

Madison River Telephone Company (MRTC)

FRN is 0004-3340-82

Tariff F.C.C. No. 1 (Access Service)

Description and Justification

Transmittal No. 18

Issued: June 24, 2004

Effective: July 1, 2004

Madison River Telephone Company, LLC (“MRTC”) hereby provides a Description and Justification for its individual rates proposed under Transmittal No. 18 of the Madison River Telephone Company, LLC Tariff F.C.C. No. 1 on behalf of Gallatin River Communications, LLC (Gallatin River) and Gulf Telephone Company (Gulftel) (collectively the “Companies”).

Introduction/Description

This Description and Justification provides a review of the methods, procedures and assumptions used to produce the proposed Traffic Sensitive rates for Gallatin and Gulftel. No End User or Common Line rates are addressed in this filing, as Gallatin and Gulftel participate in NECA’s Carrier Common Line and End User Tariffs. The Tariff Review plan provides a Commission-defined display of cost, demand, rates, earnings and revenue information associated with this filing. Cost study Part 36 & 69 working papers provide a showing of interstate revenue requirement detail used in rate development to produce interstate rates. Demand forecast work papers are shown for all traffic sensitive rate element demand. Rate development working papers show the development of rates for Switched and Special Access as well as DSL service offerings. Gallatin and Gulftel do not provide billing and collection services and therefore no General Support Facilities Investments were reapportioned as a result of the Rate-of-Return Access Charge Reform Order.

Overall the proposed rates result in reduced billings to Gallatin River and Gulftel customers. Gallatin River’s local switching rate is decreasing less than 1% and tandem switching rate elements are decreasing an average of 11.6%. The impact on switched access revenues overall is a decrease of 9.8%. All special access rates are decreasing. Overall special access revenues decrease 29.2%. Guftel’s local switching rate is decreasing 9.8% and tandem switching rate elements are decreasing an average of 13.6%. The impact on switched access revenues overall is a decrease of 12.1%. All special access rates are decreasing as well. Overall special access revenues decrease 36.7%.

Justification

This tariff filing is based on prospective costs and demand for the period beginning July 1, 2004 and ending June 30, 2005. The tariff is filed as a prospective tariff in conformance with the requirements in Section 61.38 of the Commission’s rules. Non-regulated costs were excluded in accordance with Part 32 and Part 64 cost allocation requirements. The regulated portion, subject to separations, was separated between the state and interstate operations, in accordance with Part 36 rules using frozen 2000 traffic factors to develop the interstate revenue requirement. The interstate portion of the Companies’ costs were allocated among the Part 69 rate elements based on the Commission’s rules in Part 69.

Gallatin River Justification

Unseparated revenue requirements for Gallatin decreased 3.4% from 2003 to the prospective year. Unseparated rate base declined from \$71.7 million in the historical year to \$62.7 million in the prospective year. The decrease in rate base is due to reduced requirement for infrastructure related to lack of growth for voice services, offset in part by increased demand for data services.

Unseparated expenses for the prospective period are \$35.2 million, which is an increase of 1% over the historical period. The increases are primarily in the category of Depreciation Expense. Depreciation increased due to the addition of data service-related equipment, which tends to have shorter depreciation recovery periods.

Assignment of costs to the interstate jurisdiction decreased for switched access and for special access, reflecting demand shifts for special access and data services. For the historical period, switched access revenue requirements were \$4,066,457 and decreased to \$3,961,980 in the prospective period. For the historical period, special access revenue requirements were \$4,072,920 for the historical period, decreasing to \$3,940,331 in the prospective period. The decreased special access revenue requirement is due primarily to declining demand growth for special access services.

Prospective demand is developed based on a review of historical demand and demand trends. Based on recent demand trends for switched access, we project that switched access and direct trunk transport demand for the tariff period will be the same as the historical year demand. As a historical reference, for the aggregated results, calendar year 2003, interstate access minutes decreased by 15.1% from the prior year. Management attributes the trend of reduced interstate access minutes to increased wireless nation-wide long distance plans, increased use of the Internet for communications, increased use of e-mail to replace fax traffic, and increased use of browsers to replace toll-free calling to service providers, such as travel and retail operations.

Special access demand is declining while DSL is growing fairly rapidly. DSL demand growth forecast to increase by 25% from the year-end 2003 demand levels. The DSL Connection charge billed to the ISP is forecast for no growth, which is below the actual DSL growth because of projected efficiencies at higher levels of DSL demand.

Rates are developed on the basis of prospective costs and demand. Rate development includes the application of recent orders relating to rate-of-return carriers for the treatment of Local Switching and Transport Interconnection Connection (TIC) rate elements. The Local Switching revenue requirement is reduced by 30% for the allocation of the non-traffic sensitive costs to the Common Line element. As Gallatin did not have a frozen TIC, no TIC costs were allocated to other elements.

Gulftel Justification

Unseparated revenue requirements for Gulftel decreased 2.2% from 2003 to the prospective year. Unseparated rate base declined from \$61.4 million in the historical year to \$52.8 million in the prospective year. The decrease in rate base is due to reduced requirements for infrastructure related to lack of growth for voice services and the lack of demand for data services.

Unseparated expenses for the prospective period are \$30.9 million, which is a decrease of 2.1% over the historical period. The increases are primarily in the category of Depreciation Expense. Depreciation increased due to the addition of data service-related equipment, which tends to have shorter depreciation recovery periods.

Assignment of costs to the interstate jurisdiction decreased for switched access and for special access, reflecting demand shifts for special access and data services. For the historical period, switched access revenue requirements were \$5,359,320 and decreased to \$5,253,563 in the prospective period (before allocations of non-traffic sensitive central office equipment to Common Line). For the historical period, special access revenue requirements were \$2,443,638 for the historical period, decreasing to \$2,321,420 in the prospective period. The decreased special access revenue requirement is due to the declining demand growth for special access services.

Prospective demand is developed based on a review of historical demand and demand trends. Based on recent demand trends for switched access, Company Management projects that switched access and direct trunk transport demand for the tariff period will be the same as the historical year demand. Calendar year 2003 interstate access minutes increased by 1.04% from the prior year. Management attributes the trend of minimal growth in interstate access minutes to increased wireless nation-wide long distance plans, increased use of the Internet for communications, increased use of e-mail to replace fax traffic, and increased use of browsers to replace toll free calling to service providers, such as travel and retail operations.

Special access demand growth varies by speed of the circuit. In general, demand for slow speed services such as voice grade and digital data service is flat or declining and demand for higher speed special access services such as DS1 and DS3 is flat or slightly increasing. DSL is growing at a fairly rapid rate. DSL demand for the prospective period is forecast to increase by 20% from the year-end 2003 demand levels. The DSL Connection charge is forecast for no growth, which is below the actual DSL growth because of projected efficiencies at higher levels of DSL demand.

Rates are developed on the basis of prospective costs and demand. Rate development includes the application of recent orders relating to rate-of-return carriers for the treatment of Local Switching and Transport Interconnection Connection (TIC) rate elements. The Local Switching revenue requirement is reduced by 30% for the allocation of the non-traffic sensitive costs to the Common Line element. Gulftel's frozen TIC is \$1,511,101. Using prospective year costs and demand, the TIC for the prospective period was calculated to be \$163,775. In accordance with FCC rules, the lower prospective year TIC was used and was allocated to other elements in accordance with FCC rules and the ACR TRP provided by the FCC.

Analysis of the tariff filing is accomplished through use of the Tariff Review Plan (TRP) designated by the Commission. This includes historical costs and demand, prospective costs and demand, comparative rate schedules and other data. In accordance with the Commission's filing requirements, a check payable to the Federal Communications Commission in the amount of \$695.00 has been attached to F.C.C. form 159 along with the original of this application letter and sent to Mellon Bank in Pittsburgh, Pennsylvania.

All correspondence and inquiries concerning this application should be addressed to Steve Lamb at PO Box 670, 19812 Underwood Road, Foley, AL 36536. Mr. Lamb's phone number is (251) 952-5366 and facsimile number is (251) 943-8665. His e-mail address is lambs@madisonriver.net. A Certification as to the accuracy of this filing and supporting information has been attached to this filing.

This filing includes related documents, including:

Tariff Pages,
Description & Justification,
Rate Development,
Rate Comparison,
Tariff Review Plan,
Cost Support,
Certification, and
FCC Form 492.

Revenue Requirement and Access Rate Reconciliation

Rate Element	Prospective Revenue Requirement	Annual Prospective Usage	Billable Units	Proposed Access Rate	Projected Revenue	Current Access Rate	Current Rate Times Proj. Usage	2003 Actual Demand	Current Rates Times 2003 Demand
Traffic Sensitive:									
Local Switching	1,782,246	190,241,065	Access MOU	0.009368	1,782,178	0.010382	1,975,083	187,660,847	1,948,295
Local Transport									
VG Entrance Facilities	-	-	Channel term.	38.49	-	51.48	-	-	-
DS1 Entrance Facilities	40,479	360	DS1 Channel Terms	112.44	40,478	150.37	54,133	384	57,742
DS3 Entrance Facilities	-	-	DS3 Channel Terms	1,304.38	-	1,744.39	-	-	-
Tandem Switched Facility	429,720	1,621,226,340	Channel miles	0.000265	429,625	0.000306	496,095	1,621,226,340	496,095
Tandem Switched Termination	394,272	295,748,280	Chan Mile Term	0.001333	394,232	0.001558	460,776	295,748,280	460,776
Tandem Switching	1,386,817	186,335,015	Tnd sw MOU	0.007443	1,386,892	0.008548	1,592,792	186,335,015	1,592,792
DT Transport VG Channel Mileage Facility	10,472	5,172	Channel miles	2.02	10,472	2.35	12,154	5,172	12,154
DT Transport VG Channel Mileage Term	7,058	348	Chan Mile Term	20.28	7,058	23.54	8,192	348	8,192
DT Transport DS1 Channel Mileage Facility	253,954	17,724	Channel miles	14.33	253,985	16.63	294,750	17,724	294,750
DT Transport DS1 Channel Mileage Term	83,964	1,188	Chan Mile Term	70.68	83,968	82.03	97,452	1,188	97,452
DT Transport DS3 Channel Mileage Facility	-	-	Channel miles	98.67	-	114.52	-	-	-
DT Transport DS3 Channel Mileage Term	-	-	Chan Mile Term	393.59	-	411.55	-	-	-
MUX (DS3-DS1)	-	-	Per Arrangement	474.31	-	474.31	-	-	-
MUX (DS1-DS0)	-	-	Per Arrangement	183.12	-	183.12	-	-	-
Special Access:									
Channel Termination									
Telegraph Grade, 2-Wire	-	-	Channel term.	24.06	-	32.17	-	-	-
Telegraph Grade, 4-Wire	-	-	Channel term.	38.49	-	51.48	-	-	-
Voice Grade, 2-Wire	3,175	132	Channel term.	24.06	3,176	32.17	4,246	144	4,632
Voice Grade, 4-Wire	6,929	180	Channel term.	38.49	6,928	51.48	9,266	192	9,884
DS1 High Cap	199,694	1,776	Channel term.	112.44	199,693	150.37	267,057	2,088	313,973
DS3 High Cap w/in CO	93,915	72	Channel term.	1,304.38	93,915	1,744.39	125,596	84	146,529
DS3 High Cap 0-3 miles from CO	-	-	Channel term.	1,530.93	-	2,047.36	-	-	-
DS3 High Cap over 3 miles from CO	-	-	Channel term.	1,834.14	-	2,452.85	-	-	-
DDS, 4-Wire	34,633	780	Channel term.	44.40	34,632	59.38	46,316	780	46,316
Mux (DS1 - DSO)	2,197	12	Per Arrangement	183.12	2,197	183.12	2,197	72	13,185
Mux (DS3-DS1)	34,150	72	Per Arrangement	474.31	34,150	474.31	34,150	12	5,692

Revenue Requirement and Access Rate Reconciliation

Rate Element	Prospective Revenue Requirement	Annual Prospective Usage	Billable Units	Proposed Access Rate	Projected Revenue	Current Access Rate	Current Rate Times Proj. Usage	2003 Actual Demand	Current Rates Times 2003 Demand
Channel Mileage									
Channel Mileage Facility	10,108	4,992	Channel miles	2.02	10,084	2.35	11,731	5,256	12,352
Channel Mileage Term	6,815	336	Chan Mile Term	20.28	6,814	23.54	7,909	348	8,192
DS1 Hi - Cap Channel Mile Facility	230,742	16,104	Channel miles	14.33	230,770	16.63	267,810	18,948	315,105
DS1 Hi - Cap Channel Mile Term.	110,255	1,560	Chan Mile Term	70.68	110,261	82.03	127,967	1,836	150,607
DS3 Hi - Cap Channel Mile Facility	44,993	456	Channel miles	98.67	44,994	114.52	52,221	540	61,841
DS3 Hi - Cap Channel Mile Term.	14,169	36	Chan Mile Term	393.59	14,169	456.82	16,446	36	16,446
DDS Channel Mile Facility	36,419	12,252	Channel miles	2.97	36,388	3.45	42,269	12,252	42,269
DDS Channel Mile Term.	21,809	732	Chan Mile Term	29.79	21,806	34.58	25,313	732	25,313
DSL Services									
ADSL Line Charge	-	-	ADSL	19.48	-	34.59	-	-	-
ADSL Monthly Plan	12,935	684	ADSL	18.91	12,935	33.58	22,969	684	22,969
ADSL Price Option One	12,165	144	Locations	84.48	12,165	150.00	21,600	144	21,600
ADSL Price Option Two	49,672	252	Locations	197.11	49,672	350.00	88,200	504	176,400
ADSL Price Option Three	63,864	252	Locations	253.43	63,864	450.00	113,400	-	-
ADSL One Year Option One	-	-	ADSL	17.26	-	30.65	-	-	-
ADSL One Year Option Two	-	-	ADSL	15.58	-	27.66	-	-	-
ADSL One Year Option Three	-	-	ADSL	13.90	-	24.68	-	-	-
ADSL Three Year Option One	32,526	2,088	ADSL	15.58	32,526	27.66	57,754	6,744	186,539
ADSL Three Year Option Two	115,085	8,280	ADSL	13.90	115,085	24.68	204,350	86,904	2,144,791
ADSL Three Year Option Three	1,203,451	102,000	ADSL	11.80	1,203,451	20.95	2,136,900	-	-
DSL Connection Charge - DS1	1,297	12	DSL Connections	108.06	1,297	191.87	2,302	12	2,302
DSL Connection Charge - DS3	9,005	12	DSL Connections	750.41	9,005	1,332.46	15,990	12	15,990
Bridging									
Data	156	36	Bridge Port	4.32	156	4.32	156	36	156
Total	6,739,144				6,739,023		8,695,629		8,711,414

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Interstate Access Rate Development
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DEMAND ANALYSIS		Actual 2000	Actual 2001	Actual 2002	Actual 2003	Calculated Demand Ratio	Projected Demand Ratio	DSL Demand Adjustment	Projected Demand
Usage Data:									
<u>Local Switching MOU</u>		185,126,206	187,096,037	185,115,624	187,660,847	1.0137	1.0137		190,241,065
<u>800 Database Queries:</u>		21,388,911	21,242,898	21,681,067	22,314,629	-	1.0000		22,314,629
Local Transport									
<u>Entrance Facility:</u>									
DS1		49	50	37	32	0.8649	0.9500		30
<u>Mileage Facility</u>									
Voice Grade		961	876	431	431	1.0000	1.0000		431
DS1		1,333	1,304	1,396	1,477	1.0580	1.0000		1,477
<u>Mileage Terminations</u>									
Voice Grade		84	77	29	29	1.0000	1.0000		29
DS1		115	109	93	99	1.0645	1.0000		99
Tandem Switched Termination		295,906,883	300,456,399	294,483,974	295,748,280	1.0043	1.0000		295,748,280
Tandem Switched Facility		1,604,436,144	1,643,096,455	1,606,981,999	1,621,226,340	1.0089	1.0000		1,621,226,340
Tandem Switch MOU		183,679,009	188,104,627	187,149,032	186,335,015	0.9957	1.0000		186,335,015
Special Access									
<u>Channel Termination</u>									
Voice Grade: 2-wire		20	21	11	12	1.0909	0.9500		11
Voice Grade: 4-wire		32	28	18	16	0.8889	0.9500		15
Hi-Cap: DS-1		197	151	116	174	1.5000	0.8500		148
DS3 High Cap w/in CO		4	7	7	7	1.0000	0.8500		6

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DEMAND ANALYSIS		Actual 2000	Actual 2001	Actual 2002	Actual 2003	Calculated Demand Ratio	Projected Demand Ratio	DSL Demand Adjustment	Projected Demand
Usage Data:									
DDS:	67	61	63	65	1.0317	1.0000			65
MUX: DS1-DS0	1	1	2	1	0.5000	1.0000			1
MUX: DS3-DS1	4	4	10	6	0.6000	1.0000			6
Channel Mileage									
Voice Grade Channel Mileage	800	731	447	438	0.9799	0.9500			416
Voice Grade Channel Mileage Term	57	52	30	29	0.9667	0.9500			28
DS1 Hi-Cap Channel Mileage	2,089	1,672	1,574	1,579	1.0032	0.8500			1,342
DS1 Hi-Cap Channel Mileage Term	112	101	116	153	1.3190	0.8500			130
DS 3 Hi-Cap Channel Mileage	75	87	57	45	0.7895	0.8500			38
DS3 Hi-Cap Channel Mileage Term	5	6	4	3	0.7500	0.8500			3
DDS Channel Mileage	1,002	962	1,040	1,021	0.9817	1.0000			1,021
DDS Channel Mileage Term	67	61	63	61	0.9683	1.0000			61
DSL Services									
ADSL Line Charge	-	-	-	-	-	1.0000			-
ADSL Monthly Plan	-	-	120	57	0.4750	1.0000			57
ADSL Price Option One	-	-	22	12	0.5455	1.0000			12
ADSL Price Option Two	-	-	28	42	1.5000	1.0000	(21)		21
ADSL Price Option Three	-	-	-	-	-	1.0000	21		21
ADSL One Year Option One	-	-	-	-	-	1.0000			-
ADSL One Year Option Two	-	-	-	-	-	1.0000			-
ADSL One Year Option Three	-	-	-	-	-	1.0000			-
ADSL Three Year Option One	-	-	1,093	562	0.5142	1.2000	(500)		174
ADSL Three Year Option Two	-	-	4,081	7,242	1.7746	1.2000	(8,000)		690
ADSL Three Year Option Three	-	-	-	-	-	1.0000	8,500		8,500
DSL Connection Charge - DS1	-	-	1	1	1.0000	1.0000			1
DSL Connection Charge - DS3	-	-	1	1	1.0000	1.0000			1
Bridging									
Data	4	4	3	3	1.0000	1.0000			3
Transfer Arrangement - 5 Port	-	-	1	1	1.0000	1.0000			1

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Development of Local Switching Rates

<u>Cost Elements:</u>	<u>Total LS</u>	<u>LS per MOU</u>
Revenue Requirement	1,782,247	1,782,246
Demand		190,241,065
Rates:		0.009368

<u>800 Database Charge</u>		
	<u>Basic</u>	<u>Enhanced</u>
Costs	89,597	2,500
Demand	22,314,629	-
Rates	<u>0.004015</u>	<u>0.000000</u>

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Development of Local Transport Rates				
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Special Access Rates:	Channel Terminations	Channel Mileage Facility	Channel Mileage Terminations	Demand
				Revenue
Voice Grade	38.49	2.02	20.28	
DS1	112.44	14.33	70.68	
DS3 High Cap w/in CO	1,304.38	98.67	393.59	
DS3 High Cap 0-3 miles from CO	1,530.93			
DS3 High Cap over 3 miles from CO	1,834.14			
Entrance Facility Rates:				<u>(monthly)</u>
Voice Grade	38.49			0 -
DS1	112.44			30 40,478.52
DS3	1,304.38			0 -
				40,478.52
Direct Trunked Transport:				
Mileage Facility				
Voice Grade		2.02		431 10,471.96
DS1		14.33		1477 253,954.26
DS3		98.67		0 -
				264,426.22
Mileage Terminations				
Voice Grade			20.28	29 7,058.09
DS1			70.68	99 83,963.53
DS3			393.59	0 -
				91,021.62

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Development of Local Transport Rates					
Tandem Switched Transport Rate Development					
Units	Monthly Quantity	Direct Trunk Transport Rates	Revenue Requirement	Demand	Rates
Channel Mileage Facility			(Default)		
DS1	1014	14.33	174,346		
DS3	0	98.67	-		
Host Remote/TIC Assigned CMF			255,374		
Total			429,720	1,621,226,340	0.000265
Channel Mileage Terminations					
Voice Grade	29	20.28	7,058		
DS1	185	70.68	156,902		
DS3	0	393.59	-		
Host Remote/TIC Assigned CMT			230,312		
			394,272	295,748,280	0.001333
Tandem Switching			1,386,817	186,335,015	0.007443

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Development of Local Transport Rates				
Transport Interconnection Charge Rate Development				
Description	Revenue Requirement	Tandem Sw and DT Revenues	Residual Revenues	
Total Local Transport Revenue Requirement	2,738,632			
Entrance Facilities:		40,479		
Mux Service		-		
Direct Trunked Transport - Mileage Facility		264,426		
Direct Trunked Transport - Mileage Term		91,022		
Tandem Sw. Transport - Mileage Facility		429,720		
Tandem Sw. Transport - Mileage Term		394,272		
Tandem Switching		1,386,817		
Total Tandem Sw. and DDT Revenues		2,606,736		

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Interstate Access Rate Development							
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Special Access Channel Termination Rate Development							
Summary of Rate Development							
		Revenue	Projected				
Rate Element	Requirement	Usage	Access Rate				
Channel Termination							
Voice Grade: 2-wire	3,175	11	24.06				
Voice Grade: 4-wire	6,929	15	38.49				
Hi-Cap: DS-1	199,694	148	112.44				
DS3 High Cap w/in CO	93,915	6	1,304.38				
DS3 High Cap 0-3 miles from CO	-	-	1,530.93				
DS3 High Cap over 3 miles from CO	-	-	1,834.14				
DDS:	34,633	65	44.40				
MUX: DS1-DS0	2,197	1	183.12				
MUX: DS3-DS1	34,150	6	474.31				
Channel Mileage							
Voice Grade Channel Mileage	10,108	416	2.02				
Voice Grade Channel Mileage Term	6,815	28	20.28				
Hi-Cap Channel Mileage	230,742	1,342	14.33				
Hi-Cap Channel Mileage Term	110,255	130	70.68				
DS3 Hi-Cap Channel Mileage	44,993	38	98.67				
DS3 Hi-Cap Channel Mileage Term	14,169	3	393.59				
DDS Channel Mileage	36,419	1,021	2.97				
DDS Channel Mileage Term	21,809	61	29.79				

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Special Access Channel Termination Rate Development							
DSL Services							
ADSL Line Charge	-	-	19.48				
ADSL Monthly Plan	12,935	57	18.91				
ADSL Price Option One	12,165	12	84.48				
ADSL Price Option Two	49,672	21	197.11				
ADSL Price Option Three	63,864	21	253.43				
ADSL One Year Option One	-	-	17.26				
ADSL One Year Option Two	-	-	15.58				
ADSL One Year Option Three	-	-	13.90				
ADSL Three Year Option One	32,526	174	15.58				
ADSL Three Year Option Two	115,085	690	13.90				
ADSL Three Year Option Three	1,203,451	8,500	11.80				
DSL Connection Charge - DS1	1,297	1	108.06				
DSL Connection Charge - DS3	9,005	1	750.41				
Bridging							
Data	156	3	4.32				
Total Special Access	2,350,161						

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Special Access Channel Termination Rate Development							
Development of Channel Term Rates, Based on Equivalency to 4-Wire VG Circuits							
Type of Termination	Quantity	Annual	Total	Monthly Requirement	Rate	VG 4-wire Equivalents	Weighted Equivalents
		Unit	Revenue				
		Cost	Requirement				
Telegraph Grade							
2-wire	-	288.66	-	24.06	0.62490287	0	
4-wire	-	461.93	-	38.49	1	0	
Voice Grade							
2-wire	11	288.66	3,175	24.06	0.62490287	82.48717949	
4-wire	15	461.93	6,929	38.49	1	180	
Hi-Cap							
DS-1	148	1,349.28	199,694	112.44	2.92094017	5187.589744	
DS3 High Cap w/in CO	6	15,652.58	93,915	1,304.38	33.8848096	2439.706294	
DS3 High Cap 0-3 miles from CO	-	18,371.15	-	1,530.93	39.7700078	0	
DS3 High Cap over 3 miles from CO	-	22,009.65	-	1,834.14	47.6466589	0	
MUX (DS-1 to Voice)	1	2,197.44	2,197	183.12			
MUX (DS-1 to DS-0)	6	5,691.72	34,150	474.31			
DDS							
4-wire	65	532.82	34,633	44.40	1.15345765	899.6969697	
Total Channel Terminations Rev. Req.			374,695			8789.480186	
Total Optional Features & Functions Rev Req			156				
			374,851				

Gulf Telephone Company		Printed:	6/17/04 9:17 PM							
Interstate Access Rate Development										
Transmittal No. 18										
Special Access Channel Termination Rate Development										
Development of Optional Features and Function Rates										
Optional Features	Unit	Net Return		Expense and	Unit	Unit				
	Material Cost	to Gross Plant	Unit Net Return	Operating Tax to Gross Plant	Expense and Op Tax	Revenue Requirement	Projected Usage	Projected Revenue		
Bridging:										
Voice	150.00	5.62%	8.43	28.97%	43.46	51.89	-	-		
Data	150.00	5.62%	8.43	28.97%	43.46	51.89	3	156		
Conditioning										
C-Type	196.00	5.62%	11.02	28.97%	56.78	67.80	-	-		
Gain	350.00	5.62%	19.67	28.97%	101.40	121.07	-	-		
Improved Return Loss	175.00	5.62%	9.84	28.97%	50.70	60.53	-	-		
Selective Signaling	308.00	5.62%	17.31	28.97%	89.23	106.54	-	-		
Total								156		

Gulf Telephone Company		Printed:	6/17/04 9:17 PM				
Interstate Access Rate Development							
Transmittal No. 18							
Special Access Channel Termination Rate Development							
Development of Channel Mileage and Channel Mileage Term Rates							
		Equivalent	Weighted	Revenue			
	Special Study	VG CMF	Equivalent	Requirement			
Voice Grade Channel Mileage	2.35	1.00	416	10,108			
Voice Grade Channel Mileage Term	23.54	10.02	280	6,815			
Hi-Cap Channel Mileage	16.63	7.08	9497	230,742			
Hi-Cap Channel Mileage Term	82.03	34.91	4538	110,255			
DS3 Hi-Cap Channel Mileage	114.52	48.73	1852	44,993			
DS3 Hi-Cap Channel Mileage Term	456.82	194.39	583	14,169			
DDS Channel Mileage	3.45	1.47	1499	36,419			
DDS Channel Mileage Term	34.58	14.71	898	21,809			
Total			19563	475,310			
Development of DSL Rates							
	<u>Current Rates</u>	<u>Proj Demand</u>	<u>Extended</u>	<u>Curr RR</u>	<u>New Rates</u>		
DSL Services							
ADSL Line Charge	34.59	-	-	-	19.48		
ADSL Monthly Plan	33.58	57	22,968.72	12,935	18.91		
ADSL Price Option One	150.00	12	21,600.00	12,165	84.48		
ADSL Price Option Two	350.00	21	88,200.00	49,672	197.11		
ADSL Price Option Three	450.00	21	113,400.00	63,864	253.43		
ADSL One Year Option One	30.65	-	-	-	17.26		
ADSL One Year Option Two	27.66	-	-	-	15.58		
ADSL One Year Option Three	24.68	-	-	-	13.90		
ADSL Three Year Option One	27.66	174	57,754.08	32,526	15.58		
ADSL Three Year Option Two	24.68	690	204,350.40	115,085	13.90		
ADSL Three Year Option Three	20.95	8,500	2,136,900.00	1,203,451	11.80		
DSL Connection Charge - DS1	191.87	1	2,302.44	1,297	108.06		
DSL Connection Charge - DS3	1,332.46	1	15,989.52	9,005	750.41		
Total			2,663,465.16	1,500,000			

Rate-of Return TRP
Cost Analysis Summary
Test Year, 7/04 - 7/05

		Total Company (A)	ROR Regulated I/S Access (H)	BFP (K)	Local Switching (M)	Tandem Switching (Q)	Local Transport (R)	Host Remote (S)	Special Access (U)
Revenues									
100 Network Access	n/a	14,005,638	6,430,655	2,514,930	1,456,988	909,953	371,691	2,321,420	
110 Uncollectibles	n/a	0	0	0	0	0	0	0	0
120 Common Line Support	n/a	0	0	0	n/a	n/a	n/a	n/a	n/a
130 Long Term	n/a	0	0	0	n/a	n/a	n/a	n/a	n/a
140 Transitional	n/a	0	0	0	n/a	n/a	n/a	n/a	n/a
150 Miscellaneous	n/a	0	0	0	0	0	0	0	0
160 Net Revenues	n/a	14,005,638	6,430,655	2,514,930	1,456,988	909,953	371,691	2,321,420	
Expenses									
170 Plant Specific	n/a	2,300,880	897,345	521,284	274,835	148,494	60,694	398,230	
171 Network Support	0	0	0	0	0	0	0	0	0
172 General Support	2,287,097	793,076	331,141	141,553	85,126	57,057	23,269	154,931	
173 Central Office	1,856,824	800,993	33,472	379,731	189,709	41,232	16,026	140,824	
174 Operator Systems	0	0	0	0	0	0	0	0	0
175 COE Switching	1,320,048	569,440	0	379,731	189,709	0	0	0	0
176 COE Transmission	536,776	231,553	33,472	0	0	41,232	16,026	140,824	
177 IOT	0	0	0	0	0	0	0	0	0
178 Cable & Wire Facilities	2,413,413	706,811	532,732	0	0	50,205	21,399	102,475	
180 Plant Non-Sp. Less Dep/Amor	n/a	1,167,309	844,820	98,822	59,429	39,833	16,244	108,161	
190 Depreciation / Amortization	10,394,379	3,776,846	1,087,304	1,081,169	650,185	225,136	90,972	642,080	
200 Customer Operations	n/a	1,283,816	618,616	231,046	138,945	93,131	37,979	164,100	
201 Marketing	820,937	343,096	143,256	61,238	36,827	24,684	10,066	67,025	
202 Local Business Office	2,965,107	747,598	449,490	118,557	71,296	47,788	19,488	40,979	
203 Revenue Accounting	360,374	193,122	25,869	52,252	30,821	20,659	8,425	56,096	
204 Other Billing & Collection	486,809	0	0	0	0	0	0	0	0
210 Access	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
220 Corporate Operations	n/a	2,062,044	1,024,417	369,341	205,340	122,134	49,866	290,947	
230 AFUDC	n/a	0	0	0	0	0	0	0	0
240 Other Exp. & Adjustments	n/a	(78,569)	(27,331)	(22,272)	(13,394)	(3,927)	(1,619)	(10,026)	
250 Taxes Other than FIT	n/a	532,604	248,728	75,664	45,502	40,009	16,379	106,321	
260 Total Exp and Other Taxes	n/a	11,044,930	4,693,899	2,355,054	1,360,842	664,810	270,515	1,699,813	
FIT Adjustments									
270 Adjustment for FIT	0	0	0	0	0	0	0	0	
280 Amortized ITC	0	0	0	0	0	0	0	0	
290 Federal Income Taxes	n/a	1,036,248	607,865	55,957	33,651	85,800	35,412	217,562	
300 Total Expenses & Taxes	n/a	12,081,178	5,301,764	2,411,011	1,394,493	750,610	305,927	1,917,375	

COS-1(P)

Filing Date: 06/16/2004

Filing Entity: [Gulf Telephone Company](#)

Transmittal Number : 18

COSA: 250298

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Rate-of Return TRP

Cost Analysis Summary

Test Year, 7/04 - 7/05

Rate-of Return TRP
Cost Analysis Summary
Historical, Calendar Year 2003

		Total Company (A)	Total Interstate (E)	ROR Regulated I/S Access (H)	BFP (K)	Local Switching (M)	Tandem Switching (Q)	Local Transport (R)	Host Remote (S)	Special Access (U)
Revenues										
100 Network Access	n/a	n/a	13,387,618	4,839,372	\$1,948,292	1,593,709.94	\$602,983	709,394		\$3,693,867
110 Uncollectibles	n/a	n/a	0	0	0	0	0	0	0	0
120 Common Line Support	n/a	n/a	1,516,577	1,516,577	0	n/a	n/a	n/a	n/a	n/a
130 Long Term	n/a	n/a	1,243,212	1,243,212	0	n/a	n/a	n/a	n/a	n/a
140 Transitional	n/a	n/a	0	0	0	n/a	n/a	n/a	n/a	n/a
150 Miscellaneous	n/a	n/a	0	0	0	0	0	0	0	0
160 Net Revenues	n/a	n/a	16,147,407	7,599,161	1,948,292	1,593,710	602,983	709,394		3,693,867
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Expenses										
170 Plant Specific	n/a	2,306,491	2,306,491	900,080	519,141	273,332	149,820	61,269		402,850
171 Network Support	0	0	0	0	0	0	0	0	0	0
172 General Support	2,287,097	794,248	794,248	333,580	137,303	82,570	58,219	23,752		158,824
173 Central Office	1,856,824	805,438	805,438	33,753	381,838	190,762	41,380	16,173		141,533
174 Operator Systems	0	0	0	0	0	0	0	0	0	0
175 COE Switching	1,320,048	572,600	572,600	0	381,838	190,762	0	0	0	0
176 COE Transmission	536,776	232,838	232,838	33,753	0	0	41,380	16,173		141,533
177 IOT	0	0	0	0	0	0	0	0	0	0
178 Cable & Wire Facilities	2,413,413	706,805	706,805	532,747	0	0	50,221	21,344		102,493
180 Plant Non-Sp. Less Dep/Amor	n/a	1,168,127	1,168,127	846,522	95,855	57,644	40,644	16,582		110,879
190 Depreciation / Amortization	9,748,087	3,542,634	3,542,634	1,021,816	1,010,628	607,764	211,814	85,748		604,865
200 Customer Operations	n/a	1,283,816	1,283,816	622,690	224,650	135,099	95,255	38,863		167,259
201 Marketing	820,937	343,096	343,096	144,099	59,312	35,668	25,149	10,260		68,608
202 Local Business Office	2,965,107	747,598	747,598	452,723	115,489	69,452	48,969	19,979		40,987
203 Revenue Accounting	360,374	193,122	193,122	25,869	49,850	29,978	21,137	8,624		57,663
204 Other Billing & Collection	486,809	0	0	0	0	0	0	0		0
210 Access	n/a	0	n/a	n/a	n/a	n/a	n/a	n/a		n/a
220 Corporate Operations	n/a	2,065,092	2,065,092	1,028,239	364,394	202,270	123,998	50,652		295,539
230 AFUDC	n/a	n/a	0	0	0	0	0	0		0
240 Other Exp. & Adjustments	n/a	(78,396)	(78,396)	1,004,219	(714,429)	(138,044)	(224,996)	(92,479)		87,333
250 Taxes Other than FIT	n/a	639,009	639,009	259,323	84,367	50,508	34,528	37,349		172,934
260 Total Exp and Other Taxes	n/a	10,926,773	10,926,773	5,682,889	1,584,606	1,188,573	431,063	197,984		1,841,659
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FIT Adjustments										
270 Adjustment for FIT	0	0	0	0	0	0	0	0		0
280 Amortized ITC	0	0	0	0	0	0	0	0		0
290 Federal Income Taxes	n/a	0	1,827,222	670,695	127,290	141,798	60,172	178,993		648,273
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300 Total Expenses & Taxes	n/a	10,926,773	12,753,995	6,353,584	1,711,896	1,330,371	491,235	376,977		2,489,932

Rate-of Return TRP
Cost Analysis Summary
Historical, Calendar Year 2003

Telephone Plant in Service									
310 General Support	27,946,931	9,705,222	9,705,222	4,076,141	1,677,757	1,008,957	711,396	290,240	1,940,732
320 Central Office Equip-Switch	30,519,952	11,538,642	11,538,642	0	7,205,470	4,333,172	0	0	0
321 Operator Systems	0	0	0	0	0	0	0	0	0
322 Tandem Switching	5,829,311	4,333,172	4,333,172	0	0	4,333,172	0	0	0
323 Local Switching Cat. 3	24,690,641	7,205,470	7,205,470	0	7,205,470	0	0	0	0
324 Equal Access	0	0	0	0	0	0	0	0	0
330 Central Office Equip-Trans	15,824,441	8,564,267	8,564,267	1,241,498	0	0	1,522,040	594,876	5,205,854
331 Subscriber Lines	5,010,759	1,255,186	1,255,186	1,241,498	0	0	0	0	13,689
332 Exchange Circuit	3,441,015	3,441,015	3,441,015	0	0	0	0	0	3,441,015
333 Interexchange Circuit	6,151,715	3,273,190	3,273,190	0	0	0	1,522,040	0	1,751,150
334 Host Remote	1,220,952	594,876	594,876	0	0	0	0	594,876	0
340 Cable & Wire	73,679,417	21,578,154	21,578,154	16,264,324	0	0	1,533,194	651,619	3,129,016
341 Subscriber Lines	65,643,786	16,443,654	16,443,654	16,264,324	0	0	0	0	179,330
342 Exchange	4,010,989	2,702,986	2,702,986	0	0	0	0	0	2,702,986
343 Interexchange	2,687,228	1,779,895	1,779,895	0	0	0	1,533,194	0	246,700
344 Host Remote	1,337,414	651,619	651,619	0	0	0	0	651,619	0
350 Info Orig/Term Equipment	0	0	0	0	0	0	0	0	0
360 Amortizable Assets	96,000	36,058	36,058	15,144	6,234	3,748	2,643	1,079	7,210
370 Total Plant In Service	148,066,741	51,422,343	51,422,343	21,597,107	8,889,461	5,345,877	3,769,273	1,537,814	10,282,812
Adjustments to TPIS									
380 Depr / Amor Reserve	79,732,882	28,763,962	28,763,962	9,378,834	7,035,895	4,231,194	1,910,646	774,044	5,433,350
390 Accum Deferred Income Tax	8,874,204	3,008,230	3,008,230	1,435,821	396,402	238,385	230,516	94,449	612,659
400 Other Rate Base Adjust.	n/a	688,245	688,245	289,060	118,978	71,550	50,449	20,583	137,627
Return Data									
410 Average Rate Base	n/a	20,338,396	20,338,396	11,071,512	1,576,142	947,848	1,678,560	689,904	4,374,430
420 Return	n/a	n/a	3,393,413	1,245,577	236,396	263,339	111,748	332,416	1,203,935
430 Rate of Return	n/a	n/a	16.68%	11.25%	15.00%	27.78%	6.66%	48.18%	27.52%

Transport Rate Base 3,316,312
Transport Return 707,504
Total Transport Rate of Return 21.33%

COS-2

Filing Date: 06/16/2004
 Filing Entity: Gulf Telephone Company
 Transmittal Number: 18
 COSA: 250298

Rate-of-Return TRP

7/04 - 6/05

Versus 2003 Actual

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	Common Line (A)	Traffic Sensitive Switched (B)	Traffic Sensitive Special (C)	Other Interstate (D)	Total Interstate (E)	Total Co. Subject to Separations (F)
Forecast, 7/04 - 6/05						
Revenue Requirement						
100 Depreciation/Amortization	1,087,304	2,047,462	642,080	0	3,776,846	10,394,379
105 Expense Less Dep & Amor	3,357,867	2,426,205	951,412	0	10,512,326	n/a
110 Taxes Less FIT	248,728	177,554	106,321	0	n/a	n/a
115 Return	1,128,891	391,522	404,045	n/a	n/a	n/a
120 FIT	607,865	210,819	217,562	n/a	n/a	n/a
125 Uncol., IDC & Other Adj.	0	0	0	n/a	n/a	n/a
130 Revenue Requirement	6,430,655	5,253,562	2,321,420	n/a	n/a	n/a
135 Access Service Revenue	6,430,655	5,253,562	2,321,420	n/a	n/a	n/a
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Rate Base						
140 Telephone Plant in Service	21,411,424	19,850,761	10,017,748	0	51,279,933	147,874,663
145 Rate Base Adjustments	317,990	294,812	148,777	0	761,579	n/a
150 Depreciation Reserves	10,478,890	15,891,973	6,072,086	0	32,442,949	89,890,388
155 Accum Deferred Income Tax	1,216,174	773,488	503,022	0	2,492,684	7,396,270
160 Average Rate Base	10,034,350	3,480,112	3,591,417	0	17,105,879	n/a
Actual, 1/03- 12/03						
Revenue Requirement						
200 Depreciation/Amortization	1,021,816	1,915,954	604,865	0	3,542,634	9,748,087
205 Expense Less Dep & Amor	4,401,750	1,279,520	1,063,860	0	6,745,130	n/a
210 Taxes Less FIT	259,323	206,752	172,934	0	n/a	n/a
215 Return	1,245,577	943,900	1,203,935	n/a	n/a	n/a
220 FIT	670,695	508,254	648,273	n/a	n/a	n/a
225 Uncol., IDC & Other Adj.	0	0	0	n/a	n/a	n/a
230 Revenue Requirement	7,599,161	4,854,379	3,693,867	n/a	n/a	n/a
235 Access Service Revenue	7,599,161	4,854,379	3,693,867	n/a	n/a	n/a
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Rate Base						
240 Telephone Plant in Service	21,597,107	19,542,425	10,282,812	0	51,422,343	148,066,741
245 Rate Base Adjustments	289,060	778,591	137,627	0	688,245	n/a
250 Depreciation Reserves	9,378,834	13,951,779	5,433,350	0	28,763,962	79,732,882
255 Accum Deferred Income Tax	1,435,821	959,752	612,659	0	3,008,230	8,874,204
260 Average Rate Base	11,071,512	5,409,485	4,374,430	0	20,855,427	n/a

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Filing Date: 06/16/2004
 Filing Entity: Gulf Telephone Company
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Rate-of-Return TRP
 7/04 - 6/05
 Versus 2003 Actual

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	Common Line (A)	Traffic Sensitive Switched (B)	Traffic Sensitive Special (C)	Other Interstate (D)	Total Interstate (E)	Total Co. Subject to Separations (F)
Forecast, 7/03 - 6/04						
Revenue Requirement						
100 Depreciation/Amortization	0	0	0	0	0	0
105 Expense Less Dep & Amor	0	0	0	0	0	n/a
110 Taxes Less FIT	0	0	0	0	n/a	n/a
115 Return	0	0	0	0	n/a	n/a
120 FIT	0	0	0	0	n/a	n/a
125 Uncol., IDC & Other Adj.	0	0	0	0	n/a	n/a
130 Revenue Requirement	0	0	0	0	n/a	n/a
135 Access Service Revenue	0	0	0	0	n/a	n/a
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Rate Base						
140 Telephone Plant in Service	0	0	0	0	0	0
145 Rate Base Adjustments	0	0	0	0	0	n/a
150 Depreciation Reserves	0	0	0	0	0	0
155 Accum Deferred Income Tax	0	0	0	0	0	0
160 Average Rate Base	0	0	0	0	0	n/a
Actual, 1/02 - 12/02						
Revenue Requirement						
200 Depreciation/Amortization	1,071,362	2,129,684	466,349	0	3,667,395	0
205 Expense Less Dep & Amor	3,736,833	1,382,562	742,882	0	5,862,277	n/a
210 Taxes Less FIT	310,869	277,991	130,166	0	719,026	n/a
215 Return	1,276,614	875,122	720,253	0	2,871,989	n/a
220 FIT	670,528	454,370	381,984	0	1,506,882	n/a
225 Uncol., IDC & Other Adj.	0	0	0	0	0	n/a
230 Revenue Requirement	7,066,206	5,119,729	2,441,634	0	14,627,569	n/a
235 Access Service Revenue	7,066,206	5,119,729	2,441,634	0	n/a	n/a
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Rate Base						
240 Telephone Plant in Service	21,227,965	21,332,424	7,350,104	0	49,910,493	0
245 Rate Base Adjustments	604,902	607,491	209,445	0	1,421,838	n/a
250 Depreciation Reserves	9,022,015	14,141,291	3,600,143	0	26,763,449	0
255 Accum Deferred Income Tax	1,463,120	1,478,033	498,307	0	3,439,461	0
260 Average Rate Base	11,347,731	6,320,591	3,461,099	0	21,129,421	n/a

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Rate-of-Return TRP
 7/04 - 6/05
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	Common Line (A)	Traffic Sensitive Switched (B)	Traffic Sensitive Special (C)	Other Interstate (D)	Total Interstate (E)	Total Co. Subject to Separations (F)
Forecast, 7/02 - 6/03						
Revenue Requirement						
100 Depreciation/Amortization	1,035,963	2,145,426	705,472	0	3,886,861	10,357,382
105 Expense Less Dep & Amor	4,020,483	1,625,551	1,210,791	0	6,856,825	n/a
110 Taxes Less FIT	244,079	223,366	141,076	0	n/a	n/a
115 Return	1,090,917	615,923	596,817	n/a	n/a	n/a
120 FIT	561,577	302,874	305,976	n/a	n/a	n/a
125 Uncol., IDC & Other Adj.	0	0	0	n/a	n/a	n/a
130 Revenue Requirement	6,953,019	4,913,140	2,960,132	n/a	n/a	n/a
135 Access Service Revenue	6,953,019	4,913,140	2,960,132	n/a	n/a	n/a
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Rate Base						
140 Telephone Plant in Service	20,947,737	23,612,304	12,474,458	0	57,034,499	156,425,989
145 Rate Base Adjustments	703,376	791,848	418,863	0	1,914,087	n/a
150 Depreciation Reserves	9,408,298	16,131,414	6,181,706	0	31,721,418	85,104,454
155 Accum Deferred Income Tax	2,546,018	2,795,515	1,406,584	0	6,748,117	18,771,019
160 Average Rate Base	9,696,797	5,477,223	5,305,031	0	20,479,051	n/a
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Actual, 1/01 - 12/01						
Revenue Requirement						
200 Depreciation/Amortization	1,023,324	2,065,227	238,463	0	3,327,014	9,592,782
205 Expense Less Dep & Amor	2,781,936	2,912,101	471,538	0	6,165,575	n/a
210 Taxes Less FIT	282,092	313,171	59,102	0	654,365	n/a
215 Return	1,319,999	1,517,480	287,626	0	3,125,105	n/a
220 FIT	676,055	779,499	147,783	0	1,603,337	n/a
225 Uncol., IDC & Other Adj.	0	0	0	0	0	n/a
230 Revenue Requirement	6,083,406	7,587,478	1,204,512	0	14,875,396	n/a
235 Access Service Revenue	6,083,406	7,587,478	1,204,512	n/a	n/a	n/a
	---	---	---	---	---	---
Rate Base						
240 Telephone Plant in Service	20,185,919	22,207,230	4,125,855	0	46,519,004	141,599,024
245 Rate Base Adjustments	244,450	277,996	49,964	0	572,410	n/a
250 Depreciation Reserves	8,227,730	13,150,827	1,795,855	0	23,174,412	68,279,328
255 Accum Deferred Income Tax	743,706	807,699	152,009	0	1,703,414	5,189,741
260 Average Rate Base	11,458,933	8,526,700	2,227,955	0	22,213,588	n/a

REV-1

Filing Date:

06/16/2004

Rate-of-Return TRP

Filing Entity:

Gulf Telephone Company

Switched Access Revenue

Transmittal Number:

18

Test Year, 7/04 - 7/05

COSA:

250298

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	Minute or Message Rate (A)	Minute Miles Rate (B)	Line or Trunk Rate (C)	Minute or Message Demand (D)	Minute Miles Demand (E)	Line or Trunk Demand (F)	Access Revenue (G)	Revenue Requirement (H)
Common Line								
100 Multi-line Business EUCL	n/a	n/a	0.00	n/a	n/a	0	0	n/a
110 Single Line Business EUCL	n/a	n/a	0.00	n/a	n/a	0	0	n/a
120 Residential EUCL	n/a	n/a	0.00	n/a	n/a	0	0	n/a
130 Special Access Surcharge	n/a	n/a	0.00	n/a	n/a	12	0	n/a
140 Terminating CCL Premium	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
150 Terminating CCL Non-Prem.	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
160 Originating CCL Premium	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
170 Originating CCL Non-Prem.	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
180 Common Line -- Total	n/a	n/a	n/a	n/a	n/a	n/a	0	0
Information								
190 Directory Assistance	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
200 White Page Surcharge Prem.	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
210 White Pg. Surcharge Non-Prem.	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
220 Other Information	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
230 Information -- Total	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Local Switching								
240 Premium	0.009368	n/a	n/a	190,241,065	n/a	n/a	1,782,178	n/a
250 Non-Premium	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
260 Equal Access	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
270 Switching -- Total	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1,782,246
Local Transport								
280 Premium LT Term.	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
290 Non-Prem. LT Term	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
300 Premium LT Facility	n/a	0.000000	n/a	n/a	0	n/a	0	n/a
310 Non-Prem. LT Facility	n/a	0.000000	n/a	n/a	0	n/a	0	n/a
320 Tandem Switching	0.007443	n/a	n/a	186,335,015	n/a	n/a	1,386,892	n/a
330 TST Termination	0.001333	n/a	n/a	295,748,280	n/a	n/a	394,232	n/a
340 TST Facility	n/a	0.000265	n/a	n/a	1,621,226,340	n/a	429,625	n/a
350 Premium Interconnection	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
360 Non-Prem. Interconnection	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
370 Installation NRC per Trunk	n/a	n/a	0.00	n/a	n/a	0	0	n/a

REV-1

Filing Date: 06/16/2004
 Filing Entity: Gulf Telephone Company
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Rate-of-Return TRP

Switched Access Revenue
 Test Year, 7/04 - 7/05

	Termination Rate (A)	Circuit Rate (B)	Mileage Rate (C)	Termination Demand (D)	Circuit Demand (E)	Mileage Demand (F)	Access Revenue (G)	Revenue Requirement (H)
Local Transport (Cont.)								
380 DS3 Entrance Facility	n/a	1304.38	n/a	n/a	0	n/a	0	n/a
390 DS3 Direct Term.	393.59	n/a	n/a	0	n/a	n/a	0	n/a
400 DS3 Direct Facility	n/a	n/a	98.67	n/a	n/a	0	0	n/a
410 DS1 Entrance Facility	n/a	112.44	n/a	n/a	360	n/a	40,478	n/a
420 DS1 Direct Term.	70.68	n/a	n/a	1188	n/a	n/a	83,968	n/a
430 DS1 Direct Facility	n/a	n/a	14.33	n/a	n/a	17724	253,985	n/a
440 VG Entrance Facility	n/a	38.49	n/a	n/a	0	n/a	0	n/a
450 VG Direct Term.	20.28	n/a	n/a	348	n/a	n/a	7,057	n/a
460 VG Direct Facility	n/a	n/a	2.02	n/a	n/a	5172	10,447	n/a
470 Other Transport	n/a	n/a	n/a	n/a	n/a	n/a	0	n/a
480 Local Transport -- Total	n/a	n/a	n/a	n/a	n/a	n/a	2,606,685	2,606,736
Special -- Voice Grade								
490 2-Wire Chan. Term.	n/a	24.06	n/a	n/a	132	n/a	3,176	n/a
500 4-Wire Chan. Term.	n/a	38.49	n/a	n/a	180	n/a	6,928	n/a
510 Channel Mileage Term.	20.28	n/a	n/a	336	n/a	n/a	6,814	n/a
520 Channel Mileage Facility	n/a	n/a	2.02	n/a	n/a	4992	10,084	n/a
530 Non-Recurring	n/a	0	n/a	n/a	0	n/a	0	n/a
Special -- High Capacity								
540 High Capacity Chan. Term.	n/a	112.44	n/a	n/a	1776	n/a	199,693	n/a
550 Channel Mileage Term.	70.68	n/a	n/a	1560	n/a	n/a	110,261	n/a
560 Channel Mileage Facility	n/a	n/a	14.33	n/a	n/a	16104	230,770	n/a
570 Non-Recurring	n/a	0	n/a	n/a	0	n/a	0	n/a
580 Special Access -- Total	n/a	n/a	n/a	n/a	n/a	n/a	0	2,350,161

Notes: A composite special access NRC should be used if the installation rates vary among the services. If the company does not file a particular rate, then the rate and demand = 0. Col. G equals Cols. (A x D) + (B x E) + (C x F).

