emp Concession	MRC		\$ 5.06	\$ 6.50	\$ 11.56	\$ 35.75					
5	Rate Group 1 - RESALE	MRC		\$ 8.80	\$ 6.50	\$ 15.30	\$ 35.75					
6												
7	Rate Group 2	MRC		\$ 10.95	\$ 6.50	\$ 17.45						
8	Rate Group 2 - 50% Emp Concession	MRC		\$ 5.48	\$ 6.50	\$ 11.98						
9	Rate Group 2 - RESALE	MRC		\$ 9.52	\$ 6.50	\$ 16.02						
10												
11	Rate Group 3	MRC		\$ 11.33	\$ 6.50	\$ 17.83	\$ 31.27					
12	Rate Group 3 - 50% Emp Concession	MRC		\$ 5.67	\$ 6.50	\$ 12.17	\$ 31.27					
13	Rate Group 3 - RESALE	MRC		\$ 9.85	\$ 6.50	\$ 16.35	\$ 31.27					
14												
15	Rate Group 4	MRC		\$ 11.70	\$ 6.50	\$ 18.20	\$ 28.72					
16	Rate Group 4 - 50% Emp Concession	MRC		\$ 5.85	\$ 6.50	\$ 12.35	\$ 28.72					
17	Rate Group 4 - RESALE	MRC		\$ 10.17	\$ 6.50	\$ 16.67	\$ 28.72					
18												
19	Rate Group 5	MRC		\$ 12.10	\$ 6.50	\$ 18.60	\$ 23.90					
20	Rate Group 5 - 50% Emp Concession	MRC		\$ 6.05	\$ 6.50	\$ 12.55	\$ 23.90					
21	Rate Group 5 - RESALE	MRC		\$ 10.52	\$ 6.50	\$ 17.02	\$ 23.90					
22												
23	Total Residential Rategroups											
24												
25	Vacation Service - Residence											
26	Vacation Service/Residence	MRC		\$ 5.77	\$ 6.50	\$ 12.27	\$ 25.27					
27												
28	Total Basic Residential Vacation Service											
29												
30												
39												
40	ECS Usage for Routes Established Before 7/1/95											
41	Residence 1-Party Extended Calling Service											
42	- Call Connection	Usage		\$ 0.25		\$ 0.25	\$ 0.25					
43												
44	Total ECS Usage											
45												
46	Service Charges for Basic Residence											
47	Network Access Establishment Charge	NRC		\$ 20.00		\$ 20.00	\$ 20.00					
48	Network Access Establishment Charge - RESALE	NRC		\$ 17.39		\$ 17.39	\$ 17.39					
49	Central Office Line Connection	NRC		\$ 35.00		\$ 35.00	\$ 35.00					
50	Central Office Line Connection - RESALE	NRC		\$ 30.44		\$ 30.44	\$ 30.44					
51												
52	Total Service Charges											
53												
54	Total Basic Residential Service											

*UNE-P calculated as Loop, Port & estimated Usage as ordered in Dkt 990649-B-TP and are used in this analysis only as a cost indicator. VZ does not believe ordered UNE rates are a valid approximation of cost and are provided only to prove the validity of VZ's proposed rate design.

