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January 10, 2008

Chairman Sara Kyle
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

08-00011

Dear Chairman Kyle:

Enclosed for the Tennessee Regulatory Authority's review and approval is an original and thirteen copies of Citizens Telecommunications Company of Tennessee's 2007 Annual Price Regulation Filing. No price changes are proposed at this time. This filing is made to identify the headroom available to Citizens for potential future increases in revenue.

Should you have any questions, please contact me at 304-325-1688.

Sincerely,

Angela McCall
Manager – Government & Regulatory Affairs

Enclosures

Price Cap Annual Filing

**Citizens Telecommunications Company of Tennessee, LLC
d/b/a
Frontier Communications of Tennessee, LLC**

January 11, 2008

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I. Purpose

On April 12, 1996, in Docket No. 96-00010, Citizens Telecommunications Company of Tennessee LLC (CTG-TN) entered into Price Regulation in accordance with Chapter 408 of the Public Acts of 1995 for the State of Tennessee. The following reflects the Price Cap methodology used in calculating indexes and the related revenue shortfall experienced since CTC-TN elected Price Cap Regulation. The filing is in compliance with Tenn. Code Ann. §65-5-209. You will note this filing does not include any rate adjustments. The filing is being submitted for review and approval by the TRA and identifies the residual revenues that CTG TN could implement via price increases and rate restructuring in response to competitive pressures, changing market conditions, customer demand, revenue shortfalls, and other miscellaneous conditions.

II. Scope

As defined by the act, Basic and Non-basic Services category revenues and pricing are governed by the Act. A comprehensive list of Basic and Non-Basic Services is included as Attachment C. Revenue data gathered to support calculations for this filing covers the period from June 1996 through June 2007. The TRA issued an Order Denying Petition for Rehearing on January 24, 2000, in Docket No. 98-00626 (United Telephone Southeast, Inc., Tariff to Reflect Proposed Changes Under Price Regulation Plan). In that Order, the TRA concluded that Tenn. Code Ann. §65-5-209(e) does not prohibit a price-regulated company from taking cumulative increases. The deferral of rate increases over this period of time allows CTC-TN to identify the accumulative "headroom" available for future rate increases.

III. Definitions

The definitions of terms below are used throughout this document. A number of the definitions are verbatim from TCA sections, as noted, to support an explanation of the calculations.

- A. **Basic Local Exchange Telephone Services (Basic Services)**– are telecommunications services which are comprised of an access line, dial tone, touch-tone and usage provided to the premises of residential and business customers for the provision of two way switched voice or data transmission over voice grade facilities within a local calling area, Lifeline, Link-Up Tennessee, 911 Emergency Services and educational discounts existing on the effective date of the price regulation act or other services required by state or federal statute. These services shall, at a minimum, be provided at the same level of

quality as is being provided on the effective date of the price regulation act. Rates for these services shall include both recurring and nonrecurring charges. (Section 65-5-208)

- B. Non-Basic Services – are telecommunications services which are not defined as Basic Local Exchange Telephone Services and are not exempted under Section 65-5-208 (b). Rates for these services shall include both recurring and nonrecurring charges. (Section 65-5-208)
- C. Price Regulation Index (PRI) – establishes a ceiling on price changes, in the aggregate, for the Basic and Non-Basic Services categories. The PRI, as of the effective date of Price Regulation, is one hundred (100). The PRI for subsequent years shall be calculated as described in the IV.F. below.
- D. Service Price Index (SPI) – indicates the cumulative annual percentage change in actual prices, by service category (Basic and Non-Basic), since the effective date of Price Regulation, or since the last resetting of the Indexes by the Tennessee Regulatory Authority. The SPIs for the Basic and Non-Basic categories are calculated by category and compared to the PRI. The Service Price Index shall be calculated as described in IV.G. below.
- E. Gross Domestic Product-Price Index (GDP-PI) – is the final estimate of the Chain-Weighted Gross Domestic Product-Price Index as prepared by the U.S. Department of Commerce and published in the Survey of Current Business, or its successor. (Section 65-4-101 (h)). The cumulative total GDP-PI from June 1996 to June 2007 was used.
- F. Revenues per Category – The revenues included in each category are determined as listed below:

Local (Basic and Non-Basic) – revenues are determined from the number of revenue-producing units multiplied by the corresponding per unit price.