REV-2

Filing Date: 06/16/2004

Filing Entity: Gulf Telephone Company

Transmittal Number: 18

COSA: 250298

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Rate-of-Return TRP

Revenues Summary

Test Year, 7/04 - 7/05

	Total Network Access (A)	Recurring without ICB (B)	Non-Recurring without ICB (C)	ICB (D)
100 Carrier Common Line	6,430,655	6,430,655	0	0
110 Special Access	2,350,135	2,350,135	0	0
120 Local Switching	1,782,246	1,782,246	0	0
130 Equal Access	0	0	0	0
140 Information	0	0	0	0
150 Local Transport	2,606,685	2,606,685	0	0
160 Total TS - Switched	4,388,931	4,388,931	0	0

Notes : Col. A = Cols. B + C + D. If a particular category is inapplicable, then that category equals 0.

RTE-1
Filing Date: 06/16/2004
Filing Entity: Gulf Telephone Company
Transmittal Number: 18
COSA: 250298

Rate-of-Return TRP
Percent Change in
Historical Rate Levels

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	07/01/2003 Rate (A)	Current Effective Rate (B)	Proposed 07/01/2004 Rate (C)	% Change 07/01/2003 07/01/2004 (D)	% Change Current 07/01/2004 (E)
				07/01/2004 % Change 07/01/2003 07/01/2004 (D)	07/01/2004 % Change 07/01/2003 07/01/2004 (E)
Switched Access					
100 Premium CCL Term. (\$/MOU)	0.00000000	0.00000000	0.00000000	0.00%	0.00%
110 N.P. CCL Term. (\$/MOU)	0.00000000	0.00000000	0.00000000	0.00%	0.00%
120 Premium Switching (\$/MOU)	0.01038200	0.01038200	0.009368	-9.77%	-9.77%
130 N.P. Switching (\$/MOU)	0.00000000	0.00000000	0.00000000	0.00%	0.00%
140 Equal Access	0.00000000	0.00000000	0.00000000	0.00%	0.00%
End User Common Line					
150 Multi-line Business (\$/Month)	0	0.00	0.00	0.00%	0.00%
160 Residential & Single Line Bus.	0	0.00	0.00	0.00%	0.00%

RTE-1
Filing Date: 06/16/2004
Filing Entity: Gulf Telephone Company
Transmittal Number: 18
COSA: 250298

Rate-of-Return TRP
Percent Change in
Historical Rate Levels

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	07/01/2003	Current Effective	Proposed	% Change	% Change
	Rate (A)	Rate (B)	Rate (C)	07/01/2003 07/01/2004 (D)	Current 07/01/2004 (E)
Local Transport Rates					
170 Prem. LT (\$/MOU, Avg. Mileage)	0.00030600	0.00030600	0.00026500	-13.40%	-13.40%
180 N.P. LT (\$/MOU, Avg. Mileage)	0.00000000	0.00000000	0.00000000	0.00%	0.00%
190 DS1 Entr. Facility (\$/Circuit)	150.37	150.37	112.44	-25.22%	-25.22%
200 DS1 Direct Trunk (\$/Circuit)	82.03	82.03	70.68	-13.84%	-13.84%
210 Tdm Sw. Transport ((\$/Circuit)	23.54	23.54	20.28	-13.85%	-13.85%
220 Tdm. Switching (\$/Tdm. MOU)	0.008548	0.008548	0.007443	-12.93%	-12.93%
230 Prem. Interconnection (\$/MOU)	0.001558	0.001558	0.001333	-14.44%	-14.44%
240 N.P. Interconnection (\$/MOU)	0.000000	0.000000	0.000000	0.00%	0.00%
250 NRC (\$/Tk. Or Tks. Activated)	249.00	249.00	249.00	0.00%	0.00%
260 2-Wire VG (\$/Cir., Avg. Mileage)	32.17	32.17	24.06	-25.21%	-25.21%
270 4-Wire VG (\$/Cir., Avg. Mileage)	51.48	51.48	34.49	-33.00%	-33.00%

Notes: If Lines 170 & 180 or any other entry is inapplicable, then that rate = 0.

RTE-2
Filing Date: 06/16/2004
Filing Entity: Gulf Telephone Company
Transmittal Number: 18
COSA: 250298

Rate-of-Return
Revenue Price-outs
Using 2003 Demand

Page 1 of 1

Switched Access	Revenue at 07/01/2003 Rates (A)	Revenue at Current Rate (B)	Change in Revenue, Cols. B-A (C)	Revenue at 07/01/2004 Rates (D)	Change in Revenue, Cols. D-B (E)
100 Multi-line Business	0	0	0	0	0
110 Residential & Single Line Bus.	0	0	0	0	0
120 Carrier Common Line	0	0	0	0	0
130 Special Access	3,743,166	3,743,166	0	2,401,170	(1,341,996)
140 Local Switching	1,948,295	1,948,295	0	1,758,007	(190,288)
150 Equal Access	0	0	0	0	0
160 Information	0	0	0	0	0
170 Local Transport	3,019,953	3,019,953	0	2,609,409	(410,544)

Notes: If company belongs to the NECA common line pool, then revenue = 0.

RTE-3
Filing Date: 06/16/2004
Filing Entity: Gulf Telephone Company
Transmittal Number: 18
COSA: 250298

Rate-of-Return TRP
COSA's for which Rates
are Averaged or Pooled

Rate-of-Return TRP
COSA's for Which Rates
are Averaged or Pooled

Page 1 of 1	COSA	Multi-line Business (A)	Residential & Single Line Business (B)	Carrier Common Line (C)	Local Switching (D)	Local Transport (E)	Information (F)	Equal Access (G)	Special Access (H)
	100	250298 Gulf Telephone Company	NECA	NECA	MRTC	MRTC	MRTC	MRTC	MRTC
	110								
	120								
	130								
	140								
	150								
	160								
	170								
	180								
	190								
	200								
	210								
	220								
	230								

Notes: Companies should list all COSA's for which rates are averages or pooled.

DMD-1

Filing Date: 06/16/2004

Filing Entity: Gulf Telephone Company

Transmittal Number: 18

COSA: 250298

Page 3 of 3**Rate-of-Return TRP****Traffic Sensitive****Minutes-of-Use**

Historical	Premium Local Switching (A)	Non-Premium Local Switching (B)	Total Local Switching (C)	Total Chargeable Switching (D)	Total Tandem Switching* (E)	Tandem Switching Transport ** (F)
100 1st Qtr. 2000	47,235,037	0	47,235,037	47,235,037	47,235,037	37,429,043
110 2nd Qtr. 2000	45,700,692	0	45,700,692	45,700,692	45,700,692	35,715,091
120 3rd Qtr. 2000	50,874,112	0	50,874,112	50,874,112	50,874,112	40,292,297
130 4th Qtr. 2000	41,265,289	0	41,265,289	41,265,289	41,265,289	31,646,350
140 1st Qtr. 2001	48,418,421	0	48,418,421	48,418,421	48,418,421	77,223,528
150 2nd Qtr. 2001	47,934,820	0	47,934,820	47,934,820	47,934,820	75,984,138
160 3rd Qtr. 2001	48,734,452	0	48,734,452	48,734,452	48,734,452	78,372,558
170 4th Qtr. 2001	43,016,934	0	43,016,934	43,016,934	43,016,934	67,366,526
180 1st Qtr. 2002	49,914,124	0	49,914,124	49,914,124	49,914,124	80,864,730
190 2nd Qtr. 2002	46,626,197	0	46,626,197	46,626,197	46,626,197	74,422,640
200 3rd Qtr. 2002	47,008,583	0	47,008,583	47,008,583	47,008,583	74,710,128
210 4th Qtr. 2002	41,566,720	0	41,566,720	41,566,720	41,566,720	64,486,476
220 Pycos Year, 1/03 - 12/03	187,660,847	0	187,660,847	187,660,847	187,660,847	295,748,280
230 Test Year, 7/04 - 6/05	190,241,065	0	190,241,065	190,241,065	190,241,065	295,748,280

Notes: Local switching MOU are the same as the billable units for the interconnection charge.

* Refers to the MOU switched at a company tandem, as discussed in Part 69. 11(f-g).

** Refers to the MOU carried over non-dedicated trunks; i.e., tandem switched transport or common trunks.

DMD-2

Filing Date: 06/16/2004

Filing Entity: Gulf Telephone Company

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Rate-of-Return TRP

Special Access

Demand

	1/03 - 12/03 Channel Terminations (A)	1/03 - 12/03 Number of Circuits (B)	1/03 - 12/03 Interoffice Miles (C)	7/04 - 6/05 Channel Terminations (D)	7/04 - 6/05 Number of Circuits (E)	7/04 - 6/05 Interoffice Miles (F)
100 Metallic	0	0	0	0	0	0
110 Telegraph	0	0	0	0	0	0
120 VG less WATS	336	336	5256	312	312	4992
130 WATS	0	0	0	0	0	0
140 full-time Audio	0	0	0	0	0	0
150 High Capacity	2088	2088	18948	1776	1776	16104

DMD-4

Filing Date: 06/16/2004
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Rate-of-Return TRP

Minutes-of-Use
Historical vs. Forecast

		Common Line MOU (A)	Traffic Sensitive MOU (B)
100 Test Year	7/04 - 6/05	0	190,241,065
110 Pycos Year,	1/03 - 12/03	0	187,660,847
120 Test Year	7/03 - 6/04	---	NA
130 Pycos Year,	1/02 - 12/02	0	185,115,624
140 Test Year	7/02 - 6/03	0	184,588,273
150 Pycos Year,	1/01 - 12/01	0	188,104,627
160 Test Year	7/01 - 6/02	0	188,291,707
170 Pycos Year,	1/00 - 12/00	0	185,075,130

Notes: Actual operating statistics should be reported for the PYCOS years.

These data should be consistent with those in Chart DMD-4 in previous TRPs.

If a forecast was not reported for any particular test year, then enter 0.

DMD-5
Filing Date: 06/16/2004
Filing Entity: Gulf Telephone Company
Transmittal Number: 18
COSA: 250298
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Rate-of-Return TRP
Minutes-of-Use
Direct Trunked Transport

	1/03 - 12/03	1/03 - 12/03	1/03 - 12/03	Test Year 7/04 - 6/05	Test Year 7/04 - 6/05	Test Year 7/04 - 6/05
	VG (A)	DSI (B)	DS3 (C)	VG (D)	DS1 (E)	DS3 (F)
100 Entrance Facility	0.00	384.00	0.00	0.00	360.00	0.00
110 Direct Trunked Transport	5172.00	17724.00	0.00	5172.00	17724.00	0.00

Notes: Demand should be annualized and reflect application of the percent interstate usage factor (PIU).

ERN-1

Filing Date: 06/16/2004
Filing Entity: Gulf Telephone Company
Transmittal Number: 18
COSA: 250298
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Rate-of-Return TRP
Rate-of-Return
Summary

	2001/2002 FCC Monitoring Period (A)	2003 Calendar Year (B)	7/04 - 6/05 Test Year (C)
100 Interstate Access, Total	13.84%	16.68%	11.25%
110 Carrier Common Line	11.39%	11.25%	11.25%
120 Special Access	17.72%	27.52%	11.25%
130 Local Switching	11.09%	15.00%	11.25%
140 Information	0.00%	0.00%	0.00%
150 Local Transport	18.98%	21.33%	11.25%
160 Traffic Sensitive Switched, Total	16.11%	17.45%	11.25%

Filing Entity: Gulf Telephone Company
Filing Date: 06/16/2004
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**Rate-of-Return TRP
Base Study Factor**

		Actual 1998 (A)	Actual 1999 (B)	Actual 2000 (C)	Actual 2001 (D)	Actual 2002 (E)	Prospective 2004 (F)
Relative MOU's - Tandem Switching							
100	Interstate	-	1,542,931	2,214,833	2,214,833	2,214,833	2,214,833
110	Total Company	-	2,248,784	2,979,561	2,979,561	2,979,561	2,979,561
120	IS Factor	0.0000%	68.6118%	74.3342%	74.3342%	74.3342%	74.3342%
Host/Remote MOU's							
130	Interstate	175,592,462	180,126,615	198,398,597	206,098,711	206,098,711	206,098,711
140	Total Company	363,805,260	381,775,139	411,759,516	423,006,854	423,006,854	423,006,854
150	IS Factor	48.2655%	47.1813%	48.1831%	48.7223%	48.7223%	48.7223%
Host/Remote MOU Miles							
160	Interstate	4,220,200,308	4,317,669,210	4,761,566,328	4,761,566,328	4,761,566,328	4,761,566,328
170	Total Company	8,366,034,095	8,787,047,382	9,772,877,409	9,772,877,409	9,772,877,409	9,772,877,409
180	IS Factor	50.4445%	49.1367%	48.7223%	48.7223%	48.7223%	48.7223%
Conversation Minutes							
190	Interstate	156,468,727	161,103,019	177,445,254	177,445,254	177,445,254	177,445,254
200	Total Company	218,006,106	234,803,345	246,940,651	246,940,651	246,940,651	246,940,651
210	IS Factor	71.7726%	68.6119%	71.8574%	71.8574%	71.8574%	71.8574%
Conversation Minute Miles							
220	Interstate	6,392,615,788	6,538,691,416	7,028,794,029	7,028,794,029	7,028,794,029	7,028,794,029
230	Total Company	8,670,015,378	9,289,761,904	9,769,962,386	9,769,962,386	9,769,962,386	9,769,962,386
240	IS Factor	73.7325%	70.3860%	71.9429%	71.9429%	71.9429%	71.9429%

The above Base Study Factors apportion on the following investment

	Part 32 Account	Part 36 Category
Relative MOU's-Tandem Switching	2210	COE Cat. 3
Host/Remote MOU's	2230	COE Cat. 4.3
Host/Remote MOU Miles	2410	C&WF Cat. 4
Conversation Minutes	2230	COE Cat. 4.23
Conversation Minutes Miles	2410	C&WF Cat. 3

RORDEM-1
Filing Date: 06/16/2004
Filing Entity: Gulf Telephone Company
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**Rate-of-Return TRP
Verification of WDEM**

Year	Interstate DEM	Intrastate DEM	Local DEM	Total DEM	Interstate MDEM Factor	No. of Switched Access Lines	Part 36.125(e) Historical Weighting	Interstate WDEM Factor
	MOU (A)	MOU (B)	MOU (C)	MOU (D)				
1996	167,314,296	70,255,473	383,235,127	620,804,896	26.9512%	41,760	2	53.9024%
1997	193,308,774	81,083,878	411,652,081	686,044,733	28.1773%	46,007	2	56.3546%
1998	212,797,468	83,690,836	426,280,454	722,768,758	29.4420%	48,176	2	58.8840%
1999	219,100,105	100,232,444	444,152,333	763,484,882	28.6974%	50,730	1.75	50.2204%
2000	247,095,731	107,044,066	492,573,044	846,712,841	29.1829%	53,485	0	0.0000%
2001	247,095,731	107,044,066	492,573,044	846,712,841	29.1829%	55,245	0	0.0000%
2002	247,095,732	107,044,066	492,573,045	846,712,843	29.1829%	55,245	0	0.0000%

Filing Date: June 24, 2004
 Period Covered: June 30, 2005
 Filing Entity: Gulf Telephone Company
 Transmittal No: 18
 COSA: 250298

Rate-of Return TRP
 ACR Adjustments
 Test Year, 7/04-06/05

Section 61.38 carriers should ANNUALIZE their revenue requirement figures for this worksheet.

Access Category	Interstate Revenue Requirement Prior to Adjustments	Local Switching Support	Sub-Total	Factor Used for Line Port Adjustment	Line Port Transfer	Universal Service Fund Contribution	JUL '00 - JUN '01 TIC Revenues	Test Year TIC Revenue Requirement	Interstate Revenue Requirement Used as Base for TIC Re-allocation	TIC Re-allocation	Interstate Revenue Requirement Subject to Rate Making
	Note 1 (A)	Note 2 (B)	(C) Calculated Fields	Note 3 (D)	Note 4 (E) Calculated Fields	Note 5 (F)	Note 6 (G)	Note 7 (H)	(I) Calculated Fields	(J) Calculated Fields	(K) Calculated Fields
Column	Enter Data	Enter Data		Enter Data	Enter Data	Enter Data	Enter Data	Enter Data			
Common Line	\$6,430,655		\$6,430,655		\$754,479	\$613,641			\$6,571,493	\$81,360	\$7,266,494
Local Switching	\$2,514,930		\$2,514,930	30.00%	\$754,479				\$1,760,451	\$21,796	\$1,782,246
Information	\$0		\$0						\$0	\$0	\$0
Transport	\$2,738,633		\$2,738,633			\$1,511,101	\$163,775		\$2,574,858	\$31,879	\$2,606,736
Special Access	\$2,321,420		\$2,321,420						\$2,321,420	\$28,741	\$2,350,161
TOTAL (Calculated Fields)	\$14,005,638		\$14,005,638			\$1,511,101			\$13,228,221	\$163,775	\$14,005,638

Note 1: Source: company workpapers - After reallocating General Support Facilities Investment, but before other part 69 adjustments as a result of the Rate-of-Return Access Charge Reform Order as reflected in this form. Express as ANNUAL amounts

0.194649

0.951839
\$6,739,144

Note 2: USAC Allocation Amount

Note 3: Percentage factor based on carrier's cost study or 30%.

Note 4: Spreadsheet formula will calculate Local Switching Revenue Requirement multiplied by Line Port Adjustment Factor input

Note 5: Based on projected USF Contributions.

Note 6: "The amount to be reallocated is limited to the total revenues recovered through the interconnection charge assessed pursuant to section 69.124 for the 12-month period ending June 30, 2001." (C.F.R. § 69.415(b)).

Note 7: TIC Revenue Requirement for test period.

COMPANY: **Gulf Telephone Company 250298**
 DESCRIPTION: **Test year Ended June 30, 2005, Transmittal No. 18**
 TIME PERIOD: **June 30, 2005**

Line	Description	Source & Calc Sheet & Line	TOTAL C	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other D	Base Factor E	Local Switching G	Transport Other H	Transport Tandem Sw I	Special Access J	Host Remote K
A	B	C	D	E	F	G	H	I	J	K
9	SUMMARY									
10	RATE BASE (INVESTMENT)									
11	General Support Facilities	GSF 11	8,833,386	-	3,688,292	1,576,632	635,513	948,143	1,725,638	259,168
12	Central Office Equipment	COE 46	20,528,236	-	1,215,180	7,569,659	1,496,888	4,552,185	5,112,517	581,807
13	Info Orig/Term Equipment	CWF 10	-	-	-	-	-	-	-	-
14	Cable & Wire Facilities	CWF 27	21,882,252	-	16,492,897	-	1,554,310	-	3,172,546	662,499
15	Tangible Assets	CWF 46	33,392	-	13,943	5,960	2,402	3,584	6,523	980
16	Intangible Assets	N2001 9	2,662	-	1,112	475	192	286	520	78
17	Total 2001 Rate Base	SUM(11:16)	51,279,928	-	21,411,424	9,152,726	3,689,304	5,504,198	10,017,744	1,504,531
18		Distribution	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
19										
20	Non 2001 Rate Base	N2001 47	926,351	-	386,789	165,340	66,646	99,431	180,966	27,179
21	Accum Depr & Amort	Depr Amort 44	(32,442,949)	-	(10,478,890)	(8,049,972)	(2,136,894)	(4,841,032)	(6,072,086)	(864,075)
22	Other Credits	Oth RB 42	(2,657,456)	-	(1,284,973)	(344,378)	(202,711)	(207,100)	(535,211)	(83,083)
23	NET RATE BASE	17+20+21+22	17,105,873	-	10,034,349	923,716	1,416,346	555,497	3,591,413	584,552
24		Distribution	1.000000	0.000000	0.586603	0.054000	0.082799	0.032474	0.209952	0.034173
25										
26	RATE OF RETURN	Enter Here		0.112500	0.112500	0.112500	0.112500	0.112500	0.112500	0.112500
27	RETURN ON INVESTMENT	23 * 26	1,924,411	-	1,128,864	103,918	159,339	62,493	404,034	65,762
28		Distribution	1.000000	0.000000	0.586603	0.054000	0.082799	0.032474	0.209952	0.034173
29										
30	EXPENSES									
31	Plant Specific Expenses	Plnt Ex 28	2,300,880	-	897,345	521,283	148,494	274,835	398,230	60,693
32	Plant NonSpecific Expenses	Plnt Ex 40	1,167,309	-	844,820	98,822	39,833	59,429	108,161	16,244
33	Depr & Amort Expense	Depr Exp 41	3,776,846	-	1,087,304	1,081,169	225,136	650,185	642,080	90,972
34	Customer Operations Expense	Cust 2 30	1,283,816	-	618,616	231,046	93,131	138,945	164,100	37,979
35	Corporate Operations Expense	Corp 45	2,062,044	-	1,024,417	369,341	122,134	205,340	290,947	49,866
36	Operating Taxes	Oth Ex 9	376,776	-	157,319	67,249	27,107	40,442	73,605	11,054
37	Other Income & Expense	Oth Ex 46	(78,569)	-	(27,331)	(22,272)	(3,927)	(13,394)	(10,026)	(1,619)
38	TOTAL EXPENSES	SUM(31:37)	10,889,104	-	4,602,488	2,346,637	651,908	1,355,781	1,667,098	265,191
39		Distribution	1.000000	0.000000	0.422669	0.215503	0.059868	0.124508	0.153098	0.024354
40										
41	AFUDC	Oth Ex 49	-	-	-	-	-	-	-	-
42										
43	INCOME TAXES									
44	Federal	Fed Tx 40	1,036,295	-	607,893	55,960	85,804	33,653	217,572	35,413
45	State	St Tx 36	155,828	-	91,409	8,415	12,902	5,060	32,716	5,325
46										
47	NET REVENUE REQUIREMENT	27+38+41+44+45	14,005,638	-	6,430,655	2,514,930	909,953	1,456,988	2,321,420	371,691
48		Distribution	1.000000	0.000000	0.459148	0.179566	0.064970	0.104029	0.165749	0.026539

COMPANY: **Gulf Telephone Company 250298**
 DESCRIPTION: **Test year Ended June 30, 2005, Transmittal No. 18**
 TIME PERIOD: **June 30, 2005**

Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 2110 - GENERAL SUPPORT FACILITIES									
10										
11	Total General Support Facilities	Input 20 * 12 CWF 31	8,833,386 1.000000	- 0.000000	3,688,292 0.417540	1,576,632 0.178486	635,513 0.071944	948,143 0.107336	1,725,638 0.195354	259,168 0.029340
12										
13										
14	Accounts 2210 - 2230 CENTRAL OFFICE EQUIPMENT									
15										
16	Cat 1 Operator Systems	Input 24 * 17 Direct	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
17										
18	Equal Access Equipment	Input 21 * 19 Local Sw	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
19										
20	Cat 2 Tandem Switching	Input 22 * 21 Tandem Sw	4,552,185 1.000000	0.000000	0.000000	0.000000	0.000000	4,552,185 1.000000	0.000000	0.000000
21										
22	Cat 3 Local Switching	Input 23 * 23 Local Sw	7,569,659 1.000000	0.000000	0.000000	7,569,659 1.000000	0.000000	0.000000	0.000000	0.000000
23										
24										
25	Total COE Switching	18 + 20 + 22 Distribution	12,121,844 1.000000	- 0.000000	- 0.000000	7,569,659 0.624464	- 0.000000	4,552,185 0.375536	- 0.000000	- 0.000000
26										
27										
28	Cat 4.11 Wideband Exchange	Input 25 * 29 CWF 17	3,377,368 1.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	3,377,368 1.000000	- 0.000000
29										
30	Cat 4.12 Exchange Trunk	Input 26 Special	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	- 0.000000	0.000000
31										
32	Cat 4.13 Exchange Line	Input 27 * 33 CWF 15	1,228,579 1.000000	- 0.000000	1,215,180 0.989094	- 0.000000	- 0.000000	- 0.000000	13,399 0.010906	- 0.000000
33										
34	Cat 4.21 Furn Another Co	Input 28 * 35 CWF 19	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000
35										
36	Cat 4.22 Wideband Interexch	Input 29 * 37 Special	1,576,512 1.000000	- 0.000000	0.000000	0.000000	0.000000	0.000000	1,576,512 1.000000	- 0.000000
37										
38	Cat 4.23 Other Interexchange	Input 30 Direct From 36	1,642,126 1.000000	0.000000	0.000000	0.000000	0.000000	1,496,888 0.911555	145,239 0.088445	0.000000
39										
40	Cat 4.3 Host/Remote	Input 31 Transport Oth	581,807 1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	581,807 0.249048	0.000000
41										
42										
43	Total COE Transmission	Sum(28:40)even Distribution	8,406,391 1.000000	- 0.000000	1,215,180 0.144554	- 0.000000	1,496,888 0.178065	- 0.000000	5,112,517 0.608170	581,807 0.069210
44										
45										
46	Total Central Office Equipment	16 + 25 + 43 Distribution	20,528,236 1.000000	- 0.000000	1,215,180 0.059196	7,569,659 0.368744	1,496,888 0.072918	4,552,185 0.221752	5,112,517 0.249048	581,807 0.028342
47										

COMPANY: **Gulf Telephone Company 250298**
 DESCRIPTION: **Test year Ended June 30, 2005, Transmittal No. 18**
 TIME PERIOD: **June 30, 2005**

Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 2310 INFORMATION ORIGINATION/TERMINATION EQUIPMENT									
10	Total Cat 1 Oth Terminal Equip	Input 32 P36 Factors 14	- 1.000000	- 0.989094	0.000000	0.000000	0.000000	0.000000	0.010906	0.000000
11										
12										
13	Account 2410 - CABLE & WIRE FACILITIES									
14	Cat 1 Exchange Line	Input 33 Com Ln	16,674,747 1.000000	- 0.000000	16,492,897 0.989094	0.000000	0.000000	0.000000	181,850 0.010906	0.000000
15										
16	Cat 2 Wideband & Exch Trnk	Input 34 Direct P36	2,740,598 1.000000	- 0.000000	0.000000	0.000000	0.000000	0.000000	2,740,598 1.000000	0.000000
17										
18	Cat 3.1 Furn Another Co	Input 35 Direct	- 0.000000	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
19										
20	Cat 3.2 Wideband Interexch	Input 36 Direct	- 0.000000	- 0.000000	0.000000	0.000000	0.000000	0.000000	- 0.000000	0.000000
21										
22	Cat 3.3 Other Interexch	Input 37 Direct	1,804,408 1.000000	- 0.000000	0.000000	0.000000	0.000000	1,554,310 0.861396	250,098 0.138604	0.000000
23										
24	Cat 4 Host/Remote	Input 38 Direct	662,499 1.000000	- 0.000000	0.000000	0.000000	0.000000	0.000000	662,499 0.000000	0.000000
25										
26										
27	Total Cable & Wire Facilities	Sum(14:24)even Distribution	21,882,252 1.000000	- 0.000000	16,492,897 0.753711	- 0.000000	1,554,310 0.071031	- 0.000000	3,172,546 0.144983	662,499 0.030276
28										
29										
30	Total COE IOT & CWF	COE 46+10+27 Distribution	42,410,488 1.000000	- 0.000000	17,708,077 0.417540	7,569,659 0.178486	3,051,198 0.071944	4,552,185 0.107336	8,285,063 0.195354	1,244,306 0.029340
31										
32										
33	CAPITAL LEASES:									
34	General Support Facilities	Input 39 * 35 31	- 1.000000	- 0.000000	- 0.417540	- 0.178486	- 0.071944	- 0.107336	- 0.195354	- 0.029340
35										
36	Central Office Equipment	Input 40 * 37 COE 26	- 1.000000	- 0.000000	- 0.000000	- 0.624464	- 0.000000	- 0.375536	- 0.000000	- 0.000000
37										
38	Information Orig/Term	Input 41 * 39 11	- 1.000000	- 0.989094	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.010906	- 0.000000
39										
40	Cable & Wire Facilities	Input 42 * 41 28	- 1.000000	- 0.000000	- 0.753711	- 0.000000	- 0.071031	- 0.000000	- 0.144983	- 0.030276
41										
42	Total Capital Leases	34+36+38+40 Distribution	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000
43										
44	Leasehold Improvements	Input 43 * 45 N2001 19	33,392 1.000000	- 0.000000	13,943 0.417540	5,960 0.178486	2,402 0.071944	3,584 0.107336	6,523 0.195354	980 0.029340
45										
46	Total Tangible Assets	42 + 44 Distribution	33,392 1.000000	- 0.000000	13,943 0.417540	5,960 0.178486	2,402 0.071944	3,584 0.107336	6,523 0.195354	980 0.029340
47										

COMPANY: **Gulf Telephone Company 250298**
 DESCRIPTION: **Test year Ended June 30, 2005, Transmittal No. 18**
 TIME PERIOD: **June 30, 2005**

Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	INTANGIBLE ASSETS	Input 44 * 10	2,662	-	1,112	475	192	286	520	78
10		19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
11										
12	TOTAL 2001 RATE BASE	9 + CWF30 & 46 + COE 11	51,279,928	-	21,411,424	9,152,726	3,689,304	5,504,198	10,017,744	1,504,531
13		Distribution	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
14										
15	COE+IOT+CWF-CAT 1.3	CWF30 - CWF 14	25,735,741	-	1,215,180	7,569,659	3,051,198	4,552,185	8,103,213	1,244,306
16		Distribution	1.000000	0.000000	0.047218	0.294130	0.118559	0.176882	0.314862	0.048349
17										
18	IOT+CWF+COE+GSF	CWF30 + COE11	51,243,874	-	21,396,370	9,146,291	3,686,710	5,500,328	10,010,701	1,503,474
19		Distribution	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
20										
21	IOT+CWF+COE+GSF (CL,LS,TR Only)	Select Col 18	41,233,173	-	21,396,370	9,146,291	3,686,710	5,500,328	10,010,701	1,503,474
22		Distribution	1.000000	0.000000	0.518912	0.221819	0.089411	0.133396	0.000000	0.036463
23										
24	RATE BASE ITEMS NOT IN 2001									
25										
26	2002 Plant Held Future Use	Input 16 * 27	9,916	-	4,140	1,770	713	1,064	1,937	291
27		13	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
28	2003 Plant Under Constr ST	Input 17 * 29	480,273	-	200,533	85,722	34,553	51,551	93,823	14,091
29		13	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
30	2004 Plant Under Constr LT	Input 18 * 31	-	-	-	-	-	-	-	-
31		13	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
32	2005 Plant Aquisition Adj	Input 19 * 33	-	-	-	-	-	-	-	-
33		13	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
34	1220 Material & Supplies	Input 10 * 35	13,025	-	5,439	2,325	937	1,398	2,545	382
35		19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
36	1402 RTB Stock	Input 12 * 37	-	-	-	-	-	-	-	-
37		19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
38	Cash Working Capital	Input 11 * 39	423,136	-	176,676	75,524	30,442	45,418	82,661	12,415
39		19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
40	Other Noncurrent Assets	Input 13 * 41	-	-	-	-	-	-	-	-
41		19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
42	Deferred Maint & Retirements	Input 14 * 43	-	-	-	-	-	-	-	-
43		19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
44	Deferred Charges	Input 15 * 45	-	-	-	-	-	-	-	-
45		19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
46										
47	Total Non 2001 Rate Base	Sum(32:40)even	926,351	-	386,789	165,340	66,646	99,431	180,966	27,179
48		Distribution	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: Test year Ended June 30, 2005, Transmittal No. 18
 TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 3100 - ACCUMULATED DEPRECIATION									
10	General Support Facilities	Input 45 * 12	(3,136,024)	-	(1,309,416)	(559,735)	(225,619)	(336,609)	(612,635)	(92,010)
11		CWF 31	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
12	Central Office Equipment	Input 46 * 14	-							
13	Operator Systems	Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
14	Central Office Equipment	Input 46 * 16	(11,982,367)	-	-	(7,482,561)	-	(4,499,806)	-	-
15	Switching	COE 26	1.000000	0.000000	0.000000	0.624464	0.000000	0.375536	0.000000	0.000000
16	Central Office Equipment	Input 47 * 18	(6,359,248)	-	(919,257)	-	(1,132,362)	-	(3,867,505)	(440,124)
17	Transmission	COE 44	1.000000	0.000000	0.144554	0.000000	0.178065	0.000000	0.608170	0.069210
18	Information Orig/Term	Input 48 * 20	-	-	-	-	-	-	-	-
19		CWF 11	1.000000	0.989094	0.000000	0.000000	0.000000	0.000000	0.010906	0.000000
20	Cable & Wire Facilities	Input 49 * 22	(10,922,299)	-	(8,232,259)	-	(775,818)	-	(1,583,544)	(330,680)
21		CWF 28	1.000000	0.000000	0.753711	0.000000	0.071031	0.000000	0.144983	0.030276
22	Total Account 3100 Accumulated De	Sum(13:21)odd	(32,399,938)	-	(10,460,931)	(8,042,296)	(2,133,799)	(4,836,416)	(6,063,684)	(862,813)
23		Distribution	1.000000	0.000000	0.322869	0.248219	0.065858	0.149272	0.187151	0.026630
24										
25										
26	Accounts 3200 through 3600 ACCUMULATED DEPRECIATION & AMORTIZATION									
27	3200 Plant Held Future	Input 50 * 30	-	-	-	-	-	-	-	-
28		N2001 19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
29	3400 Capital Lease	Input 51 * 32	-	-	-	-	-	-	-	-
30		CWF 37	1.000000	0.000000	0.000000	0.624464	0.000000	0.375536	0.000000	0.000000
31	3400 Leasehold Improvements	Input 52 * 34	(40,349)	-	(16,847)	(7,202)	(2,903)	(4,331)	(7,882)	(1,184)
32		N2001 19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
33	3500 Intangible Assets	Input 53 * 36	(2,662)	-	(1,112)	(475)	(192)	(286)	(520)	(78)
34		N2001 19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
35	3600 Plant Acquisition Adj	Input 54 * 38	-	-	-	-	-	-	-	-
36		N2001 13	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
37										
38	Total Accnts 3200 Through 3600	Sum(29:37)odd	(43,011)	-	(17,959)	(7,677)	(3,094)	(4,617)	(8,402)	(1,262)
39		Distribution	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
40										
41	Total Depreciation & Amort	23 + 40	(32,442,949)	-	(10,478,890)	(8,049,972)	(2,136,894)	(4,841,032)	(6,072,086)	(864,075)
42		Distribution	1.000000	0.000000	0.322994	0.248127	0.065866	0.149217	0.187162	0.026634
43										
44	NET TELEPHONE PLANT	N2001 12 + 44	18,836,979	-	10,932,534	1,102,754	1,552,411	663,166	3,945,658	640,456
45		Distribution	1.000000	0.000000	0.580376	0.058542	0.082413	0.035206	0.209463	0.034000
46										
47										
48										
49										
50										
51										

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: Test year Ended June 30, 2005, Transmittal No. 18
 TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 4340 ACCUMULATED DEFERRED INCOME TAX									
10										
11	General Support Facilities	Input 57 * 12	(464,485)	-	(193,941)	(82,904)	(33,417)	(49,856)	(90,739)	(13,628)
12		CWF 31	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
13	Central Office Equipment	Input 58 * 14	-	-	-	-	-	-	-	-
14	Operator Systems	COE 17	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 58 * 16	(271,926)	-	-	(169,808)	-	(102,118)	-	-
16	Switching	COE 26	1.000000	0.000000	0.000000	0.624464	0.000000	0.375536	0.000000	0.000000
17	Central Office Equipment	Input 59 * 18	(302,435)	-	(43,718)	-	(53,853)	-	(183,932)	(20,932)
18	Transmission	COE 44	1.000000	0.000000	0.144554	0.000000	0.178065	0.000000	0.608170	0.069210
19	Information Orig/Term	Input 60 * 20	-	-	-	-	-	-	-	-
20		CWF 11	1.000000	0.989094	0.000000	0.000000	0.000000	0.000000	0.010906	0.000000
21	Cable & Wire Facilities	Input 61 * 22	(1,105,030)	-	(832,874)	-	(78,491)	-	(160,210)	(33,455)
22		CWF 28	1.000000	0.000000	0.753711	0.000000	0.071031	0.000000	0.144983	0.030276
23	Tangible Assets		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
24										
25	Intangible Assets		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
26										
27	Plant Held Future Use		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
28										
29	Plant Acquisition Adjustment		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
30										
31	Unclassified	Input 56 * 32	(348,808)	-	(145,641)	(62,257)	(25,095)	(37,440)	(68,141)	(10,234)
32		N2001 19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
33										
34	Total Deferred Income Tax	Sum(11:31)Odd Distribution	(2,492,684)	-	(1,216,174)	(314,969)	(190,856)	(189,414)	(503,022)	(78,249)
35			1.000000	0.000000	0.487897	0.126357	0.076567	0.075988	0.201799	0.031391
36										
37	Other Longterm Liabilities	Input 62 * 38	-	-	-	-	-	-	-	-
38		N2001 19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
39	Customer Deposits	Input 55 * 40	(164,772)	-	(68,799)	(29,409)	(11,854)	(17,686)	(32,189)	(4,834)
40		N2001 19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
41										
42	Total Other Credits	34 + 37 + 39	(2,657,456)	-	(1,284,973)	(344,378)	(202,711)	(207,100)	(535,211)	(83,083)
43		Distribution	1.000000	0.000000	0.483535	0.129590	0.076280	0.077932	0.201400	0.031264
44										
45	TOTAL NET RATE BASE	Depr 50+ N2001 47 + 42	17,105,873	-	10,034,349	923,716	1,416,346	555,497	3,591,413	584,552
46	(NET INVESTMENT)	Distribution	1.000000	0.000000	0.586603	0.054000	0.082799	0.032474	0.209952	0.034173
47										
48	See Calculation on line 50		16,847,509	-	9,926,472	877,601	1,397,758	527,765	3,540,941	576,972
49		Distribution	1.000000	0.000000	0.589195	0.052091	0.082965	0.031326	0.210176	0.034247
50	N 2001 12+ N 2001 26 + N 2001 28 + N 2001 E30+ N 2001 32+ N 2001 34 + Depr Amort 44 + OTH RB 34									

COMPANY: Gulf Telephone Company 250298

DESCRIPTION: Test year Ended June 30, 2005, Transmittal No. 18

TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	TOTAL C	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other E	Base Factor F	Local Switching G	Transport Other H	Transport Tandem Sw I	Special Access J	Host Remote K
A	B	C	D	E	F	G	H	I	J	K

9 PLANT SPECIFIC OPERATING EXPENSES

11	6110 Network Support Exp	Input 63 * 12 N2001 19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
12										
13	6120 General Support Exp	Input 64 * 14 CWF 31	793,076	-	331,141	141,553	57,057	85,126	154,931	23,269
14										
15	6220 Operator Systems	Input 66 * 16 COE 17	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
16										
17	6210 Central Office Switching	Input 65 * 18 COE 26	569,440	-	-	355,595	-	213,845	-	-
18										
19	6210 Central Office Switching		1.000000	0.000000	0.000000	0.624464	0.000000	0.375536	0.000000	0.000000
20	Reallocate Common Channel Signa	Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
21	6230 Central Office Trans Exp	Input 67 * 22 COE 44	231,553	-	33,472	-	41,232	-	140,824	16,026
22										
23	6310 Info Orig/Term Exp	Input 68 * 24 Direct	1.000000	0.000000	0.144554	0.000000	0.178065	0.000000	0.608170	0.069210
24										
25	6400 Cable & Wire Fac Exp	Input 69 * 26 CWF 28	706,811	-	532,732	-	50,205	-	102,475	21,399
26										
27										
28	Total Plant Specific Expense	Sum(11:25)odd Distribution	2,300,880	-	897,345	521,283	148,494	274,835	398,230	60,693
29			1.000000	0.000000	0.390001	0.226558	0.064538	0.119448	0.173077	0.026378
30										

31 PLANT NONSPECIFIC OPERATING EXPENSES

33	6510 Other Prop & Equip	Input 70 * 34 CWF 31	-	-	-	-	-	-	-	-
34										
35	6530 Network Operation Exp	Input 71 * 36 CWF 31	553,668	-	231,178	98,822	39,833	59,429	108,161	16,244
36										
37	6540 Access Expense	Input 72 * 38 Direct	613,641	-	613,641	-	-	-	-	-
38										
39										
40	Total Plant NonSpecific Exp	33 + 35 + 37 Distribution	1,167,309	-	844,820	98,822	39,833	59,429	108,161	16,244
41			1.000000	0.000000	0.723733	0.084658	0.034124	0.050911	0.092659	0.013916

COMPANY: Gulf Telephone Company 250298

DESCRIPTION: Test year Ended June 30, 2005, Transmittal No. 18

TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	TOTAL C	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other D	Base Factor E	Local Switching G	Transport Other H	Transport Tandem Sw I	Special Access J	Host Remote K
9	6561 DEPRECIATION EXPENSE - TPIS									
10										
11	General Support Facilities	Input 73 * 12 CWF 31	660,082 1.000000	- 0.000000	275,611 0.417540	117,815 0.178486	47,489 0.071944	70,851 0.107336	128,950 0.195354	19,367 0.029340
12										
13	Central Office Equipment	Input 74 * 14 COE 17	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000
14										
15	Central Office Equipment	Input 74 * 16 COE 26	1,542,688 1.000000	- 0.000000	- 0.000000	963,354 0.624464	- 0.000000	579,334 0.375536	- 0.000000	- 0.000000
16	Switching									
17	Central Office Equipment	Input 75 * 18 COE 44	615,122 1.000000	- 0.000000	88,919 0.144554	- 0.000000	109,532 0.178065	- 0.000000	374,099 0.608170	42,573 0.069210
18	Transmission									
19	Infor Orig/Term Equipment	Input 76 * 20 Direct	- 0.000000	- 0.000000	0.000000 0.000000	0.000000 0.753711	0.000000 0.071031	0.000000 0.000000	0.000000 0.144983	0.000000 0.030276
20										
21	Cable & Wire Facilities	Input 77 * 22 CWF 28	958,954 1.000000	- 0.000000	722,774 0.753711	- 0.000000	68,115 0.071031	- 0.000000	139,032 0.144983	29,033 0.030276
22										
23										
24	Total 6561 Depreciation Expense	Sum(11:21)odd Distribution	3,776,846 1.000000	- 0.000000	1,087,304 0.287887	1,081,169 0.286262	225,136 0.059610	650,185 0.172150	642,080 0.170004	90,972 0.024087
25										
26										
27										
28	6562 Depr Plant Held Future	Input 78 * 29 N2001 13	- 1.000000	- 0.000000	- 0.417540	- 0.178486	- 0.071944	- 0.107336	- 0.195354	- 0.029340
29										
30										
31	6563 Amort Tangible Assets	Input 79 * 32 CWF 47	- 1.000000	- 0.000000	- 0.417540	- 0.178486	- 0.071944	- 0.107336	- 0.195354	- 0.029340
32										
33										
34	6564 Amort Intangible Assets	Input 80 * 35 N2001 19	- 1.000000	- 0.000000	- 0.417540	- 0.178486	- 0.071944	- 0.107336	- 0.195354	- 0.029340
35										
36										
37	6565 Amort Plant Acquisition	Input 81 * 38 N2001 19	- 1.000000	- 0.000000	- 0.417540	- 0.178486	- 0.071944	- 0.107336	- 0.195354	- 0.029340
38										
39										
40										
41	Total Depr & Amort Expense	24+28+31+34+37 Distribution	3,776,846 1.000000	- 0.000000	1,087,304 0.287887	1,081,169 0.286262	225,136 0.059610	650,185 0.172150	642,080 0.170004	90,972 0.024087
42										

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: Test year Ended June 30, 2005, Transmittal No. 18
 TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	6610 MARKETING EXPENSE	Input 82 * 10	343,096	-	143,256	61,238	24,684	36,827	67,025	10,066
10		N2001 19	1.000000	0.000000	0.417540	0.178486	0.071944	0.107336	0.195354	0.029340
11										
12	6620 TELEPHONE OPERATOR & PUBLISHED DIRECTORY									
13										
14	Telephone Operator Service	Input 83	-							
15		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
16	Classified Directory Expense	Input 85	-							
17		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
18	Alpha Directory Expense	Input 84	-							
19		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
20	Foreign Directory Expense	Input 86	-							
21		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
22	TWX Directory Expense	Input 87	-							
23		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
24	Total 6620 Telephone Oper & Pub C	Sum(14-22)even	-	-	-	-	-	-	-	-
25		Distribution	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
26										
27	Account 6620 Cat 1 Customer Services									
28										
29	1.1 End User Serv Order Proc	Input 88	-							
30		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
31	1.1 Presubscription Srv Order	Input 89 * 32	446,006	-	231,438	98,932	39,878	59,495	-	16,263
32		N2001 22	1.000000	0.000000	0.518912	0.221819	0.089411	0.133396	0.000000	0.036463
33	1.2 End User Payment & Coll	Input 90	165,461		165,461				-	
34		Direct	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
35	1.3 End User Billing	Input 91	6,295		6,295				-	
36		Direct	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
37	1.4 IXC Serv Ord Proc	Input 92 * 38	14,473	-	7,510	3,210	1,294	1,931	-	528
38		32	1.000000	0.000000	0.518912	0.221819	0.089411	0.133396	0.000000	0.036463
39	1.4 IXC Serv Ord Proc Private Ln	Input 92	19,759					19,759		
40		Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
41	1.5 IXC Payment & Collection	Input 93 * 42	54,980	-	28,530	12,196	4,916	7,334	-	2,005
42		38	1.000000	0.000000	0.518912	0.221819	0.089411	0.133396	0.000000	0.036463
43	1.5 IXC Payment & Collection PL	Input 93	-					-		
44		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
45	1.6 IXC Billing Inquiry	Input 94 * 46	15,189	-	7,882	3,369	1,358	2,026	-	554
46		42	1.000000	0.000000	0.518912	0.221819	0.089411	0.133396	0.000000	0.036463
47	1.6 IXC Billing Inquiry Private Ln	Input 94 * 48	20,735					20,735		
48		Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
49										
50	Total 6620 Cat 1 Cust Svc Exp	Sum(29:43)Odd	742,897	-	447,115	117,708	47,446	70,786	40,494	19,349
51		Distribution	1.000000	0.000000	0.601853	0.158444	0.063866	0.095284	0.054508	0.026045

COMPANY: **Gulf Telephone Company 250298**
 DESCRIPTION: **Test year Ended June 30, 2005, Transmittal No. 18**
 TIME PERIOD: **June 30, 2005**

Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 6620 Cat 2 CUSTOMER SERVICES EXPENSE									
10										
11	Toll Ticket Processing	Input 98	-							
12		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
13	Local Message Processing		-							
14			0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
15	Carrier Access B&C	Input 96 * 16	167,253	-	-	51,252	20,659	30,821	56,096	8,425
16		CWF 32	1.000000	0.000000	0.000000	0.306434	0.123518	0.184281	0.335395	0.050372
17	Other B&C	Input 99	-							
18		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
19	End User B&C	Input 97	25,869		25,869					
20		Direct	1.000000		1.000000					
21	Total Account 6620 Cat 2	Sum(11:19)odd	193,122	-	25,869	51,252	20,659	30,821	56,096	8,425
22		Distribution	1.000000	0.000000	0.133952	0.265387	0.106973	0.159596	0.290468	0.043624
23										
24	Total Accnt 6620 Cat 1 + Cat 2	21+Custom 50	936,019	-	472,984	168,959	68,105	101,608	96,590	27,774
25		Distribution	1.000000	0.000000	0.505314	0.180509	0.072760	0.108553	0.103192	0.029672
26										
27	Cat 3 CUSTOMER SERVICES	Input 100 * 28	4,701	-	2,375	849	342	510	485	139
28		25	1.000000	0.000000	0.505314	0.180509	0.072760	0.108553	0.103192	0.029672
29										
30	Total 6610 + 6620	24+27+Custom 9&24	1,283,816	-	618,616	231,046	93,131	138,945	164,100	37,979
31		Distribution	1.000000	0.000000	0.481857	0.179968	0.072542	0.108228	0.127822	0.029583
32										
33	Big Three Expenses	30 + Pint 38&40	4,752,005	-	2,360,780	851,151	281,458	473,208	670,491	114,917
34		Distribution	1.000000	0.000000	0.496797	0.179114	0.059229	0.099581	0.141096	0.024183
35										
36	CORPORATE OPERATIONS EXPENSES									
37										
38	6710 Executive & Planning	Input 102 * 39	407,770	-	202,579	73,037	24,152	40,606	57,535	9,861
39		34	1.000000	0.000000	0.496797	0.179114	0.059229	0.099581	0.141096	0.024183
40	6720 General & Administrative	Input 103 * 41	1,531,327	-	760,758	274,282	90,699	152,491	216,065	37,032
41		34	1.000000	0.000000	0.496797	0.179114	0.059229	0.099581	0.141096	0.024183
42	6720 General & Administrative Dir	Input 104 * 43	122,947	-	61,080	22,022	7,282	12,243	17,347	2,973
43		34	1.000000	0.000000	0.496797	0.179114	0.059229	0.099581	0.141096	0.024183
44										
45	Total Corporate Operations	38 + 40 + 42	2,062,044	-	1,024,417	369,341	122,134	205,340	290,947	49,866
46		Distribution	1.000000	0.000000	0.496797	0.179114	0.059229	0.099581	0.141096	0.024183
47										

