

**CALCULATION OF INTERSTATE TRAFFIC SENSITIVE SWITCHED ACCESS RATES  
FOR FCC SECTION 61.39 TARIFF FILING  
RATES EFFECTIVE JANUARY 1, 2002**

COMPANY: Hills of Iowa  
STUDY AREA: 351405

	Traffic Sensitive Basic Schedule	Traffic Sensitive Tandem Switching	Transport Mileage Basic Schedule	Transport Termination Basic Schedule
A. SS7 Full Connectivity (AS3000 Line 35)	\$15,030			
B. SS7 Partial Connectivity (AS3000 Line 36)	\$0			
C. ITD Settlement (AS3000 Line 40)		\$0		
D. TS Switched Basic Schedule (AS3000 Line 49)	\$466,283			
E. Transport Mileage Basic Schedule (AS3000 Line 50)			\$158,766	
F. Transport Termination Basic Schedule (AS3000 Line 51)				\$93,353
G. Interstate Traffic Sensitive Switched Settlements from AS3000	\$481,313	\$0	\$158,766	\$93,353
H. Annual Local Switching Support	\$236,364			
I. Less Annual Line Port Costs Shifted to Common Line Pool (CLP)^	\$68,976			
J. Less Annual Transport Interconnection Charge (TIC) Shifted to CLP^^	\$0			
K. Revenue to be Recovered in Access Rates (G - H - I - J)	\$175,973	\$0	\$158,766	\$93,353
L. Interstate Traffic Sensitive Minutes	8,495,041	8,495,041	8,495,041	8,495,041
M. Rate to Recover Amount on Line I (K / L)	\$0.020715	\$0.0000	\$0.0187	\$0.0110
N. Local Switching Rate, Per Minute *	\$0.020528			
O. Information Surcharge Rate, Per 100 Minutes *	\$0.0187			
P. Tandem Switching		\$0.000000		
Q. Transport Interconnection Charge (TIC)		\$0.00		
R. Tandem Switched Facility Rate, Per Minute Per Airline Mile **			\$0.000260	
S. Tandem Switched Termination Rate, Per Minute Per Termination ***				\$0.004905

\*The Local Switching Rate is the difference of the total rate to be recovered (Line M) less the Information Surcharge Rate effective July 3, 2001.

a. Rate to Recover Amount on Line M	\$0.020715
b. Information Surcharge - Premium	\$0.000187
c. Local Switching - Premium (a - b)	\$0.020528

\*\* See Attachment A

\*\*\* See Attachment B

^The Line Port Costs shifted to the Common Line Pool are based on 30% of the difference between the Central Office Formula and Local Switching Support:

a. Annual Central Office Formula Amount (Line D)	\$466,283
b. Annual Local Switching Support (Line H)	\$236,364
c. Difference (a - b)	\$229,919
e. Percent Reallocated to Common Line Pool Per FCC 01-304	30%
d. Annual Dollar Amount Shifted to Common Line Pool (c x e)	\$68,976

^^The Transport Interconnection Charge (TIC) shifted to the Common Line Pool is based on NECA's Formula (per letter dated November 21, 2001 to AS Companies not Participating in NECA's TS Tariff). The lesser of (1.) 28.165% of the total of the Line Haul Distance Sensitive, the Non Distance Sensitive, and the Intertoll Switching settlements or (2.) TIC revenues for the 12 month period ending June 30, 2001.

**CALCULATION OF INTERSTATE TRAFFIC SENSITIVE SWITCHED ACCESS RATES  
FOR FCC SECTION 61.39 TARIFF FILING  
RATES EFFECTIVE JULY 3, 2001**