Nonrecurring Charges (NRC) – revenues are determined from the number of revenue-producing units multiplied by the corresponding per unit price. To the extent that detailed service volumes cannot be specifically linked to a basic service or specifically linked to a non-basic service, the NRC charges are properly allocated between Basic and Non-Basic Services based upon the percentage of revenues where charges are applicable for each category based on GL accounts. This method has been adopted in previous Price Cap filings by other LECs in TN.

Message Toll Switched Access, 800, WATS – revenues are derived from minutes of use multiplied by the corresponding per minute price.

Switched Access – Special Access – revenues are derived from the number of units multiplied by the corresponding per unit price.

Billing and Collection, Pay Phone Revenue, Directory Compensation, Miscellaneous – revenues are determined from the number of revenue-producing units multiplied by the corresponding per unit price. To the extent that detailed service volumes are not available for a specific service, revenues were obtained through GL accounts.

- G. Revenue Producing Units – The units included in the service volumes are revenue-producing units only. Company official units are excluded from the service volumes.

IV. Methodology

- A. Increases in the Basic Local Exchange Category – the moratorium on rate increases expired April 12, 2000.
- B. Interconnection Services – Prices for interconnection services are capped at the lesser of one-half (1/2) the percentage change in the previous year's inflation rate or the inflation rate for the previous year minus two percentage points (TCA 65-5-208). The inflation rate is defined as the percentage change in the final estimate of the Chain Weighted GDP-PI from the most recent quarter when a final estimate is available. Interconnection allows telecommunications carriers, including CLECs, Cellular and Wireless service providers, etc., to interconnect directly or indirectly with the facilities and equipment of other telecommunications carriers and obtain access to network elements on a non-discriminatory basis dependent on the cost of providing the network element (per the Telecommunications Act of 1996, Section 251, Interconnection).
- C. New Services – New tariffed services will be included in the SPI for the appropriate category in the first annual filing after the service has been available for six months. The price in effect for the new service when it is added to the index calculations, divided by the value of the Service Price Index for the previous anniversary date, shall be the initial index price for the new service.
- D. Revenue Neutral Filings – Revenue neutral filings are defined as filings that result in no increase in aggregate revenues. Revenue neutral

filings will not include SPI calculations when services within the same category are affected.

- E. Promotional Pricing – The permanent approved rates shall be used in calculating revenues for services where rates are discounted for promotional purposes during the year.
- F. Calculation of PRI – Per the Act, the “maximum annual adjustment...is capped at the lesser of one-half (1/2) the percentage change in inflation for the United States using the Gross Domestic Product Price Index (GDP-PI) from the preceding year as the measure of inflation, or the GDP-PI from the preceding year minus two (2) percentage points” (TCA 65-5-208). The Price Regulation Index is calculated annually as a) 100 plus b) the lesser of one-half (1/2) the percentage change in the previous year’s inflation rate or the inflation rate for the previous year minus two percentage points c) divided by 100 and d) multiplied by the then current value of the PRI for the company. The inflation rate is defined as the percentage change in the final estimate of the Chain-Weighted GDP-PI from the most recent quarter when a final estimate is available. Attachment B reflects the calculation. Future years will use appropriately updated inflation rates.
- G. Calculation of SPI for Basic and Non-Basic Services – The Service Price Index is calculated for both Basic and Non-Basic categories as 1) the annualized Proposed revenues for each category 2) divided by the annualized Base revenues for each category 3) multiplied by 100. The annualized Proposed revenues for each annual filing shall be the revenues for each category resulting from pricing out the annualized service volumes for the latest month available at the company’s current prices for each service plus the net effect of any proposed price changes. The service volumes for the latest month available are for the month of June for the year of the annual filing. The annualized Base revenues for each annual filing shall be the revenues resulting from pricing out the annualized service volumes for the latest month available at the company’s initial index prices for each service. The initial index prices are the service prices in effect on June 6, 1995, or as reset by the Tennessee Regulatory Authority under TCA 65-5-207. If the PRI and SPI are reset by the Authority, the same proportional relationship will exist between these two indexes before and after the resetting process. The SPI will be recalculated with each annual filing and as necessary for interim filings. The service volumes will remain constant for interim filings and will be adjusted with each annual filing.