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: Test year Ended June 30, 2005, Transmittal No. 18
 TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Acct 7200 OPERATING TAXES	Input 106 * 10 N2001 19	376,776 1.000000	- 0.000000	157,319 0.417540	67,249 0.178486	27,107 0.071944	40,442 0.107336	73,605 0.195354	11,054 0.029340
10										
11										
12	Account 7100 & 7300 OPERATING EXPENSES & INCOME									
13										
14	7100 Other Expenses	Input 105 * 15 N2001 19	- 1.000000	- 0.000000	- 0.417540	- 0.178486	- 0.071944	- 0.107336	- 0.195354	- 0.029340
15										
16	7300 Gains & Losses on Disp	Input 110 * 17 N2001 19	- 1.000000	- 0.000000	- 0.417540	- 0.178486	- 0.071944	- 0.107336	- 0.195354	- 0.029340
17										
18	7300 Contributions & Fees	Input 111 * 19 N2001 19	38,330 1.000000	- 0.000000	16,004 0.417540	6,841 0.178486	2,758 0.071944	4,114 0.107336	7,488 0.195354	1,125 0.029340
19										
20	GSF RENT REVENUE	Input 124 * 21 GSF 12	(91,166) 1.000000	- 0.000000	(38,066) 0.417540	(16,272) 0.178486	(6,559) 0.071944	(9,785) 0.107336	(17,810) 0.195354	(2,675) 0.029340
21										
22	COE SW RENT REVENUE	Input 125 * 23 COE 26	(23,818) 1.000000	- 0.000000	- 0.000000	(14,874) 0.624464	- 0.000000	(8,945) 0.375536	- 0.000000	- 0.000000
23										
24	COE TR RENT REVENUE	Input 126 * 25 COE 44	- 1.000000	- 0.000000	- 0.144554	- 0.000000	- 0.178065	- 0.000000	- 0.608170	- 0.069210
25										
26	CWF RENT REVENUE	Input 127 * 27 CWF 28	(13,298) 1.000000	- 0.000000	(10,023) 0.753711	- 0.000000	(945) 0.071031	- 0.000000	- 0.144983	- 0.030276
27										
28										
29	Total Oper Expense & Income	Sum(14:26)even Distribution	(89,953) 0.000000	- 0.000000	(32,084) 0.000000	(24,304) 0.000000	(4,746) 0.000000	(14,616) 0.000000	(12,250) 0.000000	(1,953) 0.000000
30										
31										
32	Accounts 7500, 7600, & 7900									
33										
34	Capital Lease Interest	Input 112 * 35 N2001 19	- 1.000000	- 0.000000	- 0.417540	- 0.178486	- 0.071944	- 0.107336	- 0.195354	- 0.029340
35										
36	Customer Deposit Interest	Input 113 * 37 N2001 19	11,384 1.000000	- 0.000000	4,753 0.417540	2,032 0.178486	819 0.071944	1,222 0.107336	2,224 0.195354	334 0.029340
37										
38	Extraordinary Items	Input 114 * 39 N2001 19	- 1.000000	- 0.000000	- 0.417540	- 0.178486	- 0.071944	- 0.107336	- 0.195354	- 0.029340
39										
40	Income Effect Jurs Rate Diff	Input 115 * 41 N2001 19	- 1.000000	- 0.000000	- 0.417540	- 0.178486	- 0.071944	- 0.107336	- 0.195354	- 0.029340
41										
42										
43	Total 7500, 7600, & 7900	34+36+38+40 Distribution	11,384 1.000000	- 0.000000	4,753 0.417540	2,032 0.178486	819 0.071944	1,222 0.107336	2,224 0.195354	334 0.029340
44										
45										
46	Total Other Items	29 + 43	(78,569)	-	(27,331)	(22,272)	(3,927)	(13,394)	(10,026)	(1,619)
47										
48	Account 7340 Allowance for Funds Used During Construction	Input 109 * 50 CWF 31	- 1.000000	- 0.000000	- 0.417540	- 0.178486	- 0.071944	- 0.107336	- 0.195354	- 0.029340
49										
50										

MADISON RIVER MANAGEMENT COMPANY

PART 36 SEPARATION PROGRAM

GTC 2005 P36.xls

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COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: Test year Ended June 30, 2005, Transmittal No. 18
 TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	SUMMARY					
10	RATE BASE (INVESTMENT)					
11	General Support Facilities	GSF 13	25,473,991	7,107,748	1,725,638	8,833,386
12	Central Office Equipment	COE 46	47,587,569	15,415,719	5,112,517	20,528,236
13	Info Orig/Term Equipment	IOT 11	0	0	0	0
14	Cable & Wire Facilities	CWF 29	74,717,103	18,709,706	3,172,546	21,882,252
15	Tangible Assets	Oth RB 12	88,323	33,392	0	33,392
16	Intangible Assets	Oth RB 16	7,677	2,142	520	2,662
17	Total 2001 Rate Base	SUM(11:16)	147,874,663	41,268,707	10,011,221	51,279,928
18		Distribution	1.000000	0.279079	0.067701	0.346780
19						
20	Non 2001 Rate Base	Oth RB 46	2,677,390	773,758	152,593	926,351
21	Accum Depr & Amort	Accum Dep 41	(89,890,388)	(26,378,746)	(6,064,204)	(32,442,949)
22	Other Credits	Def Oth 40	(7,871,418)	(2,122,310)	(535,146)	(2,657,456)
23	NET RATE BASE	17+20+21+22	52,790,246	13,541,409	3,564,465	17,105,873
24		Distribution	1.000000	0.256513	0.067521	0.324035
25						
26	RATE OF RETURN	Factors 110		0.112500	0.112500	0.112500
27	RETURN ON INVESTMENT	23 * 26	5,938,903	1,523,408	401,002	1,924,411
28		Distribution	1.000000	0.256513	0.067521	0.324035
29						
30	EXPENSES					
31	Plant Specific Expenses	Plnt Exp 26	6,557,333	1,843,989	456,892	2,300,880
32	Plant NonSpecific Expenses	Plnt Exp 40	2,210,325	1,059,148	108,161	1,167,309
33	Depr & Amort Expense	Depr Exp 39	10,394,379	3,134,766	642,080	3,776,846
34	Customer Operations Expense	Cust Exp 30	4,633,227	1,243,322	40,494	1,283,816
35	Corporate Operations Expense	Corp Exp 26	6,209,360	1,800,845	261,200	2,062,044
36	Operating Taxes	Corp Exp 36	1,106,139	306,458	70,318	376,776
37	Other Income & Expense	Oth 43	(220,724)	(66,079)	(12,489)	(78,569)
38	TOTAL EXPENSES	SUM(31:37)	30,890,038	9,322,448	1,566,656	10,889,104
39		Distribution	1.000000	0.301795	0.050717	0.352512
40						
41	AFUDC	Oth 46	0	0	0	0
42						
43	INCOME TAXES					
44	Federal	Fed Tx 42	3,198,099	820,355	215,940	1,036,295
45	State	State Tx 36	480,899	123,357	32,471	155,828
46						
47	NET REVENUE REQUIREMENT	27+38+41+44+45	40,507,939	11,789,569	2,216,069	14,005,638
48		Distribution	1.000000	0.291043	0.054707	0.345750

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 2110 - GENERAL SUPPORT FACILITIES					
10						
11	Total General Support Facilities	Input 18 IOT CWF CL 33	25,473,991 1.000000	7,107,748 0.279020	1,725,638 0.067741	8,833,386 0.346761
12						
13						
14	Accounts 2210 - 2230 CENTRAL OFFICE EQUIPMENT					
15						
16	Cat 1 Operator Systems	Input 22 * 19 Factors 71	0 0.000000	0 0.000000	0 0.000000	0 0.000000
17						
18	Equal Access Equipment	Input 19 * 17 Factors 106	0 0.000000	0 0.000000	0 0.000000	0 0.000000
19						
20	Cat 2 Tandem Switching	Input 20 * 21 Factors 61	6,123,944 1.000000	4,552,185 0.743342	0 0.000000	4,552,185 0.743342
21						
22	Cat 3 Local Switching	Input 21 * 23 Factors 55	25,938,592 1.000000	7,569,659 0.291830	0 0.000000	7,569,659 0.291830
23						
24	Total COE Switching	Sum(18:22)Even Distribution	32,062,536 1.000000	12,121,844 0.378069	0 0.000000	12,121,844 0.378069
25						
26						
27	Cat 4.11 Wideband Exchange	Input 23*28 Factors 26	3,377,368 1.000000	0 0.000000	3,377,368 1.000000	3,377,368 1.000000
28						
29	Cat 4.12 Exchange Trunk EAS	Input 24 DIRECT	0 0.000000	0 0.000000	0 0.000000	0 0.000000
30						
31	Cat 4.12 Exchange Trunk	Input 25*33 Factors 18	0 1.000000	0 0.000000	0 1.000000	0 0.000000
32						
33	Cat 4.13 Exchange Line	Input 26*34 Factors 13	4,904,540 1.000000	1,215,180 0.247766	13,399 0.002732	1,228,579 0.250498
34						
35	Cat 4.21 Furn Another Co	Input 27*36 Factors 59	0 0.000000	0 0.000000	0 0.000000	0 0.000000
36						
37	Cat 4.22 Wideband Interexch	Input 28*38 Factors 30	3,622,623 1.000000	0 0.000000	1,576,512 0.435185	1,576,512 0.435185
38						
39	Cat 4.23 Other Interexchange	Input 29*40 Factors 40	2,426,374 1.000000	1,496,888 0.616924	145,239 0.059858	1,642,126 0.676782
40						
41	Cat 4.3 Host/Remote	Input 30*42 Factors 48	1,194,128 1.000000	581,807 0.487223	0 0.000000	581,807 0.487223
42						
43	Total COE Transmission	Sum(27:41)Odd Distribution	15,525,033 1.000000	3,293,875 0.212165	5,112,517 0.329308	8,406,391 0.541473
44						
45						
46	Total Central Office Equipment	16+24+43 Distribution	47,587,569 1.000000	15,415,719 0.323944	5,112,517 0.107434	20,528,236 0.431378
47						

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	H

9	Account 2310 INFORMATION ORIGINATION/TERMINATION EQUIPMENT					
10						
11	Total Cat 1 Other Terminal Equip	Input 31 * 12 Factors 12	0 1.000000	0 0.250000	0 0.000000	0 0.250000
12						
13	Account 2410 - CABLE & WIRE FACILITIES					
14						
15	Cat 1 Exchange Line	Input 32 * 17 Factors 13	66,566,318 1.000000	16,492,897 0.247766	181,850 0.002732	16,674,747 0.250498
16						
17	Cat 2 Wideband & Exch Trnk	Input 33 * 19 Factors 22	4,066,803 1.000000	0 0.000000	2,740,598 0.673895	2,740,598 0.673895
18						
19	Cat 3.1 Furn Another Co	Input 34 * 21 Factors 59	0 0.000000	0 0.000000	0 0.000000	0 0.000000
20						
21	Cat 3.2 Wideband Interexch	Input 35 * 23 Factors 35	0 0.000000	0 0.000000	0 0.000000	0 0.000000
22						
23	Cat 3.3 Other Interexch	Input 36 * 25 Factors 45	2,724,237 1.000000	1,554,310 0.570549	250,098 0.091805	1,804,408 0.662353
24						
25	Cat 4 Host/Remote	Input 37 * 27 Factors 51	1,359,745 1.000000	662,499 0.487223	0 0.000000	662,499 0.487223
26						
27						
28						
29	Total Cable & Wire Facilities	Sum(16:26)Even Distribution	74,717,103 1.000000	18,709,706 0.250407	3,172,546 0.042461	21,882,252 0.292868
30						
31						
32	Total COE IOT & CWF	COE 46+11+29 Distribution	122,304,672 1.000000	34,125,425 0.279020	8,285,063 0.067741	42,410,488 0.346761
33						
34						
35	CAPITAL LEASES:					
36	General Support Facilities	Input 38 * 37 33	0 1.000000	0 0.279020	0 0.067741	0 0.346761
37						
38	Central Office Equipment	Input 39 * 39 COE 25	0 1.000000	0 0.378069	0 0.000000	0 0.378069
39						
40	Information Orig/Term	Input 40 * 41 Factors 12	0 1.000000	0 0.250000	0 0.000000	0 0.250000
41						
42	Cable & Wire Facilities	Input 41 * 43 33	0 1.000000	0 0.279020	0 0.067741	0 0.346761
43						
44	Total Capital Leases	Sum(36:42)Even Distribution	0 0.000000	0 0.000000	0 0.000000	0 0.000000
45						
46						
47	COE IOT, CWF + TCL	32 + 44 Distribution	122,304,672 1.000000	34,125,425 0.279020	8,285,063 0.067741	42,410,488 0.346761
48						

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9						
10	Leasehold Improvements	Input 42 * 11 COE 25	88,323 1.000000	33,392 0.378069	0 0.000000	33,392 0.378069
11						
12	Total Tangible Assets	CL 44 + 10	88,323	33,392	0	33,392
13	Cap Leases + Lease Impr	Distribution	1.000000	0.378069	0.000000	0.378069
14						
15						
16	INTANGIBLE ASSETS	Input 43 * 17 IOT CWF CL 48	7,677 1.000000	2,142 0.279020	520 0.067741	2,662 0.346761
17						
18						
19	TOTAL 2001 RATE BASE	COE11+CWF32+ 12+16 Distribution	147,874,663 1.000000	41,268,707 0.279079	10,011,221 0.067701	51,279,928 0.346780
20						
21						
22						
23	RATE BASE ITEMS NOT IN 2001					
24						
25	2002 Plant Held Future Use	Input 14 * 26 20	28,596 1.000000	7,980 0.279079	1,936 0.067701	9,916 0.346780
26						
27	2003 Plant Under Constr ST	Input 15 * 28 20	1,384,952 1.000000	386,511 0.279079	93,762 0.067701	480,273 0.346780
28						
29	2004 Plant Under Constr LT	Input 16 * 30 20	0 1.000000	0 0.279079	0 0.067701	0 0.000000
30						
31	2005 Plant Aquisition Adj	Input 17 * 32 20	0 1.000000	0 0.279079	0 0.067701	0 0.000000
32						
33	1220 Material & Supplies	Input 8 * 34 CWF 30	44,475 1.000000	11,137 0.250407	1,888 0.042461	13,025 0.292868
34						
35	1402 RTB Stock	Input 10 * 36 20	0 1.000000	0 0.279079	0 0.067701	0 0.000000
36						
37	Cash Working Capital	State Tx 49 * 38 Oth 50	1,219,367 1.000000	368,130 0.301902	55,007 0.045111	423,136 0.347013
38						
39	Other Noncurrent Assets	Input 11 * 40 20	0 1.000000	0 0.279079	0 0.067701	0 0.000000
40						
41	Deferred Maint & Retire	Input 12 * 42 20	0 1.000000	0 0.279079	0 0.067701	0 0.000000
42						
43	Deferred Charges	Input 13 * 44 20	0 1.000000	0 0.279079	0 0.067701	0 0.000000
44						
45						
46	Total Non 2001 Rate Base	Sum(25:43)Odd Distribution	2,677,390 1.000000	773,758 0.288997	152,593 0.056993	926,351 0.345990
47						

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	Account 3100 - ACCUMULATED DEPRECIATION					
10						
11	General Support Facilities	Input 44 * 12 CWF 33	(9,043,763) 1.000000	(2,523,389) 0.279020	(612,635) 0.067741	(3,136,024) 0.346761
12						
13	Central Office Equipment	Input 45 * 14 COE 17	0 0.000000	0 0.000000	0 0.000000	0 0.000000
14	Operator Sys					
15	Central Office Equipment	Input 45 * 16 Switching COE 25	(31,693,616) 1.000000	(11,982,367) 0.378069	0 0.000000	(11,982,367) 0.378069
16						
17	Central Office Equipment	Input 46 * 18 Transmission COE 44	(11,744,342) 1.000000	(2,491,743) 0.212165	(3,867,505) 0.329308	(6,359,248) 0.541473
18						
19	Information Orig/Term	Input 47 * 20 Factors 12	0 1.000000	0 0.250000	0 0.000000	0 0.000000
20						
21	Cable & Wire Facilities	Input 48 * 22 CWF 30	(37,294,267) 1.000000	(9,338,756) 0.250407	(1,583,544) 0.042461	(10,922,299) 0.292868
22						
23	Total Account 3100	Sum(11:21)Odd	(89,775,988)	(26,336,255)	(6,063,684)	(32,399,938)
24	Accumulated Depreciation	Distribution	1.000000	0.293355	0.067542	0.360898
25						
26	Accounts 3200 through 3600 ACCUMULATED DEPRECIATION & AMORTIZATION					
27						
28	3200 Plant Held Future	Input 49 * 27 Oth Rb 20	0 1.000000	0 0.279079	0 0.067701	0 0.000000
29						
30	3400 Capital Lease	Input 50 * 29 Oth RB 13	- 1.000000	0 0.378069	0 0.000000	0 0.000000
31						
32	3400 Leasehold Improvement	Input 51 * 31 Oth RB 13	(106,723) 1.000000	(40,349) 0.378069	0 0.000000	(40,349) 0.378069
33						
34	3500 Intangible Assets	Input 52 * 33 Oth RB 20	(7,677) 1.000000	(2,142) 0.279079	(520) 0.067701	(2,662) 0.346780
35						
36	3600 Plant Acquisition Adjust	Input 53 * 35 Oth RB 20	0 1.000000	0 0.279079	0 0.067701	0 0.000000
37						
38						
39	Total Accnts 3200 Through 3600	Sum(26:34)Even Distribution	(114,400) 1.000000	(42,491) 0.371426	(520) 0.004543	(43,011) 0.375969
40						
41						
42						
43	Total Accum Depr & Amort	21 + 37 Distribution	(89,890,388) 1.000000	(26,378,746) 0.293455	(6,064,204) 0.067462	(32,442,949) 0.360917
44						
45						
46						
47	NET TELEPHONE PLANT	2001-AD&A ANTP	57,984,275 1.000000	14,889,961 0.256793	3,947,017 0.068070	18,836,979 0.324864
48						

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 TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	Account 4340 ACCUMULATED DEFERRED INCOME TAX					
10						
11	General Support Facilities	Input 56 * 12	(1,339,497)	(373,746)	(90,739)	(464,485)
12		GSF 12	1.000000	0.279020	0.067741	0.346761
13	Central Office Equipment	Input 57 * 14	0	0	0	0
14	Operator Sys	COE 17	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 57 * 16	(719,250)	(271,926)	0	(271,926)
16	Switching	COE 25	1.000000	0.378069	0.000000	0.378069
17	Central Office Equipment	Input 58 * 18	(558,541)	(118,503)	(183,932)	(302,435)
18	Transmission	COE 44	1.000000	0.212165	0.329308	0.541473
19	Information Orig/Term	Input 59 * 20	0	0	0	0
20		Factors 12	1.000000	0.250000	0.000000	0.000000
21	Cable & Wire Facilities	Input 60 * 22	(3,773,134)	(944,820)	(160,210)	(1,105,030)
22		CWF 30	1.000000	0.250407	0.042461	0.292868
23	Tangible Assets			0	0	0
24			0.000000	0.000000	0.000000	0.000000
25	Intangible Assets			0	0	0
26			0.000000	0.000000	0.000000	0.000000
27	Plant Held Future Use			0	0	0
28			0.000000	0.000000	0.000000	0.000000
29	Plant Acquisition Adjustment			0	0	0
30			0.000000	0.000000	0.000000	0.000000
31	Unclassified	Input 55 * 32	(1,005,848)	(280,711)	(68,097)	(348,808)
32		Oth RB 20	1.000000	0.279079	0.067701	0.346780
33						
34	Total Deferred Income Tax	Sum(11:31)Odd Distribution	(7,396,270)	(1,989,706)	(502,978)	(2,492,684)
35			1.000000	0.269015	0.068004	0.337019
36						
37	Other Longterm Liabilities	Input 61 * 38	0	0	0	0
38		Cust Exp2 34	1.000000	0.275679	0.042915	0.000000
39	Customer Deposits	Input 54 * 40	(475,149)	(132,604)	(32,168)	(164,772)
40		Oth RB 20	1.000000	0.279079	0.067701	0.346780
41						
42	Total Other Credits	34 + 37 + 39 Distribution	(7,871,418)	(2,122,310)	(535,146)	(2,657,456)
43			1.000000	0.269622	0.067986	0.337608
44						
45						
46	TOTAL NET RATE BASE (NET INVESTMENT)	Accum Depr 45+40 Distribution	50,112,856	12,767,651	3,411,872	16,179,522
47			1.000000	0.254778	0.068084	0.322862
48						
49	2001 Less Rsv Etc	See 49 Distribution	52,046,027	13,305,883	3,541,626	16,847,509
50			1.000000	0.255656	0.068048	0.323704
51	(Oth RB 19+ Accum Dep 41 + Oth RB 25 + Oth RB 27+ Oth RB 29 + Oth RB 33 + Def Oth 32)					

COMPANY: **Gulf Telephone Company 250298**
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 TIME PERIOD: **June 30, 2005**

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9 PLANT SPECIFIC OPERATING EXPENSES

10	6110 Network Support Exp	Input 62 * 12 CWF 33	0 1,000000	0 0.279020	0 0.067741	0 0.000000
11	6120 General Support Exp	Input 63 * 14 CWF 33	2,287,097 1,000000	638,145 0.279020	154,931 0.067741	793,076 0.346761
12	6210 Central Office Switching	Input 64 * 16 COE 47	1,320,048 1,000000	427,622 0.323944	141,818 0.107434	569,440 0.431378
13	6220 Operator Systems Exp	Input 65 * 18 COE 47	0 1,000000	0 0.323944	0 0.107434	0 0.000000
14	6230 Central Office Trans Exp	Input 66 * 20 COE 47	536,776 1,000000	173,885 0.323944	57,668 0.107434	231,553 0.431378
15	6310 Info Orig/Term Exp	Input 67 * 22 Factors 12	0 1,000000	0 0.250000	0 0.000000	0 0.000000
16	6400 Cable & Wire Fac Exp	Input 68 * 24 CWF 30	2,413,413 1,000000	604,336 0.250407	102,475 0.042461	706,811 0.292868
17	Total Plant Specific Expense	Sum(11:23)Odd Distribution	6,557,333 1,000000	1,843,989 0.281210	456,892 0.069676	2,300,880 0.350887

29 PLANT NONSPECIFIC OPERATING EXPENSES

30	6510 Other Prop & Equip	Input 59 * 32 Oth RB 20	0 1,000000	0 0.279079	0 0.067701	0 0.000000
31	6530 Network Operation Exp	Input 70 * 34 CWF 33	1,596,684 1,000000	445,506 0.279020	108,161 0.067741	553,668 0.346761
32	6540 Access Expense	Input 71 * 36 DIRECT	0 1,000000	0 0.000000	0 0.000000	0 0.000000
33	6540 Universal Service Assignment	Input 72 * 38 DIRECT	613,641 1,000000	613,641 1,000000	0 0.000000	613,641 1,000000
34	Total Plant NonSpecific Exp	31+33+35+37 Distribution	2,210,325 1,000000	1,059,148 0.479182	108,161 0.048935	1,167,309 0.528116

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9	6561 DEPRECIATION EXPENSE - TPIS					
10						
11	General Support Facilities	Input 73 * 12 CWF 33	1,903,565 1.000000	531,132 0.279020	128,950 0.067741	660,082 0.346761
12						
13	Central Office Equipment	Input 74 * 14	0	0	0	0
14	Operator Sys	COE 17	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 74 * 16	4,080,443	1,542,688	0	1,542,688
16	Switching	COE 25	1.000000	0.378069	0.000000	0.378069
17	Central Office Equipment	Input 75 * 18	1,136,016	241,023	374,099	615,122
18	Transmission	COE 44	1.000000	0.212165	0.329308	0.541473
19	Infor Orig/Term Equipment	Input 76 * 20 Factors 12	0 1.000000	0 0.250000	0 0.000000	0 0.000000
20						
21	Cable & Wire Facilities	Input 77 * 22	3,274,355	819,922	139,032	958,954
22		CWF 30	1.000000	0.250407	0.042461	0.292868
23						
24	Total 6561 Depreciation Exp	Sum(11:21)Odd Distribution	10,394,379 1.000000	3,134,766 0.301583	642,080 0.061772	3,776,846 0.363355
25						
26						
27						
28	6562 Depr Plant Held Future	Input 78 * 27 Oth RB 20	0 1.000000	0 0.279079	0 0.067701	0 0.000000
29						
30						
31	6563 Amort Tangible Assets	Input 79 * 30 Oth RB 13	0 1.000000	0 0.378069	0 0.000000	0 0.000000
32						
33						
34	6564 Amort Intangible Assets	Input 80 * 33 Oth RB 20	0 1.000000	0 0.279079	0 0.067701	0 0.000000
35						
36						
37	6565 Amort Plant Acquisition	Input 81 * 36 Oth RB 20	0 1.000000	0 0.279079	0 0.067701	0 0.000000
38						
39						
40						
41	Total Depr & Amort Expense	22+26+29+32+35 Distribution	10,394,379 1.000000	3,134,766 0.301583	642,080 0.061772	3,776,846 0.363355
42						

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A	B	C	D	E	F	G
9	6610 MARKETING EXPENSE	Input 82 * 10	820,937	343,096	0	343,096
10		Factors 65	1.000000	0.417933	0.000000	0.417933
11						
12	6620 TELEPHONE OPERATOR & PUBLISHED DIRECTORY					
13						
14	Telephone Operator Service	Input 83 * 15	0	0	0	0
15		Factors 71	0.000000	0.000000	0.000000	0.000000
16	Classified Directory Expense	Input 85 * 17	0	0	0	0
17		DIRECT	1.000000	0.000000	0.000000	0.000000
18	Alpha Directory Expense	Input 84 * 18	0	0	0	0
19		Factors 67	1.000000	0.291829	0.000000	0.000000
20	Foreign Directory Expense	Input 86 * 21	0	0	0	0
21		DIRECT	0.000000	0.000000	0.000000	0.000000
22	TWX Directory Expense	Input 87 * 23	0	0	0	0
23		Factors 67	1.000000	0.291829	0.000000	0.000000
24	Total 6620 Telephone Oper & Pub	Sum(14:22)Even Distribution	0	0	0	0
25			0.000000	0.000000	0.000000	0.000000
26						
27	Account 6620 Cat 1 Customer Services					
28						
29	1.1 End User Serv Order Proc	Input 88 * 30	700,091	0	0	0
30		Factors 74	1.000000	0.000000	0.000000	0.000000
31	1.1 Presubscription Srv Order	Input 89 * 32	446,006	446,006	0	446,006
32		DIRECT	1.000000	1.000000	0.000000	1.000000
33	1.2 End User Payment & Coll	Input 90 * 34	1,159,715	165,461	0	165,461
34		Factors 77	1.000000	0.142674	0.000000	0.142674
35	1.3 End User Billing	Input 91 * 36	477,084	6,295	0	6,295
36		Factors 80	1.000000	0.013194	0.000000	0.013194
37	1.4 IXC Serv Ord Proc	Input 92 * 38	54,289	14,473	19,759	34,231
38		Factors 85	1.000000	0.266581	0.363953	0.630534
39	1.5 IXC Payment & Collection	Input 93 * 40	66,245	54,980	0	54,980
40		Factors 88	1.000000	0.829952	0.000000	0.829952
41	1.6 IXC Billing Inquiry	Input 94 * 42	56,976	15,189	20,735	35,924
42		Factors 91	1.000000	0.266589	0.363933	0.630522
43	1.7 Coin Collection & Admin	Input 95 * 44	0	0	0	0
44		Factors 94	0.000000	0.000000	0.000000	0.000000
45						
46	Total 6620 Cat 1 Cust Svc Exp	Sum(29:43)Odd Distribution	2,960,406	702,403	40,494	742,897
47			1.000000	0.237266	0.013679	0.250944

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: Test year Ended June 30, 2005, Transmittal No. 18
 TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 6620 Cat 2 CUSTOMER SERVICES EXPENSE					
10						
11	Toll Ticket Processing	Input 98 * 12	0	0	0	0
12		Factors 103	1.000000	0.000000	0.000000	0.000000
13	Local Message Processing	Input 99 * 14	0	0	0	0
14		Direct	1.000000	0.000000	0.000000	0.000000
15	Carrier Access B&C	Input 96 * 16	334,505	167,253	0	167,253
16		Factors 97	1.000000	0.500000	0.000000	0.500000
17	Other B&C	Input 100 * 18	486,809	0	0	0
18		Factors 100	1.000000	0.000000	0.000000	0.000000
19	End User B&C	Input 97 * 20	25,869	25,869	0	25,869
20		Direct	1.000000	1.000000	0.000000	1.000000
21	Total Account 6620 Cat 2	Sum(11:19)Odd	847,183	193,122	0	193,122
22		Distribution	1.000000	0.227957	0.000000	0.227957
23						
24	Total Accnt 6620 Cat 1 + Cat 2	Cust Exp 46 + 21	3,807,589	895,525	40,494	936,019
25		Distribution	1.000000	0.235195	0.010635	0.245830
26						
27	Cat 3 CUSTOMER SERVICES	Input 101 * 28	4,701	4,701	0	4,701
28		Direct	1.000000	1.000000	0.000000	1.000000
29						
30	Total 6610 + 6620	Cust Exp 9&24 +24+27	4,633,227	1,243,322	40,494	1,283,816
31		Distribution	1.000000	0.268349	0.008740	0.277089
32						
33	Big Three Expenses	See 35	10,500,147	2,894,672	450,616	3,345,288
34		Distribution	1.000000	0.275679	0.042915	0.318594
35	E30 + Plnt Exp 33 +Plnt Exp 23 + Plnt Exp 21+ Plnt Exp 19 + Plnt Exp 15 + Plnt Exp 17					
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: Test year Ended June 30, 2005, Transmittal No. 18
 TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	CORPORATE OPERATIONS EXPENSES					
10						
11	6710 Executive & Planning	Input 103 * 12 Cust Exp2 34	1,279,904 1.000000	352,843 0.275679	54,927 0.042915	407,770 0.318594
12						
13						
14						
15						
16						
17	6720 General & Administrative	Input 104 * 18 Cust Exp2 34	4,806,510 1.000000	1,325,055 0.275679	206,273 0.042915	1,531,327 0.318594
18						
19						
20	6720 General & Administrative Dir	Input 105 * 21 Direct	122,947 1.000000	122,947 1.000000	0 0.000000	122,947 1.000000
21						
22						
23	6720 Equal Access	Input 102 * 24 Factors 106	0 0.000000	0 0.000000	0 0.000000	0 0.000000
24						
25						
26	Total Corporate Operations	Sum(11:23)Odd Distribution	6,209,360 1.000000	1,800,845 0.290021	261,200 0.042066	2,062,044 0.332086
27						
28						
29	OPERATING TAXES					
30	Accnt 7200 Operating Taxes	Input 107 * 31 Oth RB 20	1,038,654 1.000000	289,866 0.279079	70,318 0.067701	360,184 0.346780
31						
32						
33	Accnt 7200 Operating Taxes Dir	Input 108 * 34 Direct	67,485 1.000000	16,592 0.245862		16,592 0.245862
34						
35						
36	Total Operating Taxes	30 + 33 Distribution	1,106,139 1.000000	306,458 0.277052	70,318 0.063570	376,776 0.340623
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: Test year Ended June 30, 2005, Transmittal No. 18
 TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 7100 & 7300 Operating Expenses, Misc. Income, & Rent Revenue					
10						
11	7100 Other Expenses	Input 106 * 12	0	0	0	0
12		Oth RB 20	1.000000	0.279079	0.067701	0.000000
13	7300 Gains & Losses on Disp	Input 113 * 14	0	0	0	0
14		Oth RB 20	1.000000	0.279079	0.067701	0.000000
15	7300 Contributions & Fees	Input 114	115,422	33,475	4,855	38,330
16		Corp Exp 27	1.000000	0.290021	0.042066	0.332086
17	GSF Rent Revenue	Input 120 * 18	(262,908)	(73,356)	(17,810)	(91,166)
18		GSF 12	1.000000	0.279020	0.067741	0.346761
19	COE SW Rent Revenue	Input 121 * 20	(63,000)	(23,818)	0	(23,818)
20		COE 25	1.000000	0.378069	0.000000	0.378069
21	COE TR Rent Revenue	Input 122 * 22	0	0	0	0
22		COE 44	1.000000	0.212165	0.329308	0.000000
23	CWF Rent Revenue	Input 123 * 24	(45,407)	(11,370)	(1,928)	(13,298)
24		CWF 30	1.000000	0.250407	0.042461	0.292868
25						
26	Total Oper Expense & Income	Sum(11:23)Odd Distribution	(255,893)	(75,070)	(14,882)	(89,953)
27			0.351525	0.293366	0.058159	0.351525
28						
29	Accounts 7500, 7600, & 7900					
30						
31	Capital Lease Interest	Input 115 * 32	0	0	0	0
32		Oth RB 20	1.000000	0.279079	0.067701	0.000000
33	Customer Deposit Interest	Input 117 * 34	35,168	8,991	2,393	11,384
34		Def Oth 48	1.000000	0.255656	0.068048	0.323704
35	Extraordinary Items	Input 118 * 36	0	0	0	0
36		Oth RB 20	1.000000	0.279079	0.067701	0.000000
37	Inc Effect Jurs Rate Diff	Input 119 * 38	0	0	0	0
38		Oth RB 20	1.000000	0.279079	0.067701	0.000000
39						
40	Total 7500, 7600, & 7900	Sum(31:37)Odd Distribution	35,168	8,991	2,393	11,384
41			1.000000	0.255656	0.068048	0.323704
42						
43	Total Other Items	26 + 40	(220,724)	(66,079)	(12,489)	(78,569)
44						
45	Account 7340 Allowance for Funds					
46	Used During Construction	Input 112 * 47	0	0	0	0
47		Oth RB 20	1.000000	0.279079	0.067701	0.000000
48						
49	Total Oper Exp Less Depr	Summary 38 - Depr Exp 39 Distribution	20,495,659	6,187,682	924,575	7,112,257
50			1.000000	0.301902	0.045111	0.347013

Filing Date: June 24, 2005
 Period Covered: Cost Study Year End 12/31/2003
 Filing Entity: Gulf Telephone Company
 Transmittal Number : 18
 COSA: 250298 Section 61.38 carriers should ANNUALIZE their revenue requirement figures for this worksheet.

Access Category	Interstate Revenue Requirement Prior to Adjustments	Local Switching Support	Sub-Total	Factor Used for Line Port Adjustment	Line Port Transfer	Universal Service Fund Contribution	JUL '00 - JUN '01 TIC Revenues	Test Year TIC Revenue Requirement	Interstate Revenue Requirement Used as Base for TIC Re-allocation	TIC Re-allocation	Interstate Revenue Requirement Subject to Rate Making
	Note 1 (A)	Note 2 (B)	(C) Calculated Fields	Note 3 (D)	Note 4 (E) Calculated Fields	Note 5 (F)	Note 6 (G)	Note 7 (H)	(I) Calculated Fields	(J) Calculated Fields	(K) Calculated Fields
	Enter Data	Enter Data		Enter Data	Enter Data	Enter Data	Enter Data	Enter Data			
Common Line	\$6,567,581		\$6,567,581		\$763,513	\$613,641			\$6,717,453	\$268,067	\$7,599,161
Local Switching	\$2,545,042		\$2,545,042	30.00%	\$763,513				\$1,781,530	\$71,094	\$1,852,624
Information	\$0		\$0						\$0	\$0	\$0
Transport	\$2,814,278		\$2,814,278			\$1,511,101	\$527,917		\$2,286,361	\$91,240	\$2,377,601
Special Access	\$2,443,638		\$2,443,638						\$2,443,638	\$97,516	\$2,541,154
TOTAL (Calculated Fields)	\$14,370,539		\$14,370,539			\$1,511,101			\$13,228,981	\$527,917	\$14,370,539

Note 1: Source: company workpapers - After reallocating General Support Facilities Investment, but before other part 69 adjustments as a result of the Rate-of-Return Access Charge Reform Order as reflected in this form. Express as ANNUAL amounts.

Note 2: USAC Allocation Amount

Note 3: Percentage factor based on carrier's cost study or 30%.

Note 4: Spreadsheet formula will calculate Local Switching Revenue Requirement multiplied by Line Port Adjustment Factor input

Note 5: Based on projected USF Contributions.

Note 6: "The amount to be reallocated is limited to the total revenues recovered through the interconnection charge assessed pursuant to section 69.124 for the 12-month period ending June 30, 2001." (C.F.R. § 69.415(b)).

Note 7: TIC Revenue Requirement for historical period based on carrier's July, 2002 annual access tariff filing.

COMPANY: **Gulf Telephone Company 250298**
 DESCRIPTION: **2003 Historical Cost Study Transmittal No. 18**
 TIME PERIOD: **December 31, 2003**

Line	Description	Source & Calc Sheet & Line	TOTAL C	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other D	Base Factor E	Local Switching G	Transport Other H	Transport Tandem Sw I	Special Access J	Host Remote K
A	B	C	D	E	F	G	H	I	J	K
9	SUMMARY									
10	RATE BASE (INVESTMENT)									
11	General Support Facilities	GSF 11	9,705,222	-	4,076,141	1,677,757	711,396	1,008,957	1,940,732	290,240
12	Central Office Equipment	COE 46	20,102,908	-	1,241,498	7,205,470	1,522,040	4,333,172	5,205,853	594,876
13	Info Orig/Term Equipment	CWF 10	-	-	-	-	-	-	-	-
14	Cable & Wire Facilities	CWF 27	21,578,153	-	16,264,324	-	1,533,194	-	3,129,016	651,619
15	Tangible Assets	CWF 46	33,392	-	14,024	5,773	2,448	3,471	6,677	999
16	Intangible Assets	N2001 9	2,666	-	1,120	461	195	277	533	80
17	Total 2001 Rate Base	SUM(11:16)	51,422,342	-	21,597,108	8,889,460	3,769,273	5,345,877	10,282,811	1,537,813
18		Distribution	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
19										
20	Non 2001 Rate Base	N2001 47	856,563	-	359,752	148,075	62,786	89,048	171,285	25,616
21	Accum Depr & Amort	Depr Amort 44	(28,763,962)	-	(9,378,834)	(7,035,895)	(1,910,646)	(4,231,194)	(5,433,350)	(774,044)
22	Other Credits	Oth RB 42	(3,176,548)	-	(1,506,513)	(425,499)	(242,853)	(255,883)	(646,317)	(99,482)
23	NET RATE BASE	17+20+21+22	20,338,394	-	11,071,512	1,576,142	1,678,560	947,849	4,374,429	689,902
24		Distribution	1.000000	0.000000	0.544365	0.077496	0.082532	0.046604	0.215082	0.033921
25										
26	RATE OF RETURN	Enter Here		0.112500	0.112500	0.112500	0.112500	0.112500	0.112500	0.112500
27	RETURN ON INVESTMENT	23 * 26	2,288,069	-	1,245,545	177,316	188,838	106,633	492,123	77,614
28		Distribution	1.000000	0.000000	0.544365	0.077496	0.082532	0.046604	0.215082	0.033921
29										
30	EXPENSES									
31	Plant Specific Expenses	Plnt Ex 28	2,306,491	-	900,080	519,141	149,819	273,332	402,849	61,270
32	Plant NonSpecific Expenses	Plnt Ex 40	1,168,127	-	846,522	95,855	40,644	57,644	110,879	16,582
33	Depr & Amort Expense	Depr Exp 41	3,542,634	-	1,021,816	1,010,628	211,814	607,764	604,865	85,748
34	Customer Operations Expense	Cust 2 30	1,283,816	-	622,690	224,650	95,255	135,099	167,259	38,863
35	Corporate Operations Expense	Corp 45	2,065,092	-	1,028,239	364,394	123,998	202,270	295,539	50,652
36	Operating Taxes	Oth Ex 9	377,308	-	158,467	65,226	27,657	39,225	75,449	11,284
37	Other Income & Expense	Oth Ex 46	(78,398)	-	(27,361)	(22,010)	(3,971)	(13,236)	(10,183)	(1,636)
38	TOTAL EXPENSES	SUM(31:37)	10,665,070	-	4,550,453	2,257,884	645,216	1,302,098	1,646,656	262,763
39		Distribution	1.000000	0.000000	0.426669	0.211708	0.060498	0.122090	0.154397	0.024638
40										
41	AFUDC	Oth Ex 49	-	-	-	-	-	-	-	-
42										
43	INCOME TAXES									
44	Federal	Fed Tx 40	1,232,125	-	670,726	95,485	101,689	57,422	265,008	41,795
45	State	St Tx 36	185,275	-	100,857	14,358	15,291	8,635	39,849	6,285
46										
47	NET REVENUE REQUIREMENT	27+38+41+44+45	14,370,539	-	6,567,581	2,545,042	951,034	1,474,787	2,443,638	388,456
48		Distribution	1.000000	0.000000	0.457017	0.177101	0.066179	0.102626	0.170045	0.027031

COMPANY: **Gulf Telephone Company 250298**
 DESCRIPTION: **2003 Historical Cost Study Transmittal No. 18**
 TIME PERIOD: **December 31, 2003**

Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 2110 - GENERAL SUPPORT FACILITIES									
10										
11	Total General Support Facilities	Input 20 * 12 CWF 31	9,705,222 1.000000	- 0.000000	4,076,141 0.419995	1,677,757 0.172872	711,396 0.073300	1,008,957 0.103960	1,940,732 0.199968	290,240 0.029906
12										
13										
14	Accounts 2210 - 2230 CENTRAL OFFICE EQUIPMENT									
15										
16	Cat 1 Operator Systems	Input 24 * 17 Direct	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
17										
18	Equal Access Equipment	Input 21 * 19 Local Sw	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
19										
20	Cat 2 Tandem Switching	Input 22 * 21 Tandem Sw	4,333,172 1.000000	0.000000	0.000000	0.000000	0.000000	4,333,172 1.000000	0.000000	0.000000
21										
22	Cat 3 Local Switching	Input 23 * 23 Local Sw	7,205,470 1.000000	0.000000	0.000000	7,205,470 1.000000	0.000000	0.000000	0.000000	0.000000
23										
24										
25	Total COE Switching	18 + 20 + 22 Distribution	11,538,642 1.000000	- 0.000000	- 0.000000	7,205,470 0.624464	- 0.000000	4,333,172 0.375536	- 0.000000	- 0.000000
26										
27										
28	Cat 4.11 Wideband Exchange	Input 25 * 29 CWF 17	3,441,015 1.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	3,441,015 1.000000	- 0.000000
29										
30	Cat 4.12 Exchange Trunk	Input 26 Special	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	- 0.000000	0.000000
31										
32	Cat 4.13 Exchange Line	Input 27 * 33 CWF 15	1,255,186 1.000000	- 0.000000	1,241,498 0.989094	- 0.000000	- 0.000000	- 0.000000	13,689 0.010906	- 0.000000
33										
34	Cat 4.21 Furn Another Co	Input 28 * 35 CWF 19	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000
35										
36	Cat 4.22 Wideband Interexch	Input 29 * 37 Special	1,603,471 1.000000	- 0.000000	0.000000	0.000000	0.000000	0.000000	1,603,471 1.000000	- 0.000000
37										
38	Cat 4.23 Other Interexchange	Input 30 Direct From 36	1,669,719 1.000000	0.000000	0.000000	0.000000	0.000000	1,522,040 0.911555	147,679 0.088445	0.000000
39										
40	Cat 4.3 Host/Remote	Input 31 Transport Oth	594,876 1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	594,876 0.215549	0.000000
41										
42										
43	Total COE Transmission	Sum(28:40)even Distribution	8,564,266 1.000000	- 0.000000	1,241,498 0.144963	- 0.000000	1,522,040 0.177720	- 0.000000	5,205,853 0.607857	594,876 0.069460
44										
45										
46	Total Central Office Equipment	16 + 25 + 43 Distribution	20,102,908 1.000000	- 0.000000	1,241,498 0.061757	7,205,470 0.358429	1,522,040 0.075712	4,333,172 0.215549	5,205,853 0.258960	594,876 0.029592
47										

COMPANY: **Gulf Telephone Company 250298**
 DESCRIPTION: **2003 Historical Cost Study Transmittal No. 18**
 TIME PERIOD: **December 31, 2003**

Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 2310 INFORMATION ORIGINATION/TERMINATION EQUIPMENT									
10	Total Cat 1 Oth Terminal Equip	Input 32 P36 Factors 14	- 1.000000	- 0.989094	0.000000	0.000000	0.000000	0.000000	- 0.010906	0.000000
11										
12										
13	Account 2410 - CABLE & WIRE FACILITIES									
14	Cat 1 Exchange Line	Input 33 Com Ln	16,443,654 1.000000	- 0.000000	16,264,324 0.989094	0.000000	0.000000	0.000000	179,330 0.010906	0.000000
15										
16	Cat 2 Wideband & Exch Trnk	Input 34 Direct P36	2,702,986 1.000000	- 0.000000	0.000000	0.000000	0.000000	0.000000	2,702,986 1.000000	0.000000
17										
18	Cat 3.1 Furn Another Co	Input 35 Direct	- 0.000000	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
19										
20	Cat 3.2 Wideband Interexch	Input 36 Direct	- 0.000000	- 0.000000	0.000000	0.000000	0.000000	0.000000	- 0.000000	0.000000
21										
22	Cat 3.3 Other Interexch	Input 37 Direct	1,779,895 1.000000	- 0.000000	0.000000	0.000000	0.000000	1,533,194 0.861396	246,700 0.000000	0.000000
23										
24	Cat 4 Host/Remote	Input 38 Direct	651,619 1.000000	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.138604 0.000000	651,619 1.000000
25										
26										
27	Total Cable & Wire Facilities	Sum(14:24)even Distribution	21,578,153 1.000000	- 0.000000	16,264,324 0.753740	- 0.000000	1,533,194 0.071053	- 0.000000	3,129,016 0.145009	651,619 0.030198
28										
29										
30	Total COE IOT & CWF	COE 46+10+27 Distribution	41,681,061 1.000000	- 0.000000	17,505,822 0.419995	7,205,470 0.172872	3,055,234 0.073300	4,333,172 0.103960	8,334,869 0.199968	1,246,495 0.029906
31										
32										
33	CAPITAL LEASES:									
34	General Support Facilities	Input 39 * 35 31	- 1.000000	- 0.000000	- 0.419995	- 0.172872	- 0.073300	- 0.103960	- 0.199968	- 0.029906
35										
36	Central Office Equipment	Input 40 * 37 COE 26	- 1.000000	- 0.000000	- 0.000000	- 0.624464	- 0.000000	- 0.375536	- 0.000000	- 0.000000
37										
38	Information Orig/Term	Input 41 * 39 11	- 1.000000	- 0.989094	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.010906	- 0.000000
39										
40	Cable & Wire Facilities	Input 42 * 41 28	- 1.000000	- 0.000000	- 0.753740	- 0.000000	- 0.071053	- 0.000000	- 0.145009	- 0.030198
41										
42	Total Capital Leases	34+36+38+40 Distribution	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000
43										
44	Leasehold Improvements	Input 43 * 45 N2001 19	33,392 1.000000	- 0.000000	14,024 0.419995	5,773 0.172872	2,448 0.073300	3,471 0.103960	6,677 0.199968	999 0.029906
45										
46	Total Tangible Assets	42 + 44 Distribution	33,392 1.000000	- 0.000000	14,024 0.419995	5,773 0.172872	2,448 0.073300	3,471 0.103960	6,677 0.199968	999 0.029906
47										

COMPANY: **Gulf Telephone Company 250298**
 DESCRIPTION: **2003 Historical Cost Study Transmittal No. 18**
 TIME PERIOD: **December 31, 2003**

Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	INTANGIBLE ASSETS	Input 44 * 10	2,666	-	1,120	461	195	277	533	80
10		19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
11										
12	TOTAL 2001 RATE BASE	9 + CWF30 & 46 + COE 11	51,422,342	-	21,597,108	8,889,460	3,769,273	5,345,877	10,282,811	1,537,813
13		Distribution	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
14										
15	COE+IOT+CWF-CAT 1.3	CWF30 - CWF 14	25,237,407	-	1,241,498	7,205,470	3,055,234	4,333,172	8,155,539	1,246,495
16		Distribution	1.000000	0.000000	0.049193	0.285508	0.121060	0.171696	0.323153	0.049391
17										
18	IOT+CWF+COE+GSF	CWF30 + COE11	51,386,284	-	21,581,963	8,883,227	3,766,630	5,342,129	10,275,601	1,536,734
19		Distribution	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
20										
21	IOT+CWF+COE+GSF (CL,LS,TR Only)	Select Col 18	41,110,683	-	21,581,963	8,883,227	3,766,630	5,342,129	10,275,601	1,536,734
22		Distribution	1.000000	0.000000	0.524972	0.216081	0.091622	0.129945	0.000000	0.037380
23										
24	RATE BASE ITEMS NOT IN 2001									
25										
26	2002 Plant Held Future Use	Input 16 * 27	45,107	-	18,945	7,798	3,306	4,689	9,020	1,349
27		13	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
28	2003 Plant Under Constr ST	Input 17 * 29	371,895	-	156,194	64,290	27,260	38,662	74,367	11,122
29		13	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
30	2004 Plant Under Constr LT	Input 18 * 31	-	-	-	-	-	-	-	-
31		13	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
32	2005 Plant Aquisition Adj	Input 19 * 33	-	-	-	-	-	-	-	-
33		13	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
34	1220 Material & Supplies	Input 10 * 35	15,820	-	6,644	2,735	1,160	1,645	3,163	473
35		19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
36	1402 RTB Stock	Input 12 * 37	-	-	-	-	-	-	-	-
37		19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
38	Cash Working Capital	Input 11 * 39	423,742	-	177,969	73,253	31,060	44,052	84,735	12,672
39		19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
40	Other Noncurrent Assets	Input 13 * 41	-	-	-	-	-	-	-	-
41		19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
42	Deferred Maint & Retirements	Input 14 * 43	-	-	-	-	-	-	-	-
43		19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
44	Deferred Charges	Input 15 * 45	-	-	-	-	-	-	-	-
45		19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
46										
47	Total Non 2001 Rate Base	Sum(32:40)even	856,563	-	359,752	148,075	62,786	89,048	171,285	25,616
48		Distribution	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 3100 - ACCUMULATED DEPRECIATION									
10	General Support Facilities	Input 45 * 12 CWF 31	(3,236,793) 1.000000	- 0.000000	(1,359,436) 0.419995	(559,549) 0.172872	(237,258) 0.073300	(336,498) 0.103960	(647,254) 0.199968	(96,798) 0.029906
11	Central Office Equipment	Input 46 * 14	-							
12	Operator Systems	Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
13	Central Office Equipment	Input 46 * 16	(10,360,096)	-	-	(6,469,510)	-	(3,890,586)	-	-
14	Switching	COE 26	1.000000	0.000000	0.000000	0.624464	0.000000	0.375536	0.000000	0.000000
15	Central Office Equipment	Input 47 * 18	(5,584,043)	-	(809,477)	-	(992,395)	-	(3,394,302)	(387,869)
16	Transmission	COE 44	1.000000	0.000000	0.144963	0.000000	0.177720	0.000000	0.607857	0.069460
17	Information Orig/Term	Input 48 * 20	-	-	-	-	-	-	-	-
18		CWF 11	1.000000	0.989094	0.000000	0.000000	0.000000	0.000000	0.010906	0.000000
19	Cable & Wire Facilities	Input 49 * 22	(9,543,493)	-	(7,193,316)	-	(678,095)	-	(1,383,888)	(288,195)
20		CWF 28	1.000000	0.000000	0.753740	0.000000	0.071053	0.000000	0.145009	0.030198
21	Total Account 3100 Accumulated De	Sum(13:21)odd	(28,724,426)	-	(9,362,229)	(7,029,060)	(1,907,748)	(4,227,083)	(5,425,444)	(772,862)
22		Distribution	1.000000	0.000000	0.325933	0.244707	0.066416	0.147160	0.188879	0.026906
23										
24										
25										
26										
27	Accounts 3200 through 3600 ACCUMULATED DEPRECIATION & AMORTIZATION									
28										
29	3200 Plant Held Future	Input 50 * 30	-	-	-	-	-	-	-	-
30		N2001 19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
31	3400 Capital Lease	Input 51 * 32	-	-	-	-	-	-	-	-
32		CWF 37	1.000000	0.000000	0.000000	0.624464	0.000000	0.375536	0.000000	0.000000
33	3400 Leasehold Improvements	Input 52 * 34	(36,870)	-	(15,485)	(6,374)	(2,703)	(3,833)	(7,373)	(1,103)
34		N2001 19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
35	3500 Intangible Assets	Input 53 * 36	(2,666)	-	(1,120)	(461)	(195)	(277)	(533)	(80)
36		N2001 19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
37	3600 Plant Acquisition Adj	Input 54 * 38	-	-	-	-	-	-	-	-
38		N2001 13	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
39										
40	Total Accnts 3200 Through 3600	Sum(29:37)odd	(39,537)	-	(16,605)	(6,835)	(2,898)	(4,110)	(7,906)	(1,182)
41		Distribution	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
42										
43										
44	Total Depreciation & Amort	23 + 40	(28,763,962)	-	(9,378,834)	(7,035,895)	(1,910,646)	(4,231,194)	(5,433,350)	(774,044)
45		Distribution	1.000000	0.000000	0.326062	0.244608	0.066425	0.147101	0.188894	0.026910
46										
47										
48										
49										
50	NET TELEPHONE PLANT	N2001 12 + 44	22,658,379	-	12,218,274	1,853,566	1,858,627	1,114,683	4,849,461	763,768
51		Distribution	1.000000	0.000000	0.539239	0.081805	0.082028	0.049195	0.214025	0.033708

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 4340 ACCUMULATED DEFERRED INCOME TAX									
10										
11	General Support Facilities	Input 57 * 12 CWF 31	(421,078) 1.000000	- 0.000000	(176,851) 0.419995	(72,792) 0.172872	(30,865) 0.073300	(43,775) 0.103960	(84,202) 0.199968	(12,593) 0.029906
12										
13	Central Office Equipment	Input 58 * 14 Operator Systems COE 17	- 0.000000	- 0.000000	- 0.000000	- 0.624464	- 0.000000	- 0.375536	- 0.000000	- 0.000000
14										
15	Central Office Equipment	Input 58 * 16 Switching COE 26	(228,655) 1.000000	- 0.000000	(40,392) 0.144963	(142,787) 0.000000	- 0.000000	(85,868) 0.177720	- 0.000000	- 0.607857
16										
17	Central Office Equipment	Input 59 * 18 Transmission COE 44	(278,639) 1.000000	- 0.000000	(49,520) 0.144963	- 0.000000	(49,520) 0.000000	- 0.000000	(169,373) 0.177720	(19,354) 0.069460
18										
19	Information Orig/Term	Input 60 * 20 CWF 11	- 1.000000	- 0.989094	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.010906	- 0.000000
20										
21	Cable & Wire Facilities	Input 61 * 22 CWF 28	(1,033,868) 1.000000	- 0.000000	(779,268) 0.753740	- 0.000000	(73,459) 0.071053	- 0.000000	(149,920) 0.145009	(31,221) 0.030198
22										
23	Tangible Assets		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
24										
25	Intangible Assets		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
26										
27	Plant Held Future Use		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
28										
29	Plant Acquisition Adjustment		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
30										
31	Unclassified	Input 56 * 32 N2001 19	(1,045,990) 1.000000	- 0.000000	(439,310) 0.419995	(180,822) 0.172872	(76,671) 0.073300	(108,741) 0.103960	(209,164) 0.199968	(31,281) 0.029906
32										
33										
34	Total Deferred Income Tax	Sum(11:31)Odd Distribution	(3,008,230) 1.000000	- 0.000000	(1,435,821) 0.477298	(396,402) 0.131772	(230,516) 0.076628	(238,385) 0.079244	(612,659) 0.203661	(94,449) 0.031397
35										
36										
37	Other Longterm Liabilities	Input 62 * 38 N2001 19	- 1.000000	- 0.000000	- 0.419995	- 0.172872	- 0.073300	- 0.103960	- 0.199968	- 0.029906
38										
39	Customer Deposits	Input 55 * 40 N2001 19	(168,318) 1.000000	- 0.000000	(70,693) 0.419995	(29,097) 0.172872	(12,338) 0.073300	(17,498) 0.103960	(33,658) 0.199968	(5,034) 0.029906
40										
41										
42	Total Other Credits	34 + 37 + 39 Distribution	(3,176,548) 1.000000	- 0.000000	(1,506,513) 0.474261	(425,499) 0.133950	(242,853) 0.076452	(255,883) 0.080554	(646,317) 0.203465	(99,482) 0.031318
43										
44										
45	TOTAL NET RATE BASE (NET INVESTMENT)	Depr 50+ N2001 47 + 42 Distribution	20,338,394 1.000000	- 0.000000	11,071,512 0.544365	1,576,142 0.077496	1,678,560 0.082532	947,849 0.046604	4,374,429 0.215082	689,902 0.033921
46										
47										
48	See Calculation on line 50		20,082,970	-	10,964,236	1,531,987	1,659,837	921,295	4,323,353	682,264
49			Distribution	1.000000	0.000000	0.545947	0.076283	0.082649	0.045874	0.215275
50	N 2001 12+ N 2001 26 + N 2001 28 + N 2001 E30+ N 2001 32+ N 2001 34 + Depr Amort 44 + OTH RB 34									

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Line	Description	Source & Calc Sheet & Line	TOTAL C	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other D	Base Factor E	Local Switching G	Transport Other H	Transport Tandem Sw I	Special Access J	Host Remote K
9	PLANT SPECIFIC OPERATING EXPENSES									
11	6110 Network Support Exp	Input 63 * 12 N2001 19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
13	6120 General Support Exp	Input 64 * 14 CWF 31	794,248	-	333,580	137,303	58,219	82,570	158,824	23,752
15	6220 Operator Systems	Input 66 * 16 COE 17	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
17	6210 Central Office Switching	Input 65 * 18 COE 26	572,600	-	-	357,568	-	215,032	-	-
19	6210 Central Office Switching	Input 65 * 18 COE 26	1.000000	0.000000	0.000000	0.624464	0.000000	0.375536	0.000000	0.000000
20	Reallocate Common Channel Signa	Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
21	6230 Central Office Trans Exp	Input 67 * 22 COE 44	232,838	-	33,753	-	41,380	-	141,533	16,173
23	6310 Info Orig/Term Exp	Input 68 * 24 Direct	1.000000	0.000000	0.144963	0.000000	0.177720	0.000000	0.607857	0.069460
25	6400 Cable & Wire Fac Exp	Input 69 * 26 CWF 28	706,805	-	532,747	-	50,221	-	102,493	21,344
28	Total Plant Specific Expense	Sum(11:25)odd Distribution	2,306,491	-	900,080	519,141	149,819	273,332	402,849	61,270
31	PLANT NONSPECIFIC OPERATING EXPENSES									
33	6510 Other Prop & Equip	Input 70 * 34 CWF 31	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
35	6530 Network Operation Exp	Input 71 * 36 CWF 31	554,486	-	232,881	95,855	40,644	57,644	110,879	16,582
37	6540 Access Expense	Input 72 * 38 Direct	613,641	-	613,641	-	0.000000	0.000000	0.000000	0.000000
40	Total Plant NonSpecific Exp	33 + 35 + 37 Distribution	1,168,127	-	846,522	95,855	40,644	57,644	110,879	16,582
41			1.000000	0.000000	0.724684	0.082059	0.034794	0.049348	0.094921	0.014196

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	6561 DEPRECIATION EXPENSE - TPIS									
10										
11	General Support Facilities	Input 73 * 12	619,955	-	260,378	107,173	45,443	64,451	123,971	18,540
12		CWF 31	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
13	Central Office Equipment	Input 74 * 14	-	-	-	-	-	-	-	-
14		COE 17	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 74 * 16	1,446,768	-	-	903,455	-	543,313	-	-
16	Switching	COE 26	1.000000	0.000000	0.000000	0.624464	0.000000	0.375536	0.000000	0.000000
17	Central Office Equipment	Input 75 * 18	576,590	-	83,584	-	102,471	-	350,484	40,050
18	Transmission	COE 44	1.000000	0.000000	0.144963	0.000000	0.177720	0.000000	0.607857	0.069460
19	Infor Orig/Term Equipment	Input 76 * 20	-	-	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
20		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
21	Cable & Wire Facilities	Input 77 * 22	899,321	-	677,855	-	63,900	-	130,409	27,158
22		CWF 28	1.000000	0.000000	0.753740	0.000000	0.071053	0.000000	0.145009	0.030198
23										
24	Total 6561 Depreciation Expense	Sum(11:21)odd Distribution	3,542,634	-	1,021,816	1,010,628	211,814	607,764	604,865	85,748
25			1.000000	0.000000	0.288434	0.285276	0.059790	0.171557	0.170739	0.024205
26										
27										
28	6562 Depr Plant Held Future	Input 78 * 29	-	-	-	-	-	-	-	-
29		N2001 13	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
30										
31	6563 Amort Tangible Assets	Input 79 * 32	-	-	-	-	-	-	-	-
32		CWF 47	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
33										
34	6564 Amort Intangible Assets	Input 80 * 35	-	-	-	-	-	-	-	-
35		N2001 19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
36										
37	6565 Amort Plant Acquisition	Input 81 * 38	-	-	-	-	-	-	-	-
38		N2001 19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
39										
40										
41	Total Depr & Amort Expense	24+28+31+34+37	3,542,634	-	1,021,816	1,010,628	211,814	607,764	604,865	85,748
42		Distribution	1.000000	0.000000	0.288434	0.285276	0.059790	0.171557	0.170739	0.024205

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	6610 MARKETING EXPENSE	Input 82 * 10	343,096	-	144,099	59,312	25,149	35,668	68,608	10,260
10		N2001 19	1.000000	0.000000	0.419995	0.172872	0.073300	0.103960	0.199968	0.029906
11										
12	6620 TELEPHONE OPERATOR & PUBLISHED DIRECTORY									
13										
14	Telephone Operator Service	Input 83	-							
15		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
16	Classified Directory Expense	Input 85	-							
17		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
18	Alpha Directory Expense	Input 84	-							
19		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
20	Foreign Directory Expense	Input 86	-							
21		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
22	TWX Directory Expense	Input 87	-							
23		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
24	Total 6620 Telephone Oper & Pub C	Sum(14-22)even	-	-	-	-	-	-	-	-
25		Distribution	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
26										
27	Account 6620 Cat 1 Customer Services									
28										
29	1.1 End User Serv Order Proc	Input 88	-							
30		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
31	1.1 Presubscription Srv Order	Input 89 * 32	446,006	-	234,141	96,373	40,864	57,956	-	16,672
32		N2001 22	1.000000	0.000000	0.524972	0.216081	0.091622	0.129945	0.000000	0.037380
33	1.2 End User Payment & Coll	Input 90	165,461		165,461				-	
34		Direct	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	
35	1.3 End User Billing	Input 91	6,295		6,295				-	
36		Direct	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	
37	1.4 IXC Serv Ord Proc	Input 92 * 38	14,473	-	7,598	3,127	1,326	1,881	-	541
38		32	1.000000	0.000000	0.524972	0.216081	0.091622	0.129945	0.000000	0.037380
39	1.4 IXC Serv Ord Proc Private Ln	Input 92	19,759					19,759		
40		Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
41	1.5 IXC Payment & Collection	Input 93 * 42	54,980	-	28,863	11,880	5,037	7,144	-	2,055
42		38	1.000000	0.000000	0.524972	0.216081	0.091622	0.129945	0.000000	0.037380
43	1.5 IXC Payment & Collection PL	Input 93	-					-		
44		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
45	1.6 IXC Billing Inquiry	Input 94 * 46	15,189	-	7,974	3,282	1,392	1,974	-	568
46		42	1.000000	0.000000	0.524972	0.216081	0.091622	0.129945	0.000000	0.037380
47	1.6 IXC Billing Inquiry Private Ln	Input 94 * 48	20,735					20,735		
48		Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
49										
50	Total 6620 Cat 1 Cust Svc Exp	Sum(29-43)Odd	742,897	-	450,331	114,663	48,619	68,955	40,494	19,836
51		Distribution	1.000000	0.000000	0.606182	0.154345	0.065445	0.092819	0.054508	0.026701

COMPANY: **Gulf Telephone Company 250298**
 DESCRIPTION: **2003 Historical Cost Study Transmittal No. 18**
 TIME PERIOD: **December 31, 2003**

Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 6620 Cat 2 CUSTOMER SERVICES EXPENSE									
10										
11	Toll Ticket Processing	Input 98	-							
12		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
13	Local Message Processing		-							
14			0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
15	Carrier Access B&C	Input 96 * 16	167,253	-	-	49,850	21,137	29,978	57,663	8,624
16		CWF 32	1.000000	0.000000	0.000000	0.298052	0.126379	0.179240	0.344769	0.051561
17	Other B&C	Input 99	-							
18		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
19	End User B&C	Input 97	25,869		25,869					
20		Direct	1.000000		1.000000					
21	Total Account 6620 Cat 2	Sum(11:19)odd	193,122	-	25,869	49,850	21,137	29,978	57,663	8,624
22		Distribution	1.000000	0.000000	0.133952	0.258127	0.109450	0.155231	0.298586	0.044654
23										
24	Total Accnt 6620 Cat 1 + Cat 2	21+Custom 50	936,019	-	476,200	164,513	69,756	98,933	98,158	28,460
25		Distribution	1.000000	0.000000	0.508750	0.175758	0.074524	0.105696	0.104867	0.030405
26										
27	Cat 3 CUSTOMER SERVICES	Input 100 * 28	4,701	-	2,392	826	350	497	493	143
28		25	1.000000	0.000000	0.508750	0.175758	0.074524	0.105696	0.104867	0.030405
29										
30	Total 6610 + 6620	24+27+Custom 9&24	1,283,816	-	622,690	224,650	95,255	135,099	167,259	38,863
31		Distribution	1.000000	0.000000	0.485030	0.174987	0.074197	0.105232	0.130282	0.030271
32										
33	Big Three Expenses	30 + Pint 38&40	4,758,434	-	2,369,292	839,646	285,719	466,075	680,987	116,715
34		Distribution	1.000000	0.000000	0.497914	0.176454	0.060045	0.097947	0.143112	0.024528
35										
36	CORPORATE OPERATIONS EXPENSES									
37										
38	6710 Executive & Planning	Input 102 * 39	408,411	-	203,354	72,066	24,523	40,003	58,448	10,017
39		34	1.000000	0.000000	0.497914	0.176454	0.060045	0.097947	0.143112	0.024528
40	6720 General & Administrative	Input 103 * 41	1,533,734	-	763,668	270,634	92,093	150,225	219,495	37,619
41		34	1.000000	0.000000	0.497914	0.176454	0.060045	0.097947	0.143112	0.024528
42	6720 General & Administrative Dir	Input 104 * 43	122,947	-	61,217	21,695	7,382	12,042	17,595	3,016
43		34	1.000000	0.000000	0.497914	0.176454	0.060045	0.097947	0.143112	0.024528
44										
45	Total Corporate Operations	38 + 40 + 42	2,065,092	-	1,028,239	364,394	123,998	202,270	295,539	50,652
46		Distribution	1.000000	0.000000	0.497914	0.176454	0.060045	0.097947	0.143112	0.024528
47										

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: 2003 Historical Cost Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Acctn 7200 OPERATING TAXES	Input 106 * 10 N2001 19	377,308 1.000000	- 0.000000	158,467 0.419995	65,226 0.172872	27,657 0.073300	39,225 0.103960	75,449 0.199968	11,284 0.029906
10										
11										
12	Account 7100 & 7300 OPERATING EXPENSES & INCOME									
13										
14	7100 Other Expenses	Input 105 * 15 N2001 19	- 1.000000	- 0.000000	- 0.419995	- 0.172872	- 0.073300	- 0.103960	- 0.199968	- 0.029906
15										
16	7300 Gains & Losses on Disp	Input 110 * 17 N2001 19	- 1.000000	- 0.000000	- 0.419995	- 0.172872	- 0.073300	- 0.103960	- 0.199968	- 0.029906
17										
18	7300 Contributions & Fees	Input 111 * 19 N2001 19	38,387 1.000000	- 0.000000	16,122 0.419995	6,636 0.172872	2,814 0.073300	3,991 0.103960	7,676 0.199968	1,148 0.029906
19										
20	GSF RENT REVENUE	Input 124 * 21 GSF 12	(91,301) 1.000000	- 0.000000	(38,346) 0.419995	(15,783) 0.172872	(6,692) 0.073300	(9,492) 0.103960	(18,257) 0.199968	(2,730) 0.029906
21										
22	COE SW RENT REVENUE	Input 125 * 23 COE 26	(23,818) 1.000000	- 0.000000	- 0.000000	(14,874) 0.624464	- 0.000000	(8,945) 0.375536	- 0.000000	- 0.000000
23										
24	COE TR RENT REVENUE	Input 126 * 25 COE 44	- 1.000000	- 0.000000	- 0.144963	- 0.000000	0.177720 0.000000	0.000000 0.000000	0.607857 0.145009	0.069460 0.030198
25										
26	CWF RENT REVENUE	Input 127 * 27 CWF 28	(13,298) 1.000000	- 0.000000	(10,023) 0.753740	- 0.000000	(945) 0.071053	- 0.000000	(1,928) 0.000000	(402) 0.000000
27										
28										
29	Total Oper Expense & Income	Sum(14:26)even Distribution	(90,031) 0.000000	- 0.000000	(32,247) 0.000000	(24,021) 0.000000	(4,823) 0.000000	(14,446) 0.000000	(12,509) 0.000000	(1,984) 0.000000
30										
31										
32	Accounts 7500, 7600, & 7900									
33										
34	Capital Lease Interest	Input 112 * 35 N2001 19	- 1.000000	- 0.000000	- 0.419995	- 0.172872	- 0.073300	- 0.103960	- 0.199968	- 0.029906
35										
36	Customer Deposit Interest	Input 113 * 37 N2001 19	11,633 1.000000	- 0.000000	4,886 0.419995	2,011 0.172872	853 0.073300	1,209 0.103960	2,326 0.199968	348 0.029906
37										
38	Extraordinary Items	Input 114 * 39 N2001 19	- 1.000000	- 0.000000	- 0.419995	- 0.172872	- 0.073300	- 0.103960	- 0.199968	- 0.029906
39										
40	Income Effect Jurs Rate Diff	Input 115 * 41 N2001 19	- 1.000000	- 0.000000	- 0.419995	- 0.172872	- 0.073300	- 0.103960	- 0.199968	- 0.029906
41										
42										
43	Total 7500, 7600, & 7900	34+36+38+40 Distribution	11,633 1.000000	- 0.000000	4,886 0.419995	2,011 0.172872	853 0.073300	1,209 0.103960	2,326 0.199968	348 0.029906
44										
45										
46	Total Other Items	29 + 43	(78,398)	-	(27,361)	(22,010)	(3,971)	(13,236)	(10,183)	(1,636)
47										
48	Account 7340 Allowance for Funds Used During Construction	Input 109 * 50 CWF 31	- 1.000000	- 0.000000	- 0.419995	- 0.172872	- 0.073300	- 0.103960	- 0.199968	- 0.029906
49										
50										

MADISON RIVER MANAGEMENT COMPANY

PART 36 SEPARATION PROGRAM

GTC 2003 P36.xls

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COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: 2003 Historical Cost Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	SUMMARY					
10	RATE BASE (INVESTMENT)					
11	General Support Facilities	GSF 13	27,946,931	7,764,491	1,940,732	9,705,222
12	Central Office Equipment	COE 46	46,344,392	14,897,055	5,205,853	20,102,908
13	Info Orig/Term Equipment	IOT 11	0	0	0	0
14	Cable & Wire Facilities	CWF 29	73,679,416	18,449,137	3,129,016	21,578,153
15	Tangible Assets	Oth RB 12	88,323	33,392	0	33,392
16	Intangible Assets	Oth RB 16	7,677	2,133	533	2,666
17	Total 2001 Rate Base	SUM(11:16)	148,066,740	41,146,208	10,276,134	51,422,342
18		Distribution	1.000000	0.277890	0.069402	0.347292
19						
20	Non 2001 Rate Base	Oth RB 46	2,474,110	714,494	142,069	856,563
21	Accum Depr & Amort	Accum Dep 41	(79,732,882)	(23,337,985)	(5,425,977)	(28,763,962)
22	Other Credits	Def Oth 40	(9,358,863)	(2,530,389)	(646,159)	(3,176,548)
23	NET RATE BASE	17+20+21+22	61,449,104	15,992,327	4,346,067	20,338,394
24		Distribution	1.000000	0.260253	0.070726	0.330980
25						
26	RATE OF RETURN	Factors 110		0.112500	0.112500	0.112500
27	RETURN ON INVESTMENT	23 * 26	6,913,024	1,799,137	488,933	2,288,069
28		Distribution	1.000000	0.260253	0.070726	0.330980
29						
30	EXPENSES					
31	Plant Specific Expenses	Plnt Exp 26	6,557,333	1,836,598	469,893	2,306,491
32	Plant NonSpecific Expenses	Plnt Exp 40	2,210,325	1,057,248	110,879	1,168,127
33	Depr & Amort Expense	Depr Exp 39	9,748,087	2,937,769	604,865	3,542,634
34	Customer Operations Expense	Cust Exp 30	4,633,227	1,243,322	40,494	1,283,816
35	Corporate Operations Expense	Corp Exp 26	6,209,360	1,797,037	268,055	2,065,092
36	Operating Taxes	Corp Exp 36	1,106,139	305,223	72,085	377,308
37	Other Income & Expense	Oth 43	(220,724)	(65,699)	(12,699)	(78,398)
38	TOTAL EXPENSES	SUM(31:37)	30,243,746	9,111,498	1,553,572	10,665,070
39		Distribution	1.000000	0.301269	0.051368	0.352637
40						
41	AFUDC	Oth 46	0	0	0	0
42						
43	INCOME TAXES					
44	Federal	Fed Tx 42	3,722,664	968,835	263,290	1,232,125
45	State	State Tx 36	559,778	145,684	39,591	185,275
46						
47	NET REVENUE REQUIREMENT	27+38+41+44+45	41,439,211	12,025,153	2,345,386	14,370,539
48		Distribution	1.000000	0.290188	0.056598	0.346786

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: 2003 Historical Cost Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 2110 - GENERAL SUPPORT FACILITIES					
10						
11	Total General Support Facilities	Input 18 IOT CWF CL 33	27,946,931 1.000000	7,764,491 0.277830	1,940,732 0.069443	9,705,222 0.347273
12						
13						
14	Accounts 2210 - 2230 CENTRAL OFFICE EQUIPMENT					
15						
16	Cat 1 Operator Systems	Input 22 * 19 Factors 71	0 0.000000	0 0.000000	0 0.000000	0 0.000000
17						
18	Equal Access Equipment	Input 19 * 17 Factors 106	0 0.000000	0 0.000000	0 0.000000	0 0.000000
19						
20	Cat 2 Tandem Switching	Input 20 * 21 Factors 61	5,829,311 1.000000	4,333,172 0.743342	0 0.000000	4,333,172 0.743342
21						
22	Cat 3 Local Switching	Input 21 * 23 Factors 55	24,690,641 1.000000	7,205,470 0.291830	0 0.000000	7,205,470 0.291830
23						
24	Total COE Switching	Sum(18:22)Even Distribution	30,519,952 1.000000	11,538,642 0.378069	0 0.000000	11,538,642 0.378069
25						
26						
27	Cat 4.11 Wideband Exchange	Input 23*28 Factors 26	3,441,015 1.000000	0 0.000000	3,441,015 1.000000	3,441,015 1.000000
28						
29	Cat 4.12 Exchange Trunk EAS	Input 24 DIRECT	0 0.000000	0 0.000000	0 0.000000	0 0.000000
30						
31	Cat 4.12 Exchange Trunk	Input 25*33 Factors 18	0 1.000000	0 0.000000	0 1.000000	0 0.000000
32						
33	Cat 4.13 Exchange Line	Input 26*34 Factors 13	5,010,759 1.000000	1,241,498 0.247766	13,689 0.002732	1,255,186 0.250498
34						
35	Cat 4.21 Furn Another Co	Input 27*36 Factors 59	0 0.000000	0 0.000000	0 0.000000	0 0.000000
36						
37	Cat 4.22 Wideband Interexch	Input 28*38 Factors 30	3,684,571 1.000000	0 0.000000	1,603,471 0.435185	1,603,471 0.435185
38						
39	Cat 4.23 Other Interexchange	Input 29*40 Factors 40	2,467,144 1.000000	1,522,040 0.616924	147,679 0.059858	1,669,719 0.676782
40						
41	Cat 4.3 Host/Remote	Input 30*42 Factors 48	1,220,952 1.000000	594,876 0.487223	0 0.000000	594,876 0.487223
42						
43	Total COE Transmission	Sum(27:41)Odd Distribution	15,824,440 1.000000	3,358,413 0.212230	5,205,853 0.328976	8,564,266 0.541205
44						
45						
46	Total Central Office Equipment	16+24+43 Distribution	46,344,392 1.000000	14,897,055 0.321442	5,205,853 0.112330	20,102,908 0.433772
47						

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: 2003 Historical Cost Study Transmittal No. 18
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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	H

9	Account 2310 INFORMATION ORIGINATION/TERMINATION EQUIPMENT					
10						
11	Total Cat 1 Other Terminal Equip	Input 31 * 12 Factors 12	0 1.000000	0 0.250000	0 0.000000	0 0.250000
12						
13	Account 2410 - CABLE & WIRE FACILITIES					
14						
16	Cat 1 Exchange Line	Input 32 * 17 Factors 13	65,643,786 1.000000	16,264,324 0.247766	179,330 0.002732	16,443,654 0.250498
17						
18	Cat 2 Wideband & Exch Trnk	Input 33 * 19 Factors 22	4,010,989 1.000000	0 0.000000	2,702,986 0.673895	2,702,986 0.673895
19						
20	Cat 3.1 Furn Another Co	Input 34 * 21 Factors 59	0 0.000000	0 0.000000	0 0.000000	0 0.000000
21						
22	Cat 3.2 Wideband Interexch	Input 35 * 23 Factors 35	0 0.000000	0 0.000000	0 0.000000	0 0.000000
23						
24	Cat 3.3 Other Interexch	Input 36 * 25 Factors 45	2,687,228 1.000000	1,533,194 0.570549	246,700 0.091805	1,779,895 0.662353
25						
26	Cat 4 Host/Remote	Input 37 * 27 Factors 51	1,337,414 1.000000	651,619 0.487223	0 0.000000	651,619 0.487223
27						
28						
29	Total Cable & Wire Facilities	Sum(16:26)Even Distribution	73,679,416 1.000000	18,449,137 0.250397	3,129,016 0.042468	21,578,153 0.292865
30						
31						
32	Total COE IOT & CWF	COE 46+11+29 Distribution	120,023,809 1.000000	33,346,192 0.277830	8,334,869 0.069443	41,681,061 0.347273
33						
34						
35	CAPITAL LEASES:					
36	General Support Facilities	Input 38 * 37 33	0 1.000000	0 0.277830	0 0.069443	0 0.347273
37						
38	Central Office Equipment	Input 39 * 39 COE 25	0 1.000000	0 0.378069	0 0.000000	0 0.378069
39						
40	Information Orig/Term	Input 40 * 41 Factors 12	0 1.000000	0 0.250000	0 0.000000	0 0.250000
41						
42	Cable & Wire Facilities	Input 41 * 43 33	0 1.000000	0 0.277830	0 0.069443	0 0.347273
43						
44	Total Capital Leases	Sum(36:42)Even Distribution	0 0.000000	0 0.000000	0 0.000000	0 0.000000
45						
46						
47	COE IOT, CWF + TCL	32 + 44 Distribution	120,023,809 1.000000	33,346,192 0.277830	8,334,869 0.069443	41,681,061 0.347273
48						

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: 2003 Historical Cost Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9						
10	Leasehold Improvements	Input 42 * 11 COE 25	88,323 1.000000	33,392 0.378069	0 0.000000	33,392 0.378069
11						
12	Total Tangible Assets	CL 44 + 10	88,323	33,392	0	33,392
13	Cap Leases + Lease Impr	Distribution	1.000000	0.378069	0.000000	0.378069
14						
15						
16	INTANGIBLE ASSETS	Input 43 * 17 IOT CWF CL 48	7,677 1.000000	2,133 0.277830	533 0.069443	2,666 0.347273
17						
18						
19	TOTAL 2001 RATE BASE	COE11+CWF32+ 12+16 Distribution	148,066,740 1.000000	41,146,208 0.277890	10,276,134 0.069402	51,422,342 0.347292
20						
21						
22						
23	RATE BASE ITEMS NOT IN 2001					
24						
25	2002 Plant Held Future Use	Input 14 * 26 20	129,882 1.000000	36,093 0.277890	9,014 0.069402	45,107 0.347292
26						
27	2003 Plant Under Constr ST	Input 15 * 28 20	1,070,842 1.000000	297,576 0.277890	74,319 0.069402	371,895 0.347292
28						
29	2004 Plant Under Constr LT	Input 16 * 30 20	0 1.000000	0 0.277890	0 0.069402	0 0.000000
30						
31	2005 Plant Aquisition Adj	Input 17 * 32 20	0 1.000000	0 0.277890	0 0.069402	0 0.000000
32						
33	1220 Material & Supplies	Input 8 * 34 CWF 30	54,018 1.000000	13,526 0.250397	2,294 0.042468	15,820 0.292865
34						
35	1402 RTB Stock	Input 10 * 36 20	0 1.000000	0 0.277890	0 0.069402	0 0.000000
36						
37	Cash Working Capital	State Tx 49 * 38 Oth 50	1,219,367 1.000000	367,299 0.301221	56,442 0.046288	423,742 0.347509
38						
39	Other Noncurrent Assets	Input 11 * 40 20	0 1.000000	0 0.277890	0 0.069402	0 0.000000
40						
41	Deferred Maint & Retire	Input 12 * 42 20	0 1.000000	0 0.277890	0 0.069402	0 0.000000
42						
43	Deferred Charges	Input 13 * 44 20	0 1.000000	0 0.277890	0 0.069402	0 0.000000
44						
45						
46	Total Non 2001 Rate Base	Sum(25:43)Odd Distribution	2,474,110 1.000000	714,494 0.288788	142,069 0.057422	856,563 0.346211
47						

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: 2003 Historical Cost Study Transmittal No. 18
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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	Account 3100 - ACCUMULATED DEPRECIATION					
10						
11	General Support Facilities	Input 44 * 12 CWF 33	(9,320,594) 1.000000	(2,589,539) 0.277830	(647,254) 0.069443	(3,236,793) 0.347273
12	Central Office Equipment	Input 45 * 14	0	0	0	0
13	Operator Sys	COE 17	0.000000	0.000000	0.000000	0.000000
14	Central Office Equipment	Input 45 * 16 Switching	(27,402,675) COE 25	(10,360,096) 0.378069	0 0.000000	(10,360,096) 0.378069
15	Central Office Equipment	Input 46 * 18	(10,317,796)	(2,189,741)	(3,394,302)	(5,584,043)
16	Transmission	COE 44	1.000000	0.212230	0.328976	0.541205
17	Information Orig/Term	Input 47 * 20	0	0	0	0
18	Factors 12	1.000000	0.250000	0.000000	0.000000	
19	Cable & Wire Facilities	Input 48 * 22 CWF 30	(32,586,618) 1.000000	(8,159,606) 0.250397	(1,383,888) 0.042468	(9,543,493) 0.292865
20	Total Account 3100	Sum(11:21)Odd	(79,627,682)	(23,298,982)	(5,425,444)	(28,724,426)
21	Accumulated Depreciation	Distribution	1.000000	0.292599	0.068135	0.360734
22						
23	Accounts 3200 through 3600 ACCUMULATED DEPRECIATION & AMORTIZATION					
24						
25						
26	3200 Plant Held Future	Input 49 * 27 Oth Rb 20	0 1.000000	0 0.277890	0 0.069402	0 0.000000
27	3400 Capital Lease	Input 50 * 29 Oth RB 13	- 1.000000	0 0.378069	0 0.000000	0 0.000000
28	3400 Leasehold Improvement	Input 51 * 31 Oth RB 13	(97,523) 1.000000	(36,870) 0.378069	0 0.000000	(36,870) 0.378069
29	3500 Intangible Assets	Input 52 * 33 Oth RB 20	(7,677) 1.000000	(2,133) 0.277890	(533) 0.069402	(2,666) 0.347292
30	3600 Plant Acquisition Adjust	Input 53 * 35 Oth RB 20	0 1.000000	0 0.277890	0 0.069402	0 0.000000
31	Total Accnts 3200 Through 3600	Sum(26:34)Even Distribution	(105,200) 1.000000	(39,004) 0.370758	(533) 0.005065	(39,537) 0.375823
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43	Total Accum Depr & Amort	21 + 37 Distribution	(79,732,882) 1.000000	(23,337,985) 0.292702	(5,425,977) 0.068052	(28,763,962) 0.360754
44						
45						
46						
47	NET TELEPHONE PLANT	2001-AD&A ANTP	68,333,857 1.000000	17,808,222 0.260606	4,850,157 0.070977	22,658,379 0.331583
48						

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: 2003 Historical Cost Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	Account 4340 ACCUMULATED DEFERRED INCOME TAX					
10						
11	General Support Facilities	Input 56 * 12	(1,212,528)	(336,876)	(84,202)	(421,078)
12		GSF 12	1.000000	0.277830	0.069443	0.347273
13	Central Office Equipment	Input 57 * 14	0	0	0	0
14	Operator Sys	COE 17	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 57 * 16	(604,799)	(228,655)	0	(228,655)
16	Switching	COE 25	1.000000	0.378069	0.000000	0.378069
17	Central Office Equipment	Input 58 * 18	(514,848)	(109,266)	(169,373)	(278,639)
18	Transmission	COE 44	1.000000	0.212230	0.328976	0.541205
19	Information Orig/Term	Input 59 * 20	0	0	0	0
20		Factors 12	1.000000	0.250000	0.000000	0.000000
21	Cable & Wire Facilities	Input 60 * 22	(3,530,181)	(883,948)	(149,920)	(1,033,868)
22		CWF 30	1.000000	0.250397	0.042468	0.292865
23	Tangible Assets			0	0	0
24			0.000000	0.000000	0.000000	0.000000
25	Intangible Assets			0	0	0
26			0.000000	0.000000	0.000000	0.000000
27	Plant Held Future Use			0	0	0
28			0.000000	0.000000	0.000000	0.000000
29	Plant Acquisition Adjustment			0	0	0
30			0.000000	0.000000	0.000000	0.000000
31	Unclassified	Input 55 * 32	(3,011,849)	(836,961)	(209,028)	(1,045,990)
32		Oth RB 20	1.000000	0.277890	0.069402	0.347292
33						
34	Total Deferred Income Tax	Sum(11:31)Odd Distribution	(8,874,204)	(2,395,708)	(612,523)	(3,008,230)
35			1.000000	0.269963	0.069023	0.338986
36						
37	Other Longterm Liabilities	Input 61 * 38	0	0	0	0
38		Cust Exp2 34	1.000000	0.275054	0.044042	0.000000
39	Customer Deposits	Input 54 * 40	(484,658)	(134,682)	(33,636)	(168,318)
40		Oth RB 20	1.000000	0.277890	0.069402	0.347292
41						
42	Total Other Credits	34 + 37 + 39 Distribution	(9,358,863)	(2,530,389)	(646,159)	(3,176,548)
43			1.000000	0.270374	0.069042	0.339416
44						
45						
46	TOTAL NET RATE BASE (NET INVESTMENT)	Accum Depr 45+40 Distribution	58,974,995	15,277,833	4,203,998	19,481,831
47			1.000000	0.259056	0.071284	0.330341
48						
49	2001 Less Rsv Etc	See 49	60,714,395	15,759,710	4,323,261	20,082,970
50		Distribution	1.000000	0.259571	0.071207	0.330778
51	(Oth RB 19+ Accum Dep 41 + Oth RB 25 + Oth RB 27+ Oth RB 29 + Oth RB 33 + Def Oth 32)					

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: 2003 Historical Cost Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9 PLANT SPECIFIC OPERATING EXPENSES

10	6110 Network Support Exp	Input 62 * 12 CWF 33	0 1,000000	0 0.277830	0 0.069443	0 0.000000
11	6120 General Support Exp	Input 63 * 14 CWF 33	2,287,097 1,000000	635,424 0.277830	158,824 0.069443	794,248 0.347273
12	6210 Central Office Switching	Input 64 * 16 COE 47	1,320,048 1,000000	424,320 0.321442	148,281 0.112330	572,600 0.433772
13	6220 Operator Systems Exp	Input 65 * 18 COE 47	0 1,000000	0 0.321442	0 0.112330	0 0.000000
14	6230 Central Office Trans Exp	Input 66 * 20 COE 47	536,776 1,000000	172,542 0.321442	60,296 0.112330	232,838 0.433772
15	6310 Info Orig/Term Exp	Input 67 * 22 Factors 12	0 1,000000	0 0.250000	0 0.000000	0 0.000000
16	6400 Cable & Wire Fac Exp	Input 68 * 24 CWF 30	2,413,413 1,000000	604,312 0.250397	102,493 0.042468	706,805 0.292865
17	Total Plant Specific Expense	Sum(11:23)Odd Distribution	6,557,333 1,000000	1,836,598 0.280083	469,893 0.071659	2,306,491 0.351742

29 PLANT NONSPECIFIC OPERATING EXPENSES

30	6510 Other Prop & Equip	Input 59 * 32 Oth RB 20	0 1,000000	0 0.277890	0 0.069402	0 0.000000
31	6530 Network Operation Exp	Input 70 * 34 CWF 33	1,596,684 1,000000	443,606 0.277830	110,879 0.069443	554,486 0.347273
32	6540 Access Expense	Input 71 * 36 DIRECT	0 1,000000	0 0.000000	0 0.000000	0 0.000000
33	6540 Universal Service Assignment	Input 72 * 38 DIRECT	613,641 1,000000	613,641 1,000000	0 0.000000	613,641 1.000000
34	Total Plant NonSpecific Exp	31+33+35+37 Distribution	2,210,325 1,000000	1,057,248 0.478322	110,879 0.050164	1,168,127 0.528487

42

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COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: 2003 Historical Cost Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	6561 DEPRECIATION EXPENSE - TPIS					
10						
11	General Support Facilities	Input 73 * 12 CWF 33	1,785,207 1.000000	495,984 0.277830	123,971 0.069443	619,955 0.347273
12						
13	Central Office Equipment	Input 74 * 14	0	0	0	0
14	Operator Sys	COE 17	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 74 * 16	3,826,733	1,446,768	0	1,446,768
16	Switching	COE 25	1.000000	0.378069	0.000000	0.378069
17	Central Office Equipment	Input 75 * 18	1,065,382	226,105	350,484	576,590
18	Transmission	COE 44	1.000000	0.212230	0.328976	0.541205
19	Infor Orig/Term Equipment	Input 76 * 20 Factors 12	0 1.000000	0 0.250000	0 0.000000	0 0.000000
20						
21	Cable & Wire Facilities	Input 77 * 22	3,070,765	768,912	130,409	899,321
22		CWF 30	1.000000	0.250397	0.042468	0.292865
23						
24	Total 6561 Depreciation Exp	Sum(11:21)Odd Distribution	9,748,087 1.000000	2,937,769 0.301369	604,865 0.062050	3,542,634 0.363418
25						
26						
27						
28	6562 Depr Plant Held Future	Input 78 * 27 Oth RB 20	0 1.000000	0 0.277890	0 0.069402	0 0.000000
29						
30						
31	6563 Amort Tangible Assets	Input 79 * 30 Oth RB 13	0 1.000000	0 0.378069	0 0.000000	0 0.000000
32						
33						
34	6564 Amort Intangible Assets	Input 80 * 33 Oth RB 20	0 1.000000	0 0.277890	0 0.069402	0 0.000000
35						
36						
37	6565 Amort Plant Acquisition	Input 81 * 36 Oth RB 20	0 1.000000	0 0.277890	0 0.069402	0 0.000000
38						
39						
40						
41	Total Depr & Amort Expense	22+26+29+32+35 Distribution	9,748,087 1.000000	2,937,769 0.301369	604,865 0.062050	3,542,634 0.363418
42						

COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: 2003 Historical Cost Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	6610 MARKETING EXPENSE	Input 82 * 10 Factors 65	820,937 1.000000	343,096 0.417933	0 0.000000	343,096 0.417933
10						
11						
12	6620 TELEPHONE OPERATOR & PUBLISHED DIRECTORY					
13						
14	Telephone Operator Service	Input 83 * 15 Factors 71	0 0.000000	0 0.000000	0 0.000000	0 0.000000
15						
16	Classified Directory Expense	Input 85 * 17 DIRECT	0 1.000000	0 0.000000	0 0.000000	0 0.000000
17						
18	Alpha Directory Expense	Input 84 * 18 Factors 67	0 1.000000	0 0.291829	0 0.000000	0 0.000000
19						
20	Foreign Directory Expense	Input 86 * 21 DIRECT	0 0.000000	0 0.000000	0 0.000000	0 0.000000
21						
22	TWX Directory Expense	Input 87 * 23 Factors 67	0 1.000000	0 0.291829	0 0.000000	0 0.000000
23						
24	Total 6620 Telephone Oper & Pub	Sum(14:22)Even Distribution	0 0.000000	0 0.000000	0 0.000000	0 0.000000
25						
26						
27	Account 6620 Cat 1 Customer Services					
28						
29	1.1 End User Serv Order Proc	Input 88 * 30 Factors 74	700,091 1.000000	0 0.000000	0 0.000000	0 0.000000
30						
31	1.1 Presubscription Srv Order	Input 89 * 32 DIRECT	446,006 1.000000	446,006 1.000000	0 0.000000	446,006 1.000000
32						
33	1.2 End User Payment & Coll	Input 90 * 34 Factors 77	1,159,715 1.000000	165,461 0.142674	0 0.000000	165,461 0.142674
34						
35	1.3 End User Billing	Input 91 * 36 Factors 80	477,084 1.000000	6,295 0.013194	0 0.000000	6,295 0.013194
36						
37	1.4 IXC Serv Ord Proc	Input 92 * 38 Factors 85	54,289 1.000000	14,473 0.266581	19,759 0.363953	34,231 0.630534
38						
39	1.5 IXC Payment & Collection	Input 93 * 40 Factors 88	66,245 1.000000	54,980 0.829952	0 0.000000	54,980 0.829952
40						
41	1.6 IXC Billing Inquiry	Input 94 * 42 Factors 91	56,976 1.000000	15,189 0.266589	20,735 0.363933	35,924 0.630522
42						
43	1.7 Coin Collection & Admin	Input 95 * 44 Factors 94	0 0.000000	0 0.000000	0 0.000000	0 0.000000
44						
45						
46	Total 6620 Cat 1 Cust Svc Exp	Sum(29:43)Odd Distribution	2,960,406 1.000000	702,403 0.237266	40,494 0.013679	742,897 0.250944
47						

COMPANY: **Gulf Telephone Company 250298**
 DESCRIPTION: **2003 Historical Cost Study Transmittal No. 18**
 TIME PERIOD: **December 31, 2003**

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 6620 Cat 2 CUSTOMER SERVICES EXPENSE					
10						
11	Toll Ticket Processing	Input 98 * 12	0	0	0	0
12		Factors 103	1.000000	0.000000	0.000000	0.000000
13	Local Message Processing	Input 99 * 14	0	0	0	0
14		Direct	1.000000	0.000000	0.000000	0.000000
15	Carrier Access B&C	Input 96 * 16	334,505	167,253	0	167,253
16		Factors 97	1.000000	0.500000	0.000000	0.500000
17	Other B&C	Input 100 * 18	486,809	0	0	0
18		Factors 100	1.000000	0.000000	0.000000	0.000000
19	End User B&C	Input 97 * 20	25,869	25,869	0	25,869
20		Direct	1.000000	1.000000	0.000000	1.000000
21	Total Account 6620 Cat 2	Sum(11:19)Odd	847,183	193,122	0	193,122
22		Distribution	1.000000	0.227957	0.000000	0.227957
23						
24	Total Accnt 6620 Cat 1 + Cat 2	Cust Exp 46 + 21	3,807,589	895,525	40,494	936,019
25		Distribution	1.000000	0.235195	0.010635	0.245830
26						
27	Cat 3 CUSTOMER SERVICES	Input 101 * 28	4,701	4,701	0	4,701
28		Direct	1.000000	1.000000	0.000000	1.000000
29						
30	Total 6610 + 6620	Cust Exp 9&24 +24+27	4,633,227	1,243,322	40,494	1,283,816
31		Distribution	1.000000	0.268349	0.008740	0.277089
32						
33	Big Three Expenses	See 35	10,500,147	2,888,103	462,443	3,350,545
34		Distribution	1.000000	0.275054	0.044042	0.319095
35	E30 + Plnt Exp 33 +Plnt Exp 23 + Plnt Exp 21+ Plnt Exp 19 + Plnt Exp 15 + Plnt Exp 17					
36						
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COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: 2003 Historical Cost Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	CORPORATE OPERATIONS EXPENSES					
10						
11	6710 Executive & Planning	Input 103 * 12 Cust Exp2 34	1,279,904 1.000000	352,042 0.275054	56,369 0.044042	408,411 0.319095
12						
13						
14						
15						
16						
17	6720 General & Administrative	Input 104 * 18 Cust Exp2 34	4,806,510 1.000000	1,322,048 0.275054	211,686 0.044042	1,533,734 0.319095
18						
19						
20	6720 General & Administrative Dir	Input 105 * 21 Direct	122,947 1.000000	122,947 1.000000	0 0.000000	122,947 1.000000
21						
22						
23	6720 Equal Access	Input 102 * 24 Factors 106	0 0.000000	0 0.000000	0 0.000000	0 0.000000
24						
25						
26	Total Corporate Operations	Sum(11:23)Odd Distribution	6,209,360 1.000000	1,797,037 0.289408	268,055 0.043169	2,065,092 0.332577
27						
28						
29	OPERATING TAXES					
30	Accnt 7200 Operating Taxes	Input 107 * 31 Oth RB 20	1,038,654 1.000000	288,631 0.277890	72,085 0.069402	360,716 0.347292
31						
32						
33	Accnt 7200 Operating Taxes Dir	Input 108 * 34 Direct	67,485 1.000000	16,592 0.245862		16,592 0.245862
34						
35						
36	Total Operating Taxes	30 + 33 Distribution	1,106,139 1.000000	305,223 0.275936	72,085 0.065168	377,308 0.341103
37						
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COMPANY: Gulf Telephone Company 250298
 DESCRIPTION: 2003 Historical Cost Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 7100 & 7300 Operating Expenses, Misc. Income, & Rent Revenue					
10						
11	7100 Other Expenses	Input 106 * 12	0	0	0	0
12		Oth RB 20	1.000000	0.277890	0.069402	0.000000
13	7300 Gains & Losses on Disp	Input 113 * 14	0	0	0	0
14		Oth RB 20	1.000000	0.277890	0.069402	0.000000
15	7300 Contributions & Fees	Input 114	115,422	33,404	4,983	38,387
16		Corp Exp 27	1.000000	0.289408	0.043169	0.332577
17	GSF Rent Revenue	Input 120 * 18	(262,908)	(73,044)	(18,257)	(91,301)
18		GSF 12	1.000000	0.277830	0.069443	0.347273
19	COE SW Rent Revenue	Input 121 * 20	(63,000)	(23,818)	0	(23,818)
20		COE 25	1.000000	0.378069	0.000000	0.378069
21	COE TR Rent Revenue	Input 122 * 22	0	0	0	0
22		COE 44	1.000000	0.212230	0.328976	0.000000
23	CWF Rent Revenue	Input 123 * 24	(45,407)	(11,370)	(1,928)	(13,298)
24		CWF 30	1.000000	0.250397	0.042468	0.292865
25						
26	Total Oper Expense & Income	Sum(11:23)Odd Distribution	(255,893)	(74,828)	(15,203)	(90,031)
27			0.351829	0.292418	0.059411	0.351829
28						
29	Accounts 7500, 7600, & 7900					
30						
31	Capital Lease Interest	Input 115 * 32	0	0	0	0
32		Oth RB 20	1.000000	0.277890	0.069402	0.000000
33	Customer Deposit Interest	Input 117 * 34	35,168	9,129	2,504	11,633
34		Def Oth 48	1.000000	0.259571	0.071207	0.330778
35	Extraordinary Items	Input 118 * 36	0	0	0	0
36		Oth RB 20	1.000000	0.277890	0.069402	0.000000
37	Inc Effect Jurs Rate Diff	Input 119 * 38	0	0	0	0
38		Oth RB 20	1.000000	0.277890	0.069402	0.000000
39						
40	Total 7500, 7600, & 7900	Sum(31:37)Odd Distribution	35,168	9,129	2,504	11,633
41			1.000000	0.259571	0.071207	0.330778
42						
43	Total Other Items	26 + 40	(220,724)	(65,699)	(12,699)	(78,398)
44						
45	Account 7340 Allowance for Funds					
46	Used During Construction	Input 112 * 47	0	0	0	0
47		Oth RB 20	1.000000	0.277890	0.069402	0.000000
48						
49	Total Oper Exp Less Depr	Summary 38 - Depr Exp 39 Distribution	20,495,659	6,173,728	948,707	7,122,436
50			1.000000	0.301221	0.046288	0.347509

FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

See reverse side for information
regarding public burden estimate.

