

Illinois Consolidated Telephone Company
2004 Annual Tariff Filing - July 1, 2004 to June 30, 2006
RATE SUMMARY

Rate Element	Billable Units	Revenue Requirement	Annual Projected Usage	New Access Rate	Projected Revenue	
COMMON LINE						
1	Common Line	13,377,963	n/a	n/a	13,377,963	
TRAFFIC SENSITIVE						
2	Local Switching					
3	Local Switching	Access MOU	1,975,806	187,318,108	0.010548	1,975,806
4	Local Switching Trunks		-	-	-	
5	Local Switching Set Up		-	-	-	
6	Information Surcharge	100 Access MOU	100,428	1,873,181	0.052394	98,143
7						
8						
9	Local Transport					
10	VG Entrance Facilities	Channel term.	25,294	720	35.13	25,294
11	DS1 Entrance Facilities	DS1 Channel Terms	526,948	5,604	94.03	526,948
12	DS3 Entrance Facilities	DS3 Channel Terms	13,088	12	1,090.70	13,088
13	OC3 Entrance Facilities	OC3 Channel Terms	-	-	1,483.36	-
14	VG Transport Non Recurring		1,795	22	81.59	1,795
15	DS1 Transport Non Recurring	Channel term.	9,036	36	251.00	9,036
16	DS3 Transport Non Recurring	Channel term.	-	-	251.00	-
17	OC3 Transport Non Recurring	Channel term.	-	-	310.00	-
18	Tandem Switched Transport Facility	Channel miles	174,575	3,516,519,009	0.000050	175,826
19	Tandem Switched Transport Terms	Chan Mile Term	59,604	217,837,224	0.000274	59,604
20	Tandem Switching	Tnd sw MOU	1,099,801	184,005,584	0.005977	1,099,801
21	DT Transport VG Channel Mileage Facility	Channel miles	323	696	0.46	323
22	DT Transport VG Channel Mileage Term	Chan Mile Term	263	108	2.43	263
23	DT Transport DS1 Channel Mileage Facility	Channel miles	175,026	16,228	10.79	175,026
24	DT Transport DS1 Channel Mileage Term	Chan Mile Term	59,341	1,116	53.17	59,341
25	DT Transport DS3 Channel Mileage Facility	Channel miles	-	-	74.24	-
26	DT Transport DS3 Channel Mileage Term	Chan Mile Term	-	-	296.15	-
27	DT Transport OC3 Channel Mileage Facility	Channel miles	-	-	100.97	-
28	DT Transport OC3 Channel Mileage Term	Chan Mile Term	-	-	402.80	-
29	MUX (OC3-DS3)	Per Arrangement	-	-	271.26	-
30	MUX (DS3-DS1)	Per Arrangement	-	-	232.56	-
31	MUX (DS1-DS0)	Per Arrangement	3,646	60	60.77	3,646
32						
33						
SPECIAL ACCESS						
34	Channel Termination					
35	Telegraph Grade, 2-Wire	Channel term.	-	-	35.91	-
36	Telegraph Grade, 4-Wire	Channel term.	-	-	57.46	-
37	Voice Grade, 2-Wire	Channel term.	5,602	156	35.91	5,602
38	Voice Grade, 4-Wire	Channel term.	112,155	1,952	57.46	112,155
39	Program Audio, 2-Wire	Channel term.	108	3	35.91	108
40	DS1 High Cap	Channel term.	1,899,135	12,349	153.79	1,899,135
41	DS3 High Cap	Channel term.	2,311,974	1,296	1,783.93	2,311,974
42	OC3	Channel term.	87,341	36	2,426.15	87,341
43	DDS, 4-Wire	Channel term.	319,368	4,819	66.27	319,368
44	MUX (OC3 - DS3)	Per Arrangement	-	-	443.67	-
45	MUX (DS3-DS1)	Per Arrangement	-	-	380.37	-
46	MUX (DS1-DS0)	Per Arrangement	69,173	696	99.39	69,173
47						