V. Attachments

- A. 2007 Price Regulation Filing Summary
- B. PRI Calculation
- C. Basic and Non-basic Detail Back-up

Service Price Index (SPI) Calculation

Total Revenues by Category for Basic and Non Basic Services

		BASE REVENUE		Proposed Revenues	
Service Description	Source of Revenue	1995 Rates and 2007 Demand	Base	2007 Rates and 2007 Demand	Base
		Monthly Revenue	Annual Revenue	Monthly Revenue	Annual Revenue
Basic Services					
Residential Service	S&E Count from billing	\$ 457,367.85	\$ 5,488,414.20	\$ 460,386.85	\$ 5,524,642.20
Business Service	S&E Count from billing	\$ 460,445.17	\$ 5,525,342.04	\$ 451,193.97	\$ 5,414,327.64
E911	S&E Count from billing	\$ 1,462.50	\$ 17,550.00	\$ 1,462.50	\$ 17,550.00
NRC Service Establish/Connection Charges	S&E Count from billing	\$ 23,428.34	\$ 281,140.09	\$ 25,518.60	\$ 306,223.14
Total Basic Services		\$ 942,703.86	\$ 11,312,446.33	\$ 938,561.92	\$ 11,262,742.98
Non-Basic Services					
Late Fees/NSF/Detail Billing	S&E Count from billing	\$ 19,669.37	\$ 236,032.44	\$ 19,669.37	\$ 236,032.44
Operator Svcs	S&E Count from billing	\$ -	\$ -	\$ -	\$ -
Private Line	S&E Count from billing	\$ 3,339.66	\$ 40,075.92	\$ 3,339.66	\$ 40,075.92
PICC	S&E Count from billing	\$ -	\$ -	\$ 370.00	\$ 4,440.00
Misc Service Arrangements	S&E Count from billing	\$ 11,928.00	\$ 143,136.00	\$ 10,671.00	\$ 128,052.00
Directory	S&E Count from billing	\$ 20,136.60	\$ 241,639.20	\$ 20,136.60	\$ 241,639.20
Centrex/ISDN	S&E Count from billing	\$ 15,721.50	\$ 188,658.00	\$ 15,721.50	\$ 188,658.00
Hunting	S&E Count from billing	\$ 39,913.95	\$ 478,967.40	\$ 39,913.95	\$ 478,967.40
Number Portability	S&E Count from billing	\$ 8,331.91	\$ 99,982.92	\$ 8,331.91	\$ 99,982.92
Dial Data Service	S&E Count from billing	\$ 5.00	\$ 60.00	\$ 5.00	\$ 60.00
Digital Channel Service	S&E Count from billing	\$ 5,307.00	\$ 63,684.00	\$ 5,307.00	\$ 63,684.00
Direct Inward Dial	S&E Count from billing	\$ 4,020.00	\$ 48,240.00	\$ 4,020.00	\$ 48,240.00
Class Features/Feature Packages:	S&E Count from billing	\$ 121,155.00	\$ 1,453,860.00	\$ 121,156.00	\$ 1,453,872.00
NRC Service Establish/Connection Charges	S&E Count from billing	\$ 34,894.13	\$ 418,729.55	\$ 37,709.00	\$ 452,508.06
Total Access Services	S&E Count from billing	\$ 431,674.85	\$ 5,180,098.23	\$ 431,674.85	\$ 5,180,098.23
Total Non Basic Services		\$ 716,096.97	\$ 8,593,163.65	\$ 718,025.85	\$ 8,616,310.17
Total Basic and Non-Basic		\$ 1,658,800.83	\$ 19,905,609.99	\$ 1,656,587.76	\$ 19,879,053.15

PRI/SPI Comparison	Basic SPI Calculation	Proposed Rev	Monthly	Annualized	Headroom
			938,561.92	\$ 11,262,742.98	
		Base Revenues	942,703.86	\$ 11,312,446.33	
		Result	0.996	0.996	
		X 100	99.56	99.56	
		Current Year PRI	109.55	109.55	1,130,412.20
	Non Basic SPI Calculation	Proposed Rev	\$ 718,025.85	\$ 8,616,310.17	
		Base Revenues	\$ 716,096.97	\$ 8,593,163.65	
		Result	1.003	1.003	
		X 100	100.27	100.27	
		Current Year PRI	109.22	109.22	768,973.78

Proposed data for 10 year PRI Calculations Citizens Telecommunications of Tennessee