Approved by OMB 3060-0355
Expires 07/31/2004

1. Name and Address of Reporting Company Gulf Telephone Company P. O. Box 430 Mebane, NC 27302	2. Reporting Period (a) Annual Period Covered: From: January 1, 2003 To: December 31, 2003 (b) Cumulative Period Covered: From: January 1, 2003 To: December 31, 2003
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FCC 492

RATE OF RETURN REPORT

(Read Instructions on Reverse Before Completing)

Dollar Amounts Shown in Thousands

June 24, 2004

3. Particulars	(A) Interstate Access		(B) Common Line		(C) Special Access	
	Current Year	Cumulative	Current Year	Cumulative	Current Year	Cumulative
1. Total Revenues	\$16,147	\$16,147	\$7,599	\$7,599	\$3,694	\$3,694
2. Total Expenses and Taxes	\$12,762	\$12,762	\$6,353	\$6,353	\$2,490	\$2,490
3. Oper. Inc. (Net Return) (1-2)	\$3,385	\$3,385	\$1,246	\$1,246	\$1,204	\$1,204
4. Rate Base-(Avg. Net Invest.)	\$20,338	\$20,338	\$11,072	\$11,072	\$4,374	\$4,374
5. Rate of Return (3/4) Annualized	16.64%	16.64%	11.25%	11.25%	27.53%	27.53%
6. FCC Ordered Refund-Amortized for Current Period (see Inst. I)	\$0	\$0	\$0	\$0	\$0	\$0
7. Net Return (incl. Effect of FCC Ordered Refund) (3+6)	\$3,385	\$3,385	\$1,246	\$1,246	\$1,204	\$1,204
8. Rate of Return (incl. Effect of FCC Ordered Refund) (7/4) Annualized	16.64%	16.64%	11.25%	11.25%	27.53%	27.53%
Switched Traffic Sensitive						
3. Particulars	(D) End Office		(E) Information		(F) Local Transport	
	Current Year	Cumulative	Current Year	Cumulative	Current Year	Cumulative
1. Total Revenues	\$1,948	\$1,948	\$0	\$0	\$2,906	\$2,906
2. Total Expenses and Taxes	\$1,712	\$1,712	\$0	\$0	\$2,207	\$2,207
3. Oper. Inc. (Net Return) (1-2)	\$236	\$236	\$0	\$0	\$699	\$699
4. Rate Base-(Avg. Net Invest.)	\$1,576	\$1,576	\$0	\$0	\$3,316	\$3,316
5. Rate of Return (3/4) Annualized	14.97%	14.97%	0.00%	0.00%	21.08%	21.08%
6. FCC Ordered Refund-Amortized for Current Period (see Inst. I)	\$0	\$0	\$0	\$0	\$0	\$0
7. Net Return (incl. Effect of FCC Ordered Refund) (3+6)	\$236	\$236	\$0	\$0	\$699	\$699
8. Rate of Return (incl. Effect of FCC Ordered Refund) (7/4) Annualized	14.97%	14.97%	0.00%	0.00%	21.08%	21.08%
4. Rates of Return for the Switched Traffic Sensitive Category	5. Multiplicative Factor Used for Annualizing Rate of Return for Cumulative Measurement Period >> 1					
(a) Current Year 19.11%	(b) Cumulative 19.11%					
6. Total Out-of-Period Adjustment >> (see instruction K)						

7. CERTIFICATION: I certify that I am the chief financial officer or the duly assigned accounting officer; that I have examined the foregoing report; that to the best of my knowledge, information and belief, all statements of fact contained in this report are true and this report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the specified period.

Date	Typed Name of Person Signing Michael T. Skrivan	Title of Person Signing Vice President -- Revenues	Signature
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WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT(U.S. CODE, TITLE 18, Section 100 1), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT(U.S. CODE, TITLE 47, Section 312(a)(1)). AND/OR FORFEITURE (U.S. CODE, TITLE 47, Section 5030).

Revenue Requirement and Access Rate Reconciliation

Rate Element	Prospective Revenue Requirement	Annual Prospective Usage	Billable Units	Proposed Access Rate	Projected Revenue	Current Access Rate	Current Rate Times Proj. Usage	2003 Actual Demand	Current Rates Times 2003 Demand
Traffic Sensitive:									
Local Switching	1,786,989	146,955,956	Access MOU	0.012160	1,786,984	0.012177	1,789,483	173,017,832	2,106,838
Local Transport									
VG Entrance Facilities	2,134	84	Termination	25.40	2,134	32.24	2,708	84	2,708
DS1 Entrance Facilities	51,645	696	Termination	74.20	51,643	94.18	65,549	696	65,549
DS3 Entrance Facilities	82,634	96	Termination	860.77	82,634	1,092.53	104,883	108	117,993
Tandem Switched Facility	79,130	1,617,897,143	Miles	0.000049	79,277	0.000049	79,277	1,617,897,143	79,277
Tandem Switched Mileage Terms	67,366	278,262,346	Termination	0.000242	67,339	0.000243	67,618	278,262,346	67,618
Tandem Switching	775,833	185,286,409	Minutes	0.004187	775,794	0.005422	1,004,623	185,286,409	1,004,623
DT Transport VG Channel Mileage Facility	891	780	Miles	1.14	891	1.48	1,154	780	1,154
DT Transport VG Channel Mileage Term	1,371	120	Termination	11.42	1,371	14.88	1,786	120	1,786
DT Transport DS1 Channel Mileage Facility	106,322	13,164	Miles	8.08	106,365	10.52	138,485	13,164	138,485
DT Transport DS1 Channel Mileage Term	111,661	2,808	Termination	39.77	111,674	51.80	145,454	2,808	145,454
DT Transport DS3 Channel Mileage Facility	2,661	48	Miles	55.44	2,661	72.23	3,467	60	4,334
DT Transport DS3 Channel Mileage Term	13,306	60	Termination	221.76	13,306	411.55	24,693	84	34,570
MUX (DS3-DS1)	107,254	288	Per Arrangement	372.41	107,254	372.41	107,254	288	107,254
MUX (DS1-DS0)	6,901	48	Per Arrangement	143.78	6,901	143.78	6,901	48	6,901
Special Access:									
Channel Termination									
Telegraph Grade, 2-Wire	-	-	Termination	20.72	-	27.76	-	-	-
Telegraph Grade, 4-Wire	-	-	Termination	33.16	-	44.43	-	-	-
Voice Grade, 2-Wire	2,238	108	Termination	20.72	2,238	27.76	2,998	120	3,331
Voice Grade, 4-Wire	39,796	1,200	Termination	33.16	39,792	44.43	53,316	1,332	59,181
DS1 High Cap	719,553	7,428	Termination	96.87	719,550	129.78	964,006	7,428	964,006
DS3 High Cap w/in CO	256,208	228	Termination	1,123.72	256,208	1,505.48	343,249	228	343,249
DS3 High Cap 0-3 miles from CO	-	-	Termination	1,528.19	-	2,047.36	-	-	-
DS3 High Cap over 3 miles from CO	-	-	Termination	1,830.86	-	2,452.85	-	-	-
OC3 w/in CO	-	-	Termination	754.24	-	1,010.48	-	-	-
OC3 0-3 miles from CO	-	-	Termination	1,158.71	-	1,552.36	-	-	-
OC3 over 3 miles from CO	-	-	Termination	1,461.38	-	1,957.85	-	-	-
OC12 w/in CO	-	-	Termination	2,801.47	-	3,753.21	-	-	-
OC12 0-3 miles from CO	-	-	Termination	3,006.14	-	4,027.41	-	-	-
OC12 over 3 miles from CO	-	-	Termination	3,308.80	-	4,432.89	-	-	-
DDS, 4-Wire	124,953	3,276	Termination	38.14	124,947	51.10	167,404	3,636	185,800
Mux (DS1 - DSO)	82,817	576	Per Arrangement	143.78	82,817	143.78	82,817	708	101,796
Mux (DS3-DS1)	263,666	708	Per Arrangement	372.41	263,666	372.41	263,666	576	214,508

Revenue Requirement and Access Rate Reconciliation

Rate Element	Prospective Revenue Requirement	Annual Prospective Usage	Billable Units	Proposed Access Rate	Projected Revenue	Current Access Rate	Current Rate Times Proj. Usage	2003 Actual Demand	Current Rates Times 2003 Demand
Channel Mileage									
Channel Mileage	13,452	9,024	Miles	1.49	13,446	2.05	18,499	10,020	20,541
Channel Mileage Term	11,454	768	Terminations	14.91	11,451	20.51	15,752	852	17,475
DS1 Hi - Cap Channel Mile Facility	579,878	54,996	Miles	10.54	579,658	14.50	797,442	54,996	797,442
DS1 Hi - Cap Channel Mile Term.	351,969	6,780	Terminations	51.91	351,950	71.39	484,024	6,780	484,024
DS3 Hi - Cap Channel Mile Facility	129,407	1,788	Miles	72.38	129,415	99.53	177,960	1,788	177,960
DS3 Hi - Cap Channel Mile Term.	83,379	288	Terminations	289.51	83,379	398.13	114,661	288	114,661
OC3 Channel Mile Facility	-	-	Miles	99.53	-	99.53	-	-	-
OC3 Channel Mile Term.	-	-	Terminations	398.13	-	398.13	-	-	-
OC12 Channel Mile Facility	-	-	Miles	423.88	-	423.88	-	-	-
OC12 Channel Mile Term.	-	-	Terminations	2,332.43	-	2,332.43	-	-	-
DDS Channel Mile Facility	40,236	18,444	Miles	2.18	40,208	3.00	55,332	20,496	61,488
DDS Channel Mile Term.	65,225	2,976	Terminations	21.92	65,234	30.14	89,697	3,300	99,462
DSL Services									
ADSL Line Charge	207	12	ADSL	17.21	207	28.34	340	-	-
ADSL Monthly Plan	15,446	924	ADSL	16.72	15,446	27.52	25,428	924	25,428
ADSL Price Option One	6,560	72	Locations	91.11	6,560	150.00	10,800	72	10,800
ADSL Price Option Two	25,512	120	Locations	212.60	25,512	350.00	42,000	120	42,000
ADSL Price Option Three	3,280	12	Locations	273.34	3,280	450.00	5,400	-	-
ADSL One Year Option One	183	12	ADSL	15.25	183	25.11	301	-	-
ADSL One Year Option Two	165	12	ADSL	13.78	165	22.69	272	-	-
ADSL One Year Option Three	147	12	ADSL	12.29	147	20.23	243	-	-
ADSL Three Year Option One	36,055	2,616	ADSL	13.78	36,055	22.69	59,357	5,616	127,427
ADSL Three Year Option Two	75,942	6,180	ADSL	12.29	75,942	20.23	125,021	90,180	1,824,341
ADSL Three Year Option Three	1,001,437	87,000	ADSL	11.51	1,001,437	18.95	1,648,650	-	-
DSL Connection Charge - DS1	1,267	12	Connections	105.58	1,267	173.82	2,086	-	-
DSL Connection Charge - DS3	8,799	12	Connections	733.22	8,799	1,207.09	14,485	12	14,485
Bridging									
Bridging: Voice	259	60	Bridge Port	4.32	259	5.10	306	60	306
Data	311	72	Bridge Port	4.32	311	5.10	367	72	367
Telemetry and Alarm	-	-	Bridge Port	8.89	-	8.89	-	-	-
Conditioning									
Conditioning: C-Type	407	72	Channel term.	5.65	407	5.65	407	72	407
Gain	-	-		12.90	-	12.90	-	-	-
Improved Return Loss	121	24	Point of term.	5.04	121	10.05	241	24	241
Signaling	-	-	Per Channel	6.50	-	6.50	-	-	-
Total	7,136,430				7,136,286		9,109,865		9,575,273

Gallatin River Communications, LLC

Interstate Access Rate Development

Transmittal No. 18

DEMAND ANALYSIS

Usage Data:	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Calculated Demand Ratio	Projected Demand Ratio	DSL Demand Adjustment	Projected Demand
<u>Local Switching MOU</u>								
	192,570,590	192,141,621	203,701,646	173,017,832	0.8494	0.8494		146,955,956
<u>800 Database Queries:</u>								
Basic	13,385,565	13,893,727	18,718,878	30,784,866	1.6446	1.0000		30,784,866
<u>Local Transport</u>								
<u>Entrance Facility:</u>								
Voice Grade	6	6	7	7	1.0000	1.0000		7
DS1	15	22	52	58	1.1154	1.0000		58
DS3	4	4	9	9	1.0000	0.9000		8
MUX Service DS1-DS0	4	5	6	4	0.6667	1.0000		4
MUX Service DS3-DS1	3	24	23	24	1.0435	1.0000		24
<u>Mileage Facility</u>								
Voice Grade	64	65	65	65	1.0000	1.0000		65
DS1	1,040	910	991	1,097	1.1070	1.0000		1,097
DS3	1	1	11	5	0.4545	0.7500		4
<u>Mileage Terminations</u>								
Voice Grade	5	4	10	10	1.0000	1.0000		10
DS1	149	140	244	234	0.9590	1.0000		234
DS3	1	-	5	7	1.4000	0.7500		5
Tandem Switched Termination	167,571,182	187,213,828	241,226,615	278,262,346	1.1535	1.0000		278,262,346
Tandem Switched Facility	1,274,273,811	1,423,643,822	1,686,842,082	1,617,897,143	0.9591	1.0000		1,617,897,143
Tandem Switch MOU	26,775,656	24,994,925	70,026,832	185,286,409	2.6459	1.0000		185,286,409

Gallatin River Communications, LLC
Interstate Access Rate Development
Transmittal No. 18
DEMAND ANALYSIS

Usage Data:	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Calculated Demand Ratio	Projected Demand Ratio	DSL Demand Adjustment	Projected Demand
Special Access								
Channel Termination								
Voice Grade: 2-wire	15	14	12	10	0.8333	0.9000		9
Voice Grade: 4-wire	187	150	133	111	0.8346	0.9000		100
Program Audio	-	-	-	-	-	1.0000		-
Hi-Cap: DS-1	436	527	579	619	1.0691	1.0000		619
DS3 High Cap w/in CO	7	12	16	19	1.1875	1.0000		19
DS3 High Cap 0-3 miles from CO	-	-	-	-	-	1.0000		-
DS3 High Cap over 3 miles from CO	-	-	-	-	-	1.0000		-
OC3 w/in CO	-	-	-	-	-	1.0000		-
OC3 0-3 miles from CO	-	-	-	-	-	1.0000		-
OC3 High Cap over 3 miles from CO	-	-	-	-	-	1.0000		-
OC12 w/in CO	-	-	-	-	-	1.0000		-
OC12 0-3 miles from CO	-	-	-	-	-	1.0000		-
OC12 High Cap over 3 miles from CO	-	-	-	-	-	1.0000		-
DDS:	367	396	362	303	0.8370	0.9000		273
MUX: DS1-DS0	47	64	58	48	0.8276	1.0000		48
MUX: DS3-DS1	4	63	71	59	0.8310	1.0000		59
Channel Mileage								
Voice Grade Channel Mileage Facility	1,063	1,042	1,014	835	0.8235	0.9000		752
Voice Grade Channel Mileage Term	124	102	100	71	0.7100	0.9000		64
DS1 Hi-Cap Channel Mileage Facility	2,899	3,742	4,186	4,583	1.0948	1.0000		4,583
DS1 Hi-Cap Channel Mileage Term	414	493	558	565	1.0125	1.0000		565
DS 3 Hi-Cap Channel Mileage Facility	42	78	116	149	1.2845	1.0000		149
DS3 Hi-Cap Channel Mileage Term	7	13	26	24	0.9231	1.0000		24
OC3 Channel Mileage Facility	-	-	-	-	-	1.0000		-
OC3 Hi-Cap Channel Mileage Term	-	-	-	-	-	1.0000		-
OC12 Channel Mileage Facility	-	-	-	-	-	1.0000		-
OC12 Hi-Cap Channel Mileage Term	-	-	-	-	-	1.0000		-
DDS Channel Mileage Facility	2,209	2,630	2,557	1,708	0.6680	0.9000		1,537
DDS Channel Mileage Term	312	338	326	275	0.8436	0.9000		248

Gallatin River Communications, LLC
Interstate Access Rate Development
Transmittal No. 18
DEMAND ANALYSIS

Usage Data:	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Calculated Demand Ratio	Projected Demand Ratio	DSL Demand Adjustment	Projected Demand
DSL Services								
ADSL Line Charge	-	-	-	-	-	1.0000	1	1
ADSL Monthly Plan	-	-	53	77	1.4528	1.0000		77
ADSL Price Option One	-	-	7	6	0.8571	1.0000		6
ADSL Price Option Two	-	-	8	10	1.2500	1.0000		10
ADSL Price Option Three	-	-	-	-	-	1.0000	1	1
ADSL One Year Option One	-	-	-	-	-	1.0000	1	1
ADSL One Year Option Two	-	-	-	-	-	1.0000	1	1
ADSL One Year Option Three	-	-	-	-	-	1.0000	1	1
ADSL Three Year Option One	-	-	439	468	1.0661	1.0000	(250)	218
ADSL Three Year Option Two	-	-	4,508	7,515	1.6670	1.0000	(7,000)	515
ADSL Three Year Option Three	-	-	-	-	-	1.0000	7,250	7,250
DSL Connection Charge - DS1	-	-	-	-	-	1.0000	1	1
DSL Connection Charge - DS3	-	-	1	1	1.0000	1.0000		1
Bridging								
Bridging - Voice	15	15	11	5	0.4545	1.0000		5
Data	17	10	6	6	1.0000	1.0000		6
Conditioning								
C-Type	7	7	6	6	1.0000	1.0000		6
Improved Return Loss	-	-	3	2	0.6667	1.0000		2

1 Gallatin River Communications, LLC
2 Interstate Access Rate Development
3 Transmittal No. 18

4 Development of Local Switching Rates

	B <u>Cost Elements:</u>	C <u>Total LS</u>	D <u>LS per MOU</u>
8	Revenue Requirement	1,786,989	1,786,989
9	Demand		146,955,956
10	Rates:		0.012160
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21		800 Database Charge	
22		Basic	Enhanced
23	Costs	105,438	2,500
24			
25	Demand	30,784,866	-
26			
27	Rates	0.003425	0.000000

1	Gallatin River Communications, LLC			Printed:	6/17/04 7:18 PM	
2	Interstate Access Rate Development					
3	Transmittal No. 18					
4	B	C	D	E	F	G
5	Development of Local Transport Rates					
7						
8	Special Access Rates:	Channel Terminations	Channel Facility Mileage	Channel Mileage Terminations	Demand	Revenue
9						
10	Voice Grade	33.16	1.49	14.91		
11	DS1	96.87	10.54	51.91		
12	DS3 High Cap w/in CO	1,123.72	72.38	289.51		
13						
14						
15			-	-		
16						
17						
18			-	-		
19						
20						
21						
22	Entrance Facility Rates:				(monthly)	
23	Voice Grade	25.40			7	2,133.87
24	DS1	74.20			58	51,645.11
25	DS3	860.77			8	82,633.93
26						136,412.91
27						
28						
29	Direct Trunked Transport:					
30						
31	MUX Service DS1-DS0		143.78		4	6,901
32	MUX Service DS3-DS1		372.41		24	107,254
33						
34	<u>Mileage Facility</u>					
35	Voice Grade	1.14			65	890.67
36	DS1	8.08			1097	106,321.73
37	DS3	55.44			4	2,661.10
38						109,873.50

1	Gallatin River Communications, LLC			Printed:	6/17/04 7:18 PM	
2	Interstate Access Rate Development					
3	Transmittal No. 18					
4	B	C	D	E	F	G
5	Development of Local Transport Rates					
39	Mileage Terminations					
40	Voice Grade			11.42	10	1,370.92
41	DS1			39.77	234	111,660.78
42	DS3			221.76	5	13,305.84
43						126,337.55
44						
45	Tandem Switched Transport Rate Development					
46						
47						
48						
49	Units	Monthly Quantity	Direct Trunk Transport Rates	Revenue Requirement	Demand	Rates
50						
51	Channel Mileage Facility			(Default)		
52	Voice Grade	0	1.43	-	-	
53	DS1	624	10.12	75,795		
54	DS3	4	69.48	3,335		
55						
56	Total			79,130	1,617,897,143	0.000049
57						
58						
59	Channel Mileage Terminations					
60	Voice Grade	10	11.71	1,405		
61	DS1	107	40.75	52,325		
62	DS3	5	227.26	13,636		
63						
64				67,366	278,262,346	0.000242
65						
66						
67	Tandem Switching			775,833	185,286,409	0.004187
68						

1	Gallatin River Communications, LLC		Printed:	6/17/04 7:27 PM					
2	Interstate Access Rate Development								
3	Transmittal No. 18								
4	B	C	D	E	F	G	H	I	J
5	Special Access Channel Termination Rate Development								
6									
46	DSL Services								
47	ADSL Line Charge	207	1	17.21					
48	ADSL Monthly Plan	15,446	77	16.72					
49	ADSL Price Option One	6,560	6	91.11					
50	ADSL Price Option Two	25,512	10	212.60					
51	ADSL Price Option Three	3,280	1	273.34					
52	ADSL One Year Option One	183	1	15.25					
53	ADSL One Year Option Two	165	1	13.78					
54	ADSL One Year Option Three	147	1	12.29					
55	ADSL Three Year Option One	36,055	218	13.78					
56	ADSL Three Year Option Two	75,942	515	12.29					
57	ADSL Three Year Option Three	1,001,437	7,250	11.51					
58	DSL Connection Charge - DS1	1,267	1	105.58					
59	DSL Connection Charge - DS3	8,799	1	733.22					
60									
69	Bridging								
71	Bridging - Voice	259	5	4.32					
72	Data	311	6	4.32					
75									
76	Conditioning								
77	C-Type	407	6	5.65					
80	Improved Return Loss	121	2	5.04					

1	Gallatin River Communications, LLC		Printed:	6/17/04 7:18 PM					
2	Interstate Access Rate Development								
3	Transmittal No. 18								
4	B	C	D	E	F	G	H	I	J
5	Special Access Channel Termination Rate Development								
6									
165	Development of Channel Mileage and Channel Mileage Term Rates								
166									
167									
168			Equivalent	Weighted	Revenue				
169		Special Study	VG CMF	Equivalent	Requirement				
170									
171	Voice Grade Channel Mileage Facility	2.05	1.00	752	13,452				
172	Voice Grade Channel Mileage Term	20.51	10.00	640	11,454				
173	Hi-Cap Channel Mileage Facility	14.5	7.07	32416	579,878				
174	Hi-Cap Channel Mileage Term	71.39	34.82	19676	351,969				
175	DS3 Hi-Cap Channel Mileage Facility	99.53	48.55	7234	129,407				
176	DS3 Hi-Cap Channel Mileage Term	398.13	194.21	4661	83,379				
177	OC3 Channel Mileage Facility	99.53	48.55	0	-				
178	OC3 Channel Mileage Term	398.13	194.21	0	-				
179	OC12 Channel Mileage Facility	423.88	206.77	0	-				
180	OC12 Channel Mileage Term	2332.43	1137.77	0	-				
181	DDS Channel Mileage Facility	3	1.46	2249	40,236				
182	DDS Channel Mileage Term	30.14	14.70	3646	65,225				
183	Total			71275	1,275,000				
184									
185	Development of DSL Rates								
186		Current Rates	Proj Demand	Extended	Curr RR	New Rates			
187	DSL Services								
188	ADSL Line Charge	28.34	1	340.08	207	17.21			
189	ADSL Monthly Plan	27.52	77	25,428.48	15,446	16.72			
190	ADSL Price Option One	150.00	6	10,800.00	6,560	91.11			
191	ADSL Price Option Two	350.00	10	42,000.00	25,512	212.60			
192	ADSL Price Option Three	450.00	1	5,400.00	3,280	273.34			
193	ADSL One Year Option One	25.11	1	301.32	183	15.25			
194	ADSL One Year Option Two	22.69	1	272.28	165	13.78			
195	ADSL One Year Option Three	20.23	1	242.76	147	12.29			
196	ADSL Three Year Option One	22.69	218	59,357.04	36,055	13.78			
197	ADSL Three Year Option Two	20.23	515	125,021.40	75,942	12.29			
198	ADSL Three Year Option Three	18.95	7250	1,648,650.00	1,001,437	11.51			
199	DSL Connection Charge - DS1	173.82	1	2,085.84	1,267	105.58			
200	DSL Connection Charge - DS3	1,207.09	1	14,485.08	8,799	733.22			
201	Total			1,934,384.28	1,175,000				

Rate-of Return TRP
Cost Analysis Summary
Test Year, 7/04 - 7/05

	Total Company (A)	ROR Regulated I/S Access (H)	Pay Phone (I)	BFP (K)	Local Switching (M)	Tandem Switching (Q)	Local Transport (R)	Host Remote (S)	Special Access (U)
Revenues									
100 Network Access	n/a	14,474,904	95,491	7,242,953	1,786,989	775,833	422,634	210,672	3,940,331
110 Uncollectibles	n/a	0	0	0	0	0	0	0	0
120 Common Line Support	n/a	0	0	(765,852)	765,852	n/a	n/a	n/a	n/a
130 Long Term	n/a	0	0	0	0	n/a	n/a	n/a	n/a
140 Transitional	n/a	0	0	0	0	n/a	n/a	n/a	n/a
150 Miscellaneous	n/a	0	0	0	0	0	0	0	0
160 Net Revenues	n/a	14,474,904	95,491	6,477,101	2,552,841	775,833	422,634	210,672	3,940,331
Expenses									
170 Plant Specific	n/a	2,825,940	44,030	1,145,835	590,867	197,831	141,778	44,499	661,100
171 Network Support	122,344	36,599	345	15,524	6,862	1,992	810	618	10,449
172 General Support	3,042,069	910,030	8,583	385,994	170,617	49,520	20,149	15,363	259,805
173 Central Office	2,975,680	930,443	0	65,354	413,388	146,319	106,279	4,130	194,972
174 Operator Systems	0	0	0	0	0	0	0	0	0
175 COE Switching	2,080,229	650,451	0	0	413,388	146,319	90,744	4,130	0
176 COE Transmission	895,451	279,992	0	65,354	0	0	15,535	0	194,972
177 IOT	140,409	35,102	35,102	0	0	0	0	0	0
178 Cable & Wire Facilities	3,177,605	913,766	0	678,963	0	0	14,540	24,388	195,874
180 Plant Non-Sp. Less Dep/Amor	n/a	1,674,332	9,943	1,067,274	197,647	57,365	23,341	17,797	300,965
190 Depreciation / Amortization	9,566,886	2,983,560	2,509	1,092,077	583,995	169,498	79,161	46,259	1,010,060
200 Customer Operations	n/a	1,557,336	10,899	587,498	311,477	90,403	36,784	12,589	507,687
201 Marketing	715,122	239,947	2,263	101,775	44,986	13,057	5,313	4,051	68,503
202 Local Business Office	2,731,013	1,016,943	8,636	471,080	171,889	49,889	20,299	20	295,130
203 Revenue Accounting	1,495,006	300,446	0	14,643	94,602	27,457	11,172	8,518	144,054
204 Other Billing & Collection	278,204	0	0	0	0	0	0	0	0
210 Access	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
220 Corporate Operations	n/a	1,968,876	21,085	910,268	357,525	112,328	65,624	24,339	477,706
230 AFUDC	n/a	0	0	0	0	0	0	0	0
240 Other Exp. & Adjustments	n/a	(90,892)	61	2,734	(74,233)	(21,545)	143	109	1,840
250 Taxes Other than FIT	n/a	327,872	1,154	150,977	55,555	16,124	7,046	5,904	91,112
260 Total Exp and Other Taxes	n/a	11,247,024	89,681	4,956,663	2,022,833	622,004	353,877	151,496	3,050,470
FIT Adjustments									
270 Adjustment for FIT	0	0	0	0	0	0	0	0	0
280 Amortized ITC	0	0	0	0	0	0	0	0	0
290 Federal Income Taxes	n/a	1,129,758	2,034	532,153	185,503	53,840	24,065	20,712	311,451
300 Total Expenses & Taxes	n/a	12,376,782	91,715	5,488,816	2,208,336	675,844	377,942	172,208	3,361,921

Filing Date: 06/16/2004

Filing Entity: Gallatin River Communications, LLC

Rate-of Return TRP

Cost Analysis Summary

Test Year, 7/04 - 7/05

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COS-1(H)

Filing Date: 06/16/2004

Filing Entity: Gallatin River Communications, LLC

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**Rate-of Return TRP
Cost Analysis Summary
Historical, Calendar Year 2003**

		Subject to Separations (D)	ROR Regulated I/S Access (H)	Pay Phone (I)	BFP (K)	Local Switching (M)	Tandem Switching (Q)	Local Transport (R)	Host Remote (S)	Special Access (U)
Revenues										
100 Network Access		n/a	16,654,250	97,752	7,505,578	2,251,934	1,010,749	371,605	147,113	5,269,519
110 Uncollectibles		n/a	0	0	0	0	0	0	0	0
120 Common Line Support		n/a	0	0	(785,912)	785,912	n/a	n/a	n/a	n/a
130 Long Term		n/a	0	0	0	0	n/a	n/a	n/a	n/a
140 Transitional		n/a	0	0	0	0	n/a	n/a	n/a	n/a
150 Miscellaneous		n/a	0	0	0	0	0	0	0	0
160 Net Revenues		n/a	16,654,250	97,752	6,719,666	3,037,846	1,010,749	371,605	147,113	5,269,519
Expenses										
170 Plant Specific		n/a	2,819,379	44,320	1,151,061	586,462	196,446	140,966	44,567	655,559
171 Network Support		122,344	36,490	356	15,730	6,756	1,961	796	622	10,269
172 General Support		3,042,069	907,324	8,862	391,130	167,981	48,755	19,784	15,466	255,346
173 Central Office		2,975,681	926,698	0	65,238	411,725	145,730	105,846	4,091	194,070
174 Operator Systems		0	0	0	0	0	0	0	0	0
175 COE Switching		2,080,229	647,833	0	0	411,725	145,730	90,379	0	0
176 COE Transmission		895,451	278,865	0	65,238	0	0	15,467	4,091	194,070
177 IOT		140,409	35,102	35,102	0	0	0	0	0	0
178 Cable & Wire Facilities		3,177,605	913,765	0	678,963	0	0	14,540	24,388	195,874
180 Plant Non-Sp. Less Dep/Amor		n/a	1,671,197	10,266	1,073,224	194,594	56,479	22,918	17,916	295,800
190 Depreciation / Amortization		9,507,890	2,963,673	2,609	1,087,439	579,553	168,209	78,492	45,916	1,001,455
200 Customer Operations		n/a	1,557,337	11,237	593,306	307,856	89,352	36,257	12,823	506,506
201 Marketing		715,122	239,947	2,344	103,437	44,424	12,894	5,232	4,090	67,528
202 Local Business Office		4,504,223	1,016,943	8,894	475,227	168,800	48,992	19,880	20	295,130
203 Revenue Accounting		1,495,006	300,446	0	14,643	94,632	27,466	11,145	8,713	143,848
204 Other Billing & Collection		278,204	0	0	0	0	0	0	0	0
210 Access		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
220 Corporate Operations		n/a	1,965,988	21,397	915,911	353,971	111,263	65,060	24,480	473,906
230 AFUDC		n/a	0	0	0	0	0	0	0	0
240 Other Exp. & Adjustments		n/a	(90,894)	63	2,778	(74,249)	(21,550)	141	110	1,814
250 Taxes Other than FIT		n/a	489,293	1,240	167,830	92,183	33,638	3,516	1,258	189,627
260 Total Exp and Other Taxes		n/a	11,375,973	91,132	4,991,549	2,040,370	633,837	347,350	147,070	3,124,667
FIT Adjustments										
270 Adjustment for FIT		0	0	0	0	0	0	0	0	0
280 Amortized ITC		0	0	0	0	0	0	0	0	0
290 Federal Income Taxes		n/a	1,847,397	2,317	604,841	349,117	131,919	8,489	15	750,698
300 Total Expenses & Taxes		n/a	13,223,370	93,449	5,596,390	2,389,487	765,756	355,839	147,085	3,875,365

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Filing Date: 06/16/2004

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**Rate-of Return TRP
Cost Analysis Summary
Historical, Calendar Year 2003**

	Subject to Separations	ROR	Regulated I/S Access	Pay Phone	BFP	Local Switching	Tandem Switching	Local Transport	Host Remote	Special Access
Telephone Plant in Service	---	---	---	---	---	---	---	---	---	---
310 General Support	21,136,285	6,304,085	61,574	2,717,570	1,167,134	338,749	137,459	107,458	1,774,143	
320 Central Office Equip-Switch	46,549,981	10,986,198	0	0	8,514,851	2,471,347	0	0	0	0
321 Operator Systems	0	0	0	0	0	0	0	0	0	0
322 Tandem Switching	5,286,461	2,471,347	0	0	0	2,471,347	0	0	0	0
323 Local Switching Cat. 3	41,263,520	8,514,851	0	0	8,514,851	0	0	0	0	0
324 Equal Access	0	0	0	0	0	0	0	0	0	0
330 Central Office Equip-Trans	25,529,356	11,461,040	0	2,681,192	0	0	635,665	168,117	7,976,067	
331 Subscriber Lines	11,200,328	2,807,193	0	2,681,192	0	0	0	0	0	126,001
332 Exchange Circuit	4,735,227	3,488,542	0	0	0	0	0	0	0	3,488,542
333 Interexchange Circuit	8,847,475	4,997,188	0	0	0	0	0	635,665	0	4,361,524
334 Host Remote	746,326	168,117	0	0	0	0	0	0	168,117	0
340 Cable & Wire	80,239,564	23,074,020	0	17,144,893	0	0	367,169	615,842	4,946,116	
341 Subscriber Lines	71,620,537	17,950,607	0	17,144,893	0	0	0	0	0	805,714
342 Exchange	1,378,548	1,378,548	0	0	0	0	0	0	0	1,378,548
343 Interexchange	4,506,562	3,129,023	0	0	0	0	0	367,169	0	2,761,854
344 Host Remote	2,733,917	615,842	0	0	0	0	0	0	615,842	0
350 Info Orig/Term Equipment	1,881,307	470,327	449,216	0	0	0	0	0	0	21,111
360 Amortizable Assets	2,614,399	779,768	7,616	336,143	144,366	41,901	17,003	13,292	13,292	219,448
370 Total Plant In Service	177,950,892	53,075,438	518,406	22,879,798	9,826,351	2,851,997	1,157,296	904,709	904,709	14,936,885
Adjustments to TPIS	---	---	---	---	---	---	---	---	---	---
380 Depr / Amor Reserve	108,266,593	32,284,060	486,172	13,159,680	6,416,342	1,862,276	707,873	525,603	9,126,114	
390 Accum Deferred Income Tax	0	0	0	0	0	0	0	0	0	0
400 Other Rate Base Adjust.	n/a	614,185	5,999	264,763	113,710	33,003	13,392	10,469	10,469	172,849
Return Data	---	---	---	---	---	---	---	---	---	---
410 Average Rate Base	n/a	21,405,563	38,233	9,984,881	3,523,719	1,022,724	462,815	389,575	5,983,620	
420 Return	n/a	3,430,880	4,303	1,123,276	648,359	244,993	15,766	28	1,394,154	
430 Rate of Return	n/a	16.03%	11.25%	11.25%	18.40%	23.95%	3.41%	0.01%	23.30%	

Total Transport 1,875,114
 260,786
 13.91%

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	Common Line (A)	Traffic Sensitive Switched (B)	Traffic Sensitive Special (C)	Other Interstate (D)	Total Interstate (E)	Total Co. Subject to Separations (F)
Forecast, 7/04 - 6/05						
Revenue Requirement						
100 Depreciation/Amortization	1,094,586	878,913	1,010,060	0	2,983,559	9,566,886
105 Expense Less Dep & Amor	3,799,627	2,186,668	1,949,298	0	10,919,152	n/a
110 Taxes Less FIT	152,131	84,629	91,112	0	n/a	n/a
115 Return	992,061	527,651	578,410	n/a	n/a	n/a
120 FIT	534,187	284,120	311,451	n/a	n/a	n/a
125 Uncol., IDC & Other Adj.	0	0	0	n/a	n/a	n/a
130 Revenue Requirement	6,572,592	3,961,980	3,940,331	n/a	n/a	n/a
135 Access Service Revenue	6,572,592	3,961,980	3,940,331	n/a	n/a	n/a
	---	---	---	---	---	---
Rate Base						
140 Telephone Plant in Service	23,742,469	15,382,853	15,632,938	0	54,758,260	183,047,095
145 Rate Base Adjustments	251,224	162,769	165,415	0	579,408	n/a
150 Depreciation Reserves	15,175,608	10,855,473	10,657,063	0	36,688,144	122,293,196
155 Accum Deferred Income Tax	0	0	0	0	0	0
160 Average Rate Base	8,818,085	4,690,149	5,141,290	0	18,649,524	n/a
Actual, 1/03- 12/03						
Revenue Requirement						
200 Depreciation/Amortization	1,090,048	872,170	1,001,455	0	2,963,673	9,507,890
205 Expense Less Dep & Amor	3,823,563	2,165,862	1,933,585	0	7,923,007	n/a
210 Taxes Less FIT	169,070	130,596	189,627	0	n/a	n/a
215 Return	1,127,579	909,146	1,394,154	n/a	n/a	n/a
220 FIT	607,158	489,540	750,698	n/a	n/a	n/a
225 Uncol., IDC & Other Adj.	0	0	0	n/a	n/a	n/a
230 Revenue Requirement	6,817,418	4,567,313	5,269,519	n/a	n/a	n/a
235 Access Service Revenue	6,817,418	4,567,313	5,269,519	n/a	n/a	n/a
	---	---	---	---	---	---
Rate Base						
240 Telephone Plant in Service	23,398,204	14,740,353	14,936,885	0	53,075,438	177,950,892
245 Rate Base Adjustments	270,762	170,574	172,849	0	614,185	n/a
250 Depreciation Reserves	13,645,852	9,512,094	9,126,114	0	32,284,060	108,266,593
255 Accum Deferred Income Tax	0	0	0	0	0	0
260 Average Rate Base	10,023,114	5,398,833	5,983,620	0	21,405,567	n/a

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	Common Line (A)	Traffic Sensitive Switched (B)	Traffic Sensitive Special (C)	Other Interstate (D)	Total Interstate (E)	Total Co. Subject to Separations (F)
Forecast, 7/03 - 6/04						
Revenue Requirement						
100 Depreciation/Amortization	0	0	0	0	0	0
105 Expense Less Dep & Amor	0	0	0	0	0	n/a
110 Taxes Less FIT	0	0	0	0	n/a	n/a
115 Return	0	0	0	0	n/a	n/a
120 FIT	0	0	0	0	n/a	n/a
125 Uncol., IDC & Other Adj.	0	0	0	0	n/a	n/a
130 Revenue Requirement	0	0	0	0	n/a	n/a
135 Access Service Revenue	0	0	0	0	n/a	n/a
	----	----	----	----	----	----
Rate Base						
140 Telephone Plant in Service	0	0	0	0	0	0
145 Rate Base Adjustments	0	0	0	0	0	n/a
150 Depreciation Reserves	0	0	0	0	0	0
155 Accum Deferred Income Tax	0	0	0	0	0	0
160 Average Rate Base	0	0	0	0	0	n/a
Actual, 1/02 - 12/02						
Revenue Requirement						
200 Depreciation/Amortization	1,093,101	820,373	816,535	0	2,730,009	9,359,743
205 Expense Less Dep & Amor	4,513,674	1,240,101	1,766,634	0	7,520,409	n/a
210 Taxes Less FIT	174,891	151,557	119,570	0	446,018	n/a
215 Return	1,214,547	1,115,233	864,527	0	3,194,307	n/a
220 FIT	653,987	600,509	465,514	0	1,720,010	n/a
225 Uncol., IDC & Other Adj.	0	0	0	0	0	n/a
230 Revenue Requirement	7,650,200	3,927,773	4,032,780	0	15,610,753	n/a
235 Access Service Revenue	7,650,200	3,927,773	4,032,780	0	n/a	n/a
	----	----	----	----	----	----
Rate Base						
240 Telephone Plant in Service	22,979,917	13,620,388	12,283,866	0	48,884,171	173,468,372
245 Rate Base Adjustments	590,117	349,767	315,446	0	1,255,330	n/a
250 Depreciation Reserves	12,773,841	8,148,961	7,129,030	0	28,051,832	99,466,761
255 Accum Deferred Income Tax	0	0	0	0	0	0
260 Average Rate Base	10,796,182	5,821,195	5,470,282	0	22,087,659	n/a

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	Common Line (A)	Traffic Sensitive Switched (B)	Traffic Sensitive Special (C)	Other Interstate (D)	Total Interstate (E)	Total Co. Subject to Separations (F)
Forecast, 7/02 - 6/03	---	---	---	---	---	---
Revenue Requirement	---	---	---	---	---	---
100 Depreciation/Amortization	1,168,265	811,804	1,101,358	0	3,081,427	10,018,998
105 Expense Less Dep & Amor	3,171,643	2,142,196	1,996,682	0	10,391,950	n/a
110 Taxes Less FIT	174,961	93,182	136,719	0	n/a	n/a
115 Return	1,217,424	637,482	948,691	0	n/a	n/a
120 FIT	655,536	343,260	510,833	0	n/a	n/a
125 Uncol., IDC & Other Adj.	0	0	0	0	n/a	n/a
130 Revenue Requirement	6,387,829	4,027,924	4,694,283	0	n/a	n/a
135 Access Service Revenue	6,387,829	4,027,924	4,694,283	0	n/a	n/a
Rate Base	---	---	---	---	---	---
140 Telephone Plant in Service	22,805,985	13,237,889	18,085,072	0	54,128,946	179,118,301
145 Rate Base Adjustments	583,757	338,846	462,917	0	1,385,520	n/a
150 Depreciation Reserves	12,568,460	7,910,372	10,115,391	0	30,594,223	101,845,722
155 Accum Deferred Income Tax	0	0	0	0	0	0
160 Average Rate Base	10,821,282	5,666,363	8,432,598	0	24,920,243	n/a
Actual, 1/01 - 12/01	---	---	---	---	---	---
Revenue Requirement	---	---	---	---	---	---
200 Depreciation/Amortization	1,173,532	774,777	717,410	0	2,665,719	9,498,565
205 Expense Less Dep & Amor	3,107,951	1,928,418	1,445,855	0	6,482,224	n/a
210 Taxes Less FIT	207,219	216,193	100,319	0	523,731	n/a
215 Return	1,315,453	1,563,116	635,235	0	3,513,804	n/a
220 FIT	708,321	841,678	342,050	0	1,892,049	n/a
225 Uncol., IDC & Other Adj.	0	0	0	0	0	n/a
230 Revenue Requirement	6,512,476	5,324,182	3,240,869	0	15,077,527	n/a
235 Access Service Revenue	6,512,476	5,324,182	3,240,869	n/a	n/a	n/a
Rate Base	---	---	---	---	---	---
240 Telephone Plant in Service	22,491,982	12,606,382	10,980,090	0	46,078,454	167,657,131
245 Rate Base Adjustments	1,254,162	702,937	612,254	0	2,569,353	n/a
250 Depreciation Reserves	12,172,454	7,172,074	6,142,907	0	25,487,435	92,702,865
255 Accum Deferred Income Tax	0	0	0	0	0	0
260 Average Rate Base	11,573,690	6,137,245	5,449,437	0	23,160,372	n/a

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Rate-of-Return TRP

Switched Access Revenue

	Minute or Message Rate (A)	Minute Miles Rate (B)	Line or Trunk Rate (C)	Minute or Message Demand (D)	Minute Miles Demand (E)	Line or Trunk Demand (F)	Access Revenue (G)	Revenue Requirement (H)
Common Line								
100 Multi-line Business EUCL	n/a	n/a	0.00	n/a	n/a	0	0	n/a
110 Single Line Business EUCL	n/a	n/a	0.00	n/a	n/a	0	0	n/a
120 Residential EUCL	n/a	n/a	0.00	n/a	n/a	0	0	n/a
130 Special Access Surcharge	n/a	n/a	0.00	n/a	n/a	12	0	n/a
140 Terminating CCL Premium	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
150 Terminating CCL Non-Prem.	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
160 Originating CCL Premium	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
170 Originating CCL Non-Prem.	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
180 Common Line -- Total	n/a	n/a	n/a	n/a	n/a	n/a	0	0
Information								
190 Directory Assistance	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
200 White Page Surcharge Prem.	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
210 White Pg. Surcharge Non-Prem.	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
220 Other Information	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
230 Information -- Total	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Local Switching								
240 Premium	0.012160	n/a	n/a	146,955,956	n/a	n/a	1,786,984	n/a
250 Non-Premium	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
260 Equal Access	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
270 Switching -- Total	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1,786,989
Local Transport								
280 Premium LT Term.	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
290 Non-Prem. LT Term	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
300 Premium LT Facility	n/a	0.000000	n/a	n/a	0	n/a	0	n/a
310 Non-Prem. LT Facility	n/a	0.000000	n/a	n/a	0	n/a	0	n/a
320 Tandem Switching	0.004187	n/a	n/a	185,286,409	n/a	n/a	775,794	n/a
330 TST Termination	0.000242	n/a	n/a	278,262,346	n/a	n/a	67,339	n/a
340 TST Facility	n/a	0.000049	n/a	n/a	1,617,897,143	n/a	79,277	n/a
350 Premium Interconnection	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
360 Non-Prem. Interconnection	0.000000	n/a	n/a	0	n/a	n/a	0	n/a
370 Installation NRC per Trunk	n/a	n/a	0.00	n/a	n/a	0	0	n/a

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Rate-of-Return TRP

Switched Access Revenue

	Termination Rate (A)	Circuit Rate (B)	Mileage Rate (C)	Termination Demand (D)	Circuit Demand (E)	Mileage Demand (F)	Access Revenue (G)	Revenue Requirement (H)
Local Transport (Cont.)								
380 DS3 Entrance Facility	n/a	860.77	n/a	n/a	96	n/a	82,634	n/a
390 DS3 Direct Term.	221.76	n/a	n/a	60	n/a	n/a	13,306	n/a
400 DS3 Direct Facility	n/a	n/a	55.44	n/a	n/a	48	2,661	n/a
410 DS1 Entrance Facility	n/a	74.2	n/a	n/a	696	n/a	51,643	n/a
420 DS1 Direct Term.	39.77	n/a	n/a	2808	n/a	n/a	111,674	n/a
430 DS1 Direct Facility	n/a	n/a	8.08	n/a	n/a	13164	106,365	n/a
440 VG Entrance Facility	n/a	25.40	n/a	n/a	84	n/a	2,134	n/a
450 VG Direct Term.	11.42	n/a	n/a	120	n/a	n/a	1,370	n/a
460 VG Direct Facility	n/a	n/a	1.14	n/a	n/a	780	889	n/a
470 Other Transport	n/a	n/a	n/a	n/a	n/a	n/a	114,156	n/a
480 Local Transport -- Total	n/a	n/a	n/a	n/a	n/a	n/a	1,409,243	0
Special -- Voice Grade								
490 2-Wire Chan. Term.	n/a	20.72	n/a	n/a	108	n/a	2,238	n/a
500 4-Wire Chan. Term.	n/a	33.16	n/a	n/a	1200	n/a	39,792	n/a
510 Channel Mileage Term.	14.91	n/a	n/a	768	n/a	n/a	11,451	n/a
520 Channel Mileage Facility	n/a	n/a	1.49	n/a	n/a	9024	13,446	n/a
530 Non-Recurring	n/a	0	n/a	n/a	0	n/a	0	n/a
Special -- High Capacity								
540 High Capacity Chan. Term.	n/a	96.87	n/a	n/a	7428	n/a	719,550	n/a
550 Channel Mileage Term.	51.91	n/a	n/a	6780	n/a	n/a	351,950	n/a
560 Channel Mileage Facility	n/a	n/a	10.54	n/a	n/a	54996	579,658	n/a
570 Non-Recurring	n/a	0	n/a	n/a	0	n/a	0	n/a
580 Special Access -- Total	n/a	n/a	n/a	n/a	n/a	n/a	1,718,084	0

Notes: A composite special access NRC should be used if the installation rates vary among the services. If the company does not file a particular rate, then the rate and demand = 0. Col. G equals Cols. (A x D) + (B x E) + (C x F).