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48 Channel Mileage					
49 Channel Mileage	Channel miles	29,763	39,235	0.76	29,763
50 Channel Mileage Term	Chan Mile Term	7,143	1,793	3.98	7,143
51 DS1 Hi - Cap Channel Mile Facility	Channel miles	3,144,189	178,222	17.64	3,143,838
52 DS1 Hi - Cap Channel Mile Term.	Chan Mile Term	672,822	7,736	86.97	672,822
53 DS3 Hi - Cap Channel Mile Facility	Channel miles	281,183	2,316	121.43	281,183
54 DS3 Hi - Cap Channel Mile Term.	Chan Mile Term	69,751	144	484.38	69,751
55 OC3 Channel Mile Facility	Channel miles	43,599	264	165.15	43,599
56 OC3 Channel Mile Term	Chan Mile Term	23,717	36	658.81	23,717
57 DDS Channel Mile Facility	Channel miles	75,829	99,961	0.76	75,829
58 DDS Channel Mile Term.	Chan Mile Term	14,575	3,996	3.65	14,575
59					
60 Digital Subscriber Line					
61 Wholesale DSL	End User Service Order	1,876,598	93,830	20.00	1,876,598
62 Access Service (Line Charge)	End User Service Order	245,700	10,920	22.50	245,700
63 SDSL	End User Service Order	57,598	929	62.00	57,598
64 DS1 Access Service Link Connection	DS1 Connection	-	-	50.00	-
65 DS3 Access Service Link Connection	DS3 Connection	-	-	350.00	-
66 NRC Access Service (Line Charge)	Per Service Order	16,800	800	21.00	16,800
67 NRC SDSL - Standard	Per Service Order	2,772	132	21.00	2,772
68 NRC Downgrade Charge	Per Service Order	2,268	72	31.50	2,268
69 NRC Move Charge	Per Service Order	3,024	96	31.50	3,024
70 NRC Service Order Charge	Per Service Order	3,402	108	31.50	3,402
71 NRC DS1 Access Service Link Connection Charge	Per Service Order	-	-	300.00	-
72 NRC DS3 Access Service Link Connection Charge	Per Service Order	-	-	300.00	-
73 NRC ADSL - Line Rearrangement	Per Service Order	-	-	25.00	-
74 NRC ADSL - Access Service Connection Rearrangeme	Per Service Order	-	-	75.00	-
75					
76 Other Rate Elements					
77 Bridging					
78 Bridging: Telegraph	Bridge Port	3	1	2.60	3
79 Bridging: Voice	Bridge Port	716	276	2.60	716
80 Data	Bridge Port	-	-	2.60	-
81 Telemetry and Alarm		-	-	23.45	-
82 Program Audio		-	-	3.40	-
83 Conditioning					
84 Conditioning: C-Type	Channel term.	217	48	4.53	217
85 Conditioning: D-Type	Channel term.	54	12	4.53	54
86 Gain		-	-	5.16	-
87 Improved Return Loss	Point of term.	292	96	3.05	292
88 Signaling	Per Channel	827	101	8.16	827
89 Non Recurring Special Access					
90 Voice Grade Terms	Per Channel Term	979	12	81.59	979
91 DS1 Terms	Per Channel Term	12,048	48	251.00	12,048
92 DS3 Terms	Per Channel Term	9,036	36	251.00	9,036
93 OC3 Terms	Per Channel Term	310	1	310.00	310
94 DDS Terms	Per Channel Term	3,840	16	240.00	3,840
95 MUX OC3/DS3	Per Channel Term	-	-	350.00	-
96 MUX DS3/DS1	Per Channel Term	930	3	310.00	930
97 MUX DS1/DS0	Per Channel Term	930	3	310.00	930
98 VG Bridging	Per Port	-	-	58.53	-
99 Data Bridging	Per Port	-	-	67.50	-
100					
101					

Illinois Consolidated Telephone Company
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RATE SUMMARY

Rate Element	Billable Units	Revenue Requirement	Annual Projected Usage	New Access Rate	Projected Revenue
Non-Access					
102 Billing and Collection & IXC	Contractual	218,726			218,726
103 TOTAL		<u>29,227,435</u>			<u>29,226,051</u>
104 Common Line		13,377,963			13,377,963
105 Local Switching and Information		2,076,233			2,073,949
106 Local Transport		2,148,742			2,149,992
107 Special Access and DSL		11,394,305			11,405,420
108 Other		218,726			218,726
109 TOTAL		<u>29,215,969</u>			<u>29,226,051</u>
Channel Termination		4,835,040			4,835,040
Channel Mileage		4,362,570			4,362,219
DSL		2,196,695			2,196,695
TOTAL SPECIAL ACCESS & DSL		<u>11,394,305</u>			<u>11,393,954</u>

Illinois Consolidated Telephone Company
2004 Annual Tariff Filing - July 1, 2004 to June 30, 2006
Development of Local Switching Rates