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Base Rate of 100	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
a												
add lesser of : 1/2 of GDP-PI % Change	1.2500	1.1000	0.5000	0.7500	1.7000	1.6500	0.8500	1.5500	1.8000	1.5500	1.7000	2.1000
or												
GDP-PI % Change - 2%	0.5000	0.2000	-1.0000	-0.5000	1.4000	1.3000	-0.3000	1.1000	1.6000	1.1000	1.4000	2.2000
c												
divide by 100	1.0050	1.0020	0.9900	0.9950	1.0140	1.0130	0.9970	1.0110	1.0160	1.0110	1.0140	1.0210
d												
Calculate new PRI												
Multiply by Previous PRI (use												
100 in yr 1996 and yr 2000)	100.5000	100.7010	99.6940	99.1955	100.5843	101.8919	101.5862	102.7036	104.3469	105.4947	106.9716	109.2180
e												

Summary Table GDP-PI Index & % Change

<u>Year</u>	<u>GDP-PI % change</u>
1996	2.5
1997	2.2
1998	1
1999	1.5
2000	3.4
2001	3.3
2002	1.7
2003	3.1
2004	3.6
2005	3.1
2006	3.4
2007	4.2

Methodology:

The Price Regulation Index is calculated annually as :

- 100 plus the lesser of
- one-half (1/2) the percentage change in the previous year's inflation rate or
- the inflation rate for the previous year minus two percentage points
- divided by 100 and
- multiplied by the then current value of the PRI of the previous year. (or by 100 in base yr 1996 and yr 2000)

Proposed data for 10 year PRI Calculations Citizens Telecommunications of Tennessee

Base Rate of 100	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
a									
add lesser of :									
1/2 of GDP-PI % Change	0.7500	1.7000	1.6500	0.8500	1.5500	1.8000	1.5500	1.7000	2.1000
or									
GDP-PI % Change - 2%									
c									
divide by 100									
d									
Calculate new PRI									
Multiply by Previous PRI (use									
100 in yr 1996 and yr 2000)									
e									
	99.5000	100.8930	102.2046	101.8980	103.0189	104.6672	105.8185	107.3000	109.5533

Summary Table GDP-PI Index & % Change

<u>Year</u>	<u>GDP-PI</u> <u>% change</u>
1996	2.5
1997	2.2
1998	1
1999	1.5
2000	3.4
2001	3.3
2002	1.7
2003	3.1
2004	3.6
2005	3.1
2006	3.4
2007	4.2

Methodology:

The Price Regulation Index is calculated annually as :

- 100 plus the lesser of
- one-half (1/2) the percentage change in the previous year's inflation rate or
- the inflation rate for the previous year minus two percentage points
- divided by 100 and
- multiplied by the then current value of the PRI of the previous year. (or by 100 in base yr 1996 and yr 2000)