COMPANY: Hills of Iowa  
STUDY AREA: 351405

	Traffic Sensitive Basic Schedule	Traffic Sensitive Tandem Switching	Transport Mileage Basic Schedule	Transport Termination Basic Schedule
A. SS7 Full Connectivity (AS3000 Line 35)	\$15,030			
B. SS7 Partial Connectivity (AS3000 Line 36)	\$0			
C. ITD Settlement (AS3000 Line 40)		\$0		
D. TS Switched Basic Schedule (AS3000 Line 49)	\$466,283			
E. Transport Mileage Basic Schedule (AS3000 Line 50)			\$158,766	
F. Transport Termination Basic Schedule (AS3000 Line 51)				\$93,353
G. Interstate Traffic Sensitive Switched Settlements from AS3000	<u>\$481,313</u>	<u>\$0</u>	<u>\$158,766</u>	<u>\$93,353</u>
H. Annual Local Switching Support	\$236,364			
I. Revenue to be Recovered in Access Rates (G - H)	<u>\$244,949</u>	<u>\$0</u>	<u>\$158,766</u>	<u>\$93,353</u>
J. Interstate Traffic Sensitive Minutes	8,495,041	8,495,041	8,495,041	8,495,041
K. Rate to Recover Amount on Line I (I / J)	\$0.028834	\$0.0000	\$0.0187	\$0.0110
L. Local Switching Rate, Per Minute *	\$0.028647			
M. Information Surcharge Rate, Per 100 Minutes *	\$0.0187			
N. Tandem Switching		\$0.000000		
O. Transport Interconnection Charge (TIC)		\$0.00		
P. Tandem Switched Facility Rate, Per Minute Per Airline Mile **			\$0.000260	
Q. Tandem Switched Termination Rate, Per Minute Per Termination ***				\$0.004905

\* Split to Local Switching and Information Surcharge Rate Elements Based on the Ratio for Current NECA Rates:

a. NECA Local Switching - Premium	\$0.022619	99.3499%
b. NECA Information Surcharge - Premium	\$0.000148	0.6501%
c. Total	<u>\$0.022767</u>	<u>100.0000%</u>
d. Local Switching Rate (K x 99.3499%)	\$0.028647	
e. Information Surcharge Rate (K - d)	<u>\$0.000187</u>	
f. Total Settlement Per Minute (d + e)	\$0.028834	

\*\* See Attachment A

\*\*\* See Attachment B

**CALCULATION OF TANDEM SWITCHED FACILITY RATE  
FOR FCC SECTION 61.39 TARIFF FILING  
RATES EFFECTIVE JULY 3, 2001**

<u>Exchange</u>	<u>Annual Interstate TS Switched Access Minutes</u>	<u>Billing Percent</u>	<u>Current Billed Airline Miles</u>	<u>Minute Miles</u>
<u>Alvord</u>				
Remote to Host	810,679	100%	11	8,917,473
Host to SWC		100%	66	53,504,838
<u>Inwood</u>				
Remote to Host	3,243,710	100%	10	32,437,099
Host to SWC		100%	66	214,084,856
<u>Lester</u>				
Remote to Host	1,159,234	100%	6	6,955,401
Host to SWC		100%	66	76,509,414
<u>South Steen</u>				
Remote to Host	21,595	100%	12	259,141
Host to SWC		100%	66	1,425,275
<u>South Hills</u>				
Remote to Host	11,890	100%	7	83,230
Host to SWC		100%	66	784,742
<u>South Valley Springs</u>				
Remote to Host	22,099	100%	9	198,888
Host to SWC		100%	66	1,458,509
<u>Larchwood</u>				
	3,225,834	100%	66	212,905,039
Total	<u>8,495,041</u>			<u>609,523,905</u>
A. Minute Miles				609,523,905
B. Revenue to be Recovered in Access Rates				\$158,766
C. Tandem Switched Facility Rate, Per Minute Per Airline Mile (B / A)				<u><u>\$0.000260</u></u>

**CALCULATION OF TANDEM SWITCHED TERMINATION RATE  
FOR FCC SECTION 61.39 TARIFF FILING  
RATES EFFECTIVE JULY 3, 2001**

<u>Exchange</u>	<u>Annual Interstate TS Switched Access Minutes</u>	<u>No. of Transport Terminations</u>	<u>Minute Terminations</u>
Alvord	810,679	3	2,432,038
Inwood	3,243,710	3	9,731,130
Lester	1,159,234	3	3,477,701
South Steen	21,595	3	64,785
South Hills	11,890	3	35,670
South Valley Springs	22,099	3	66,296
Larchwood	3,225,834	1	3,225,834
Totals	<u>8,495,041</u>		<u>19,033,454</u>
A. Minute Terminations			19,033,454
B. Revenue to be Recovered in Access Rates			\$93,353
C. Tandem Switched Termination Rate, Per Minute Per Termination (B / A)			<u><u>\$0.004905</u></u>