Rate Element		Demand	Net Revenue Requirement	Rates
1	Local Switching			
2	Local Switching	187,318,108	\$ 1,975,806	0.010548
3	Trunk Ports			
4	Call Set Up			
5				
6	Information Surcharge	1,873,181	\$ 98,143	0.052394
7				
8				
9	TOTAL LOCAL SWITCHING REVENUES		<u><u>\$ 2,073,949</u></u>	

Development of Local Transport Rates

Summary of Rate Development

Rate Element	Adjusted Revenue Requirement	Monthly Projected Usage	Annual Projected Usage	Access Rate
1 VG Entrance Facilities	25,294	60	720	35.13
2 DS1 Entrance Facilities	526,948	467	5,604	94.03
3 DS3 Entrance Facilities	13,088	1	12	1,090.70
4 OC3 Entrance Facilities	-	-	-	1,483.36
5 VG Transport Non Recurring	1,795	22	22	81.59
6 DS1 Transport Non Recurring	9,036	36	36	251.00
7 DS3 Transport Non Recurring	-	-	-	251.00
8 OC3 Transport Non Recurring	-	-	-	310.00
9 Tandem Switched Transport Facility	174,575		3,516,519,009	0.000050
10 Tandem Switched Transport Terms	59,604		217,837,224	0.000274
11 Tandem Switching	1,099,801		184,005,584	0.005977
12 DT Transport VG Channel Mileage Facility	323	58	696	0.46
13 DT Transport VG Channel Mileage Term	263	9	108	2.43
14 DT Transport DS1 Channel Mileage Facility	175,026	1,352	16,228	10.79
15 DT Transport DS1 Channel Mileage Term	59,341	93	1,116	53.17
16 DT Transport DS3 Channel Mileage Facility	-	-	-	74.24
17 DT Transport DS3 Channel Mileage Term	-	-	-	296.15
18 DT Transport OC3 Channel Mileage Facility	-	-	-	100.97
19 DT Transport OC3 Channel Mileage Term	-	-	-	402.80
20 MUX (OC3-DS3)	-	-	-	271.26
21 MUX (DS3-DS1)	-	-	-	232.56
22 MUX (DS1-DS0)	3,646	5	60	60.77

Development of Local Transport Rates

MAG Adjustments to Transport Rate Elements

23	Original Transport Revenues (incl Non Recurring using SA rates)	3,606,195
24	MAG Revised Revenue Requirement	2,209,052
25	Rate Adjustment factor to reduce to MAG revenue requirement	(1,397,144)
26		
27	Total DT/TSF & TST Rev's (Using SA Rates)	3,606,195
28		
29		

Entrance Facility Rates - 69.110(a)(2):

Rate Element	SA Channel Terminations Rates	Projected Demand	Revenues	Adjustment	Revised Revenues	Adjusted Rate
43 Voice Grade	57.46	60	41,370	(16,076)	25,294	35.13
44 DS1	153.79	467	861,865	(334,917)	526,948	94.03
45 DS3	1,783.93	1	21,407	(8,319)	13,088	1,090.70
46 OC3	2,426.15	0	-	-	-	1,483.36
47 Entrance Facility Revenue Requirement			924,643	(359,312)	565,330	
48						
49 <u>Non Recurring Revenues</u>						
50 Voice Grade	81.59	22	1,795		1,795	81.59
51 DS1	251.00	36	9,036		9,036	251.00
52 DS3	251.00	0	-		-	251.00
53 OC3	310.00	0	-		-	310.00
54 Entrance Facility Non-Recurring Revenues			10,831		10,831	
55						
56 Total Entrance Facility Revenues			935,474	(359,312)	576,161	

Development of Local Transport Rates

Direct Trunked Transport - 69.112(a)(2):

Rate Element	SA Channel Mileage Fac Rates	SA Channel Mileage Term Rates	Projected Demand	Revenues	Adjustment	Revised Revenues	Adjusted Rate
57 Mileage Facility							
58 Voice Grade	0.76		58	528	(205)	323	0.46
59 DS1	17.64		1352	286,269	(111,243)	175,026	10.79
60 DS3	121.43		0	-	-	-	74.24
61 OC3	165.15		0	-	-	-	100.97
62 DT Mileage Facility Revenue Requirement				<u>286,797</u>	<u>(111,448)</u>	<u>175,349</u>	
63							
64 Mileage Terminations							
65 Voice Grade		3.98	9	430	(167)	263	2.43
66 DS1		86.97	93	97,058	(37,716)	59,341	53.17
67 DS3		484.38	0	-	-	-	296.15
68 OC3		658.81	0	-	-	-	402.80
69 DT Mileage Term Revenue Requirement				<u>97,488</u>	<u>(37,883)</u>	<u>59,604</u>	
70							
71 MUX Service OC3 - DS3		443.67	0	-	-	-	271.26
72 MUX Service DS3-DS1		380.37	0	-	-	-	232.56
73 MUX Service DS1-DS0		99.39	5	5,963	(2,317)	3,646	60.77
74							
75 Total Direct Trunked Revenues				<u>390,248</u>	<u>(151,649)</u>	<u>238,599</u>	