TENNESSEE
2007 PRICE REGULATION FILING

Service Description	June 2005				June 2007				BASE REVENUE			Proposed Revenues		
	Rate		C		Rate		D		2005 Rates and Monthly Revenue G = C * E		2007 Demand Monthly Revenue J = D * E		Base Annual Revenue K = J * 12	
A														
Business Access Lines														
One Party Manual Bus Access Line - flat rated 1 Year		\$20.00		\$19.00					\$	-	\$	-	\$	-
One Party Manual Bus Access Line - flat rated 2 Year		\$19.00		\$19.00					\$	18,259.00	\$	18,259.00	\$	219,108.00
One Party Manual Bus Access Line - flat rated 3 Year		\$18.00		\$14.00					\$	-	\$	-	\$	-
One Party Manual Bus Access Line - flat rated 5 Year				\$10.00					\$	-	\$	-	\$	-
One Party Manual Bus Access Line - flat rated 6 Month		\$12.50		\$12.50					\$	537.50	\$	537.50	\$	6,450.00
One Party Manual Bus Access Line - flat rated 1 Year		\$12.00		\$12.00					\$	2,904.00	\$	2,904.00	\$	34,848.00
One Party Manual Bus Access Line - flat rated 2 Year		\$11.50		\$11.50					\$	126.50	\$	126.50	\$	1,518.00
One Party Manual Bus Access Line - flat rated 3 Year		\$11.00		\$11.00					\$	1,034.00	\$	1,034.00	\$	12,408.00
Business 1 Party		\$31.25		\$31.25					\$	290,843.75	\$	290,843.75	\$	3,490,125.00
FW One Party Manual Bus Access Line		\$21.00		\$21.00					\$	3,192.00	\$	3,192.00	\$	38,304.00
FW One Party Manual Bus Access Line - 3 Year		\$21.00		\$21.00					\$	-	\$	-	\$	-
One Party Educational Line - flat rated		\$9.85		\$9.85					\$	453.10	\$	453.10	\$	5,437.20
Private Branch Exchange		\$21.00		\$21.00					\$	1,008.00	\$	1,008.00	\$	12,096.00
PBX Single Line - automatic - flat rated		\$51.25		\$51.25					\$	13,273.75	\$	13,273.75	\$	159,285.00
PBX Single Line - automatic - flat rated - Sparta & McMinnville only		\$33.25		\$33.25					\$	4,455.50	\$	4,455.50	\$	53,466.00
Business Connectics additional line		\$29.50		\$29.50					\$	59.00	\$	59.00	\$	708.00
Business Connections 1 yr		\$29.50		\$29.50					\$	531.00	\$	531.00	\$	6,372.00
Business Connections 2 line phone		\$8.99		\$8.99					\$	314.65	\$	314.65	\$	3,775.80
Business Connections additional line		\$27.77		\$27.77					\$	361.01	\$	361.01	\$	4,332.12
Business Connections acl 2		\$27.77		\$27.77					\$	1,083.03	\$	1,083.03	\$	12,996.36
Business Connections acl 2		\$26.03		\$26.03					\$	26.03	\$	26.03	\$	312.36
Business Connections acl 3		\$26.03		\$26.03					\$	572.66	\$	572.66	\$	6,871.92
Frontier Works Business 1 yr		\$29.96		\$29.96					\$	1,827.56	\$	1,827.56	\$	21,930.72
Frontier Works Business 2 yr		\$28.20		\$28.20					\$	648.60	\$	648.60	\$	7,783.20
Frontier Works Business 3 yr		\$26.44		\$26.44					\$	1,586.40	\$	1,586.40	\$	19,036.80
Frontier Works add'l line 1 yr		\$29.96		\$29.96					\$	359.52	\$	359.52	\$	4,314.24
Frontier Works add'l line 2 yr		\$28.20		\$28.20					\$	225.60	\$	225.60	\$	2,707.20
Frontier Works add'l line 3 yr		\$26.44		\$26.44					\$	370.16	\$	370.16	\$	4,441.92
Frontier Advantage 2 yr - Bus		\$31.25		\$31.25					\$	15,781.25	\$	15,781.25	\$	189,375.00
Frontier Works Business line 1 yr		\$15.40		\$15.40					\$	30.80	\$	30.80	\$	369.60
Frontier Works Business line 2 yr		\$14.70		\$14.70					\$	14.70	\$	14.70	\$	176.40
Frontier Works Business line 3 yr		\$14.00		\$14.00					\$	14.00	\$	14.00	\$	168.00
Key Line Bus - manual access		\$31.25		\$31.25					\$	42,500.00	\$	42,500.00	\$	510,000.00
Foreign Exchange														
FX Auto Access Line Bus Trunk		\$51.25		\$51.25					\$	-	\$	-	\$	-
FX Auto Access Line Bus Trunk		\$33.25		\$33.25					\$	-	\$	-	\$	-
FX Interco B1 Service Exchange		\$31.25		\$31.25					\$	-	\$	-	\$	-
FX Bus 1 party Term Foreign Exchange		\$31.25		\$31.25					\$	-	\$	-	\$	-
FX Foreign Co Mileage 1/4 Mile		\$5.00		\$5.00					\$	-	\$	-	\$	-
FX Interexch mlg bell w/		\$87.00		\$87.00					\$	435.00	\$	435.00	\$	5,220.00
FX Interexch chnrl 1st mile		\$87.00		\$87.00					\$	2,436.00	\$	2,436.00	\$	29,232.00
FX Channel over 1 mile each add'l		\$1.45		\$1.45					\$	10.15	\$	10.15	\$	121.80
FX Channel mileage over 10 Alm each		\$1.45		\$1.45					\$	43.50	\$	43.50	\$	522.00
Usage Sensitive														
One Party Bus Access Line - usage sensitive - auto access		\$16.95		\$16.95					\$	4,593.45	\$	4,593.45	\$	55,121.40
One Party Bus Access Line - usage sensitive - manual access		\$16.95		\$16.95					\$	-	\$	-	\$	-
One Party Educational Line - usage sensitive		\$5.40		\$5.40					\$	5.40	\$	5.40	\$	64.80
Customer Owned Coin Operated Phone - usage sensitive - message rated		\$13.22		\$13.22					\$	4,283.28	\$	4,283.28	\$	51,399.36