REV-2

Filing Date: 06/16/2004

Filing Entity: Gallatin River Communications, LLC

Transmittal Number: 18

COSA: 341057

Page 1 of 1

Rate-of-Return TRP

Revenues Summary

Test Year, 7/04 - 7/05

	Total Network Access (A)	Recurring without ICB (B)	Non-Recurring without ICB (C)	ICB (D)
100 Carrier Common Line	0	0	0	0
110 Special Access	3,940,057	3,940,057	0	0
120 Local Switching	1,786,984	1,786,984	0	0
130 Equal Access	0	0	0	0
140 Information	0	0	0	0
150 Local Transport	1,409,245	1,409,245	0	0
160 Total TS - Switched	3,196,229	3,196,229	0	0

Notes : Col. A = Cols. B + C + D. If a particular category is inapplicable, then that category equals 0.

RTE-1
Filing Date: 06/16/2004
Filing Entity: Gallatin River Communications, LLC
Transmittal Number: 18
COSA: 341057

Rate-of-Return TRP
Percent Change in
Historical Rate Levels

Page 1 of 2

	07/01/2003	Current Effective	Proposed	% Change	% Change
	Rate (A)	Rate (B)	Rate (C)	07/01/2003 (D)	Current 07/01/2004 (E)
Switched Access					
100 Premium CCL Term. (\$/MOU)	0.00000000	0.00000000	0.00000000	0.00%	0.00%
	---	---	---	---	---
110 N.P. CCL Term. (\$/MOU)	0.00000000	0.00000000	0.00000000	0.00%	0.00%
	---	---	---	---	---
120 Premium Switching (\$/MOU)	0.01217700	0.01217700	0.01216000	-0.14%	-0.14%
	---	---	---	---	---
130 N.P. Switching (\$/MOU)	0.00000000	0.00000000	0.00000000	0.00%	0.00%
	---	---	---	---	---
140 Equal Access	0.00000000	0.00000000	0.00000000	0.00%	0.00%
	---	---	---	---	---
End User Common Line					
150 Multi-line Business (\$/Month)	0	0.00	0.00	0.00%	0.00%
	---	---	---	---	---
160 Residential & Single Line Bus.	0	0.00	0.00	0.00%	0.00%

RTE-1
Filing Date: 06/16/2004
Filing Entity: Gallatin River Communications, LLC
Transmittal Number: 18
COSA: 341057

Rate-of-Return TRP
Percent Change in
Historical Rate Levels

Page 2 of 2

	07/01/2003	Current	Proposed	% Change	% Change
	Rate (A)	Effective Rate (B)	Rate (C)	07/01/2003 07/01/2004 (D)	Current 07/01/2004 (E)
Local Transport Rates					
170 Prem. LT (\$/MOU, Avg. Mileage)	0.01013683	0.01013683	0.00958957	-5.40%	-5.40%
180 N.P. LT (\$/MOU, Avg. Mileage)	0.00000000	0.00000000	0.00000000	0.00%	0.00%
190 DS1 Entr. Facility (\$/Circuit)	94.18	94.18	74.20	-21.21%	-21.21%
200 DS1 Direct Trunk (\$/Circuit)	51.8	51.8	39.77	-23.22%	-23.22%
210 Tdm Sw. Transport ((\$/Circuit)	0	0.00	0.00	0.00%	0.00%
220 Tdm. Switching (\$/Tdm. MOU)	0.005422	0.005422	0.004187	-22.78%	-22.78%
230 Prem. Interconnection (\$/MOU)	0.000000	0.000000	0.000000	0.00%	0.00%
240 N.P. Interconnection (\$/MOU)	0.000000	0.000000	0.000000	0.00%	0.00%
250 NRC (\$/Tk. Or Tks. Activated)	249.00	249.00	249.00	0.00%	0.00%
260 2-Wire VG (\$/Cir., Avg. Mileage)	29.68	29.68	22.84	-23.05%	-23.05%
270 4-Wire VG (\$/Cir., Avg. Mileage)	29.68	29.68	22.84	-23.05%	-23.05%

Notes: If Lines 170 & 180 or any other entry is inapplicable, then that rate = 0.

RTE-2	Rate-of-Return				
Filing Date:	Revenue Price-outs				
Filing Entity:	Using 2003 Demand				
Transmittal Number:	18				
COSA:	341057				
Page 1 of 1	Revenue at 07/01/2003 Rates (A)	Revenue at Current Rate (B)	Change in Revenue, Cols. B-A (C)	Revenue at 07/01/2004 Rates (D)	Change in Revenue, Cols. D-B (E)
Switched Access					
100 Multi-line Business	0	0	0	0	0
110 Residential & Single Line Bus.	0	0	0	0	0
120 Carrier Common Line	0	0	0	0	0
130 Special Access	5,690,727	5,690,727	0	4,009,422	(1,681,305)
140 Local Switching	2,106,838	2,106,838	0	2,103,897	(2,941)
150 Equal Access	0	0	0	0	0
160 Information	0	0	0	0	0
170 Local Transport	1,777,707	1,777,707	0	1,425,561	(352,146)

Notes: If company belongs to the NECA common line pool, then revenue = 0.

RTE-3
Filing Date: 06/16/2004 **Rate-of-Return TRP**
Filing Entity: Gallatin River Communications, Lare Averaged or Pooled **COSA's for which Rates**
Transmittal Number: 18 **Rate-of-Return TRP**
COSA: 341057 **COSA's for Which Rates**
are Averaged or Pooled

Page 1 of 1	COSA	Multi-line	Residential	Carrier	Local	Local	Information	Equal	Special
		Business (A)	& Single Line Business (B)	Common Line (C)					
100	341057 Gallatin River	NECA	NECA	NECA	MRTC	MRTC	MRTC	MRTC	MRTC
110									
120									
130									
140									
150									
160									
170									
180									
190									
200									
210									
220									
230									

Notes: Companies should list all COSA's for which rates are averages or pooled.

DMD-1
Filing Date: 06/16/2004
Filing Entity: Gallatin River Communications, LLC
Transmittal Number: 18
COSA: 341057

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Historical	Premium Local Switching	Non-Premium Local Switching	Total Local Switching	Total Chargeable Switching	Total Tandem Switching*	Tandem Switching Transport **
	(A)	(B)	(C)	(D)	(E)	(F)
100 1st Qtr. 2000	45,103,505	0	45,103,505	45,103,505	6,271,342	39,248,193
110 2nd Qtr. 2000	48,384,358	0	48,384,358	48,384,358	6,727,522	42,103,127
120 3rd Qtr. 2000	50,778,952	0	50,778,952	50,778,952	7,060,475	44,186,857
130 4th Qtr. 2000	48,303,775	0	48,303,775	48,303,775	6,716,315	42,033,005
140 1st Qtr. 2001	49,358,633	0	49,358,633	49,358,633	6,420,865	48,092,749
150 2nd Qtr. 2001	49,851,163	0	49,851,163	49,851,163	6,484,936	48,572,647
160 3rd Qtr. 2001	43,375,214	0	43,375,214	43,375,214	5,642,506	42,262,784
170 4th Qtr. 2001	49,556,611	0	49,556,611	49,556,611	6,446,619	48,285,649
180 1st Qtr. 2002	49,807,142	0	49,807,142	49,807,142	5,556,786	43,210,452
190 2nd Qtr. 2002	59,147,362	0	59,147,362	59,147,362	7,486,182	52,189,125
200 3rd Qtr. 2002	49,379,208	0	49,379,208	49,379,208	8,153,661	69,546,543
210 4th Qtr. 2002	45,367,934	0	45,367,934	45,367,934	48,830,203	76,280,494
220 Pycos Year, 1/03 - 12/03	173,017,832	0	173,017,832	173,017,832	185,286,409	278,262,346
230 Test Year, 7/04 - 6/05	146,955,956	0	146,955,956	146,955,956	185,286,409	278,262,346

Notes: Local switching MOU are the same as the billable units for the interconnection charge.

* Refers to the MOU switched at a company tandem, as discussed in Part 69. 11(f-g).

** Refers to the MOU carried over non-dedicated trunks; i.e., tandem switched transport or common trunks.

DMD-2

Filing Date: 06/16/2004

Filing Entity: Gallatin River Communications, LLC

Rate-of-Return TRP

Special Access

Demand

Transmittal Number: 18

COSA: 341057

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	1/03 - 12/03 Channel Terminations (A)	1/03 - 12/03 Number of Circuits (B)	1/03 - 12/03 Interoffice Miles (C)	7/04 - 6/05 Channel Terminations (D)	7/04 - 6/05 Number of Circuits (E)	7/04 - 6/05 Interoffice Miles (F)
100 Metallic	0	0	0	0	0	0
110 Telegraph	0	0	0	0	0	0
120 VG less WATS	1,452	1,452	10,020	1,308	1,308	9,024
130 WATS	0	0	0	0	0	0
140 full-time Audio	0	0	0	0	0	0
150 High Capacity	7,656	7,656	56,784	7,656	7,656	56,784

DMD-4

Filing Date: 06/16/2004

Filing Entity: Gallatin River Communications, LLC

Transmittal Number: 18

COSA: 341057

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Rate-of-Return TRP**Minutes-of-Use****Historical vs. Forecast**

		Common Line MOU (A)	Traffic Sensitive MOU (B)
100 Test Year	7/04 - 6/05	0	146,955,956
110 Pycos Year,	1/03 - 12/03	0	173,017,832
120 Test Year	7/03 - 6/04	0	0
130 Pycos Year,	1/02 - 12/02	0	203,701,646
140 Test Year	7/02 - 6/03	0	192,141,621
150 Pycos Year,	1/01 - 12/01	0	192,141,621
160 Test Year	7/01 - 6/02	0	0
170 Pycos Year,	1/00 - 12/00	0	192,570,590

Notes: Actual operating statistics should be reported for the PYCOS years.

These data should be consistent with those in Chart DMD-4 in previous TRPs.

If a forecast was not reported for any particular test year, then enter 0.

DMD-5
Filing Date: 06/16/2004
Filing Entity: Gallatin River Communications, LLC
Transmittal Number: 18
COSA: 341057
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	1/03 - 12/03	1/03 - 12/03	1/03 - 12/03	Test Year 7/04 - 6/05	Test Year 7/04 - 6/05	Test Year 7/04 - 6/05
	VG (A)	DSI (B)	DS3 (C)	VG (D)	DS1 (E)	DS3 (F)
100 Entrance Facility	84.00	696.00	108.00	84.00	696.00	96.00
110 Direct Trunked Transport	120.00	2808.00	84.00	120.00	2808.00	60.00

Notes: Demand should be annualized and reflect application of the percent interstate usage factor (PIU).

ERN-1

Filing Date: 06/16/2004
Filing Entity: Gallatin River Communications, LLC
Transmittal Number: 18
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Rate-of-Return TRP

**Rate-of-Return
Summary**

	2001/2002 FCC Monitoring Period (A)	2003 Calendar Year (B)	7/04 - 6/05 Test Year (C)
100 Interstate Access, Total	14.82%	16.03%	11.25%
110 Carrier Common Line	11.31%	11.25%	11.25%
120 Special Access	13.74%	23.30%	11.25%
130 Local Switching	23.97%	18.39%	11.25%
140 Information	0.00%	0.00%	11.25%
150 Local Transport	17.08%	13.92%	11.25%
160 Traffic Sensitive Switched, Total	22.39%	16.84%	11.25%

Filing Entity: Gallatin River Communications, LLC
Filing Date: 06/16/2004
Transmittal Number: 18
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Rate-of-Return TRP
Base Study Factor

		Actual 1998 (A)	Actual 1999 (B)	Actual 2000 (C)	Actual 2001 (D)	Actual 2002 (E)	Prospective 2004 (F)
Relative MOU's - Tandem Switching							
100	Interstate	-	17,468,196	39,932,986	39,932,986	39,932,986	39,932,986
110	Total Company	-	41,631,022	85,420,654	85,420,654	85,420,654	85,420,654
120	IS Factor	0.0000%	41.9596%	46.7486%	46.7486%	46.7486%	46.7486%
Host/Remote MOU's							
130	Interstate	-	62,459,867	84,093,578	84,093,578	84,093,578	84,093,578
140	Total Company	-	299,239,568	363,046,074	363,046,074	363,046,074	363,046,074
150	IS Factor	0.0000%	20.8729%	23.1633%	23.1633%	23.1633%	23.1633%
Host/Remote MOU Miles							
160	Interstate	-	1,685,637,433	1,861,200,790	1,861,200,790	1,861,200,790	1,861,200,790
170	Total Company	-	9,246,502,648	8,262,313,720	8,262,313,720	8,262,313,720	8,262,313,720
180	IS Factor	0.0000%	18.2300%	22.5264%	22.5264%	22.5264%	22.5264%
Conversation Minutes							
190	Interstate	-	237,096,831	246,299,860	246,299,860	246,299,860	246,299,860
200	Total Company	-	599,966,288	496,125,882	496,125,882	496,125,882	496,125,882
210	IS Factor	0.0000%	39.5184%	49.6446%	49.6446%	49.6446%	49.6446%
Conversation Minute Miles							
220	Interstate	-	2,388,049,428	2,012,333,418	2,012,333,418	2,012,333,418	2,012,333,418
230	Total Company	-	5,968,984,407	4,204,403,807	4,204,403,807	4,204,403,807	4,204,403,807
240	IS Factor	0.0000%	40.0076%	47.8625%	47.8625%	47.8625%	47.8625%

The above Base Study Factors apportion on the following investment

	Part 32 Account	Part 36 Category
Relative MOU's-Tandem Switching	2210	COE Cat. 3
Host/Remote MOU's	2230	COE Cat. 4.3
Host/Remote MOU Miles	2410	C&WF Cat. 4
Conversation Minutes	2230	COE Cat. 4.23
Conversation Minutes Miles	2410	C&WF Cat. 3

RORDEM-1
Filing Date: 06/16/2004
Filing Entity: Gallatin River Communications, LLC
Transmittal Number: 18
COSA: 341057
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Rate-of-Return TRP
Verification of WDEM

Year	Interstate DEM	Intrastate DEM	Local DEM	Total DEM	Interstate MDEM Factor	No. of Switched Access Lines	Part 36.125(e) Historical Weighting	Interstate WDEM Factor
	MOU (A)	MOU (B)	MOU (C)	MOU (D)	(E)	(F)	(G)	(H)
1996	-	-	-	-	0.0000%	-	0	0.0000%
1997	-	-	-	-	0.0000%	-	0	0.0000%
1998	-	-	-	-	0.0000%	-	0	0.0000%
1999	206,487,893	322,863,985	333,865,514	863,217,392	23.9207%	85,694	1	23.9207%
2000	246,299,860	298,333,042	648,951,729	1,193,584,631	20.6353%	85,462	1	20.6353%
2001	246,299,860	298,333,042	648,951,729	1,193,584,631	20.6353%	79,763	1	20.6353%
2002	246,299,860	298,333,042	648,951,729	1,193,584,631	20.6353%	84,681	1	20.6353%
2003	246,299,860	298,333,042	648,951,729	1,193,584,631	20.6353%	79,735	1	20.6353%
2004/2005	246,299,860	298,333,042	648,951,729	1,193,584,631	20.6353%	79,735	1	20.6353%

Period of Study: June 30, 2005
 Date: 06/24/2004
 Entity: Gallatin River Communications, LLC
 Transmittal No. 18
 COSA: 341057 Section 61.38 carriers should ANNUALIZE their revenue requirement figures for this worksheet.

Access Category	Interstate Revenue Requirement Prior to Adjustments	Local Switching Support	Sub-Total	Factor Used for Line Port Adjustment	Line Port Transfer	Universal Service Fund Contribution	JUL '00 - JUN '01 TIC Revenues	Test Year TIC Revenue Requirement	Interstate Revenue Requirement Used as Base for TIC Re-allocation	TIC Re-allocation	Interstate Revenue Requirement Subject to Rate Making
	Note 1 (A) Enter Data	Note 2 (B) Enter Data	(C) Calculated Fields	Note 3 (D) Enter Data	Note 4 (E) Calculated Fields	Note 5 (F) Enter Data	Note 6 (G) Enter Data	Note 7 (H) Enter Data	(I) Calculated Fields	(J) Calculated Fields	(K) Calculated Fields
Common Line	\$6,572,592		\$6,572,592		\$765,852	\$0			\$7,338,444	\$0	\$7,338,444
Local Switching	\$2,552,841		\$2,552,841	30.00%	\$765,852				\$1,786,989	\$0	\$1,786,989
Information	\$0		\$0						\$0	\$0	\$0
Transport	\$1,409,139		\$1,409,139			\$0	\$0		\$1,409,139	\$0	\$1,409,139
Special Access	\$3,940,331		\$3,940,331						\$3,940,331	\$0	\$3,940,331
TOTAL (Calculated Fields)	\$14,474,904		\$14,474,904				\$0		\$14,474,904	\$0	\$14,474,904

Note 1: Source: company workpapers - After reallocating General Support Facilities Investment, but before other part 69 adjustments as a result of the Rate-of-Return Access Charge Reform Order as reflected in this form. Express as ANNUAL amounts.

Note 2: USAC Allocation Amount

Note 3: Percentage factor based on carrier's cost study or 30%.

Note 4: Spreadsheet formula will calculate Local Switching Revenue Requirement multiplied by Line Port Adjustment Factor input

Note 5: Based on projected USF Contributions.

Note 6: "The amount to be reallocated is limited to the total revenues recovered through the interconnection charge assessed pursuant to section 69.124 for the 12-month period ending June 30, 2001." (C.F.R. § 69.415(b)).

Note 7: TIC Revenue Requirement for test period.

COMPANY: Gallatin River Communications 341057
 DESCRIPTION: June 30, 2005 Test Year Study - Transmittal No. 18
 TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	TOTAL C	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other E	Base Factor F	Local Switching G	Transport Other H	Transport Tandem Sw I	Special Access J	Host Remote K
A	B	C	D	E	F	G	H	I	J	K
9	SUMMARY									
10	RATE BASE (INVESTMENT)									
11	General Support Facilities	GSF 11	6,347,839	59,871	2,692,471	1,190,121	140,547	345,420	1,812,246	107,163
12	Central Office Equipment	COE 46	23,839,461	-	2,875,251	8,929,566	683,474	2,591,713	8,577,771	181,686
13	Info Orig/Term Equipment	CWF 10	470,327	449,216	-	-	-	-	21,111	-
14	Cable & Wire Facilities	CWF 27	23,318,512	-	17,326,555	-	371,061	-	4,998,531	622,365
15	Tangible Assets	CWF 46	97,572	920	41,386	18,293	2,160	5,309	27,856	1,647
16	Intangible Assets	N2001 9	684,521	6,456	290,343	128,337	15,156	37,248	195,424	11,556
17	Total 2001 Rate Base	SUM(11:16)	54,758,233	516,463	23,226,007	10,266,317	1,212,398	2,979,691	15,632,938	924,418
18		Distribution	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
19										
20	Non 2001 Rate Base	N2001 47	650,105	6,132	275,746	121,885	14,394	35,376	185,599	10,975
21	Accum Depr & Amort	Depr Amort 44	(36,688,145)	(488,363)	(14,687,245)	(7,312,750)	(827,978)	(2,122,449)	(10,657,063)	(592,296)
22	Other Credits	Oth RB 42	(70,697)	(667)	(29,986)	(13,255)	(1,565)	(3,847)	(20,183)	(1,193)
23	NET RATE BASE	17+20+21+22	18,649,496	33,566	8,784,521	3,062,197	397,249	888,771	5,141,290	341,904
24		Distribution	1.000000	0.001800	0.471033	0.164197	0.021301	0.047657	0.275680	0.018333
25										
26	RATE OF RETURN	Enter Here		0.112500	0.112500	0.112500	0.112500	0.112500	0.112500	0.112500
27	RETURN ON INVESTMENT	23 * 26	2,098,068	3,776	988,259	344,497	44,690	99,987	578,395	38,464
28		Distribution	1.000000	0.001800	0.471033	0.164197	0.021301	0.047657	0.275680	0.018333
29										
30	EXPENSES									
31	Plant Specific Expenses	Plnt Ex 28	2,825,940	44,031	1,145,836	590,866	141,779	197,830	661,099	44,499
32	Plant NonSpecific Expenses	Plnt Ex 40	1,674,332	9,943	1,067,274	197,647	23,341	57,365	300,965	17,797
33	Depr & Amort Expense	Depr Exp 41	2,983,560	2,509	1,092,077	583,995	79,161	169,498	1,010,060	46,259
34	Customer Operations Expense	Cust 2 30	1,557,337	10,899	587,497	311,477	36,784	90,403	507,687	12,589
35	Corporate Operations Expense	Corp 45	1,968,876	21,085	910,268	357,525	65,624	112,328	477,706	24,339
36	Operating Taxes	Oth Ex 9	73,839	696	31,319	13,844	1,635	4,018	21,080	1,247
37	Other Income & Expense	Oth Ex 46	(90,892)	61	2,734	(74,233)	143	(21,545)	1,840	109
38	TOTAL EXPENSES	SUM(31:37)	10,992,992	89,224	4,837,006	1,981,121	348,466	609,897	2,980,438	146,838
39		Distribution	1.000000	0.008116	0.440008	0.180217	0.031699	0.055481	0.271122	0.013357
40										
41	AFUDC	Oth Ex 49	-	-	-	-	-	-	-	-
42										
43	INCOME TAXES									
44	Federal	Fed Tx 40	1,129,810	2,033	532,177	185,512	24,066	53,843	311,466	20,713
45	State	St Tx 36	254,034	457	119,658	41,712	5,411	12,106	70,032	4,657
46										
47	NET REVENUE REQUIREMENT	27+38+41+44+45	14,474,904	95,491	6,477,101	2,552,841	422,634	775,833	3,940,331	210,672
48		Distribution	1.000000	0.006597	0.447471	0.176363	0.029198	0.053599	0.272218	0.014554
49	Line Port Transfer				765,852	(765,852)				
50					7,338,444	1,786,989				

COMPANY: Gallatin River Communications 341057
 DESCRIPTION: June 30, 2005 Test Year Study - Transmittal No. 18
 TIME PERIOD: June 30, 2005

Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 2110 - GENERAL SUPPORT FACILITIES									
10										
11	Total General Support Facilities	Input 20 * 12 CWF 31	6,347,839 1.000000	59,871 0.009432	2,692,471 0.424156	1,190,121 0.187484	140,547 0.022141	345,420 0.054415	1,812,246 0.285490	107,163 0.016882
12										
13										
14	Accounts 2210 - 2230 CENTRAL OFFICE EQUIPMENT									
15										
16	Cat 1 Operator Systems	Input 24 * 17 Direct	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
17										
18	Equal Access Equipment	Input 21 * 19 Local Sw	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
19										
20	Cat 2 Tandem Switching	Input 22 * 21 Tandem Sw	2,591,713 1.000000	0.000000	0.000000	0.000000	0.000000	2,591,713	0.000000	0.000000
21										
22	Cat 3 Local Switching	Input 23 * 23 Local Sw	8,929,566 1.000000	0.000000	0.000000	8,929,566 1.000000	0.000000	1.000000	0.000000	0.000000
23										
24										
25	Total COE Switching	18 + 20 + 22 Distribution	11,521,279 1.000000	- 0.000000	- 0.000000	8,929,566 0.775050	- 0.000000	2,591,713 0.224950	- 0.000000	- 0.000000
26										
27										
28	Cat 4.11 Wideband Exchange	Input 25 * 29 CWF 17	- 1.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 1.000000	- 0.000000
29										
30	Cat 4.12 Exchange Trunk	Input 26 Special	3,753,091 1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	3,753,091 1.000000	0.000000
31										
32	Cat 4.13 Exchange Line	Input 27 * 33 CWF 15	3,010,372 1.000000	- 0.000000	2,875,251 0.955115	- 0.000000	- 0.000000	- 0.000000	135,121 0.044885	- 0.000000
33										
34	Cat 4.21 Furn Another Co	Input 28 * 35 CWF 19	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000
35										
36	Cat 4.22 Wideband Interexch	Input 29 * 37 Special	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000
37										
38	Cat 4.23 Other Interexchange	Input 30 Direct From 36	5,373,033 1.000000	0.000000	0.000000	0.000000	683,474 0.127204	4,689,559 0.000000	0.000000	0.000000
39										
40	Cat 4.3 Host/Remote	Input 31 Transport Oth	181,686 1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	181,686 0.000000	0.000000
41										
42										
43	Total COE Transmission	Sum(28:40)even Distribution	12,318,182 1.000000	- 0.000000	2,875,251 0.233415	- 0.000000	683,474 0.055485	8,577,771 0.000000	181,686 0.696350	0.014749
44										
45										
46	Total Central Office Equipment	16 + 25 + 43 Distribution	23,839,461 1.000000	- 0.000000	2,875,251 0.120609	8,929,566 0.374571	683,474 0.028670	2,591,713 0.108715	8,577,771 0.359814	181,686 0.007621
47										

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Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 2310 INFORMATION ORIGINATION/TERMINATION EQUIPMENT									
10	Total Cat 1 Oth Terminal Equip	Input 32 P36 Factors 14	470,327 1.000000	449,216 0.955115	0.000000	0.000000	0.000000	0.000000	21,111 0.044885	0.000000
11										
12										
13	Account 2410 - CABLE & WIRE FACILITIES									
14	Cat 1 Exchange Line	Input 33 Com Ln	18,140,807 1.000000	17,326,555 0.955115	0.000000	0.000000	0.000000	0.000000	814,251 0.044885	0.000000
15										
16	Cat 2 Wideband & Exch Trnk	Input 34 Direct P36	1,393,152 1.000000	0.000000 0.000000	0.955115 0.000000	0.000000	0.000000	0.000000	1,393,152 1.000000	0.000000
17										
18	Cat 3.1 Furn Another Co	Input 35 Direct	- 0.000000	0.000000 0.000000	0.000000 0.000000	0.000000	0.000000	0.000000	0.000000 0.000000	0.000000
19										
20	Cat 3.2 Wideband Interexch	Input 36 Direct	- 0.000000	0.000000 0.000000	0.000000 0.000000	0.000000	0.000000	0.000000	- 0.000000	0.000000
21										
22	Cat 3.3 Other Interexch	Input 37 Direct	3,162,188 1.000000	0.000000 0.000000	0.000000 0.000000	0.000000	0.117343	0.000000	371,061 0.882657	2,791,127 0.000000
23										
24	Cat 4 Host/Remote	Input 38 Direct	622,365 1.000000	0.000000 0.000000	0.000000 0.000000	0.000000	0.000000	0.000000	622,365 1.000000	0.000000
25										
26										
27	Total Cable & Wire Facilities	Sum(14:24)even Distribution	23,318,512 1.000000	- 0.000000	17,326,555 0.743039	- 0.000000	371,061 0.015913	- 0.000000	4,998,531 0.214359	622,365 0.026690
28										
29										
30	Total COE IOT & CWF	COE 46+10+27 Distribution	47,628,300 1.000000	449,216 0.009432	20,201,806 0.424156	8,929,566 0.187484	1,054,535 0.022141	2,591,713 0.054415	13,597,412 0.285490	804,052 0.016882
31										
32										
33	CAPITAL LEASES:									
34	General Support Facilities	Input 39 * 35 31	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
35										
36	Central Office Equipment	Input 40 * 37 COE 26	- 1.000000	- 0.000000	- 0.000000	- 0.775050	- 0.000000	- 0.224950	- 0.000000	- 0.000000
37										
38	Information Orig/Term	Input 41 * 39 11	- 1.000000	- 0.955115	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.044885	- 0.000000
39										
40	Cable & Wire Facilities	Input 42 * 41 28	- 1.000000	- 0.000000	- 0.743039	- 0.000000	- 0.015913	- 0.000000	- 0.214359	- 0.026690
41										
42	Total Capital Leases	34+36+38+40 Distribution	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000
43										
44	Leasehold Improvements	Input 43 * 45 N2001 19	97,572 1.000000	920 0.009432	41,386 0.424156	18,293 0.187484	2,160 0.022141	5,309 0.054415	27,856 0.285490	1,647 0.016882
45										
46	Total Tangible Assets	42 + 44 Distribution	97,572 1.000000	920 0.009432	41,386 0.424156	18,293 0.187484	2,160 0.022141	5,309 0.054415	27,856 0.285490	1,647 0.016882
47										

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Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	INTANGIBLE ASSETS	Input 44 * 10	684,521	6,456	290,343	128,337	15,156	37,248	195,424	11,556
10		19	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
11										
12	TOTAL 2001 RATE BASE	9 + CWF30 & 46 + COE 11	54,758,233	516,463	23,226,007	10,266,317	1,212,398	2,979,691	15,632,938	924,418
13		Distribution	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
14										
15	COE+IOT+CWF-CAT 1.3	CWF30 - CWF 14	29,487,493	449,216	2,875,251	8,929,566	1,054,535	2,591,713	12,783,161	804,052
16		Distribution	1.000000	0.015234	0.097507	0.302826	0.035762	0.087892	0.433511	0.027268
17										
18	IOT+CWF+COE+GSF	CWF30 + COE11	53,976,140	509,087	22,894,277	10,119,687	1,195,082	2,937,134	15,409,658	911,215
19		Distribution	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
20										
21	IOT+CWF+COE+GSF (CL,LS,TR Only)	Select Col 18	37,655,266	509,087	22,894,277	10,119,687	1,195,082	2,937,134	0.000000	0.000000
22		Distribution	1.000000	0.013520	0.607997	0.268746	0.031737	0.078001		
23										
24	RATE BASE ITEMS NOT IN 2001									
25										
26	2002 Plant Held Future Use	Input 16 * 27	-	-	-	-	-	-	-	-
27		13	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
28	2003 Plant Under Constr ST	Input 17 * 29	275,965	2,603	117,052	51,739	6,110	15,017	78,785	4,659
29		13	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
30	2004 Plant Under Constr LT	Input 18 * 31	-	-	-	-	-	-	-	-
31		13	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
32	2005 Plant Aquisition Adj	Input 19 * 33	-	-	-	-	-	-	-	-
33		13	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
34	1220 Material & Supplies	Input 10 * 35	48,609	458	20,618	9,113	1,076	2,645	13,877	821
35		19	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
36	1402 RTB Stock	Input 12 * 37	-	-	-	-	-	-	-	-
37		19	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
38	Cash Working Capital	Input 11 * 39	325,530	3,070	138,075	61,032	7,208	17,714	92,936	5,496
39		19	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
40	Other Noncurrent Assets	Input 13 * 41	-	-	-	-	-	-	-	-
41		19	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
42	Deferred Maint & Retirements	Input 14 * 43	-	-	-	-	-	-	-	-
43		19	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
44	Deferred Charges	Input 15 * 45	-	-	-	-	-	-	-	-
45		19	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
46										
47	Total Non 2001 Rate Base	Sum(32:40)even	650,105	6,132	275,746	121,885	14,394	35,376	185,599	10,975
48		Distribution	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 3100 - ACCUMULATED DEPRECIATION									
10	General Support Facilities	Input 45 * 12 CWF 31	(3,368,451) 1.000000	(31,770) 0.009432	(1,428,747) 0.424156	(631,532) 0.187484	(74,581) 0.022141	(183,296) 0.054415	(961,660) 0.285490	(56,866) 0.016882
11	Central Office Equipment	Input 46 * 14	-	-	-	-	-	-	-	-
12	Operator Systems	Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
13	Central Office Equipment	Input 46 * 16	(8,431,184)	-	-	(6,534,588)	-	#####	-	-
14	Switching	COE 26	1.000000	0.000000	0.000000	0.775050	0.000000	0.224950	0.000000	0.000000
15	Central Office Equipment	Input 47 * 18	(9,096,440)	-	(2,123,247)	-	(504,716)	-	(6,334,310)	(134,168)
16	Transmission	COE 44	1.000000	0.000000	0.233415	0.000000	0.055485	0.000000	0.696350	0.014749
17	Information Orig/Term	Input 48 * 20	(470,327)	(449,216)	-	-	-	-	(21,111)	-
18		CWF 11	1.000000	0.955115	0.000000	0.000000	0.000000	0.000000	0.044885	0.000000
19	Cable & Wire Facilities	Input 49 * 22	(14,539,649)	-	(10,803,521)	-	(231,365)	-	(3,116,703)	(388,060)
20		CWF 28	1.000000	0.000000	0.743039	0.000000	0.015913	0.000000	0.214359	0.026690
21	Total Account 3100 Accumulated De	Sum(13:21)odd	(35,906,051)	(480,986)	(14,355,516)	(7,166,120)	(810,662)	#####	(10,433,783)	(579,093)
22		Distribution	1.000000	0.013396	0.399808	0.199580	0.022577	0.057926	0.290586	0.016128
23	Total Account 3100 Accumulated Depreciation									
24										
25	Accounts 3200 through 3600 ACCUMULATED DEPRECIATION & AMORTIZATION									
26										
27	3200 Plant Held Future	Input 50 * 30 N2001 19	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
28	3400 Capital Lease	Input 51 * 32 CWF 37	- 1.000000	- 0.000000	- 0.000000	- 0.775050	- 0.000000	- 0.224950	- 0.000000	- 0.000000
29	3400 Leasehold Improvements	Input 52 * 34 N2001 19	(97,572) 1.000000	(920) 0.009432	(41,386) 0.424156	(18,293) 0.187484	(2,160) 0.022141	(5,309) 0.054415	(27,856) 0.285490	(1,647) 0.016882
30	3500 Intangible Assets	Input 53 * 36 N2001 19	(684,521) 1.000000	(6,456) 0.009432	(290,343) 0.424156	(128,337) 0.187484	(15,156) 0.022141	(37,248) 0.054415	(195,424) 0.285490	(11,556) 0.016882
31	3600 Plant Acquisition Adj	Input 54 * 38 N2001 13	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
32										
33	Total Accnts 3200 Through 3600	Sum(29:37)odd Distribution	(782,093) 1.000000	(7,376) 0.009432	(331,729) 0.424156	(146,630) 0.187484	(17,316) 0.022141	(42,558) 0.054415	(223,280) 0.285490	(13,203) 0.016882
34										
35	Total Depreciation & Amort	23 + 40 Distribution	(36,688,145) 1.000000	(488,363) 0.013311	(14,687,245) 0.400327	(7,312,750) 0.199322	(827,978) 0.022568	#####	(10,657,063) 0.290477	(592,296) 0.016144
36										
37	NET TELEPHONE PLANT	N2001 12 + 44 Distribution	18,070,088 1.000000	28,101 0.001555	8,538,762 0.472536	2,953,567 0.163451	384,420 0.021274	857,242 0.047440	4,975,875 0.275365	332,122 0.018380
38										
39										
40										
41										
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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 4340 ACCUMULATED DEFERRED INCOME TAX									
10										
11	General Support Facilities	Input 57 * 12	-	-	-	-	-	-	-	-
12		CWF 31	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
13	Central Office Equipment	Input 58 * 14	-	-	-	-	-	-	-	-
14	Operator Systems	COE 17	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 58 * 16	-	-	-	-	-	-	-	-
16	Switching	COE 26	1.000000	0.000000	0.000000	0.775050	0.000000	0.224950	0.000000	0.000000
17	Central Office Equipment	Input 59 * 18	-	-	-	-	-	-	-	-
18	Transmission	COE 44	1.000000	0.000000	0.233415	0.000000	0.055485	0.000000	0.696350	0.014749
19	Information Orig/Term	Input 60 * 20	-	-	-	-	-	-	-	-
20		CWF 11	1.000000	0.955115	0.000000	0.000000	0.000000	0.000000	0.044885	0.000000
21	Cable & Wire Facilities	Input 61 * 22	-	-	-	-	-	-	-	-
22		CWF 28	1.000000	0.000000	0.743039	0.000000	0.015913	0.000000	0.214359	0.026690
23	Tangible Assets		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
24										
25	Intangible Assets		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
26										
27	Plant Held Future Use		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
28										
29	Plant Acquisition Adjustment		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
30										
31	Unclassified	Input 56 * 32	-	-	-	-	-	-	-	-
32		N2001 19	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
33										
34	Total Deferred Income Tax	Sum(11:31)Odd Distribution	-	-	-	-	-	-	-	-
35			0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
36										
37	Other Longterm Liabilities	Input 62 * 38	-	-	-	-	-	-	-	-
38		N2001 19	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
39	Customer Deposits	Input 55 * 40	(70,697)	(667)	(29,986)	(13,255)	(1,565)	(3,847)	(20,183)	(1,193)
40		N2001 19	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
41										
42	Total Other Credits	34 + 37 + 39	(70,697)	(667)	(29,986)	(13,255)	(1,565)	(3,847)	(20,183)	(1,193)
43		Distribution	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
44										
45	TOTAL NET RATE BASE (NET INVESTMENT)	Depr 50+ N2001 47 + 42	18,649,496	33,566	8,784,521	3,062,197	397,249	888,771	5,141,290	341,904
46		Distribution	1.000000	0.001800	0.471033	0.164197	0.021301	0.047657	0.275680	0.018333
47										
48	See Calculation on line 50		18,394,663	31,162	8,676,432	3,014,419	391,607	874,904	5,068,538	337,602
49		Distribution	1.000000	0.001694	0.471682	0.163875	0.021289	0.047563	0.275544	0.018353
50	N 2001 12+ N 2001 26 + N 2001 28 + N 2001 E30+ N 2001 32+ N 2001 34 + Depr Amort 44 + OTH RB 34									

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	PLANT SPECIFIC OPERATING EXPENSES									
11	6110 Network Support Exp	Input 63 * 12	36,599	345	15,524	6,862	810	1,992	10,449	618
12		N2001 19	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
13	6120 General Support Exp	Input 64 * 14	910,030	8,583	385,994	170,617	20,149	49,520	259,805	15,363
14		CWF 31	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
15	6220 Operator Systems	Input 66 * 16	-	-	-	-	-	-	-	-
16		COE 17	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
17	6210 Central Office Switching	Input 65 * 18	650,451	-	-	504,132	-	146,319	-	-
18		COE 26	1.000000	0.000000	0.000000	0.775050	0.000000	0.224950	0.000000	0.000000
19	6210 Central Office Switching	-	-	-	(90,744)	90,744	-	-	-	-
20	Reallocate Common Channel Signa	Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
21	6230 Central Office Trans Exp	Input 67 * 22	279,992	-	65,354	-	15,535	-	194,972	4,130
22		COE 44	1.000000	0.000000	0.233415	0.000000	0.055485	0.000000	0.696350	0.014749
23	6310 Info Orig/Term Exp	Input 68 * 24	35,102	35,102	-	-	-	-	-	-
24		Direct	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
25	6400 Cable & Wire Fac Exp	Input 69 * 26	913,766	-	678,963	-	14,540	-	195,874	24,388
26		CWF 28	1.000000	0.000000	0.743039	0.000000	0.015913	0.000000	0.214359	0.026690
27										
28	Total Plant Specific Expense	Sum(11:25)odd	2,825,940	44,031	1,145,836	590,866	141,779	197,830	661,099	44,499
29		Distribution	1.000000	0.015581	0.405471	0.209087	0.050170	0.070005	0.233940	0.015747
30										
31	PLANT NONSPECIFIC OPERATING EXPENSES									
33	6510 Other Prop & Equip	Input 70 * 34	0	0	0	0	0	0	0	0
34		CWF 31	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
35	6530 Network Operation Exp	Input 71 * 36	1,054,204	9,943	447,146	197,647	23,341	57,365	300,965	17,797
36		CWF 31	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
37	6540 Access Expense	Input 72 * 38	620,128	-	620,128	-	-	-	-	-
38		Direct	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
39										
40	Total Plant NonSpecific Exp	33 + 35 + 37	1,674,332	9,943	1,067,274	197,647	23,341	57,365	300,965	17,797
41		Distribution	1.000000	0.005938	0.637433	0.118045	0.013941	0.034261	0.179752	0.010629

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	6561 DEPRECIATION EXPENSE - TPIS									
10										
11	General Support Facilities	Input 73 * 12 CWF 31	266,015 1.000000	2,509 0.009432	112,832 0.424156	49,874 0.187484	5,890 0.022141	14,475 0.054415	75,945 0.285490	4,491 0.016882
12										
13	Central Office Equipment	Input 74 * 14 COE 17	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000
14										
15	Central Office Equipment	Input 74 * 16 COE 26	689,144 1.000000	- 0.000000	- 0.000000	534,121 0.775050	- 0.000000	155,023 0.224950	- 0.000000	- 0.000000
16	Switching									
17	Central Office Equipment	Input 75 * 18 COE 44	1,035,930 1.000000	- 0.000000	241,802 0.233415	- 0.000000	57,479 0.055485	- 0.000000	721,371 0.696350	15,279 0.014749
18	Transmission									
19	Infor Orig/Term Equipment	Input 76 * 20 Direct	- 0.000000	- 0.000000	0.000000 0.000000	0.000000 0.000000	0.000000 0.000000	0.000000 0.000000	0.000000 0.000000	0.000000 0.000000
20										
21	Cable & Wire Facilities	Input 77 * 22 CWF 28	992,470 1.000000	- 0.000000	737,444 0.743039	- 0.000000	15,793 0.015913	- 0.000000	212,745 0.214359	26,489 0.026690
22										
23										
24	Total 6561 Depreciation Expense	Sum(11:21)odd Distribution	2,983,560 1.000000	2,509 0.000841	1,092,077 0.366032	583,995 0.195738	79,161 0.026532	169,498 0.056811	1,010,060 0.338542	46,259 0.015505
25										
26										
27										
28	6562 Depr Plant Held Future	Input 78 * 29 N2001 13	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
29										
30										
31	6563 Amort Tangible Assets	Input 79 * 32 CWF 47	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
32										
33										
34	6564 Amort Intangible Assets	Input 80 * 35 N2001 19	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
35										
36										
37	6565 Amort Plant Acquisition	Input 81 * 38 N2001 19	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
38										
39										
40										
41	Total Depr & Amort Expense	24+28+31+34+37 Distribution	2,983,560 1.000000	2,509 0.000841	1,092,077 0.366032	583,995 0.195738	79,161 0.026532	169,498 0.056811	1,010,060 0.338542	46,259 0.015505
42										

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	6610 MARKETING EXPENSE	Input 82 * 10	239,947	2,263	101,775	44,986	5,313	13,057	68,503	4,051
10		N2001 19	1.000000	0.009432	0.424156	0.187484	0.022141	0.054415	0.285490	0.016882
11										
12	6620 TELEPHONE OPERATOR & PUBLISHED DIRECTORY									
13										
14	Telephone Operator Service	Input 83	-							
15		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
16	Classified Directory Expense	Input 85	-							
17		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
18	Alpha Directory Expense	Input 84	-							
19		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
20	Foreign Directory Expense	Input 86	-							
21		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
22	TWX Directory Expense	Input 87	-							
23		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
24	Total 6620 Telephone Oper & Pub C	Sum(14-22)even	-	-	-	-	-	-	-	-
25		Distribution	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
26										
27	Account 6620 Cat 1 Customer Services									
28										
29	1.1 End User Serv Order Proc	Input 88	-							
30		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
31	1.1 Presubscription Srv Order	Input 89 * 32	236,478	3,197	143,778	63,552	7,505	18,445	-	-
32		N2001 22	1.000000	0.013520	0.607997	0.268746	0.031737	0.078001	0.000000	0.000000
33	1.2 End User Payment & Coll	Input 90	31,249		31,249				-	
34		Direct	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
35	1.3 End User Billing	Input 91	51,228		51,228				-	
36		Direct	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
37	1.4 IXC Serv Ord Proc	Input 92 * 38	268,976	3,636	163,536	72,286	8,537	20,980	-	-
38		32	1.000000	0.013520	0.607997	0.268746	0.031737	0.078001	0.000000	0.000000
39	1.4 IXC Serv Ord Proc Private Ln	Input 92	249,622					249,622		
40		Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
41	1.5 IXC Payment & Collection	Input 93 * 42	70,149	948	42,650	18,852	2,226	5,472	-	-
42		38	1.000000	0.013520	0.607997	0.268746	0.031737	0.078001	0.000000	0.000000
43	1.5 IXC Payment & Collection PL	Input 93	23,672					23,672		
44		Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
45	1.6 IXC Billing Inquiry	Input 94 * 46	61,702	834	37,515	16,582	1,958	4,813	-	-
46		42	1.000000	0.013520	0.607997	0.268746	0.031737	0.078001	0.000000	0.000000
47	1.6 IXC Billing Inquiry Private Ln	Input 94 * 48	20,820					20,820		
48		Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
49										
50	Total 6620 Cat 1 Cust Svc Exp	Sum(29-43)Odd	1,013,896	8,616	469,956	171,273	20,226	49,710	294,115	-
51		Distribution	1.000000	0.008498	0.463515	0.168925	0.019949	0.049029	0.290083	0.000000

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 6620 Cat 2 CUSTOMER SERVICES EXPENSE									
10										
11	Toll Ticket Processing	Input 98	-							
12		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
13	Local Message Processing		-							
14			0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
15	Carrier Access B&C	Input 96 * 16	285,803	-	-	94,602	11,172	27,457	144,054	8,518
16		CWF 32	1.000000	0.000000	0.000000	0.331003	0.039090	0.096070	0.504032	0.029805
17	Other B&C	Input 99	-							
18		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
19	End User B&C	Input 97	14,643		14,643					
20		Direct	1.000000		1.000000					
21	Total Account 6620 Cat 2	Sum(11:19)odd	300,446	-	14,643	94,602	11,172	27,457	144,054	8,518
22		Distribution	1.000000	0.000000	0.048737	0.314871	0.037185	0.091388	0.479467	0.028352
23										
24	Total Accnt 6620 Cat 1 + Cat 2	21+Custom 50	1,314,343	8,616	484,599	265,875	31,398	77,167	438,169	8,518
25		Distribution	1.000000	0.006555	0.368701	0.202287	0.023889	0.058712	0.333375	0.006481
26										
27	Cat 3 CUSTOMER SERVICES	Input 100 * 28	3,047	20	1,123	616	73	179	1,016	20
28		25	1.000000	0.006555	0.368701	0.202287	0.023889	0.058712	0.333375	0.006481
29										
30	Total 6610 + 6620	24+27+Custom 9&24	1,557,337	10,899	587,497	311,477	36,784	90,403	507,687	12,589
31		Distribution	1.000000	0.006999	0.377245	0.200006	0.023620	0.058050	0.325997	0.008084
32										
33	Big Three Expenses	30 + Pint 38&40	6,057,608	64,873	2,800,607	1,099,991	201,904	345,598	1,469,751	74,884
34		Distribution	1.000000	0.010709	0.462329	0.181588	0.033331	0.057052	0.242629	0.012362
35										
36	CORPORATE OPERATIONS EXPENSES									
37										
38	6710 Executive & Planning	Input 102 * 39	479,351	5,134	221,618	87,045	15,977	27,348	116,304	5,926
39		34	1.000000	0.010709	0.462329	0.181588	0.033331	0.057052	0.242629	0.012362
40	6720 General & Administrative	Input 103 * 41	1,406,634	15,064	650,328	255,428	46,884	80,251	341,290	17,389
41		34	1.000000	0.010709	0.462329	0.181588	0.033331	0.057052	0.242629	0.012362
42	6720 General & Administrative Dir	Input 104 * 43	82,891	888	38,323	15,052	2,763	4,729	20,112	1,025
43		34	1.000000	0.010709	0.462329	0.181588	0.033331	0.057052	0.242629	0.012362
44										
45	Total Corporate Operations	38 + 40 + 42	1,968,876	21,085	910,268	357,525	65,624	112,328	477,706	24,339
46		Distribution	1.000000	0.010709	0.462329	0.181588	0.033331	0.057052	0.242629	0.012362
47										

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Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Acctn 7200 OPERATING TAXES	Input 106 * 10 N2001 19	73,839 1.000000	696 0.009432	31,319 0.424156	13,844 0.187484	1,635 0.022141	4,018 0.054415	21,080 0.285490	1,247 0.016882
10										
11										
12	Account 7100 & 7300 OPERATING EXPENSES & INCOME									
13										
14	7100 Other Expenses	Input 105 * 15 N2001 19	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
15										
16	7300 Gains & Losses on Disp	Input 110 * 17 N2001 19	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
17										
18	7300 Contributions & Fees	Input 111 * 19 N2001 19	4,834 1.000000	46 0.009432	2,050 0.424156	906 0.187484	107 0.022141	263 0.054415	1,380 0.285490	82 0.016882
19										
20	GSF RENT REVENUE	Input 124 * 21 GSF 12	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
21										
22	COE SW RENT REVENUE	Input 125 * 23 COE 26	(97,338) 1.000000	- 0.000000	- 0.000000	(75,442) 0.775050	- 0.000000	(21,896) 0.224950	- 0.000000	- 0.000000
23										
24	COE TR RENT REVENUE	Input 126 * 25 COE 44	- 1.000000	- 0.000000	- 0.233415	- 0.000000	- 0.055485	- 0.000000	0.696350	0.014749
25										
26	CWF RENT REVENUE	Input 127 * 27 CWF 28	- 1.000000	- 0.000000	0.743039	0.000000	0.015913	0.000000	0.214359	0.026690
27										
28										
29	Total Oper Expense & Income	Sum(14:26)even Distribution	(92,504) 0.000000	46 0.000000	2,050 0.000000	(74,536) 0.000000	107 0.000000	(21,633) 0.000000	1,380 0.000000	82 0.000000
30										
31										
32	Accounts 7500, 7600, & 7900									
33										
34	Capital Lease Interest	Input 112 * 35 N2001 19	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
35										
36	Customer Deposit Interest	Input 113 * 37 N2001 19	1,613 1.000000	15 0.009432	684 0.424156	302 0.187484	36 0.022141	88 0.054415	460 0.285490	27 0.016882
37										
38	Extraordinary Items	Input 114 * 39 N2001 19	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
39										
40	Income Effect Jurs Rate Diff	Input 115 * 41 N2001 19	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
41										
42										
43	Total 7500, 7600, & 7900	34+36+38+40 Distribution	1,613 1.000000	15 0.009432	684 0.424156	302 0.187484	36 0.022141	88 0.054415	460 0.285490	27 0.016882
44										
45										
46	Total Other Items	29 + 43	(90,892)	61	2,734	(74,233)	143	(21,545)	1,840	109
47										
48	Account 7340 Allowance for Funds Used During Construction	Input 109 * 50 CWF 31	- 1.000000	- 0.009432	- 0.424156	- 0.187484	- 0.022141	- 0.054415	- 0.285490	- 0.016882
49										
50										