Tandem Switched Transport Rate Development 69.111(a)(2)(i)

Rate Element	Demand	Projected Quantity	Special Access Rates	Revenues	Adjustment	Revised Revenues	Adjusted Rate
76 Tandem Switched Transport Facility							
77 Voice Grade	-	0	0.76	-	-	-	-
78 DS1		1342	17.64	284,075	(110,390)	173,684	
79 DS3		1	121.43	1,457	(566)	891	
80 OC3		0	165.15	-	-	-	
81 Total	3,516,519,009			<u>285,532</u>	<u>(110,956)</u>	<u>174,575</u>	0.000050
82							
83							
84 Tandem Switched Transport Terminations							
85 Voice Grade		9	3.98	430	(167)	263	
86 DS1		93	86.97	97,058	(37,716)	59,341	
87 DS3		0	484.38	-	-	-	
88 OC3		0	658.81	-	-	-	
89 Total	217,837,224			<u>97,488</u>	<u>(37,883)</u>	<u>59,604</u>	0.000274
90							
91							
92 Tandem Switching Development							
93 69.111(g)(3)							
94 Tandem Switching	184,005,584			1,897,454	(737,343)	1,099,801	0.005977
95 Factor From Order:	100.0%						
96							
97							
98 TOTAL TANDEM SWITCHING REVENUES				<u>2,280,474</u>	<u>(886,183)</u>	<u>1,333,981</u>	

Special Access Channel Termination Rate Development

Summary of Rate Development

Rate Element	Revenue Requirement	Annual Projected Usage	Monthly Projected Usage	Monthly Access Rate
Channel Termination				
Telegraph Grade, 2-Wire	-	-	-	35.91
Telegraph Grade, 4-Wire	-	-	-	57.46
Voice Grade, 2-Wire	5,602	156	13	35.91
Voice Grade, 4-Wire	112,155	1,952	163	57.46
Program Audio, 2-Wire	108	3	0	35.91
DS1 High Cap	1,899,135	12,349	1,029	153.79
DS3 High Cap	2,311,974	1,296	108	1,783.93
OC3	87,341	36	3	2,426.15
DDS, 4-Wire	319,368	4,819	402	66.27
MUX (OC3 - DS3)	-	-	-	443.67
MUX (DS3-DS1)	-	-	-	380.37
MUX (DS1-DS0)	69,173	696	58	99.39
Channel Mileage				
Channel Mileage	29,763	39,235	3,270	0.76
Channel Mileage Term	7,143	1,793	149	3.98
DS1 Hi - Cap Channel Mile Facility	3,144,189	178,222	14,852	17.64
DS1 Hi - Cap Channel Mile Term.	672,822	7,736	645	86.97
DS3 Hi - Cap Channel Mile Facility	281,183	2,316	193	121.43
DS3 Hi - Cap Channel Mile Term.	69,751	144	12	484.38
OC3 Channel Mile Facility	43,599	264	22	165.15
OC3 Channel Mile Term	23,717	36	3	658.81
DDS Channel Mile Facility	75,829	99,961	8,330	0.76
DDS Channel Mile Term.	14,575	3,996	333	3.65
Digital Subscriber Line				
Wholesale DSL	1,876,598	93,830	7,819	20.00
Access Service (Line Charge)	245,700	10,920	910	22.50
SDSL	57,598	929	77	62.00
DS1 Access Service Link Connection	-	-	-	50.00
DS3 Access Service Link Connection	-	-	-	350.00
NRC Access Service (Line Charge)	16,800	800	67	21.00
NRC SDSL - Standard	2,772	132	11	21.00
NRC Downgrade Charge	2,268	72	6	31.50
NRC Move Charge	3,024	96	8	31.50
NRC Service Order Charge	3,402	108	9	31.50
NRC DS1 Access Service Link Connect	-	-	-	300.00
NRC DS3 Access Service Link Connect	-	-	-	300.00
NRC ADSL - Line Rearrangement	-	-	-	25.00
NRC ADSL - Access Service Connectio	-	-	-	75.00