TENNESSEE
2007 PRICE REGULATION FILING

Service Description	June 2005 Rate	June 2007 Rate	June 2007 Demand	BASE REVENUE		Proposed Revenues	
				2005 Rates and 2007 Monthly Demand	Base Annual Revenue	2007 Rates and 2007 Monthly Demand	Base Annual Revenue
Touch Tone							
Touch Calling - Bus	\$ 0.70	\$ -	12,981	\$ 9,086.70	\$ 109,040.40	\$ -	\$ -
Touch Calling - PBX	\$ 0.70	\$ -	235	\$ 164.50	\$ 1,974.00	\$ -	\$ -
Note: Reduction to comply with TRA Ad Valorem Tax Refund							
ISDN							
ISDN Line	\$ 749.00	\$ 749.00	2	\$ 1,498.00	\$ 17,976.00	\$ 1,498.00	\$ 17,976.00
Primary Rate Access	\$ 106.00	\$ 106.00	9	\$ 954.00	\$ 11,448.00	\$ 954.00	\$ 11,448.00
Voice Network Access - one channel	\$ 27.00	\$ 27.00	9	\$ 243.00	\$ 2,916.00	\$ 243.00	\$ 2,916.00
ISDN Line	\$ 55.00	\$ 55.00	88	\$ 4,840.00	\$ 58,080.00	\$ 4,840.00	\$ 58,080.00
Circuit Switched Voice Channel	\$ 16.25	\$ 16.25	175	\$ 2,843.75	\$ 34,125.00	\$ 2,843.75	\$ 34,125.00
Circuit Switched Voice Channel	\$ 13.85	\$ 13.85	7	\$ 96.95	\$ 1,163.40	\$ 96.95	\$ 1,163.40
Incoming Call Identification - 1 to 8 Move to non-Basic	\$ 25.00	\$ 25.00	41	\$ 1,025.00	\$ 12,300.00	\$ 1,025.00	\$ 12,300.00
ISDN Port Charge per Facility	\$ 59.21	\$ 59.21	52	\$ 3,078.92	\$ 36,947.04	\$ 3,078.92	\$ 36,947.04
ISDN (BR) Education Line	\$ 9.85	\$ 9.85	7	\$ 68.95	\$ 827.40	\$ 68.95	\$ 827.40
Centrex							
Centrex MTM - 3-25 lines	\$ 9.50	\$ 9.50	246	\$ 2,337.00	\$ 28,044.00	\$ 2,337.00	\$ 28,044.00
Centrex MTM - 26-49 lines	\$ 9.25	\$ 9.25	173	\$ 1,600.25	\$ 19,203.00	\$ 1,600.25	\$ 19,203.00
Centrex 1 yr - 50-100 lines	\$ 9.00	\$ 9.00	55	\$ 495.00	\$ 5,940.00	\$ 495.00	\$ 5,940.00
Centrex 1 yr - 101-250 lines	\$ 8.75	\$ 8.75	0	\$ -	\$ -	\$ -	\$ -
Centrex 3 yr - 50-100 lines	\$ 8.50	\$ 8.50	1	\$ 8.50	\$ 102.00	\$ 8.50	\$ 102.00
Centrex 5 yr - 101-250 lines	\$ 7.95	\$ 7.95	4	\$ 31.80	\$ 381.60	\$ 31.80	\$ 381.60
Centrex - Crossville, Pihl, Tansi	\$ 15.50	\$ 15.50	130	\$ 2,015.00	\$ 24,180.00	\$ 2,015.00	\$ 24,180.00