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**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS
 UNE-P* IMPACT - YEAR 1 PROPOSED - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)+(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Surrogate Costs at UNE-P Rates	(K)=(I)-(J) Contribution Margin	(L)=(K)/(J) Contribution Margin %
1	Basic Local Exchange Service											
2	Flat Rate - 1 Party Service/Residence											
3	Rate Group 1	MRC		\$ 11 70	\$ 6 50	\$ 18 20	\$ 35 75					
4	Rate Group 1 - 50% Emp Concession	MRC		\$ 5 85	\$ 6 50	\$ 12 35	\$ 35 75					
5	Rate Group 1 - RESALE	MRC		\$ 10 17	\$ 6 50	\$ 16 67	\$ 35 75					
6												
7	Rate Group 2	MRC		\$ 12 53	\$ 6 50	\$ 19 03						
8	Rate Group 2 - 50% Emp Concession	MRC		\$ 6 27	\$ 6 50	\$ 12 77						
9	Rate Group 2 - RESALE	MRC		\$ 10 90	\$ 6 50	\$ 17 40						
10												
11	Rate Group 3	MRC		\$ 12 91	\$ 6 50	\$ 19 41	\$ 31 27					
12	Rate Group 3 - 50% Emp Concession	MRC		\$ 6 46	\$ 6 50	\$ 12 96	\$ 31 27					
13	Rate Group 3 - RESALE	MRC		\$ 11 23	\$ 6 50	\$ 17 73	\$ 31 27					
14												
15	Rate Group 4	MRC		\$ 13 28	\$ 6 50	\$ 19 78	\$ 28 72					
16	Rate Group 4 - 50% Emp Concession	MRC		\$ 6 64	\$ 6 50	\$ 13 14	\$ 28 72					
17	Rate Group 4 - RESALE	MRC		\$ 11 55	\$ 6 50	\$ 18 05	\$ 28 72					
18												
19	Rate Group 5	MRC		\$ 13 68	\$ 6 50	\$ 20 18	\$ 23 90					
20	Rate Group 5 - 50% Emp Concession	MRC		\$ 6 84	\$ 6 50	\$ 13 34	\$ 23 90					
21	Rate Group 5 - RESALE	MRC		\$ 11 90	\$ 6 50	\$ 18 40	\$ 23 90					
22												
23	Total Residential Rategroups											
24												
25	Vacation Service - Residence											
26	Vacaton Service/Residence	MRC		\$ 5 77	\$ 6 50	\$ 12 27	\$ 25 27					
27												
28	Total Basic Residential Vacation Service											
29												
30												
31												
32	ECS Usage for Routes Established Before 7/1/95											
33												
34	Residence 1-Party Extended Calling Service											
35	- Call Connection	Usage		\$ 0 25		\$ 0 25	\$ 0 25					
36												
37	Total ECS Usage											
38												
39												
40	Service Charges for Basic Residence											
41	Network Access Establishment Charge	NRC		\$ 21 00		\$ 21 00	\$ 21 00					
42	Network Access Establishment Charge - RESALE	NRC		\$ 18 26		\$ 18 26	\$ 18 26					
43	Central Office Line Connection	NRC		\$ 36 00		\$ 36 00	\$ 36 00					
44	Central Office Line Connection - RESALE	NRC		\$ 31 31		\$ 31 31	\$ 31 31					
45												
46	Total Service Charges											
47												
48	Total Basic Residential Service											
49												

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**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS
 UNE-P IMPACT - YEAR 2 PROPOSED - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)+(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P* Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1	Basic Local Exchange Service											
2	Flat Rate - 1 Party Service/Residence											
3	Rate Group 1	MRC	0 \$	13 28 \$	6 50 \$	19 78 \$	35 75					
4	Rate Group 1 - 50% Emp Concession	MRC	0 \$	6 64 \$	6 50 \$	13 14 \$	35 75					
5	Rate Group 1 - RESALE	MRC	0 \$	11 55 \$	6 50 \$	18 05 \$	35 75					
6												
7	Rate Group 2	MRC	0 \$	14 11 \$	6 50 \$	20 61						
8	Rate Group 2 - 50% Emp Concession	MRC	0 \$	7 06 \$	6 50 \$	13 56						
9	Rate Group 2 - RESALE	MRC	0 \$	12 27 \$	6 50 \$	18 77						
10												
11	Rate Group 3	MRC	0 \$	14 49 \$	6 50 \$	20 99 \$	31 27					
12	Rate Group 3 - 50% Emp Concession	MRC	0 \$	7 25 \$	6 50 \$	13 75 \$	31 27					
13	Rate Group 3 - RESALE	MRC	0 \$	12 60 \$	6 50 \$	19 10 \$	31 27					
14												
15	Rate Group 4	MRC	0 \$	14 86 \$	6 50 \$	21 36 \$	28 72					
16	Rate Group 4 - 50% Emp Concession	MRC	0 \$	7 43 \$	6 50 \$	13 93 \$	28 72					
17	Rate Group 4 - RESALE	MRC	0 \$	12 92 \$	6 50 \$	19 42 \$	28 72					
18												
19	Rate Group 5	MRC	0 \$	15 26 \$	6 50 \$	21 76 \$	23 90					
20	Rate Group 5 - 50% Emp Concession	MRC	0 \$	7 63 \$	6 50 \$	14 13 \$	23 90					
21	Rate Group 5 - RESALE	MRC	0 \$	13 27 \$	6 50 \$	19 77 \$	23 90					
22												
23	Total Residential Rategroups		0									
24												
25	Vacation Service - Residence											
26	Vacation Service/Residence	MRC	0 \$	5 77 \$	6 50 \$	12 27 \$	25 27					
27												
28	Total Basic Residential Vacation Service											
29												
30												
31												
32												
33												
34												
35												
36												
37												
38												
39												
40	ECS Usage for Routes Established Before 7/1/95											
41	Residence 1-Party Extended Calling Service											
42	- Call Connection	Usage	0 \$	0 25		0 25 \$	0 25					
43												
44	Total ECS Usage											
45												
46	Service Charges for Basic Residence											
47	Network Access Establishment Charge	NRC	0 \$	23 00		23 00 \$	23 00					
48	Network Access Establishment Charge - RESALE	NRC	0 \$	20 00		20 00 \$	20 00					
49	Central Office Line Connection	NRC	0 \$	38 00		38 00 \$	38 00					
50	Central Office Line Connection - RESALE	NRC	0 \$	33 04		33 04 \$	33 04					
51												
52	Total Service Charges											
53												
54	Total Basic Residential Service											