Special Access Channel Termination Rate Development

Rate Element	Revenue Requirement	Annual Projected Usage	Monthly Projected Usage	Monthly Access Rate
Other Rate Elements				
Bridging				
Bridging: Telegraph	3	1	0	2.60
Bridging: Voice	716	276	23	2.60
Data	-	-	-	2.60
Telemetry and Alarm	-	-	-	23.45
Program Audio	-	-	-	3.40
Conditioning				
Conditioning: C-Type	217	48	4	4.53
Conditioning: D-Type	54	12	1	4.53
Gain	-	-	-	5.16
Improved Return Loss	292	96	8	3.05
Selective Signaling	827	101	8	8.16
Non Recurring Special Access				
Voice Grade Terms	979	12	12	- 81.59
DS1 Terms	12,048	48	48	- 251.00
DS3 Terms	9,036	36	36	- 251.00
OC3 Terms	310	1	1	- 310.00
DDS Terms	3,840	16	16	- 240.00
MUX OC3 / DS3	-	-	-	- 350.00
MUX DS3/DS1	930	3	3	- 310.00
MUX DS1/DS0	930	3	3	- 310.00
VG Bridging	-	-	-	- 58.53
Data Bridging	-	-	-	- 67.50
TOTAL REVENUES	<u>11,405,771</u>			

Special Access Channel Termination Rate Development

Development of Channel Term Rates, Based on Equivalency to 4-Wire VG Circuits

Channel Termination Revenue Requirement	4,835,037
Less Non-Recurring Costs	(28,073)
Less Optional Features	(2,108)
Net Channel Termination Revenue Requirement	4,804,857

Type of Termination	VG 4-wire Equivalents	Weighted Equivalents	Monthly Rate	Annual Unit Cost	Projected Demand	Total Revenue Requirement	
Telegraph Grade							
2-wire	0.62496	-	35.91	430.91	-	-	
4-wire	1	-	57.46	689.50	-	-	
Voice Grade							
2-wire	0.62496	97.49	35.91	430.91	13	5,602	
4-wire	1	1,951.93	57.46	689.50	163	112,155	
Program Audio							
2-wire	0.62496	1.87	35.91	430.91	0	108	
Hi-Cap							
DS-1	2.6765	33,052.36	153.79	1,845.45	1,029	1,899,135	
DS-3	31.0473	40,237.36	1,783.93	21,407.17	108	2,311,974	
OC3	42.2245	1,520.08	2,426.15	29,113.79	3	87,341	
DDS							
4-wire	1.1534	5,558.25	66.27	795.29	402	319,368	
SUBTOTAL						4,735,684	
MUX (OC3/DS3)			443.67	5,324.09	-	-	
MUX (DS3 to DS1)			380.37	4,564.40	-	-	
MUX (DS1 to DS0)			99.39	1,192.64	58	69,173	
Total Channel Terminations Revenue Requirement (Excl Nonrecurring)						4,804,857	
Check		82,419.35					4,804,857

Development of Channel Mileage and Channel Mileage Term Rates

	Special Study	Equivalent VG CMF	Projected Demand	Weighted Equivalent	Monthly Rate	Annual Cost	Revenue Requirement
Voice Grade Channel Mileage	0.2800	1.00	3,270	3,270	0.76	9.10	29,763
Voice Grade Channel Mileage Term	1.4700	5.25	149	785	3.98	47.79	7,143
Hi-Cap Channel Mileage	6.5118	23.26	14,852	345,400	17.64	211.70	3,144,189
Hi-Cap Channel Mileage Term	32.1010	114.65	645	73,912	86.97	1,043.63	672,822
DS3 Hi-Cap Channel Mileage	44.8215	160.08	193	30,889	121.43	1,457.19	281,183
DS3 Hi-Cap Channel Mileage Term	178.7879	638.53	12	7,662	484.38	5,812.55	69,751
OC3 Channel Mileage Facility	60.9574	217.70	22	4,790	165.15	1,981.78	43,599
OC3 Channel Mileage Term	243.1728	868.47	3	2,605	658.81	7,905.75	23,717
DDS Channel Mileage	0.2800	1.00	8,330	8,330	0.76	9.10	75,829
DDS Channel Mileage Term	1.3463	4.81	333	1,601	3.65	43.77	14,575
Total				479,243			4,362,570
Check							4,362,570