Centrex - Versaline MTM - Sparta & McMinnville only	\$ 14.50	\$ 14.50	75	\$ 1,087.50	\$ 13,050.00	\$ 1,087.50	\$ 13,050.00
Centrex - Versaline 6 mo - Sparta & McMinnville only	\$ 13.50	\$ 13.50	2	\$ 27.00	\$ 324.00	\$ 27.00	\$ 324.00
Centrex - Versaline 1 yr - Sparta & McMinnville only	\$ 12.50	\$ 12.50	140	\$ 1,750.00	\$ 21,000.00	\$ 1,750.00	\$ 21,000.00
Centrex - Versaline 2 yr - Sparta & McMinnville only	\$ 11.50	\$ 11.50	3	\$ 34.50	\$ 414.00	\$ 34.50	\$ 414.00
Centrex - Versaline 3 yr - Sparta & McMinnville only	\$ 10.50	\$ 10.50	354	\$ 3,717.00	\$ 44,604.00	\$ 3,717.00	\$ 44,604.00
Centrex - Versaline 2 Yr	\$ 14.50	\$ 14.50	69	\$ 1,000.50	\$ 12,006.00	\$ 1,000.50	\$ 12,006.00
Centrex - Versaline 3 Yr	\$ 13.50	\$ 13.50	609	\$ 8,221.50	\$ 98,658.00	\$ 8,221.50	\$ 98,658.00
Centrex - Foreign Exchange	\$ 20.00	\$ 20.00	1	\$ 20.00	\$ 240.00	\$ 20.00	\$ 240.00
Total Business Basic =				\$ 460,445.17	\$ 5,525,342.04	\$ 451,193.97	\$ 5,414,327.64
Residence Access Lines							
One Party Res Flat Rate Service	\$ 9.85	\$ 9.85	44,315	\$ 436,502.75	\$ 5,238,033.00	\$ 436,502.75	\$ 5,238,033.00
One Party Res Lifeline Flat Rate Service	\$ 9.85	\$ 9.85		\$ -	\$ -	\$ -	\$ -
Key Line Res	\$ 15.60	\$ 15.60		\$ -	\$ -	\$ -	\$ -
Frontier Advantage 2 yr - Res	\$ 14.00	\$ 14.00	212	\$ -	\$ -	\$ 2,968.00	\$ 35,616.00
Message Rated							
One Party Res Message Rate Service	\$ 5.40	\$ 5.40		\$ -	\$ -	\$ -	\$ -
One Party Res Lifeline Message Rate Service	\$ 5.40	\$ 5.40	108	\$ 583.20	\$ 6,998.40	\$ 583.20	\$ 6,998.40
One Party Res Manual Access Line Message Rate Service	\$ 5.40	\$ 5.40	314	\$ 1,695.60	\$ 20,347.20	\$ 1,695.60	\$ 20,347.20
Usage Sensitive							
One Party Res Access Line - usage sensitive	\$ 5.40	\$ 15.60	5	\$ 27.00	\$ 324.00	\$ 78.00	\$ 936.00
One Party Res Usage Sensitive Service	\$ 5.40	\$ 5.40		\$ -	\$ -	\$ -	\$ -
One Party Res Manual Access Line Usage Sensitive Serv	\$ 5.40	\$ 5.40	214	\$ 1,155.60	\$ 13,867.20	\$ 1,155.60	\$ 13,867.20