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**FLORIDA RATE REBALANCING
 RESIDENCE BASIC EXCHANGE ACCESS
 UNE-P IMPACT - YEAR 3 PROPOSED - With Usage**

Row	(A) Service Description	(B) Billing Type	(C) Annualized Units	(D) Proposed Rate	(E) EUCL	(F)=(D)*(E) Proposed Rate w/EUCL	(G) Estimated Costs at Ordered UNE-P* Rates	(H)=(F)-(G) Unit Contribution	(I)=(C)*(F) Annual Present Revenue	(J)=(C)*(G) Annual Estimated Costs at Ordered UNE-P* Rates	(K)=(I)-(J) Estimated Contribution Margin*	(L)=(K)/(J) Contribution Margin %
1	Basic Local Exchange Service											
2	Fiat Rate - 1 Party Service/Residence											
3	Rate Group 1	MRC		\$ 14 85	\$ 6 50	\$ 21 35	\$ 35 75					
4	Rate Group 1 - 50% Emp Concession	MRC		\$ 7 43	\$ 6 50	\$ 13 93	\$ 35 75					
5	Rate Group 1 - RESALE	MRC		\$ 12 91	\$ 6 50	\$ 19 41	\$ 35 75					
6												
7	Rate Group 2	MRC		\$ 15 68	\$ 6 50	\$ 22 18						
8	Rate Group 2 - 50% Emp Concession	MRC		\$ 7 84	\$ 6 50	\$ 14 34						
9	Rate Group 2 - RESALE	MRC		\$ 13 64	\$ 6 50	\$ 20 14						
10												
11	Rate Group 3	MRC		\$ 16 06	\$ 6 50	\$ 22 56	\$ 31 27					
12	Rate Group 3 - 50% Emp Concession	MRC		\$ 8 03	\$ 6 50	\$ 14 53	\$ 31 27					
13	Rate Group 3 - RESALE	MRC		\$ 13 97	\$ 6 50	\$ 20 47	\$ 31 27					
14												
15	Rate Group 4	MRC		\$ 16 43	\$ 6 50	\$ 22 93	\$ 28 72					
16	Rate Group 4 - 50% Emp Concession	MRC		\$ 8 22	\$ 6 50	\$ 14 72	\$ 28 72					
17	Rate Group 4 - RESALE	MRC		\$ 14 29	\$ 6 50	\$ 20 79	\$ 28 72					
18												
19	Rate Group 5	MRC		\$ 16 83	\$ 6 50	\$ 23 33	\$ 23 90					
20	Rate Group 5 - 50% Emp Concession	MRC		\$ 8 42	\$ 6 50	\$ 14 92	\$ 23 90					
21	Rate Group 5 - RESALE	MRC		\$ 14 64	\$ 6 50	\$ 21 14	\$ 23 90					
22												
23	Total Residential Rategroups											
24												
25	Vacation Service - Residence											
26	Vacation Service/Residence	MRC		\$ 6 00	\$ 6 50	\$ 12 50	\$ 25 27					
27												
28	Total Basic Residential Vacation Service											
29												
30												
31												
32												
33												
34												
35												
36												
37												
38												
39												
40	ECS Usage for Routes Established Before 7/1/95											
41	Residence 1-Party Extended Calling Service											
42	- Call Connection	Usage		\$ 0 25		\$ 0 25	\$ 0 25					
43												
44	Total ECS Usage											
45												
46	Service Charges for Basic Residence											
47	Network Access Establishment Charge	NRC		\$ 25 00		\$ 25 00	\$ 25 00					
48	Network Access Establishment Charge - RESALE	NRC		\$ 21 74		\$ 21 74	\$ 21 74					
49	Central Office Line Connection	NRC		\$ 40 00		\$ 40 00	\$ 40 00					
50	Central Office Line Connection - RESALE	NRC		\$ 34 78		\$ 34 78	\$ 34 78					
51												
52	Total Service Charges											
53												
54	Total Basic Residential Service											

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