Special Access Channel Termination Rate Development

Development of Other Special Services

	Annual Carrying Charge	Unit Material Cost	Projected Demand	Weighted Equivalent	Annual Revenue Requirement	Monthly Rate	Projected Usage	Projected Revenue
DSL Services - Recurring								
Wholesale DSL	30.91%	0.870950	7,819	6,810	1,833,156	20.00	7,819	1,876,598
Access Service (Line Charge)	35.49%	1.000000	910	910	244,956	22.50	910	245,700
SDSL			77		57,598	62.00	77	57,598
DS1 Access Service Link Connection Charge		1,676	-		-	50.00	-	-
DS3 Access Service Link Connection Charge		11,449	-		-	350.00	-	-
				7,720	2,135,710			2,179,895
DSL Services - Nonrecurring								
Access Service (Line Charge)						21.00	67	16,800
SDSL - Standard						21.00	11	2,772
Downgrade Charge						31.50	6	2,268
Move Charge						31.50	8	3,024
Service Order Charge						31.50	9	3,402
DS1 Access Service Link Connection Charge						300.00	-	-
DS3 Access Service Link Connection Charge						300.00	-	-
ADSL - Line Rearrangement						25.00	-	-
ADSL - Access Service Connection Rearrangement						75.00	-	-
								28,266
Check								2,163,976

Development of Optional Features and Function Rates

Optional Features	Unit Material Cost	Net Return to Gross Plant	Unit Net Return	Expense and Operating Tax to Gross Plant	Unit Expense and Op Tax	Unit Revenue Requirement	Projected Usage	Projected Revenue	Rate
Bridging:									
Telegraph	98.00	4.90%	4.80	26.89%	26.35	31.15	0	3	2.60
Voice	98.00	4.90%	4.80	26.89%	26.35	31.15	23	716	2.60
Data	98.00	4.90%	4.80	26.89%	26.35	31.15	-	-	2.60
Telemetry & Alarm	917.00	4.90%	44.91	26.89%	246.58	291.49	-	-	23.45
Program Audio	133.00	4.90%	6.51	26.89%	35.76	42.28	-	-	3.40
Conditioning									
C-Type	171.00	4.90%	8.37	26.89%	45.98	54.36	4	217	4.53
D-Type	171.00	4.90%	8.37	26.89%	45.98	54.36	1	54	4.53
Gain	194.00	4.90%	9.50	26.89%	52.17	61.67	-	-	5.16
Improved Return Loss	115.00	4.90%	5.63	26.89%	30.92	36.56	8	292	3.05
Selective Signaling	308.00	4.90%	15.08	26.89%	82.82	97.90	8	827	8.16
Total								2,108	

Special Access Channel Termination Rate Development

Non Recurring Revenues

Non Recurring Revenues	Rate	Demand	Non-recurring Revenues
VG Channel Terminations	81.59	12	979
DS1 Channel Terminations	251.00	48	12,048
DS3 Channel Terminations	251.00	36	9,036
OC3 Terminations	310.00	1	310
DDS Terminations	240.00	16	3,840
Muxing OC3 / DS3	350.00	-	-
Muxing DS3/DS1	310.00	3	930
Muxing DS1/DS0	310.00	3	930
VG Bridging	58.53	-	-
Data Bridging	67.50	-	-
Total Non Recurring Term Revenue			28,073

TOTAL SPECIAL ACCESS REVENUE REQUIREMENT

11,361,583

Illinois Consolidated Telephone Company
 2004 Annual Tariff Filing - July 1, 2004 to June 30, 2006
Revenue Requirement

	<i>Midcourse</i>	MAG	Post
	<i>6/30/2005</i>	Adjustment	MAG
Common Line	11,761,612	1,616,351	13,377,963
Local Switching - Usage Sensitive	2,636,362	(660,556)	1,975,806
Information Surcharge	93,802	6,626	100,428
Local Transport - Tandem Switching	1,897,454	(828,460)	1,068,994
Local Transport - Other	2,023,590	(883,533)	1,140,057
Special Access - Channel Term	4,516,049	318,988	4,835,037
Special Access - Facilities	4,074,752	287,817	4,362,570
DSL	2,021,209	142,767	2,163,976
Billing and Collection	135,751	-	135,751
Interexchange	82,975	-	82,975
Total Revenue Requirement	29,243,557	0	29,243,557

Illinois Consolidated Telephone Company
2004 Annual Tariff Filing - July 1, 2004 to June 30, 2006
Reconciliation of Line Port and TIC Transfers
Summary of LS Line Port, TIC Reallocation, and GSF Allocation to B&C