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	SUMMARY					
10	RATE BASE (INVESTMENT)					
11	General Support Facilities	GSF 13	21,219,695	4,538,407	1,809,432	6,347,839
12	Central Office Equipment	COE 46	76,241,841	15,261,690	8,577,771	23,839,461
13	Info Orig/Term Equipment	IOT 11	1,881,307	470,327	0	470,327
14	Cable & Wire Facilities	CWF 29	81,089,763	18,319,982	4,998,531	23,318,512
15	Tangible Assets	Oth RB 12	326,167	69,760	27,813	97,572
16	Intangible Assets	Oth RB 16	2,288,232	489,400	195,121	684,521
17	Total 2001 Rate Base	SUM(11:16)	183,047,004	39,149,566	15,608,667	54,758,233
18		Distribution	1.000000	0.213877	0.085271	0.299148
19						
20	Non 2001 Rate Base	Oth RB 46	2,135,959	484,254	165,850	650,105
21	Accum Depr & Amort	Accum Dep 41	(122,293,196)	(26,054,032)	(10,634,113)	(36,688,145)
22	Other Credits	Def Oth 40	(236,327)	(50,545)	(20,152)	(70,697)
23	NET RATE BASE	17+20+21+22	62,653,441	13,529,244	5,120,253	18,649,496
24		Distribution	1.000000	0.215938	0.081723	0.297661
25						
26	RATE OF RETURN	Factors 110		0.112500	0.112500	
27	RETURN ON INVESTMENT	23 * 26	7,048,512	1,522,040	576,028	2,098,068
28		Distribution	1.000000	0.215938	0.081723	0.297661
29						
30	EXPENSES					
31	Plant Specific Expenses	Plnt Exp 26	9,458,109	2,025,446	800,494	2,825,940
32	Plant NonSpecific Expenses	Plnt Exp 40	4,778,778	1,373,834	300,498	1,674,332
33	Depr & Amort Expense	Depr Exp 39	9,566,886	1,973,618	1,009,942	2,983,560
34	Customer Operations Expense	Cust Exp 30	5,219,345	1,263,222	294,115	1,557,337
35	Corporate Operations Expense	Corp Exp 26	6,397,879	1,496,305	472,571	1,968,876
36	Operating Taxes	Corp Exp 36	234,342	54,310	19,528	73,839
37	Other Income & Expense	Oth 43	(391,305)	(92,496)	1,604	(90,892)
38	TOTAL EXPENSES	SUM(31:37)	35,264,034	8,094,240	2,898,751	10,992,992
39		Distribution	1.000000	0.229532	0.082201	0.311734
40						
41	AFUDC	Oth 46	0	0	0	
42						
43	INCOME TAXES					
44	Federal	Fed Tx 42	3,795,624	819,618	310,191	1,129,810
45	State	State Tx 36	853,433	184,289	69,745	254,034
46						
47	NET REVENUE REQUIREMENT	27+38+41+44+45	46,961,604	10,620,187	3,854,717	14,474,904
48		Distribution	1.000000	0.226146	0.082082	0.308228

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 2110 - GENERAL SUPPORT FACILITIES					
10						
11	Total General Support Facilities	Input 18 IOT CWF CL 33	21,219,695 1.000000	4,538,407 0.213877	1,809,432 0.085271	6,347,839 0.299148
12						
13						
14	Accounts 2210 - 2230 CENTRAL OFFICE EQUIPMENT					
15						
16	Cat 1 Operator Systems	Input 22 * 19 Factors 71	0 0.000000	0 0.000000	0 0.000000	0 0.000000
17						
18	Equal Access Equipment	Input 19 * 17 Factors 106	0 0.000000	0 0.000000	0 0.000000	0 0.000000
19						
20	Cat 2 Tandem Switching	Input 20 * 21 Factors 61	5,543,938 1.000000	2,591,713 0.467486	0 0.000000	2,591,713 0.467486
21						
22	Cat 3 Local Switching	Input 21 * 23 Factors 55	43,273,253 1.000000	8,929,566 0.206353	0 0.000000	8,929,566 0.206353
23						
24	Total COE Switching	Sum(18:22)Even Distribution	48,817,191 1.000000	11,521,279 0.236009	0 0.000000	11,521,279 0.236009
25						
26						
27	Cat 4.11 Wideband Exchange	Input 23*28 Factors 26	0 0.000000	0 0.000000	0 0.000000	0 0.000000
28						
29	Cat 4.12 Exchange Trunk EAS	Input 24 DIRECT	49,044 1.000000	0 0.000000	0 0.000000	0 0.000000
30						
31	Cat 4.12 Exchange Trunk	Input 25*33 Factors 18	5,045,156 1.000000	0 0.000000	3,753,091 0.743900	3,753,091 0.743900
32						
33	Cat 4.13 Exchange Line	Input 26*34 Factors 13	12,010,983 1.000000	2,875,251 0.239385	135,121 0.011250	3,010,372 0.250635
34						
35	Cat 4.21 Furn Another Co	Input 27*36 Factors 59	0 0.000000	0 0.000000	0 0.000000	0 0.000000
36						
37	Cat 4.22 Wideband Interexch	Input 28*38 Factors 30	0 0.000000	0 0.000000	0 0.000000	0 0.000000
38						
39	Cat 4.23 Other Interexchange	Input 29*40 Factors 40	9,512,905 1.000000	683,474 0.071847	4,689,559 0.492968	5,373,033 0.564815
40						
41	Cat 4.3 Host/Remote	Input 30*42 Factors 48	806,563 1.000000	181,686 0.225260	0 0.000000	181,686 0.225260
42						
43	Total COE Transmission	Sum(27:41)Odd Distribution	27,424,651 1.000000	3,740,411 0.136389	8,577,771 0.312776	12,318,182 0.449165
44						
45						
46	Total Central Office Equipment	16+24+43 Distribution	76,241,841 1.000000	15,261,690 0.200175	8,577,771 0.112507	23,839,461 0.312682
47						

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 2310 INFORMATION ORIGINATION/TERMINATION EQUIPMENT					
10						
11	Total Cat 1 Other Terminal Equip	Input 31 * 12 Factors 12	1,881,307 1.000000	470,327 0.250000	0 0.000000	470,327 0.250000
12						
13						
14	Account 2410 - CABLE & WIRE FACILITIES					
15						
16	Cat 1 Exchange Line	Input 32 * 17 Factors 13	72,379,407 1.000000	17,326,555 0.239385	814,251 0.011250	18,140,807 0.250635
17						
18	Cat 2 Wideband & Exch Trnk	Input 33 * 19 Factors 22	1,393,152 1.000000	0 0.000000	1,393,152 1.000000	1,393,152 1.000000
19						
20	Cat 3.1 Furn Another Co	Input 34 * 21 Factors 59	0 0.000000	0 0.000000	0 0.000000	0 0.000000
21						
22	Cat 3.2 Wideband Interexch	Input 35 * 23 Factors 35	0 0.000000	0 0.000000	0 0.000000	0 0.000000
23						
24	Cat 3.3 Other Interexch	Input 36 * 25 Factors 45	4,554,327 1.000000	371,061 0.081474	2,791,127 0.612852	3,162,188 0.694326
25						
26	Cat 4 Host/Remote	Input 37 * 27 Factors 51	2,762,876 1.000000	622,365 0.225260	0 0.000000	622,365 0.225260
27						
28						
29	Total Cable & Wire Facilities	Sum(16:26)Even Distribution	81,089,763 1.000000	18,319,982 0.225922	4,998,531 0.061642	23,318,512 0.287564
30						
31						
32	Total COE IOT & CWF	COE 46+11+29 Distribution	159,212,911 1.000000	34,051,998 0.213877	13,576,302 0.085271	47,628,300 0.299148
33						
34						
35	CAPITAL LEASES:					
36	General Support Facilities	Input 38 * 37 33	0 1.000000	0 0.213877	0 0.085271	0 0.299148
37						
38	Central Office Equipment	Input 39 * 39 COE 25	0 1.000000	0 0.236009	0 0.000000	0 0.236009
39						
40	Information Orig/Term	Input 40 * 41 Factors 12	0 1.000000	0 0.250000	0 0.000000	0 0.250000
41						
42	Cable & Wire Facilities	Input 41 * 43 33	0 1.000000	0 0.213877	0 0.085271	0 0.299148
43						
44	Total Capital Leases	Sum(36:42)Even Distribution	0 0.000000	0 0.000000	0 0.000000	0 0.000000
45						
46						
47	COE IOT, CWF + TCL	32 + 44 Distribution	159,212,911 1.000000	34,051,998 0.213877	13,576,302 0.085271	47,628,300 0.299148
48						

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9						
10	Leasehold Improvements	Input 42 * 11 IOT CWF CL 33	326,167 1.000000	69,760 0.213877	27,813 0.085271	97,572 0.299148
11						
12	Total Tangible Assets	CL 44 + 10	326,167	69,760	27,813	97,572
13	Cap Leases + Lease Impr	Distribution	1.000000	0.213877	0.085271	0.299148
14						
15						
16	INTANGIBLE ASSETS	Input 43 * 17 IOT CWF CL 48	2,288,232 1.000000	489,400 0.213877	195,121 0.085271	684,521 0.299148
17						
18						
19	TOTAL 2001 RATE BASE	COE11+CWF32+ 12+16 Distribution	183,047,004 1.000000	39,149,566 0.213877	15,608,667 0.085271	54,758,233 0.299148
20						
21						
22	RATE BASE ITEMS NOT IN 2001					
23						
24						
25	2002 Plant Held Future Use	Input 14 * 26 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
26						
27	2003 Plant Under Constr ST	Input 15 * 28 20	922,503 1.000000	197,302 0.213877	78,663 0.085271	275,965 0.299148
28						
29	2004 Plant Under Constr LT	Input 16 * 30 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
30						
31	2005 Plant Aquisition Adj	Input 17 * 32 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
32						
33	1220 Material & Supplies	Input 8 * 34 CWF 30	169,038 1.000000	38,189 0.225922	10,420 0.061642	48,609 0.287564
34						
35	1402 RTB Stock	Input 10 * 36 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
36						
37	Cash Working Capital	State Tx 49 * 38 Oth 50	1,044,419 1.000000	248,763 0.238183	76,768 0.073503	325,530 0.311686
38						
39	Other Noncurrent Assets	Input 11 * 40 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
40						
41	Deferred Maint & Retire	Input 12 * 42 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
42						
43	Deferred Charges	Input 13 * 44 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
44						
45						
46	Total Non 2001 Rate Base	Sum(25:43)Odd Distribution	2,135,959 1.000000	484,254 0.226715	165,850 0.077647	650,105 0.304362
47						

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	Account 3100 - ACCUMULATED DEPRECIATION					
10						
11	General Support Facilities	Input 44 * 12	(11,260,131)	(2,408,284)	(960,167)	(3,368,451)
12		CWF 33	1.000000	0.213877	0.085271	0.299148
13	Central Office Equipment	Input 45 * 14	0	0	0	0
14	Operator Sys	COE 17	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 45 * 16	(35,724,047)	(8,431,184)	0	(8,431,184)
16	Switching	COE 25	1.000000	0.236009	0.000000	0.236009
17	Central Office Equipment	Input 46 * 18	(20,251,908)	(2,762,131)	(6,334,310)	(9,096,440)
18	Transmission	COE 44	1.000000	0.136389	0.312776	0.449165
19	Information Orig/Term	Input 47 * 20	(1,881,307)	(470,327)	0	(470,327)
20		Factors 12	1.000000	0.250000	0.000000	0.250000
21	Cable & Wire Facilities	Input 48 * 22	(50,561,404)	(11,422,946)	(3,116,703)	(14,539,649)
22		CWF 30	1.000000	0.225922	0.061642	0.287564
23	Total Account 3100	Sum(11:21)Odd	(119,678,797)	(25,494,872)	(10,411,180)	(35,906,051)
24	Accumulated Depreciation	Distribution	1.000000	0.213027	0.086993	0.300020
25						
26	Accounts 3200 through 3600 ACCUMULATED DEPRECIATION & AMORTIZATION					
27						
28	3200 Plant Held Future	Input 49 * 27	0	0	0	0
29		Oth Rb 20	1.000000	0.213877	0.085271	0.000000
30	3400 Capital Lease	Input 50 * 29	-	0	0	0
31		Oth RB 13	1.000000	0.213877	0.085271	0.000000
32	3400 Leasehold Improvement	Input 51 * 31	(326,167)	(69,760)	(27,813)	(97,572)
33		Oth RB 13	1.000000	0.213877	0.085271	0.299148
34	3500 Intangible Assets	Input 52 * 33	(2,288,232)	(489,400)	(195,121)	(684,521)
35		Oth RB 20	1.000000	0.213877	0.085271	0.299148
36	3600 Plant Acquisition Adjust	Input 53 * 35	0	0	0	0
37		Oth RB 20	1.000000	0.213877	0.085271	0.000000
38						
39	Total Accnts 3200 Through 3600	Sum(26:34)Even	(2,614,399)	(559,160)	(222,933)	(782,093)
40		Distribution	1.000000	0.213877	0.085271	0.299148
41						
42						
43	Total Accum Depr & Amort	21 + 37	(122,293,196)	(26,054,032)	(10,634,113)	(36,688,145)
44		Distribution	1.000000	0.213046	0.086956	0.300002
45						
46						
47	NET TELEPHONE PLANT	2001-AD&A ANTP	60,753,808	13,095,534	4,974,554	18,070,088
48			1.000000	0.215551	0.081881	0.297431

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 4340 ACCUMULATED DEFERRED INCOME TAX					
10						
11	General Support Facilities	Input 56 * 12	0	0	0	0
12		GSF 12	1.000000	0.213877	0.085271	0.000000
13	Central Office Equipment	Input 57 * 14	0	0	0	0
14	Operator Sys	COE 17	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 57 * 16	0	0	0	0
16	Switching	COE 25	1.000000	0.236009	0.000000	0.000000
17	Central Office Equipment	Input 58 * 18	0	0	0	0
18	Transmission	COE 44	1.000000	0.136389	0.312776	0.000000
19	Information Orig/Term	Input 59 * 20	0	0	0	0
20		Factors 12	1.000000	0.250000	0.000000	0.000000
21	Cable & Wire Facilities	Input 60 * 22	0	0	0	0
22		CWF 30	1.000000	0.225922	0.061642	0.000000
23	Tangible Assets			0	0	0
24			0.000000	0.000000	0.000000	0.000000
25	Intangible Assets			0	0	0
26			0.000000	0.000000	0.000000	0.000000
27	Plant Held Future Use			0	0	0
28			0.000000	0.000000	0.000000	0.000000
29	Plant Acquisition Adjustment			0	0	0
30			0.000000	0.000000	0.000000	0.000000
31	Unclassified	Input 55 * 32	0	0	0	0
32		Oth RB 20	1.000000	0.213877	0.085271	0.000000
33						
34	Total Deferred Income Tax	Sum(11:31)Odd Distribution	0	0	0	0
35			0.000000	0.000000	0.000000	0.000000
36						
37	Other Longterm Liabilities	Input 61 * 38	0	0	0	0
38		Cust Exp2 34	1.000000	0.223819	0.074833	0.000000
39	Customer Deposits	Input 54 * 40	(236,327)	(50,545)	(20,152)	(70,697)
40		Oth RB 20	1.000000	0.213877	0.085271	0.299148
41						
42	Total Other Credits	34 + 37 + 39 Distribution	(236,327)	(50,545)	(20,152)	(70,697)
43			1.000000	0.213877	0.085271	0.299148
44						
45						
46	TOTAL NET RATE BASE (NET INVESTMENT)	Accum Depr 45+40 Distribution	60,517,482	13,044,989	4,954,402	17,999,391
47			1.000000	0.215557	0.081867	0.297425
48						
49	2001 Less Rsv Etc	See 49	61,845,349	13,331,026	5,063,637	18,394,663
50		Distribution	1.000000	0.215554	0.081876	0.297430
51	(Oth RB 19+ Accum Dep 41 + Oth RB 25 + Oth RB 27+ Oth RB 29 + Oth RB 33 + Def Oth 32)					

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	PLANT SPECIFIC OPERATING EXPENSES					
10						
11	6110 Network Support Exp	Input 62 * 12	122,344	26,167	10,432	36,599
12		CWF 33	1.000000	0.213877	0.085271	0.299148
13	6120 General Support Exp	Input 63 * 14	3,042,069	650,629	259,401	910,030
14		CWF 33	1.000000	0.213877	0.085271	0.299148
15	6210 Central Office Switching	Input 64 * 16	2,080,229	416,409	234,041	650,451
16		COE 47	1.000000	0.200175	0.112507	0.312682
17	6220 Operator Systems Exp	Input 65 * 18	0	0	0	0
18		COE 47	1.000000	0.200175	0.112507	0.000000
19	6230 Central Office Trans Exp	Input 66 * 20	895,451	179,247	100,745	279,992
20		COE 47	1.000000	0.200175	0.112507	0.312682
21	6310 Info Orig/Term Exp	Input 67 * 22	140,409	35,102	0	35,102
22		Factors 12	1.000000	0.250000	0.000000	0.250000
23	6400 Cable & Wire Fac Exp	Input 68 * 24	3,177,605	717,892	195,874	913,766
24		CWF 30	1.000000	0.225922	0.061642	0.287564
25						
26	Total Plant Specific Expense	Sum(11:23)Odd Distribution	9,458,109	2,025,446	800,494	2,825,940
27		Distribution	1.000000	0.214149	0.084636	0.298785
28						
29	PLANT NONSPECIFIC OPERATING EXPENSES					
30						
31	6510 Other Prop & Equip	Input 59 * 32	0	0	0	0
32		Oth RB 20	1.000000	0.213877	0.085271	0.299148
33	6530 Network Operation Exp	Input 70 * 34	3,524,015	753,706	300,498	1,054,204
34		CWF 33	1.000000	0.213877	0.085271	0.299148
35	6540 Access Expense	Input 71 * 36	634,635	0	0	0
36		DIRECT	1.000000	0.000000	0.000000	0.000000
37	6540 Universal Service Assignment	Input 72 * 38	620,128	620,128	0	620,128
38		DIRECT	1.000000	1.000000	0.000000	1.000000
39						
40	Total Plant NonSpecific Exp	31+33+35+37	4,778,778	1,373,834	300,498	1,674,332
41		Distribution	1.000000	0.287486	0.062882	0.350368

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	6561 DEPRECIATION EXPENSE - TPIS					
10						
11	General Support Facilities	Input 73 * 12 CWF 33	889,242 1.000000	190,189 0.213877	75,827 0.085271	266,015 0.299148
12						
13	Central Office Equipment	Input 74 * 14 Operator Sys	0 COE 17	0 0.000000	0 0.000000	0 0.000000
14						
15	Central Office Equipment	Input 74 * 16 Switching	2,919,996 COE 25	689,144 0.236009	0 0.000000	689,144 0.236009
16						
17	Central Office Equipment	Input 75 * 18 Transmission	2,306,349 COE 44	314,560 0.136389	721,371 0.312776	1,035,930 0.449165
18						
19	Infor Orig/Term Equipment	Input 76 * 20 Factors 12	0 1.000000	0 0.250000	0 0.000000	0 0.000000
20						
21	Cable & Wire Facilities	Input 77 * 22 CWF 30	3,451,299 1.000000	779,725 0.225922	212,745 0.061642	992,470 0.287564
22						
23						
24	Total 6561 Depreciation Exp	Sum(11:21)Odd Distribution	9,566,886 1.000000	1,973,618 0.206297	1,009,942 0.105566	2,983,560 0.311863
25						
26						
27						
28	6562 Depr Plant Held Future	Input 78 * 27 Oth RB 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
29						
30						
31	6563 Amort Tangible Assets	Input 79 * 30 Oth RB 13	0 1.000000	0 0.213877	0 0.085271	0 0.000000
32						
33						
34	6564 Amort Intangible Assets	Input 80 * 33 Oth RB 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
35						
36						
37	6565 Amort Plant Acquisition	Input 81 * 36 Oth RB 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
38						
39						
40						
41	Total Depr & Amort Expense	22+26+29+32+35 Distribution	9,566,886 1.000000	1,973,618 0.206297	1,009,942 0.105566	2,983,560 0.311863
42						

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	6610 MARKETING EXPENSE	Input 82 * 10	715,122	239,947	0	239,947
10		Factors 65	1.000000	0.335533	0.000000	0.335533
11						
12	6620 TELEPHONE OPERATOR & PUBLISHED DIRECTORY					
13						
14	Telephone Operator Service	Input 83 * 15	0	0	0	0
15		Factors 71	0.000000	0.000000	0.000000	0.000000
16	Classified Directory Expense	Input 85 * 17	0	0	0	0
17		DIRECT	1.000000	0.000000	0.000000	0.000000
18	Alpha Directory Expense	Input 84 * 18	0	0	0	0
19		Factors 67	1.000000	0.202489	0.000000	0.000000
20	Foreign Directory Expense	Input 86 * 21	0	0	0	0
21		DIRECT	0.000000	0.000000	0.000000	0.000000
22	TWX Directory Expense	Input 87 * 23	0	0	0	0
23		Factors 67	1.000000	0.202489	0.000000	0.000000
24	Total 6620 Telephone Oper & Pub Dir	Sum(14:22)Even	0	0	0	0
25		Distribution	0.000000	0.000000	0.000000	0.000000
26						
27	Account 6620 Cat 1 Customer Services					
28						
29	1.1 End User Serv Order Proc	Input 88 * 30	604,425	0	0	0
30		Factors 74	1.000000	0.000000	0.000000	0.000000
31	1.1 Presubscription Srv Order	Input 89 * 32	236,478	236,478	0	236,478
32		DIRECT	1.000000	1.000000	0.000000	1.000000
33	1.2 End User Payment & Coll	Input 90 * 34	539,456	31,249	0	31,249
34		Factors 77	1.000000	0.057926	0.000000	0.057926
35	1.3 End User Billing	Input 91 * 36	346,856	51,228	0	51,228
36		Factors 80	1.000000	0.147694	0.000000	0.147694
37	1.4 IXC Serv Ord Proc	Input 92 * 38	706,865	268,976	249,622	518,598
38		Factors 85	1.000000	0.380520	0.353140	0.733659
39	1.5 IXC Payment & Collection	Input 93 * 40	156,358	70,149	23,672	93,821
40		Factors 88	1.000000	0.448645	0.151396	0.600041
41	1.6 IXC Billing Inquiry	Input 94 * 42	137,529	61,702	20,820	82,522
42		Factors 91	1.000000	0.448647	0.151390	0.600036
43	1.7 Coin Collection & Admin	Input 95 * 44	0	0	0	0
44		Factors 94	0.000000	0.000000	0.000000	0.000000
45						
46	Total 6620 Cat 1 Cust Svc Exp	Sum(29:43)Odd	2,727,966	719,782	294,115	1,013,896
47		Distribution	1.000000	0.263853	0.107815	0.371668

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A	B	C	D	E	F	G

9	Account 6620 Cat 2 CUSTOMER SERVICES EXPENSE					
10						
11	Toll Ticket Processing	Input 98 * 12	0	0	0	0
12		Factors 103	1.000000	0.000000	0.000000	0.000000
13	Local Message Processing	Input 99 * 14	908,756	0	0	0
14		Direct	1.000000	0.000000	0.000000	0.000000
15	Carrier Access B&C	Input 96 * 16	571,607	285,803	0	285,803
16		Factors 97	1.000000	0.500000	0.000000	0.500000
17	Other B&C	Input 100 * 18	278,204	0	0	0
18		Factors 100	1.000000	0.000000	0.000000	0.000000
19	End User B&C	Input 97 * 20	14,643	14,643	0	14,643
20		Direct	1.000000	1.000000	0.000000	1.000000
21	Total Account 6620 Cat 2	Sum(11:19)Odd	1,773,210	300,446	0	300,446
22		Distribution	1.000000	0.169436	0.000000	0.169436
23						
24	Total Accnt 6620 Cat 1 + Cat 2	Cust Exp 46 + 21	4,501,176	1,020,228	294,115	1,314,343
25		Distribution	1.000000	0.226658	0.065342	0.292000
26						
27	Cat 3 CUSTOMER SERVICES	Input 101 * 28	3,047	3,047	0	3,047
28		Direct	1.000000	1.000000	0.000000	1.000000
29						
30	Total 6610 + 6620	Cust Exp 9&24 +24+27	5,219,345	1,263,222	294,115	1,557,337
31		Distribution	1.000000	0.242027	0.056351	0.298378
32						
33	Big Three Expenses	See 35	15,037,056	3,365,579	1,125,272	4,490,851
34		Distribution	1.000000	0.223819	0.074833	0.298652
35	E30 + Plnt Exp 33 +Plnt Exp 23 + Plnt Exp 21+ Plnt Exp 19 + Plnt Exp 15 + Plnt Exp 17					

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	CORPORATE OPERATIONS EXPENSES					
10						
11	6710 Executive & Planning	Input 103 * 12 Cust Exp2 34	1,605,048 1.000000	359,240 0.223819	120,111 0.074833	479,351 0.298652
12						
13						
14						
15						
16						
17	6720 General & Administrative	Input 104 * 18 Cust Exp2 34	4,709,940 1.000000	1,054,174 0.223819	352,460 0.074833	1,406,634 0.298652
18						
19						
20	6720 General & Administrative Dir	Input 105 * 21 Direct	82,891 1.000000	82,891 1.000000	0 0.000000	82,891 1.000000
21						
22						
23	6720 Equal Access	Input 102 * 24 Factors 106	0 0.000000	0 0.000000	0 0.000000	0 0.000000
24						
25						
26	Total Corporate Operations	Sum(11:23)Odd Distribution	6,397,879 1.000000	1,496,305 0.233875	472,571 0.073864	1,968,876 0.307739
27						
28						
29	OPERATING TAXES					
30	Accnt 7200 Operating Taxes	Input 107 * 31 Oth RB 20	229,012 1.000000	48,980 0.213877	19,528 0.085271	68,509 0.299148
31						
32						
33	Accnt 7200 Operating Taxes Dir	Input 108 * 34 Direct	5,330 1.000000	5,330 1.000000		5,330 1.000000
34						
35						
36	Total Operating Taxes	30 + 33 Distribution	234,342 1.000000	54,310 0.231757	19,528 0.083332	73,839 0.315089
37						

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	Account 7100 & 7300 Operating Expenses, Misc. Income, & Rent Revenue					
10						
11	7100 Other Expenses	Input 106 * 12 Oth RB 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
12						
13	7300 Gains & Losses on Disp	Input 113 * 14 Oth RB 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
14						
15	7300 Contributions & Fees	Input 114 Corp Exp 27	15,707 1.000000	3,674 0.233875	1,160 0.073864	4,834 0.307739
16						
17	GSF Rent Revenue	Input 120 * 18 GSF 12	0 1.000000	0 0.213877	0 0.085271	0 0.000000
18						
19	COE SW Rent Revenue	Input 121 * 20 COE 25	(412,434) 1.000000	(97,338) 0.236009	0 0.000000	(97,338) 0.236009
20						
21	COE TR Rent Revenue	Input 122 * 22 COE 44	0 1.000000	0 0.136389	0 0.312776	0 0.000000
22						
23	CWF Rent Revenue	Input 123 * 24 CWF 30	0 1.000000	0 0.225922	0 0.061642	0 0.000000
24						
25						
26	Total Oper Expense & Income	Sum(11:23)Odd Distribution	(396,727) 0.000000	(93,664) 0.000000	1,160 0.000000	(92,504) 0.233169
27						
28						
29	Accounts 7500, 7600, & 7900					
30						
31	Capital Lease Interest	Input 115 * 32 Oth RB 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
32						
33	Customer Deposit Interest	Input 117 * 34 Def Oth 48	5,422 1.000000	1,169 0.215554	444 0.081876	1,613 0.297430
34						
35	Extraordinary Items	Input 118 * 36 Oth RB 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
36						
37	Inc Effect Jurs Rate Diff	Input 119 * 38 Oth RB 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
38						
39						
40	Total 7500, 7600, & 7900	Sum(31:37)Odd Distribution	5,422 1.000000	1,169 0.215554	444 0.081876	1,613 0.297430
41						
42						
43	Total Other Items	26 + 40	(391,305)	(92,496)	1,604	(90,892)
44						
45	Account 7340 Allowance for Funds Used During Construction	Input 112 * 47 Oth RB 20	0 1.000000	0 0.213877	0 0.085271	0 0.000000
46						
47						
	Total Oper Exp Less Depr	Summary 38 - Depr Exp 39 Distribution	25,697,148 1.000000	6,120,622 0.238183	1,888,809 0.073503	8,009,431 0.311686

Period of Study: December 31, 2003
 Date: 06/24/2004
 Entity: Gallatin River Communications, LLC
 Transmittal No. 18
 COSA: 341057

**Rate-of Return TRP
ACR Adjustments**

Section 61.38 carriers should ANNUALIZE their revenue requirement figures for this worksheet.

Access Category	Interstate Revenue Requirement Prior to Adjustments	Local Switching Support	Sub-Total	Factor Used for Line Port Adjustment	Line Port Transfer	Universal Service Fund Contribution	JUL '00 - JUN '01 TIC Revenues	Test Year TIC Revenue Requirement	Interstate Revenue Requirement Used as Base for TIC Re-allocation	TIC Re-allocation	Interstate Revenue Requirement Subject to Rate Making
	Note 1 (A) Enter Data	Note 2 (B) Enter Data	(C) Calculated Fields	Note 3 (D) Enter Data	Note 4 (E) Calculated Fields	Note 5 (F) Enter Data	Note 6 (G) Enter Data	Note 7 (H) Enter Data	(I) Calculated Fields	(J) Calculated Fields	(K) Calculated Fields
Common Line	\$6,817,417		\$6,817,417		\$785,912	\$0			\$7,603,329	\$0	\$7,603,329
Local Switching	\$2,619,707		\$2,619,707	30.00%	\$785,912				\$1,833,795	\$0	\$1,833,795
Information	\$0		\$0						\$0	\$0	\$0
Transport	\$1,446,750		\$1,446,750			\$0	\$0		\$1,446,750	\$0	\$1,446,750
Special Access	\$4,072,920		\$4,072,920						\$4,072,920	\$0	\$4,072,920
TOTAL (Calculated Fields)	\$14,956,794		\$14,956,794				\$0		\$14,956,794	\$0	\$14,956,794

Note 1: Source: company workpapers - After reallocating General Support Facilities Investment, but before other part 69 adjustments as a result of the Rate-of-Return Access Charge Reform Order as reflected in this form. Express as ANNUAL amounts.

Note 2: USAC Allocation Amount

Note 3: Percentage factor based on carrier's cost study or 30%.

Note 4: Spreadsheet formula will calculate Local Switching Revenue Requirement multiplied by Line Port Adjustment Factor input

Note 5: Based on projected USF Contributions.

Note 6: "The amount to be reallocated is limited to the total revenues recovered through the interconnection charge assessed pursuant to section 69.124 for the 12-month period ending June 30, 2001." (C.F.R. § 69.415(b)).

Note 7: TIC Revenue Requirement for test period.

COMPANY: Gallatin River Communications 341057
 DESCRIPTION: 2003 Historic Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL C	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other E	Base Factor F	Local Switching G	Transport Other H	Transport Tandem Sw I	Special Access J	Host Remote K
A	B	C	D	E	F	G	H	I	J	K
9	SUMMARY									
10	RATE BASE (INVESTMENT)									
11	General Support Facilities	GSF 11	6,304,085	61,574	2,717,570	1,167,134	137,459	338,749	1,774,143	107,458
12	Central Office Equipment	COE 46	22,447,239	-	2,681,192	8,514,851	635,665	2,471,347	7,976,067	168,117
13	Info Orig/Term Equipment	CWF 10	470,327	449,216	-	-	-	-	21,111	-
14	Cable & Wire Facilities	CWF 27	23,074,020	-	17,144,893	-	367,169	-	4,946,116	615,842
15	Tangible Assets	CWF 46	97,282	950	41,936	18,011	2,121	5,227	27,378	1,658
16	Intangible Assets	N2001 9	682,486	6,666	294,206	126,355	14,881	36,673	192,070	11,633
17	Total 2001 Rate Base	SUM(11:16)	53,075,439	518,406	22,879,798	9,826,351	1,157,295	2,851,996	14,936,884	904,709
18		Distribution	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
19										
20	Non 2001 Rate Base	N2001 47	685,928	6,700	295,690	126,992	14,956	36,858	193,039	11,692
21	Accum Depr & Amort	Depr Amort 44	(32,284,060)	(486,172)	(13,159,680)	(6,416,342)	(707,873)	(1,862,276)	(9,126,114)	(525,603)
22	Other Credits	Oth RB 42	(71,743)	(701)	(30,927)	(13,283)	(1,564)	(3,855)	(20,191)	(1,223)
23	NET RATE BASE	17+20+21+22	21,405,564	38,234	9,984,881	3,523,719	462,814	1,022,723	5,983,619	389,575
24		Distribution	1.000000	0.001786	0.466462	0.164617	0.021621	0.047778	0.279536	0.018200
25										
26	RATE OF RETURN	Enter Here		0.112500	0.112500	0.112500	0.112500	0.112500	0.112500	0.112500
27	RETURN ON INVESTMENT	23 * 26	2,408,126	4,301	1,123,299	396,418	52,067	115,056	673,157	43,827
28		Distribution	1.000000	0.001786	0.466462	0.164617	0.021621	0.047778	0.279536	0.018200
29										
30	EXPENSES									
31	Plant Specific Expenses	Plnt Ex 28	2,819,381	44,321	1,151,061	586,462	140,965	196,446	655,559	44,567
32	Plant NonSpecific Expenses	Plnt Ex 40	1,671,197	10,266	1,073,224	194,594	22,918	56,479	295,800	17,916
33	Depr & Amort Expense	Depr Exp 41	2,963,673	2,609	1,087,439	579,553	78,492	168,209	1,001,455	45,916
34	Customer Operations Expense	Cust 2 30	1,557,337	11,237	593,306	307,855	36,258	89,352	506,506	12,823
35	Corporate Operations Expense	Corp 45	1,965,988	21,397	915,911	353,971	65,060	111,263	473,906	24,480
36	Operating Taxes	Oth Ex 9	73,635	719	31,743	13,633	1,606	3,957	20,723	1,255
37	Other Income & Expense	Oth Ex 46	(90,894)	63	2,778	(74,249)	141	(21,550)	1,814	110
38	TOTAL EXPENSES	SUM(31:37)	10,960,317	90,613	4,855,461	1,961,819	345,439	604,156	2,955,762	147,067
39		Distribution	1.000000	0.008267	0.443004	0.178993	0.031517	0.055122	0.269678	0.013418
40										
41	AFUDC	Oth Ex 49	-	-	-	-	-	-	-	-
42										
43	INCOME TAXES									
44	Federal	Fed Tx 40	1,296,776	2,316	604,897	213,471	28,038	61,958	362,495	23,601
45	State	St Tx 36	291,576	521	136,009	47,998	6,304	13,931	81,506	5,307
46										
47	NET REVENUE REQUIREMENT	27+38+41+44+45	14,956,794	97,752	6,719,666	2,619,707	431,848	795,101	4,072,920	219,802
48		Distribution	1.000000	0.006536	0.449272	0.175152	0.028873	0.053160	0.272312	0.014696
49	Line Port Transfer				785,912	(785,912)				
50					7,603,329	1,833,795				

COMPANY: Gallatin River Communications 341057
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 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 2110 - GENERAL SUPPORT FACILITIES									
10										
11	Total General Support Facilities	Input 20 * 12 CWF 31	6,304,085 1.000000	61,574 0.009767	2,717,570 0.431081	1,167,134 0.185139	137,459 0.021805	338,749 0.053735	1,774,143 0.281427	107,458 0.017046
12										
13										
14	Accounts 2210 - 2230 CENTRAL OFFICE EQUIPMENT									
15										
16	Cat 1 Operator Systems	Input 24 * 17 Direct	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
17										
18	Equal Access Equipment	Input 21 * 19 Local Sw	- 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
19										
20	Cat 2 Tandem Switching	Input 22 * 21 Tandem Sw	2,471,347 1.000000	0.000000	0.000000	0.000000	0.000000	2,471,347 1.000000	0.000000	0.000000
21										
22	Cat 3 Local Switching	Input 23 * 23 Local Sw	8,514,851 1.000000	0.000000	0.000000	8,514,851 1.000000	0.000000	0.000000	0.000000	0.000000
23										
24										
25	Total COE Switching	18 + 20 + 22 Distribution	10,986,198 1.000000	- 0.000000	- 0.000000	8,514,851 0.775050	- 0.000000	2,471,347 0.224950	- 0.000000	- 0.000000
26										
27										
28	Cat 4.11 Wideband Exchange	Input 25 * 29 CWF 17	- 1.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 1.000000	- 0.000000
29										
30	Cat 4.12 Exchange Trunk	Input 26 Special	3,488,542 1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	3,488,542 1.000000	0.000000
31										
32	Cat 4.13 Exchange Line	Input 27 * 33 CWF 15	2,807,193 1.000000	- 0.000000	2,681,192 0.955115	- 0.000000	- 0.000000	- 0.000000	126,001 0.044885	- 0.000000
33										
34	Cat 4.21 Furn Another Co	Input 28 * 35 CWF 19	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000
35										
36	Cat 4.22 Wideband Interexch	Input 29 * 37 Special	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000
37										
38	Cat 4.23 Other Interexchange	Input 30 Direct From 36	4,997,188 1.000000	0.000000	0.000000	0.000000	635,665 0.127204	4,361,524 0.000000	0.000000	0.000000
39										
40	Cat 4.3 Host/Remote	Input 31 Transport Oth	168,117 1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	168,117 0.000000	1.000000
41										
42										
43	Total COE Transmission	Sum(28:40)even Distribution	11,461,041 1.000000	- 0.000000	2,681,192 0.233940	- 0.000000	635,665 0.055463	7,976,067 0.000000	168,117 0.695929	0.014669
44										
45										
46	Total Central Office Equipment	16 + 25 + 43 Distribution	22,447,239 1.000000	- 0.000000	2,681,192 0.119444	8,514,851 0.379327	635,665 0.028318	2,471,347 0.110096	7,976,067 0.355325	168,117 0.007489
47										

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Line	Description	Source & Calc Sheet & Line	TOTAL C	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other E	Base Factor F	Local Switching G	Transport Other H	Transport Tandem Sw I	Special Access J	Host Remote K
A	B	C	D	E	F	G	H	I	J	K
9	Account 2310 INFORMATION ORIGINATION/TERMINATION EQUIPMENT									
10	Total Cat 1 Oth Terminal Equip	Input 32 P36 Factors 14	470,327 1.000000	449,216 0.955115	0.000000	0.000000	0.000000	0.000000	21,111 0.044885	0.000000
11										
12										
13	Account 2410 - CABLE & WIRE FACILITIES									
14	Cat 1 Exchange Line	Input 33 Com Ln	17,950,607 1.000000	17,144,893 0.955115	0.000000	0.000000	0.000000	0.000000	805,714 0.044885	0.000000
15										
16	Cat 2 Wideband & Exch Trnk	Input 34 Direct P36	1,378,548 1.000000	0.000000 0.000000	0.000000	0.000000	0.000000	0.000000	1,378,548 1.000000	0.000000
17										
18	Cat 3.1 Furn Another Co	Input 35 Direct	- 0.000000	0.000000 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000 0.000000	0.000000
19										
20	Cat 3.2 Wideband Interexch	Input 36 Direct	- 0.000000	0.000000 0.000000	0.000000	0.000000	0.000000	0.000000	- 0.000000	0.000000
21										
22	Cat 3.3 Other Interexch	Input 37 Direct	3,129,023 1.000000	0.000000 0.000000	0.000000	0.000000	0.000000	0.000000	367,169 0.117343	2,761,854 0.882657
23										
24	Cat 4 Host/Remote	Input 38 Direct	615,842 1.000000	0.000000 0.000000	0.000000	0.000000	0.000000	0.000000	0.000000 0.000000	615,842 1.000000
25										
26										
27	Total Cable & Wire Facilities	Sum(14:24)even Distribution	23,074,020 1.000000	- 0.000000	17,144,893 0.743039	- 0.000000	367,169 0.015913	- 0.000000	4,946,116 0.214359	615,842 0.026690
28										
29										
30	Total COE IOT & CWF	COE 46+10+27 Distribution	45,991,586 1.000000	449,216 0.009767	19,826,085 0.431081	8,514,851 0.185139	1,002,834 0.021805	2,471,347 0.053735	12,943,293 0.281427	783,959 0.017046
31										
32										
33	CAPITAL LEASES:									
34	General Support Facilities	Input 39 * 35 31	- 1.000000	- 0.009767	- 0.431081	- 0.185139	- 0.021805	- 0.053735	- 0.281427	- 0.017046
35										
36	Central Office Equipment	Input 40 * 37 COE 26	- 1.000000	- 0.000000	- 0.000000	- 0.775050	- 0.000000	- 0.224950	- 0.000000	- 0.000000
37										
38	Information Orig/Term	Input 41 * 39 11	- 1.000000	- 0.955115	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.044885	- 0.000000
39										
40	Cable & Wire Facilities	Input 42 * 41 28	- 1.000000	- 0.000000	- 0.743039	- 0.000000	- 0.015913	- 0.000000	- 0.214359	- 0.026690
41										
42	Total Capital Leases	34+36+38+40 Distribution	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000	- 0.000000
43										
44	Leasehold Improvements	Input 43 * 45 N2001 19	97,282 1.000000	950 0.009767	41,936 0.431081	18,011 0.185139	2,121 0.021805	5,227 0.053735	27,378 0.281427	1,658 0.017046
45										
46	Total Tangible Assets	42 + 44 Distribution	97,282 1.000000	950 0.009767	41,936 0.431081	18,011 0.185139	2,121 0.021805	5,227 0.053735	27,378 0.281427	1,658 0.017046
47										

COMPANY: Gallatin River Communications 341057
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Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	INTANGIBLE ASSETS	Input 44 * 10	682,486	6,666	294,206	126,355	14,881	36,673	192,070	11,633
10		19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
11										
12	TOTAL 2001 RATE BASE	9 + CWF30 & 46 + COE 11	53,075,439	518,406	22,879,798	9,826,351	1,157,295	2,851,996	14,936,884	904,709
13		Distribution	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
14										
15	COE+IOT+CWF-CAT 1.3	CWF30 - CWF 14	28,040,979	449,216	2,681,192	8,514,851	1,002,834	2,471,347	12,137,579	783,959
16		Distribution	1.000000	0.016020	0.095617	0.303657	0.035763	0.088133	0.432851	0.027958
17										
18	IOT+CWF+COE+GSF	CWF30 + COE11	52,295,671	510,790	22,543,655	9,681,985	1,140,293	2,810,095	14,717,436	891,417
19		Distribution	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
20										
21	IOT+CWF+COE+GSF (CL,LS,TR Only)	Select Col 18	36,686,818	510,790	22,543,655	9,681,985	1,140,293	2,810,095	0.000000	0.000000
22		Distribution	1.000000	0.013923	0.614489	0.263909	0.031082	0.076597		
23										
24	RATE BASE ITEMS NOT IN 2001									
25										
26	2002 Plant Held Future Use	Input 16 * 27	-	-	-	-	-	-	-	-
27		13	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
28	2003 Plant Under Constr ST	Input 17 * 29	288,353	2,816	124,303	53,385	6,287	15,495	81,150	4,915
29		13	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
30	2004 Plant Under Constr LT	Input 18 * 31	-	-	-	-	-	-	-	-
31		13	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
32	2005 Plant Aquisition Adj	Input 19 * 33	-	-	-	-	-	-	-	-
33		13	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
34	1220 Material & Supplies	Input 10 * 35	72,565	709	31,281	13,435	1,582	3,899	20,422	1,237
35		19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
36	1402 RTB Stock	Input 12 * 37	-	-	-	-	-	-	-	-
37		19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
38	Cash Working Capital	Input 11 * 39	325,011	3,174	140,106	60,172	7,087	17,464	91,467	5,540
39		19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
40	Other Noncurrent Assets	Input 13 * 41	-	-	-	-	-	-	-	-
41		19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
42	Deferred Maint & Retirements	Input 14 * 43	-	-	-	-	-	-	-	-
43		19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
44	Deferred Charges	Input 15 * 45	-	-	-	-	-	-	-	-
45		19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
46										
47	Total Non 2001 Rate Base	Sum(32:40)even	685,928	6,700	295,690	126,992	14,956	36,858	193,039	11,692
48		Distribution	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046

COMPANY: Gallatin River Communications 341057
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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 3100 - ACCUMULATED DEPRECIATION									
10	General Support Facilities	Input 45 * 12 CWF 31	(3,003,824) 1.000000	(29,339) 0.009767	(1,294,891) 0.431081	(556,126) 0.185139	(65,498) 0.021805	(161,410) 0.053735	(845,358) 0.281427	(51,202) 0.017046
11	Central Office Equipment	Input 46 * 14	-							
12	Operator Systems	Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
13	Central Office Equipment	Input 46 * 16	(7,374,816)	-	-	(5,715,850)	-	#####	-	-
14	Switching	COE 26	1.000000	0.000000	0.000000	0.775050	0.000000	0.224950	0.000000	0.000000
15	Central Office Equipment	Input 47 * 18	(7,501,607)	-	(1,754,924)	-	(416,062)	-	(5,220,583)	(110,038)
16	Transmission	COE 44	1.000000	0.000000	0.233940	0.000000	0.055463	0.000000	0.695929	0.014669
17	Information Orig/Term	Input 48 * 20	(470,327)	(449,216)	-	-	-	-	(21,111)	
18		CWF 11	1.000000	0.955115	0.000000	0.000000	0.000000	0.000000	0.044885	0.000000
19	Cable & Wire Facilities	Input 49 * 22	(13,153,718)	-	(9,773,723)	-	(209,311)	-	(2,819,613)	(351,071)
20		CWF 28	1.000000	0.000000	0.743039	0.000000	0.015913	0.000000	0.214359	0.026690
21	Total Account 3100 Accumulated De	Sum(13:21)odd	(31,504,292)	(478,555)	(12,823,538)	(6,271,976)	(690,871)	#####	(8,906,666)	(512,311)
22		Distribution	1.000000	0.015190	0.407041	0.199083	0.021929	0.057782	0.282713	0.016262
23										
24										
25										
26										
27	Accounts 3200 through 3600 ACCUMULATED DEPRECIATION & AMORTIZATION									
28										
29	3200 Plant Held Future	Input 50 * 30 N2001 19	- 1.000000	- 0.009767	- 0.431081	- 0.185139	- 0.021805	- 0.053735	- 0.281427	- 0.017046
30										
31	3400 Capital Lease	Input 51 * 32 CWF 37	- 1.000000	- 0.000000	- 0.000000	- 0.775050	- 0.000000	- 0.224950	- 0.000000	- 0.000000
32										
33	3400 Leasehold Improvements	Input 52 * 34 N2001 19	(97,282) 1.000000	(950) 0.009767	(41,936) 0.431081	(18,011) 0.185139	(2,121) 0.021805	(5,227) 0.053735	(27,378) 0.281427	(1,658) 0.017046
34										
35	3500 Intangible Assets	Input 53 * 36 N2001 19	(682,486) 1.000000	(6,666) 0.009767	(294,206) 0.431081	(126,355) 0.185139	(14,881) 0.021805	(36,673) 0.053735	(192,070) 0.281427	(11,633) 0.017046
36										
37	3600 Plant Acquisition Adj	Input 54 * 38 N2001 13	- 1.000000	- 0.009767	- 0.431081	- 0.185139	- 0.021805	- 0.053735	- 0.281427	- 0.017046
38										
39										
40	Total Accnts 3200 Through 3600	Sum(29:37)odd Distribution	(779,768) 1.000000	(7,616) 0.009767	(336,143) 0.431081	(144,366) 0.185139	(17,003) 0.021805	(41,901) 0.053735	(219,448) 0.281427	(13,292) 0.017046
41										
42										
43										
44	Total Depreciation & Amort	23 + 40 Distribution	(32,284,060) 1.000000	(486,172) 0.015059	(13,159,680) 0.407622	(6,416,342) 0.198746	(707,873) 0.021926	#####	(9,126,114) 0.282682	(525,603) 0.016281
45										
46										
47										
48										
49										
50	NET TELEPHONE PLANT	N2001 12 + 44 Distribution	20,791,379 1.000000	32,235 0.001550	9,720,117 0.467507	3,410,009 0.164011	449,422 0.021616	989,720 0.047602	5,810,770 0.279480	379,106 0.018234
51										