	CCL Rev Req	LS Rev Req	Info	Transport Rev Req	Special Access Rev Req	Non Access	Total
1 Unadjusted Projected Revenue Requirement	11,761,612	2,636,362	93,802	3,921,044	10,612,011	218,726	29,243,557
2							
3 Allocations:							
4							
5 CFR 69.306 Line Port Transfer	790,909	(790,909)					-
6 CFR 69.415 Reallocation of TIC	825,442	130,352	6,626	(1,711,992)	749,572	-	(0)
7 Total Adjustments to Revenue Requirement by Element	1,616,351	(660,556)	6,626	(1,711,992)	749,572	-	(0)
8							
9 Revised Tariff Revenue Requirements per MAG Order	13,377,963	1,975,806	100,428	2,209,052	11,361,583	218,726	29,243,557

Illinois Consolidated Telephone Company
2004 Annual Tariff Filing - July 1, 2004 to June 30, 2006
Reconciliation of Line Port and TIC Transfers
Allocation of Line-Side Port Costs To Common Line - CFR 69.306

1 Original Tariff Filing Projected Revenue Requirement
2 Unadjusted Projected Revenue Requirement (Cost Study)
3
4 Proj Revenue Requirement Adjusted
5
6 FCC CFR 69.306 (d)(2) - Removal of LSS
7 Local Switching Support
8
9 Revenue Requirement (LS reduced by LSS)
10
11 FCC CFR 69.306 - Line Port Cost Allocation:
12 Line-Side Port Allocation Factor
13 Assigned COE Line Port Costs
14
15 **Revised Tariff Revenue Requirement**
16 **Adjusted for Line-Side Port Transfer to CL-69.306**

Common Line*	Local Switching	Info	Transport	Special Access	Non Access	Total
11,761,612	2,636,362	93,802	3,921,044	10,612,011	218,726	29,243,557
11,761,612	2,636,362	93,802	3,921,044	10,612,011	218,726	29,243,557
	-					-
11,761,612	2,636,362	93,802	3,921,044	10,612,011	218,726	29,243,557
	30.00%					
790,909	(790,909)					-
12,552,521	1,845,453	93,802	3,921,044	10,612,011	218,726	29,243,557

17
18
19
20 FCC CFR 69.415 - Reallocation of Transport Expenses
21
22
23 Tariff Rev Req Adjusted for Line-Side Port Transfer to CL
24
25 Less: USF Contributions Included in CL - CFR 69.415 (c)(2)
26
27 Tariff Rev Req Adjusted for 69.306 and 69.415(c) (2)
28
29 Less: July 1, 2000 - June 30, 2001 TIC Revenues
30
31 Tariff Rev Req Adjusted per FCC CFR 69.307
32
33 % Used for TIC Reallocation
34
35 TIC Revenue Allocated By Element

CFR 69.306 Adjusted CL Rev Req	CFR 69.306 Adj LS Rev Req (Incl Oth LS)	Info	Transport Rev Req	Special Access Rev Req	Total
12,552,521	1,845,453	93,802	3,921,044	10,612,011	29,024,831
(866,389)					(866,389)
11,686,132	1,845,453	93,802	3,921,044	10,612,011	28,158,442
			(1,857,733)		(1,857,733)
11,686,132	1,845,453	93,802	2,063,311	10,612,011	26,300,709
44.43%	7.02%	0.36%	7.85%	40.35%	100.00%
825,442	130,352	6,626	145,741	749,572	1,857,733

* Includes Long Term Support

**Illinois Consolidated Telephone Company
2004 Annual Tariff Filing - July 1, 2004 to June 30, 2006
End User Subscriber Line Computation - Per 69.104 n(1) & n(2)**

Beginning January 1, 2002, maximum monthly charge shall be the lesser of:

- (i) One-twelfth of the projected annual revenue requirement for the End User Common Line Element divided by the projected average number of local exchange service subscriber lines in use during such annual period: or
- (ii) Beginning July 1, 2003, \$6.50

Test for EU Residential & Single Line SLC rate:

Projected annual revenue requirement for EU CL Element 13,377,963

Per Latest Views

Residential/Single Line Business	58,747	74.57%
Multi-Line Business	20,031	25.43%
Total	78,778	100.00%

Total Projected Loops: 76,926

	<u>Projected</u>			
	<u>Access Lines</u>	<u>Rate</u>	<u>Revenues</u>	
Projected Residential & Single Line End User	57,595	6.50	4,492,442	
Projected Multi-Line Business Users	19,330	9.20	2,134,047	
	76,926			6,626,489

Residual End User CL Revenue Requirement * 6,751,474

SLC Rate effective July 1, 2003 for Residential & Single Line Businesses* \$6.50

* Note: If Residual is negative, then the End User SLC rate must be reduced per 69.104 n(1)(i). If Residual is positive, then the End User Residential & Single Line Business rate will be set at \$6.50

**Illinois Consolidated Telephone Company
2004 Annual Tariff Filing - July 1, 2004 to
Adjusted Demand**

Actual 2001 input	Actual 2002 input	Actual 2003 input	Projected Demand
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Traffic Sensitive:

Local Switching

Local Switching	265,546,532	242,891,527	206,554,988	187,318,108
Information Surcharge	2,655,465	2,428,915	2,065,550	1,873,181

800 Database Queries:

Basic				0
Enhanced				0

Local Transport

VG Entrance Facilities	119	119	79	60
DS1 Entrance Facilities	416	481	495	467
DS3 Entrance Facilities			1	1
OC3 Entrance Facilities				-
Tandem Switched Transport Facility	4,450,997,488	4,585,084,758	3,890,266,028	3,516,519,009
Tandem Switched Transport Terms	245,148,153	264,426,111	242,757,222	217,837,224
Tandem Switching	167,248,045	195,312,507	206,595,381	184,005,584
DT Transport VG Channel Mileage Facility	58	58	58	58
DT Transport VG Channel Mileage Term	9	9	9	9
DT Transport DS1 Channel Mileage Facility	689	775	1,107	1,352
DT Transport DS1 Channel Mileage Term	61	71	81	93
DT Transport DS3 Channel Mileage Facility	-	-	-	-
DT Transport DS3 Channel Mileage Term	-	-	-	-
DT Transport OC3 Channel Mileage Facility	-	-	-	-
DT Transport OC3 Channel Mileage Term	-	-	-	-
MUX Service OC3 / DS3	-	-	-	-
MUX Service DS3-DS1	-	-	-	-
MUX Service DS1-DS0	14	7	7	5

SPECIAL ACCESS

Channel Termination

Telegraph Grade, 2-Wire				
Telegraph Grade, 4-Wire				
Voice Grade, 2-Wire	100	100	24	13
Voice Grade, 4-Wire	301	280	206	163
Program Audio, 2-Wire	1	1	2	0
DS1 High Cap	1,472	1,556	1,143	1,029
DS3 High Cap	37	47	101	108
OC3	1	1	5	3
DDS, 4-Wire	711	703	541	402
MUX (OC3 - DS3)				
MUX (DS3-DS1)	1	1	1	-
MUX (DS1-DS0)	89	97	75	58

Channel Mileage

Channel Mileage	6,444	5,580	3,799	3,270
Channel Mileage Term	396	282	164	149
DS1 Hi - Cap Channel Mile Facility	13,283	16,516	15,149	14,852
DS1 Hi - Cap Channel Mile Term.	809	1,017	682	645
DS3 Hi - Cap Channel Mile Facility	248	341	142	193
DS3 Hi - Cap Channel Mile Term.	7	12	9	12
OC3 Channel Mile Facility	22	22	22	22
OC3 Channel Mile Term	3	3	3	3
DDS Channel Mile Facility	10,064	10,133	9,533	8,330
DDS Channel Mile Term.	497	461	358	333

Digital Subscriber Line

Wholesale DSL				7,819
Access Service (Line Charge)	3,524	5,619	7,724	910
SDSL				77
DS1 Access Service Link Connection	-	-	-	-
DS3 Access Service Link Connection	-	-	-	-

Bridging

Bridging: Telegraph	-	-	1	0
Bridging: Voice	32	30	29	23
Data	-	-	-	-
Telemetry and Alarm	-	-	-	-
Program Audio	-	-	-	-

Conditioning

Conditioning: C-Type	4	4	4	4
Conditioning: D-Type	1	1	1	1
Gain	-	-	1	-
Improved Return Loss	8	6	5	8
Signaling	16	16	10	8

Non-Recurring

Voice Grade Terms		5	9	12
DS1 Terms		25	37	48
DS3 Terms		15	26	36
OC3 Terms		1	1	1
DDS Terms		20	18	16
MUX OC3 / DS3				-
MUX DS3/DS1		1	2	3
MUX DS1/DS0		0	2	3
Access Service (Line Charge)		0	48	67
SDSL - Standard		-	-	11
Downgrade Charge		-	-	6
Move Charge		-	-	8
Service Order Charge		-	-	9
DS1 Access Service Link Connection Chrg		-	-	-
DS3 Access Service Link Connection Chrg		-	-	-
ADSL - Line Rearrangement		-	-	-
ADSL - Access Service Connection Rearran		-	-	-
VG Bridging		-	-	-
Data Bridging		-	-	-