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 4340 ACCUMULATED DEFERRED INCOME TAX									
10										
11	General Support Facilities	Input 57 * 12	-	-						
12		CWF 31	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
13	Central Office Equipment	Input 58 * 14	-	-						
14	Operator Systems	COE 17	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 58 * 16	-	-						
16	Switching	COE 26	1.000000	0.000000	0.000000	0.775050	0.000000	0.224950	0.000000	0.000000
17	Central Office Equipment	Input 59 * 18	-	-						
18	Transmission	COE 44	1.000000	0.000000	0.233940	0.000000	0.055463	0.000000	0.695929	0.014669
19	Information Orig/Term	Input 60 * 20	-	-						
20		CWF 11	1.000000	0.955115	0.000000	0.000000	0.000000	0.000000	0.044885	0.000000
21	Cable & Wire Facilities	Input 61 * 22	-	-						
22		CWF 28	1.000000	0.000000	0.743039	0.000000	0.015913	0.000000	0.214359	0.026690
23	Tangible Assets		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
24										
25	Intangible Assets		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
26										
27	Plant Held Future Use		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
28										
29	Plant Acquisition Adjustment		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
30										
31	Unclassified	Input 56 * 32	-	-						
32		N2001 19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
33										
34	Total Deferred Income Tax	Sum(11:31)Odd Distribution	-	-						
35			0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
36										
37	Other Longterm Liabilities	Input 62 * 38	-	-						
38		N2001 19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
39	Customer Deposits	Input 55 * 40	(71,743)	(701)	(30,927)	(13,283)	(1,564)	(3,855)	(20,191)	(1,223)
40		N2001 19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
41										
42	Total Other Credits	34 + 37 + 39	(71,743)	(701)	(30,927)	(13,283)	(1,564)	(3,855)	(20,191)	(1,223)
43		Distribution	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
44										
45	TOTAL NET RATE BASE (NET INVESTMENT)	Depr 50+ N2001 47 + 42	21,405,564	38,234	9,984,881	3,523,719	462,814	1,022,723	5,983,619	389,575
46		Distribution	1.000000	0.001786	0.466462	0.164617	0.021621	0.047778	0.279536	0.018200
47										
48	See Calculation on line 50		21,152,297	35,760	9,875,702	3,476,829	457,292	1,009,113	5,912,342	385,258
49		Distribution	1.000000	0.001691	0.466886	0.164371	0.021619	0.047707	0.279513	0.018214
50	N 2001 12+ N 2001 26 + N 2001 28 + N 2001 E30+ N 2001 32+ N 2001 34 + Depr Amort 44 + OTH RB 34									

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	PLANT SPECIFIC OPERATING EXPENSES									
11	6110 Network Support Exp	Input 63 * 12	36,490	356	15,730	6,756	796	1,961	10,269	622
12		N2001 19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
13	6120 General Support Exp	Input 64 * 14	907,324	8,862	391,130	167,981	19,784	48,755	255,346	15,466
14		CWF 31	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
15	6220 Operator Systems	Input 66 * 16	-	-	-	-	-	-	-	-
16		COE 17	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
17	6210 Central Office Switching	Input 65 * 18	647,833	-	-	502,103	-	145,730	-	-
18		COE 26	1.000000	0.000000	0.000000	0.775050	0.000000	0.224950	0.000000	0.000000
19	6210 Central Office Switching	-	-	-	(90,379)	90,379	-	-	-	-
20	Reallocate Common Channel Signa	Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
21	6230 Central Office Trans Exp	Input 67 * 22	278,865	-	65,238	-	15,467	-	194,070	4,091
22		COE 44	1.000000	0.000000	0.233940	0.000000	0.055463	0.000000	0.695929	0.014669
23	6310 Info Orig/Term Exp	Input 68 * 24	35,102	35,102	-	-	-	-	-	-
24		Direct	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
25	6400 Cable & Wire Fac Exp	Input 69 * 26	913,765	-	678,963	-	14,540	-	195,874	24,388
26		CWF 28	1.000000	0.000000	0.743039	0.000000	0.015913	0.000000	0.214359	0.026690
27										
28	Total Plant Specific Expense	Sum(11:25)odd	2,819,381	44,321	1,151,061	586,462	140,965	196,446	655,559	44,567
29		Distribution	1.000000	0.015720	0.408267	0.208011	0.049999	0.069677	0.232519	0.015807
30										
31	PLANT NONSPECIFIC OPERATING EXPENSES									
33	6510 Other Prop & Equip	Input 70 * 34	0	0	0	0	0	0	0	0
34		CWF 31	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
35	6530 Network Operation Exp	Input 71 * 36	1,051,069	10,266	453,096	194,594	22,918	56,479	295,800	17,916
36		CWF 31	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
37	6540 Access Expense	Input 72 * 38	620,128	-	620,128	-	-	-	-	-
38		Direct	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
39										
40	Total Plant NonSpecific Exp	33 + 35 + 37	1,671,197	10,266	1,073,224	194,594	22,918	56,479	295,800	17,916
41		Distribution	1.000000	0.006143	0.642189	0.116440	0.013714	0.033796	0.176999	0.010721

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	6561 DEPRECIATION EXPENSE - TPIS									
10										
11	General Support Facilities	Input 73 * 12	263,225	2,571	113,471	48,733	5,740	14,144	74,079	4,487
12		CWF 31	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
13	Central Office Equipment	Input 74 * 14	-	-	-	-	-	-	-	-
14		COE 17	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 74 * 16	683,948	-	-	530,094	-	153,854	-	-
16	Switching	COE 26	1.000000	0.000000	0.000000	0.775050	0.000000	0.224950	0.000000	0.000000
17	Central Office Equipment	Input 75 * 18	1,027,596	-	240,395	-	56,994	-	715,133	15,073
18	Transmission	COE 44	1.000000	0.000000	0.233940	0.000000	0.055463	0.000000	0.695929	0.014669
19	Infor Orig/Term Equipment	Input 76 * 20	-	-	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
20		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
21	Cable & Wire Facilities	Input 77 * 22	984,987	-	731,883	-	15,674	-	211,140	26,289
22		CWF 28	1.000000	0.000000	0.743039	0.000000	0.015913	0.000000	0.214359	0.026690
23										
24	Total 6561 Depreciation Expense	Sum(11:21)odd Distribution	2,959,755	2,571	1,085,750	578,827	78,407	167,999	1,000,352	45,849
25			1.000000	0.000869	0.366838	0.195566	0.026491	0.056761	0.337985	0.015491
26										
27										
28	6562 Depr Plant Held Future	Input 78 * 29	-	-	-	-	-	-	-	-
29		N2001 13	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
30										
31	6563 Amort Tangible Assets	Input 79 * 32	3,919	38	1,689	725	85	211	1,103	67
32		CWF 47	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
33										
34	6564 Amort Intangible Assets	Input 80 * 35	-	-	-	-	-	-	-	-
35		N2001 19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
36										
37	6565 Amort Plant Acquisition	Input 81 * 38	-	-	-	-	-	-	-	-
38		N2001 19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
39										
40										
41	Total Depr & Amort Expense	24+28+31+34+37	2,963,673	2,609	1,087,439	579,553	78,492	168,209	1,001,455	45,916
42		Distribution	1.000000	0.000880	0.366923	0.195552	0.026485	0.056757	0.337910	0.015493

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	6610 MARKETING EXPENSE	Input 82 * 10	239,947	2,344	103,437	44,424	5,232	12,894	67,528	4,090
10		N2001 19	1.000000	0.009767	0.431081	0.185139	0.021805	0.053735	0.281427	0.017046
11										
12	6620 TELEPHONE OPERATOR & PUBLISHED DIRECTORY									
13										
14	Telephone Operator Service	Input 83	-							
15		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
16	Classified Directory Expense	Input 85	-							
17		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
18	Alpha Directory Expense	Input 84	-							
19		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
20	Foreign Directory Expense	Input 86	-							
21		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
22	TWX Directory Expense	Input 87	-							
23		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
24	Total 6620 Telephone Oper & Pub C	Sum(14-22)even	-	-	-	-	-	-	-	-
25		Distribution	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
26										
27	Account 6620 Cat 1 Customer Services									
28										
29	1.1 End User Serv Order Proc	Input 88	-							
30		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
31	1.1 Presubscription Srv Order	Input 89 * 32	236,478	3,292	145,313	62,409	7,350	18,113	-	-
32		N2001 22	1.000000	0.013923	0.614489	0.263909	0.031082	0.076597	0.000000	0.000000
33	1.2 End User Payment & Coll	Input 90	31,249		31,249				-	
34		Direct	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
35	1.3 End User Billing	Input 91	51,228		51,228				-	
36		Direct	1.000000	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000
37	1.4 IXC Serv Ord Proc	Input 92 * 38	268,976	3,745	165,283	70,985	8,360	20,603	-	-
38		32	1.000000	0.013923	0.614489	0.263909	0.031082	0.076597	0.000000	0.000000
39	1.4 IXC Serv Ord Proc Private Ln	Input 92	249,622					249,622		
40		Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
41	1.5 IXC Payment & Collection	Input 93 * 42	70,149	977	43,106	18,513	2,180	5,373	-	-
42		38	1.000000	0.013923	0.614489	0.263909	0.031082	0.076597	0.000000	0.000000
43	1.5 IXC Payment & Collection PL	Input 93	23,672					23,672		
44		Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
45	1.6 IXC Billing Inquiry	Input 94 * 46	61,702	859	37,915	16,284	1,918	4,726	-	-
46		42	1.000000	0.013923	0.614489	0.263909	0.031082	0.076597	0.000000	0.000000
47	1.6 IXC Billing Inquiry Private Ln	Input 94 * 48	20,820					20,820		
48		Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	1.000000	0.000000
49										
50	Total 6620 Cat 1 Cust Svc Exp	Sum(29-43)Odd	1,013,896	8,873	474,094	168,191	19,809	48,816	294,115	-
51		Distribution	1.000000	0.008752	0.467596	0.165885	0.019537	0.048146	0.290083	0.000000

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Line	Description	Source & Calc Sheet & Line	TOTAL	COMMON LINE		TRAFFIC SENSITIVE				
				Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Account 6620 Cat 2 CUSTOMER SERVICES EXPENSE									
10										
11	Toll Ticket Processing	Input 98	-							
12		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
13	Local Message Processing		-							
14			0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
15	Carrier Access B&C	Input 96 * 16	285,803	-	-	94,632	11,145	27,466	143,848	8,713
16		CWF 32	1.000000	0.000000	0.000000	0.331107	0.038996	0.096100	0.503311	0.030485
17	Other B&C	Input 99	-							
18		Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
19	End User B&C	Input 97	14,643		14,643					
20		Direct	1.000000		1.000000					
21	Total Account 6620 Cat 2	Sum(11:19)odd	300,446	-	14,643	94,632	11,145	27,466	143,848	8,713
22		Distribution	1.000000	0.000000	0.048737	0.314970	0.037096	0.091417	0.478782	0.028999
23										
24	Total Acctn 6620 Cat 1 + Cat 2	21+Custom 50	1,314,343	8,873	488,737	262,822	30,954	76,281	437,963	8,713
25		Distribution	1.000000	0.006751	0.371849	0.199965	0.023551	0.058038	0.333218	0.006629
26										
27	Cat 3 CUSTOMER SERVICES	Input 100 * 28	3,047	21	1,133	609	72	177	1,015	20
28		25	1.000000	0.006751	0.371849	0.199965	0.023551	0.058038	0.333218	0.006629
29										
30	Total 6610 + 6620	24+27+Custom 9&24	1,557,337	11,237	593,306	307,855	36,258	89,352	506,506	12,823
31		Distribution	1.000000	0.007216	0.380975	0.197681	0.023282	0.057375	0.325238	0.008234
32										
33	Big Three Expenses	30 + Pint 38&40	6,047,915	65,824	2,817,591	1,088,911	200,141	342,277	1,457,864	75,306
34		Distribution	1.000000	0.010884	0.465878	0.180047	0.033093	0.056594	0.241052	0.012452
35										
36	CORPORATE OPERATIONS EXPENSES									
37										
38	6710 Executive & Planning	Input 102 * 39	478,617	5,209	222,977	86,174	15,839	27,087	115,372	5,960
39		34	1.000000	0.010884	0.465878	0.180047	0.033093	0.056594	0.241052	0.012452
40	6720 General & Administrative	Input 103 * 41	1,404,480	15,286	654,316	252,873	46,478	79,485	338,553	17,488
41		34	1.000000	0.010884	0.465878	0.180047	0.033093	0.056594	0.241052	0.012452
42	6720 General & Administrative Dir	Input 104 * 43	82,891	902	38,617	14,924	2,743	4,691	19,981	1,032
43		34	1.000000	0.010884	0.465878	0.180047	0.033093	0.056594	0.241052	0.012452
44										
45	Total Corporate Operations	38 + 40 + 42	1,965,988	21,397	915,911	353,971	65,060	111,263	473,906	24,480
46		Distribution	1.000000	0.010884	0.465878	0.180047	0.033093	0.056594	0.241052	0.012452
47										

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Line	Description	Source & Calc Sheet & Line	COMMON LINE		TRAFFIC SENSITIVE					
			TOTAL	Pay/ Other	Base Factor	Local Switching	Transport Other	Transport Tandem Sw	Special Access	Host Remote
A	B	C	D	E	F	G	H	I	J	K
9	Acctn 7200 OPERATING TAXES	Input 106 * 10 N2001 19	73,635 1.000000	719 0.009767	31,743 0.431081	13,633 0.185139	1,606 0.021805	3,957 0.053735	20,723 0.281427	1,255 0.017046
10										
11										
12	Account 7100 & 7300 OPERATING EXPENSES & INCOME									
13										
14	7100 Other Expenses	Input 105 * 15 N2001 19	- 1.000000	- 0.009767	- 0.431081	- 0.185139	- 0.021805	- 0.053735	- 0.281427	- 0.017046
15										
16	7300 Gains & Losses on Disp	Input 110 * 17 N2001 19	- 1.000000	- 0.009767	- 0.431081	- 0.185139	- 0.021805	- 0.053735	- 0.281427	- 0.017046
17										
18	7300 Contributions & Fees	Input 111 * 19 N2001 19	4,827 1.000000	47 0.009767	2,081 0.431081	894 0.185139	105 0.021805	259 0.053735	1,358 0.281427	82 0.017046
19										
20	GSF RENT REVENUE	Input 124 * 21 GSF 12	- 1.000000	- 0.009767	- 0.431081	- 0.185139	- 0.021805	- 0.053735	- 0.281427	- 0.017046
21										
22	COE SW RENT REVENUE	Input 125 * 23 COE 26	(97,338) 1.000000	- 0.000000	- 0.000000	(75,442) 0.775050	- 0.000000	(21,896) 0.224950	- 0.000000	- 0.000000
23										
24	COE TR RENT REVENUE	Input 126 * 25 COE 44	- 1.000000	- 0.000000	- 0.233940	- 0.000000	- 0.055463	- 0.000000	0.695929 0.014669	
25										
26	CWF RENT REVENUE	Input 127 * 27 CWF 28	- 1.000000	- 0.000000	- 0.743039	- 0.000000	- 0.015913	- 0.000000	0.214359 0.026690	
27										
28										
29	Total Oper Expense & Income	Sum(14:26)even Distribution	(92,511) 0.000000	47 0.000000	2,081 0.000000	(74,548) 0.000000	105 0.000000	(21,637) 0.000000	1,358 0.000000	82 0.000000
30										
31										
32	Accounts 7500, 7600, & 7900									
33										
34	Capital Lease Interest	Input 112 * 35 N2001 19	- 1.000000	- 0.009767	- 0.431081	- 0.185139	- 0.021805	- 0.053735	- 0.281427	- 0.017046
35										
36	Customer Deposit Interest	Input 113 * 37 N2001 19	1,617 1.000000	16 0.009767	697 0.431081	299 0.185139	35 0.021805	87 0.053735	455 0.281427	28 0.017046
37										
38	Extraordinary Items	Input 114 * 39 N2001 19	- 1.000000	- 0.009767	- 0.431081	- 0.185139	- 0.021805	- 0.053735	- 0.281427	- 0.017046
39										
40	Income Effect Jurs Rate Diff	Input 115 * 41 N2001 19	- 1.000000	- 0.009767	- 0.431081	- 0.185139	- 0.021805	- 0.053735	- 0.281427	- 0.017046
41										
42										
43	Total 7500, 7600, & 7900	34+36+38+40 Distribution	1,617 1.000000	16 0.009767	697 0.431081	299 0.185139	35 0.021805	87 0.053735	455 0.281427	28 0.017046
44										
45										
46	Total Other Items	29 + 43	(90,894)	63	2,778	(74,249)	141	(21,550)	1,814	110
47										
48	Account 7340 Allowance for Funds Used During Construction	Input 109 * 50 CWF 31	- 1.000000	- 0.009767	- 0.431081	- 0.185139	- 0.021805	- 0.053735	- 0.281427	- 0.017046
49										
50										

COMPANY: Gallatin River Communications 341057
 DESCRIPTION: 2003 Historic Study Transmittal No. 18
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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	SUMMARY					
10	RATE BASE (INVESTMENT)					
11	General Support Facilities	GSF 13	21,136,285	4,532,837	1,771,249	6,304,085
12	Central Office Equipment	COE 46	72,079,338	14,471,172	7,976,067	22,447,239
13	Info Orig/Term Equipment	IOT 11	1,881,307	470,327	0	470,327
14	Cable & Wire Facilities	CWF 29	80,239,563	18,127,904	4,946,116	23,074,020
15	Tangible Assets	Oth RB 12	326,167	69,949	27,333	97,282
16	Intangible Assets	Oth RB 16	2,288,232	490,729	191,757	682,486
17	Total 2001 Rate Base	SUM(11:16)	177,950,891	38,162,917	14,912,522	53,075,439
18		Distribution	1.000000	0.214458	0.083801	0.298259
19						
20	Non 2001 Rate Base	Oth RB 46	2,263,549	513,408	172,521	685,928
21	Accum Depr & Amort	Accum Dep 41	(108,266,593)	(23,180,793)	(9,103,267)	(32,284,060)
22	Other Credits	Def Oth 40	(240,540)	(51,586)	(20,158)	(71,743)
23	NET RATE BASE	17+20+21+22	71,707,307	15,443,946	5,961,618	21,405,564
24		Distribution	1.000000	0.215375	0.083138	0.298513
25						
26	RATE OF RETURN	Factors 110		0.112500	0.112500	
27	RETURN ON INVESTMENT	23 * 26	8,067,072	1,737,444	670,682	2,408,126
28		Distribution	1.000000	0.215375	0.083138	0.298513
29						
30	EXPENSES					
31	Plant Specific Expenses	Plnt Exp 26	9,458,109	2,029,046	790,335	2,819,381
32	Plant NonSpecific Expenses	Plnt Exp 40	4,778,778	1,375,880	295,317	1,671,197
33	Depr & Amort Expense	Depr Exp 39	9,507,890	1,962,341	1,001,332	2,963,673
34	Customer Operations Expense	Cust Exp 30	5,219,345	1,263,222	294,115	1,557,337
35	Corporate Operations Expense	Corp Exp 26	6,397,879	1,497,905	468,083	1,965,988
36	Operating Taxes	Corp Exp 36	234,342	54,443	19,192	73,635
37	Other Income & Expense	Oth 43	(391,305)	(92,495)	1,601	(90,894)
38	TOTAL EXPENSES	SUM(31:37)	35,205,038	8,090,343	2,869,974	10,960,317
39		Distribution	1.000000	0.229806	0.081522	0.311328
40						
41	AFUDC	Oth 46	0	0	0	
42						
43	INCOME TAXES					
44	Federal	Fed Tx 42	4,344,118	935,614	361,162	1,296,776
45	State	State Tx 36	976,761	210,370	81,206	291,576
46						
47	NET REVENUE REQUIREMENT	27+38+41+44+45	48,592,989	10,973,770	3,983,024	14,956,794
48		Distribution	1.000000	0.225830	0.081967	0.307797

COMPANY: Gallatin River Communications 341057
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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	Account 2110 - GENERAL SUPPORT FACILITIES					
10						
11	Total General Support Facilities	Input 18 IOT CWF CL 33	21,136,285 1.000000	4,532,837 0.214458	1,771,249 0.083801	6,304,085 0.298259
12						
13						
14	Accounts 2210 - 2230 CENTRAL OFFICE EQUIPMENT					
15						
16	Cat 1 Operator Systems	Input 22 * 19 Factors 71	0 0.000000	0 0.000000	0 0.000000	0 0.000000
17						
18	Equal Access Equipment	Input 19 * 17 Factors 106	0 0.000000	0 0.000000	0 0.000000	0 0.000000
19						
20	Cat 2 Tandem Switching	Input 20 * 21 Factors 61	5,286,461 1.000000	2,471,347 0.467486	0 0.000000	2,471,347 0.467486
21						
22	Cat 3 Local Switching	Input 21 * 23 Factors 55	41,263,520 1.000000	8,514,851 0.206353	0 0.000000	8,514,851 0.206353
23						
24	Total COE Switching	Sum(18:22)Even Distribution	46,549,981 1.000000	10,986,198 0.236009	0 0.000000	10,986,198 0.236009
25						
26						
27	Cat 4.11 Wideband Exchange	Input 23*28 Factors 26	0 0.000000	0 0.000000	0 0.000000	0 0.000000
28						
29	Cat 4.12 Exchange Trunk EAS	Input 24 DIRECT	45,696 1.000000	0 0.000000	0 0.000000	0 0.000000
30						
31	Cat 4.12 Exchange Trunk	Input 25*33 Factors 18	4,689,531 1.000000	0 0.000000	3,488,542 0.743900	3,488,542 0.743900
32						
33	Cat 4.13 Exchange Line	Input 26*34 Factors 13	11,200,328 1.000000	2,681,192 0.239385	126,001 0.011250	2,807,193 0.250635
34						
35	Cat 4.21 Furn Another Co	Input 27*36 Factors 59	0 0.000000	0 0.000000	0 0.000000	0 0.000000
36						
37	Cat 4.22 Wideband Interexch	Input 28*38 Factors 30	0 0.000000	0 0.000000	0 0.000000	0 0.000000
38						
39	Cat 4.23 Other Interexchange	Input 29*40 Factors 40	8,847,475 1.000000	635,665 0.071847	4,361,524 0.492968	4,997,188 0.564815
40						
41	Cat 4.3 Host/Remote	Input 30*42 Factors 48	746,326 1.000000	168,117 0.225260	0 0.000000	168,117 0.225260
42						
43	Total COE Transmission	Sum(27:41)Odd Distribution	25,529,356 1.000000	3,484,974 0.136509	7,976,067 0.312427	11,461,041 0.448936
44						
45						
46	Total Central Office Equipment	16+24+43 Distribution	72,079,338 1.000000	14,471,172 0.200767	7,976,067 0.110657	22,447,239 0.311424
47						

MADISON RIVER MANAGEMENT COMPANY

PART 36 SEPARATION PROGRAM

GRC 2003 P36.xls

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 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 2310 INFORMATION ORIGINATION/TERMINATION EQUIPMENT					
10						
11	Total Cat 1 Other Terminal Equip	Input 31 * 12 Factors 12	1,881,307 1.000000	470,327 0.250000	0 0.000000	470,327 0.250000
12						
13						
14	Account 2410 - CABLE & WIRE FACILITIES					
15						
16	Cat 1 Exchange Line	Input 32 * 17 Factors 13	71,620,537 1.000000	17,144,893 0.239385	805,714 0.011250	17,950,607 0.250635
17						
18	Cat 2 Wideband & Exch Trnk	Input 33 * 19 Factors 22	1,378,548 1.000000	0 0.000000	1,378,548 1.000000	1,378,548 1.000000
19						
20	Cat 3.1 Furn Another Co	Input 34 * 21 Factors 59	0 0.000000	0 0.000000	0 0.000000	0 0.000000
21						
22	Cat 3.2 Wideband Interexch	Input 35 * 23 Factors 35	0 0.000000	0 0.000000	0 0.000000	0 0.000000
23						
24	Cat 3.3 Other Interexch	Input 36 * 25 Factors 45	4,506,562 1.000000	367,169 0.081474	2,761,854 0.612852	3,129,023 0.694326
25						
26	Cat 4 Host/Remote	Input 37 * 27 Factors 51	2,733,917 1.000000	615,842 0.225260	0 0.000000	615,842 0.225260
27						
28						
29	Total Cable & Wire Facilities	Sum(16:26)Even Distribution	80,239,563 1.000000	18,127,904 0.225922	4,946,116 0.061642	23,074,020 0.287564
30						
31						
32	Total COE IOT & CWF	COE 46+11+29 Distribution	154,200,207 1.000000	33,069,403 0.214458	12,922,183 0.083801	45,991,586 0.298259
33						
34						
35	CAPITAL LEASES:					
36	General Support Facilities	Input 38 * 37 33	0 1.000000	0 0.214458	0 0.083801	0 0.298259
37						
38	Central Office Equipment	Input 39 * 39 COE 25	0 1.000000	0 0.236009	0 0.000000	0 0.236009
39						
40	Information Orig/Term	Input 40 * 41 Factors 12	0 1.000000	0 0.250000	0 0.000000	0 0.250000
41						
42	Cable & Wire Facilities	Input 41 * 43 33	0 1.000000	0 0.214458	0 0.083801	0 0.298259
43						
44	Total Capital Leases	Sum(36:42)Even Distribution	0 0.000000	0 0.000000	0 0.000000	0 0.000000
45						
46						
47	COE IOT, CWF + TCL	32 + 44 Distribution	154,200,207 1.000000	33,069,403 0.214458	12,922,183 0.083801	45,991,586 0.298259
48						

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9						
10	Leasehold Improvements	Input 42 * 11 IOT CWF CL 33	326,167 1.000000	69,949 0.214458	27,333 0.083801	97,282 0.298259
11						
12	Total Tangible Assets	CL 44 + 10	326,167	69,949	27,333	97,282
13	Cap Leases + Lease Impr	Distribution	1.000000	0.214458	0.083801	0.298259
14						
15						
16	INTANGIBLE ASSETS	Input 43 * 17 IOT CWF CL 48	2,288,232 1.000000	490,729 0.214458	191,757 0.083801	682,486 0.298259
17						
18						
19	TOTAL 2001 RATE BASE	COE11+CWF32+ 12+16 Distribution	177,950,891 1.000000	38,162,917 0.214458	14,912,522 0.083801	53,075,439 0.298259
20						
21						
22	RATE BASE ITEMS NOT IN 2001					
23						
24						
25	2002 Plant Held Future Use	Input 14 * 26 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
26						
27	2003 Plant Under Constr ST	Input 15 * 28 20	966,786 1.000000	207,335 0.214458	81,018 0.083801	288,353 0.298259
28						
29	2004 Plant Under Constr LT	Input 16 * 30 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
30						
31	2005 Plant Aquisition Adj	Input 17 * 32 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
32						
33	1220 Material & Supplies	Input 8 * 34 CWF 30	252,344 1.000000	57,010 0.225922	15,555 0.061642	72,565 0.287564
34						
35	1402 RTB Stock	Input 10 * 36 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
36						
37	Cash Working Capital	State Tx 49 * 38 Oth 50	1,044,419 1.000000	249,063 0.238470	75,948 0.072718	325,011 0.311188
38						
39	Other Noncurrent Assets	Input 11 * 40 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
40						
41	Deferred Maint & Retire	Input 12 * 42 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
42						
43	Deferred Charges	Input 13 * 44 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
44						
45						
46	Total Non 2001 Rate Base	Sum(25:43)Odd Distribution	2,263,549 1.000000	513,408 0.226815	172,521 0.076217	685,928 0.303032
47						

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	Account 3100 - ACCUMULATED DEPRECIATION					
10						
11	General Support Facilities	Input 44 * 12	(10,071,196)	(2,159,844)	(843,980)	(3,003,824)
12		CWF 33	1.000000	0.214458	0.083801	0.298259
13	Central Office Equipment	Input 45 * 14	0	0	0	0
14	Operator Sys	COE 17	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 45 * 16	(31,248,076)	(7,374,816)	0	(7,374,816)
16	Switching	COE 25	1.000000	0.236009	0.000000	0.236009
17	Central Office Equipment	Input 46 * 18	(16,709,756)	(2,281,024)	(5,220,583)	(7,501,607)
18	Transmission	COE 44	1.000000	0.136509	0.312427	0.448936
19	Information Orig/Term	Input 47 * 20	(1,881,307)	(470,327)	0	(470,327)
20		Factors 12	1.000000	0.250000	0.000000	0.250000
21	Cable & Wire Facilities	Input 48 * 22	(45,741,860)	(10,334,105)	(2,819,613)	(13,153,718)
22		CWF 30	1.000000	0.225922	0.061642	0.287564
23	Total Account 3100	Sum(11:21)Odd	(105,652,195)	(22,620,116)	(8,884,176)	(31,504,292)
24	Accumulated Depreciation	Distribution	1.000000	0.214100	0.084089	0.298189
25						
26	Accounts 3200 through 3600 ACCUMULATED DEPRECIATION & AMORTIZATION					
27						
28	3200 Plant Held Future	Input 49 * 27	0	0	0	0
29		Oth Rb 20	1.000000	0.214458	0.083801	0.000000
30	3400 Capital Lease	Input 50 * 29	-	0	0	0
31		Oth RB 13	1.000000	0.214458	0.083801	0.000000
32	3400 Leasehold Improvement	Input 51 * 31	(326,167)	(69,949)	(27,333)	(97,282)
33		Oth RB 13	1.000000	0.214458	0.083801	0.298259
34	3500 Intangible Assets	Input 52 * 33	(2,288,232)	(490,729)	(191,757)	(682,486)
35		Oth RB 20	1.000000	0.214458	0.083801	0.298259
36	3600 Plant Acquisition Adjust	Input 53 * 35	0	0	0	0
37		Oth RB 20	1.000000	0.214458	0.083801	0.000000
38						
39	Total Accnts 3200 Through 3600	Sum(26:34)Even	(2,614,399)	(560,678)	(219,090)	(779,768)
40		Distribution	1.000000	0.214458	0.083801	0.298259
41						
42						
43	Total Accum Depr & Amort	21 + 37	(108,266,593)	(23,180,793)	(9,103,267)	(32,284,060)
44		Distribution	1.000000	0.214108	0.084082	0.298190
45						
46						
47	NET TELEPHONE PLANT	2001-AD&A ANTP	69,684,298	14,982,124	5,809,255	20,791,379
48			1.000000	0.215000	0.083365	0.298365

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 4340 ACCUMULATED DEFERRED INCOME TAX					
10						
11	General Support Facilities	Input 56 * 12	0	0	0	0
12		GSF 12	1.000000	0.214458	0.083801	0.000000
13	Central Office Equipment	Input 57 * 14	0	0	0	0
14	Operator Sys	COE 17	0.000000	0.000000	0.000000	0.000000
15	Central Office Equipment	Input 57 * 16	0	0	0	0
16	Switching	COE 25	1.000000	0.236009	0.000000	0.000000
17	Central Office Equipment	Input 58 * 18	0	0	0	0
18	Transmission	COE 44	1.000000	0.136509	0.312427	0.000000
19	Information Orig/Term	Input 59 * 20	0	0	0	0
20		Factors 12	1.000000	0.250000	0.000000	0.000000
21	Cable & Wire Facilities	Input 60 * 22	0	0	0	0
22		CWF 30	1.000000	0.225922	0.061642	0.000000
23	Tangible Assets			0	0	0
24			0.000000	0.000000	0.000000	0.000000
25	Intangible Assets			0	0	0
26			0.000000	0.000000	0.000000	0.000000
27	Plant Held Future Use			0	0	0
28			0.000000	0.000000	0.000000	0.000000
29	Plant Acquisition Adjustment			0	0	0
30			0.000000	0.000000	0.000000	0.000000
31	Unclassified	Input 55 * 32	0	0	0	0
32		Oth RB 20	1.000000	0.214458	0.083801	0.000000
33						
34	Total Deferred Income Tax	Sum(11:31)Odd Distribution	0	0	0	0
35			0.000000	0.000000	0.000000	0.000000
36						
37	Other Longterm Liabilities	Input 61 * 38	0	0	0	0
38		Cust Exp2 34	1.000000	0.224072	0.074123	0.000000
39	Customer Deposits	Input 54 * 40	(240,540)	(51,586)	(20,158)	(71,743)
40		Oth RB 20	1.000000	0.214458	0.083801	0.298259
41						
42	Total Other Credits	34 + 37 + 39 Distribution	(240,540)	(51,586)	(20,158)	(71,743)
43			1.000000	0.214458	0.083801	0.298259
44						
45						
46	TOTAL NET RATE BASE (NET INVESTMENT)	Accum Depr 45+40 Distribution	69,443,757	14,930,538	5,789,098	20,719,636
47			1.000000	0.215002	0.083364	0.298366
48						
49	2001 Less Rsv Etc	See 49 Distribution	70,903,428	15,246,469	5,905,828	21,152,297
50			1.000000	0.215031	0.083294	0.298325
51	(Oth RB 19+ Accum Dep 41 + Oth RB 25 + Oth RB 27+ Oth RB 29 + Oth RB 33 + Def Oth 32)					

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Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	PLANT SPECIFIC OPERATING EXPENSES					
10						
11	6110 Network Support Exp	Input 62 * 12	122,344	26,238	10,253	36,490
12		CWF 33	1.000000	0.214458	0.083801	0.298259
13	6120 General Support Exp	Input 63 * 14	3,042,069	652,395	254,929	907,324
14		CWF 33	1.000000	0.214458	0.083801	0.298259
15	6210 Central Office Switching	Input 64 * 16	2,080,229	417,642	230,191	647,833
16		COE 47	1.000000	0.200767	0.110657	0.311424
17	6220 Operator Systems Exp	Input 65 * 18	0	0	0	0
18		COE 47	1.000000	0.200767	0.110657	0.000000
19	6230 Central Office Trans Exp	Input 66 * 20	895,451	179,777	99,088	278,865
20		COE 47	1.000000	0.200767	0.110657	0.311424
21	6310 Info Orig/Term Exp	Input 67 * 22	140,409	35,102	0	35,102
22		Factors 12	1.000000	0.250000	0.000000	0.250000
23	6400 Cable & Wire Fac Exp	Input 68 * 24	3,177,605	717,892	195,874	913,765
24		CWF 30	1.000000	0.225922	0.061642	0.287564
25						
26	Total Plant Specific Expense	Sum(11:23)Odd Distribution	9,458,109	2,029,046	790,335	2,819,381
27		Distribution	1.000000	0.214530	0.083562	0.298091
28						
29	PLANT NONSPECIFIC OPERATING EXPENSES					
30						
31	6510 Other Prop & Equip	Input 59 * 32	0	0	0	0
32		Oth RB 20	1.000000	0.214458	0.083801	0.298259
33	6530 Network Operation Exp	Input 70 * 34	3,524,015	755,752	295,317	1,051,069
34		CWF 33	1.000000	0.214458	0.083801	0.298259
35	6540 Access Expense	Input 71 * 36	634,635	0	0	0
36		DIRECT	1.000000	0.000000	0.000000	0.000000
37	6540 Universal Service Assignment	Input 72 * 38	620,128	620,128	0	620,128
38		DIRECT	1.000000	1.000000	0.000000	1.000000
39						
40	Total Plant NonSpecific Exp	31+33+35+37	4,778,778	1,375,880	295,317	1,671,197
41		Distribution	1.000000	0.287915	0.061798	0.349712

MADISON RIVER MANAGEMENT COMPANY PART 36 SEPARATION PROGRAM

 GRC 2003 P36.xls
 06/10/2004 12:02 PM

 COMPANY: Gallatin River Communications 341057
 DESCRIPTION: 2003 Historic Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	6561 DEPRECIATION EXPENSE - TPIS					
10						
11	General Support Facilities	Input 73 * 12 CWF 33	882,537 1.000000	189,267 0.214458	73,958 0.083801	263,225 0.298259
12						
13	Central Office Equipment	Input 74 * 14 Operator Sys COE 17	0 0.000000	0 0.000000	0 0.000000	0 0.000000
14						
15	Central Office Equipment	Input 74 * 16 Switching COE 25	2,897,979 1.000000	683,948 0.236009	0 0.000000	683,948 0.236009
16						
17	Central Office Equipment	Input 75 * 18 Transmission COE 44	2,288,959 1.000000	312,462 0.136509	715,133 0.312427	1,027,596 0.448936
18						
19	Infor Orig/Term Equipment	Input 76 * 20 Factors 12	0 1.000000	0 0.250000	0 0.000000	0 0.000000
20						
21	Cable & Wire Facilities	Input 77 * 22 CWF 30	3,425,276 1.000000	773,846 0.225922	211,140 0.061642	984,987 0.287564
22						
23						
24	Total 6561 Depreciation Exp	Sum(11:21)Odd Distribution	9,494,752 1.000000	1,959,524 0.206380	1,000,231 0.105346	2,959,755 0.311725
25						
26						
27						
28	6562 Depr Plant Held Future	Input 78 * 27 Oth RB 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
29						
30						
31	6563 Amort Tangible Assets	Input 79 * 30 Oth RB 13	13,138 1.000000	2,818 0.214458	1,101 0.083801	3,919 0.298259
32						
33						
34	6564 Amort Intangible Assets	Input 80 * 33 Oth RB 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
35						
36						
37	6565 Amort Plant Acquisition	Input 81 * 36 Oth RB 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
38						
39						
40						
41	Total Depr & Amort Expense	22+26+29+32+35 Distribution	9,507,890 1.000000	1,962,341 0.206391	1,001,332 0.105316	2,963,673 0.311707
42						

COMPANY: Gallatin River Communications 341057
 DESCRIPTION: 2003 Historic Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	6610 MARKETING EXPENSE	Input 82 * 10	715,122	239,947	0	239,947
10		Factors 65	1.000000	0.335533	0.000000	0.335533
11						
12	6620 TELEPHONE OPERATOR & PUBLISHED DIRECTORY					
13						
14	Telephone Operator Service	Input 83 * 15	0	0	0	0
15		Factors 71	0.000000	0.000000	0.000000	0.000000
16	Classified Directory Expense	Input 85 * 17	0	0	0	0
17		DIRECT	1.000000	0.000000	0.000000	0.000000
18	Alpha Directory Expense	Input 84 * 18	0	0	0	0
19		Factors 67	1.000000	0.202489	0.000000	0.000000
20	Foreign Directory Expense	Input 86 * 21	0	0	0	0
21		DIRECT	0.000000	0.000000	0.000000	0.000000
22	TWX Directory Expense	Input 87 * 23	0	0	0	0
23		Factors 67	1.000000	0.202489	0.000000	0.000000
24	Total 6620 Telephone Oper & Pub Dir	Sum(14:22)Even	0	0	0	0
25		Distribution	0.000000	0.000000	0.000000	0.000000
26						
27	Account 6620 Cat 1 Customer Services					
28						
29	1.1 End User Serv Order Proc	Input 88 * 30	604,425	0	0	0
30		Factors 74	1.000000	0.000000	0.000000	0.000000
31	1.1 Presubscription Srv Order	Input 89 * 32	236,478	236,478	0	236,478
32		DIRECT	1.000000	1.000000	0.000000	1.000000
33	1.2 End User Payment & Coll	Input 90 * 34	539,456	31,249	0	31,249
34		Factors 77	1.000000	0.057926	0.000000	0.057926
35	1.3 End User Billing	Input 91 * 36	346,856	51,228	0	51,228
36		Factors 80	1.000000	0.147694	0.000000	0.147694
37	1.4 IXC Serv Ord Proc	Input 92 * 38	706,865	268,976	249,622	518,598
38		Factors 85	1.000000	0.380520	0.353140	0.733659
39	1.5 IXC Payment & Collection	Input 93 * 40	156,358	70,149	23,672	93,821
40		Factors 88	1.000000	0.448645	0.151396	0.600041
41	1.6 IXC Billing Inquiry	Input 94 * 42	137,529	61,702	20,820	82,522
42		Factors 91	1.000000	0.448647	0.151390	0.600036
43	1.7 Coin Collection & Admin	Input 95 * 44	0	0	0	0
44		Factors 94	0.000000	0.000000	0.000000	0.000000
45						
46	Total 6620 Cat 1 Cust Svc Exp	Sum(29:43)Odd	2,727,966	719,782	294,115	1,013,896
47		Distribution	1.000000	0.263853	0.107815	0.371668

COMPANY: Gallatin River Communications 341057

DESCRIPTION: 2003 Historic Study Transmittal No. 18

TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 6620 Cat 2 CUSTOMER SERVICES EXPENSE					
10						
11	Toll Ticket Processing	Input 98 * 12	0	0	0	0
12		Factors 103	1.000000	0.000000	0.000000	0.000000
13	Local Message Processing	Input 99 * 14	908,756	0	0	0
14		Direct	1.000000	0.000000	0.000000	0.000000
15	Carrier Access B&C	Input 96 * 16	571,607	285,803	0	285,803
16		Factors 97	1.000000	0.500000	0.000000	0.500000
17	Other B&C	Input 100 * 18	278,204	0	0	0
18		Factors 100	1.000000	0.000000	0.000000	0.000000
19	End User B&C	Input 97 * 20	14,643	14,643	0	14,643
20		Direct	1.000000	1.000000	0.000000	1.000000
21	Total Account 6620 Cat 2	Sum(11:19)Odd	1,773,210	300,446	0	300,446
22		Distribution	1.000000	0.169436	0.000000	0.169436
23						
24	Total Accnt 6620 Cat 1 + Cat 2	Cust Exp 46 + 21	4,501,176	1,020,228	294,115	1,314,343
25		Distribution	1.000000	0.226658	0.065342	0.292000
26						
27	Cat 3 CUSTOMER SERVICES	Input 101 * 28	3,047	3,047	0	3,047
28		Direct	1.000000	1.000000	0.000000	1.000000
29						
30	Total 6610 + 6620	Cust Exp 9&24 +24+27	5,219,345	1,263,222	294,115	1,557,337
31		Distribution	1.000000	0.242027	0.056351	0.298378
32						
33	Big Three Expenses	See 35	15,037,056	3,369,388	1,114,584	4,483,972
34		Distribution	1.000000	0.224072	0.074123	0.298195
35	E30 + Plnt Exp 33 +Plnt Exp 23 + Plnt Exp 21+ Plnt Exp 19 + Plnt Exp 15 + Plnt Exp 17					

COMPANY: Gallatin River Communications 341057
 DESCRIPTION: 2003 Historic Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G
9	CORPORATE OPERATIONS EXPENSES					
10						
11	6710 Executive & Planning	Input 103 * 12 Cust Exp2 34	1,605,048 1.000000	359,647 0.224072	118,970 0.074123	478,617 0.298195
12						
13						
14						
15						
16						
17	6720 General & Administrative	Input 104 * 18 Cust Exp2 34	4,709,940 1.000000	1,055,367 0.224072	349,113 0.074123	1,404,480 0.298195
18						
19						
20	6720 General & Administrative Dir	Input 105 * 21 Direct	82,891 1.000000	82,891 1.000000	0 0.000000	82,891 1.000000
21						
22						
23	6720 Equal Access	Input 102 * 24 Factors 106	0 0.000000	0 0.000000	0 0.000000	0 0.000000
24						
25						
26	Total Corporate Operations	Sum(11:23)Odd Distribution	6,397,879 1.000000	1,497,905 0.234125	468,083 0.073162	1,965,988 0.307287
27						
28						
29	OPERATING TAXES					
30	Accnt 7200 Operating Taxes	Input 107 * 31 Oth RB 20	229,012 1.000000	49,113 0.214458	19,192 0.083801	68,305 0.298259
31						
32						
33	Accnt 7200 Operating Taxes Dir	Input 108 * 34 Direct	5,330 1.000000	5,330 1.000000		5,330 1.000000
34						
35						
36	Total Operating Taxes	30 + 33 Distribution	234,342 1.000000	54,443 0.232324	19,192 0.081895	73,635 0.314220
37						

COMPANY: Gallatin River Communications 341057
 DESCRIPTION: 2003 Historic Study Transmittal No. 18
 TIME PERIOD: December 31, 2003

Line	Description	Source & Calc Sheet & Line	TOTAL COMPANY	MTS Interstate	Private Line Interstate	Total Interstate
A	B	C	D	E	F	G

9	Account 7100 & 7300 Operating Expenses, Misc. Income, & Rent Revenue					
10						
11	7100 Other Expenses	Input 106 * 12 Oth RB 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
12						
13	7300 Gains & Losses on Disp	Input 113 * 14 Oth RB 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
14						
15	7300 Contributions & Fees	Input 114 Corp Exp 27	15,707 1.000000	3,677 0.234125	1,149 0.073162	4,827 0.307287
16						
17	GSF Rent Revenue	Input 120 * 18 GSF 12	0 1.000000	0 0.214458	0 0.083801	0 0.000000
18						
19	COE SW Rent Revenue	Input 121 * 20 COE 25	(412,434) 1.000000	(97,338) 0.236009	0 0.000000	(97,338) 0.236009
20						
21	COE TR Rent Revenue	Input 122 * 22 COE 44	0 1.000000	0 0.136509	0 0.312427	0 0.000000
22						
23	CWF Rent Revenue	Input 123 * 24 CWF 30	0 1.000000	0 0.225922	0 0.061642	0 0.000000
24						
25						
26	Total Oper Expense & Income	Sum(11:23)Odd Distribution	(396,727) 0.000000	(93,661) 0.000000	1,149 0.000000	(92,511) 0.233187
27						
28						
29	Accounts 7500, 7600, & 7900					
30						
31	Capital Lease Interest	Input 115 * 32 Oth RB 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
32						
33	Customer Deposit Interest	Input 117 * 34 Def Oth 48	5,422 1.000000	1,166 0.215031	452 0.083294	1,617 0.298325
34						
35	Extraordinary Items	Input 118 * 36 Oth RB 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
36						
37	Inc Effect Jurs Rate Diff	Input 119 * 38 Oth RB 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
38						
39						
40	Total 7500, 7600, & 7900	Sum(31:37)Odd Distribution	5,422 1.000000	1,166 0.215031	452 0.083294	1,617 0.298325
41						
42						
43	Total Other Items	26 + 40	(391,305)	(92,495)	1,601	(90,894)
44						
45	Account 7340 Allowance for Funds Used During Construction	Input 112 * 47 Oth RB 20	0 1.000000	0 0.214458	0 0.083801	0 0.000000
46						
47						
	Total Oper Exp Less Depr	Summary 38 - Depr Exp 39 Distribution	25,697,148 1.000000	6,128,002 0.238470	1,868,642 0.072718	7,996,643 0.311188

FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

See reverse side for information
regarding public burden estimate.

Approved by OMB
Expires 07/31/2004

1. Name and Address of Reporting Company Gallatin River Communications, LLC P.O. Box 430 Mebane, NC 27302	2. Reporting Period (a) Annual Period Covered: From: January 1, 2003 To: December 31, 2003
	(b) Cumulative Period Covered: From: January 1, 2003 To: December 31, 2003

FCC 492

RATE OF RETURN REPORT
(Read Instructions on Reverse Before Completing)

June 24, 2004

Dollar Amounts Shown in Thousands

3. Particulars	(A) Interstate Access		(B) Common Line		(C) Special Access	
	Current Year	Cumulative	Current Year	Cumulative	Current Year	Cumulative
1. Total Revenues	\$15,867	\$15,867	\$6,817	\$6,817	\$5,269	\$5,269
2. Total Expenses and Taxes	\$12,909	\$12,909	\$5,689	\$5,689	\$3,875	\$3,875
3. Oper. Inc. (Net Return) (1-2)	\$2,958	\$2,958	\$1,128	\$1,128	\$1,394	\$1,394
4. Rate Base-(Avg. Net Invest.)	\$21,406	\$21,406	\$10,023	\$10,023	\$5,984	\$5,984
5. Rate of Return (3/4) Annualized	13.82%	13.82%	11.25%	11.25%	23.30%	23.30%
6. FCC Ordered Refund-Amortized for Current Period (see Inst. I)	\$0	\$0	\$0	\$0	\$0	\$0
7. Net Return (incl. Effect of FCC Ordered Refund) (3+6)	\$2,958	\$2,958	\$1,128	\$1,128	\$1,394	\$1,394
8. Rate of Return (incl. Effect of FCC Ordered Refund) (7/4) Annualized	13.82%	13.82%	11.25%	11.25%	23.30%	23.30%
Switched Traffic Sensitive						
3. Particulars	(D) End Office		(E) Information		(F) Local Transport	
	Current Year	Cumulative	Current Year	Cumulative	Current Year	Cumulative
1. Total Revenues	\$2,252	\$2,252	\$0	\$0	\$1,529	\$1,529
2. Total Expenses and Taxes	\$2,077	\$2,077	\$0	\$0	\$1,268	\$1,268
3. Oper. Inc. (Net Return) (1-2)	\$175	\$175	\$0	\$0	\$261	\$261
4. Rate Base-(Avg. Net Invest.)	\$3,524	\$3,524	\$0	\$0	\$1,875	\$1,875
5. Rate of Return (3/4) Annualized	4.97%	4.97%	0.00%	0.00%	13.92%	13.92%
6. FCC Ordered Refund-Amortized for Current Period (see Inst. I)	\$0	\$0	\$0	\$0	\$0	\$0
7. Net Return (incl. Effect of FCC Ordered Refund) (3+6)	\$175	\$175	\$0	\$0	\$261	\$261
8. Rate of Return (incl. Effect of FCC Ordered Refund) (7/4) Annualized	4.97%	4.97%	0.00%	0.00%	13.92%	13.92%
4. Rates of Return for the Switched Traffic Sensitive Category			5. Multiplicative Factor Used for Annualizing Rate of Return for Cumulative Measurement Period >> 1			
(a) Current Year		(b) Cumulative		6. Total Out-of-Period Adjustment >> (see instruction K)		
8.08%		8.08%				

7. CERTIFICATION: I certify that I am the chief financial officer or the duly assigned accounting officer; that I have examined the foregoing report; that to the best of my knowledge, information and belief, all statements of fact contained in this report are true and this report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the specified period.

Date	Typed Name of Person Signing Michael T. Skrivan	Title of Person Signing Vice President -- Revenues	Signature
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WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT(U.S. CODE, TITLE 18, Section 100 1), AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT(U.S. CODE, TITLE 47, Section 312(a)(1)). AND/OR FORFEITURE (U.S. CODE, TITLE 47, Section 5030).

Madison River Telephone Company**Certification**

I am Michael T. Skrivan, Vice President of Revenues for Madison River Telephone Company, LLC. I hereby certify that I have overall responsibility for the preparation of all data supporting the Madison River Telephone Company's June 24, 2004 Access Tariff Filings and that I am authorized to execute this certification. Based upon information provided to me by employees responsible for the preparation of, or for supervision of the preparation of the data submitted in support of the rates contained in the proposed tariff, I hereby certify that the data have been examined and reviewed by me and are true, correct, and complete.

Michael T. Skrivan
Vice President – Revenues
Madison River Telephone Company

(Persons making willful false statements in this report form can be punished by fine or imprisonment under the provisions of the US Code, Title 18, Section 1001.)