TENNESSEE
2007 PRICE REGULATION FILING

Service Description	June 2005 Rate	June 2007 Rate	June 2007 Demand	BASE REVENUE		Proposed Revenues	
				2005 Rates and 2007 Monthly Demand	Base Annual Revenue	2007 Rates and 2007 Monthly Demand	Base Annual Revenue
Touch Tone							
Touch Calling - Res	\$ 0.55	\$ 0.55	28,984	\$ 15,941.20	\$ 191,294.40	\$ 15,941.20	\$ 191,294.40
Foreign Exchange							
FX Intraco Intralata Res	\$ 9.85	\$ 9.85		\$ -	\$ -	\$ -	\$ -
E-911							
E911 Billing Charge per 1000 Access Lines	\$ 58.50	\$ 58.50	25	\$ 1,462.50	\$ 17,550.00	\$ 1,462.50	\$ 17,550.00
Total Residential Basic =				\$ 457,367.85	\$ 5,488,414.20	\$ 460,386.85	\$ 5,524,642.20
NRC Service Establish/Connection Charges: Res							
Service Establishment - for Basic Services Res	\$ 12.00	\$ 25.15	373	\$ 4,476.00	\$ 53,712.00	\$ 9,380.95	\$ 112,571.40
Service Order Charge - Res 2	\$ 12.57	\$ 12.57	23	\$ 289.11	\$ 3,469.32	\$ 289.11	\$ 3,469.32
Service Order Charge - Res 3	\$ 8.38	\$ 8.38	232	\$ 1,944.16	\$ 23,329.92	\$ 1,944.16	\$ 23,329.92
Service Order Charge - Res 4	\$ 6.28	\$ 6.28	26	\$ 163.28	\$ 1,959.36	\$ 163.28	\$ 1,959.36
Service Order Charge - Res 5	\$ 5.03	\$ 5.03	35	\$ 176.05	\$ 2,112.60	\$ 176.05	\$ 2,112.60
Service Order Charge - Res 6	\$ 4.19	\$ 4.19	318	\$ 1,332.42	\$ 15,989.04	\$ 1,332.42	\$ 15,989.04
Service Order Charge - Res 7	\$ 3.59	\$ 3.59	7	\$ 25.13	\$ 301.56	\$ 25.13	\$ 301.56
Service Order Charge - Res 8	\$ 3.14	\$ 3.14	4	\$ 12.56	\$ 150.72	\$ 12.56	\$ 150.72
Service Order Charge - Res 9	\$ 2.79	\$ 2.79	5	\$ 13.95	\$ 167.40	\$ 13.95	\$ 167.40
Service Order Charge - Res 10	\$ 2.51	\$ 2.51	79	\$ 198.29	\$ 2,379.48	\$ 198.29	\$ 2,379.48
Service Order Charge - Res 11	\$ 2.28	\$ 2.28	2	\$ 4.56	\$ 54.72	\$ 4.56	\$ 54.72
Service Order Charge - Res 12	\$ 2.09	\$ 2.09	871	\$ 1,820.39	\$ 21,844.68	\$ 1,820.39	\$ 21,844.68
Subsequent svc order charge - Res	\$ 11.00	\$ 11.00	312	\$ 3,432.00	\$ 41,184.00	\$ 3,432.00	\$ 41,184.00
Reconnect Charge - Res	\$ 33.50	\$ 33.50	423	\$ 14,170.50	\$ 170,046.00	\$ 14,170.50	\$ 170,046.00
Premise Visit - Res	\$ 13.00	\$ 13.00	43	\$ 559.00	\$ 6,708.00	\$ 559.00	\$ 6,708.00
Premise Visit Chg - Res 2	\$ 6.50	\$ 6.50	3	\$ 19.50	\$ 234.00	\$ 19.50	\$ 234.00
Premise Visit Chg - Res 3	\$ 4.33	\$ 4.33	26	\$ 112.58	\$ 1,350.96	\$ 112.58	\$ 1,350.96
Premise Visit Chg - Res 4	\$ 3.25	\$ 3.25	5	\$ 16.25	\$ 195.00	\$ 16.25	\$ 195.00
Premise Visit Chg - Res 5	\$ 2.60	\$ 2.60	5	\$ 13.00	\$ 156.00	\$ 13.00	\$ 156.00
Premise Visit Chg - Res 6	\$ 2.16	\$ 2.16	33	\$ 71.28	\$ 855.36	\$ 71.28	\$ 855.36
Premise Visit Chg - Res 7	\$ 1.85	\$ 1.85	1	\$ 1.85	\$ 22.20	\$ 1.85	\$ 22.20
Premise Visit Chg - Res 8	\$ 1.63	\$ 1.63	0	\$ -	\$ -	\$ -	\$ -
Premise Visit Chg - Res 9	\$ 1.44	\$ 1.44	0	\$ -	\$ -	\$ -	\$ -
Premise Visit Chg - Res 10	\$ 1.30	\$ 1.30	12	\$ 15.60	\$ 187.20	\$ 15.60	\$ 187.20
Premise Visit Chg - Res 11	\$ 1.18	\$ 1.18	0	\$ -	\$ -	\$ -	\$ -
Premise Visit Chg - Res 12	\$ 1.08	\$ 1.08	113	\$ 122.04	\$ 1,464.48	\$ 122.04	\$ 1,464.48
Subse Svc Ord Chg - Res 2	\$ 5.50	\$ 5.50	17	\$ 93.50	\$ 1,122.00	\$ 93.50	\$ 1,122.00
Subse Svc Ord Chg - Res 3	\$ 3.66	\$ 3.66		\$ -	\$ -	\$ -	\$ -
Subse Svc Ord Chg - Res 4	\$ 2.75	\$ 2.75		\$ -	\$ -	\$ -	\$ -
Subse Svc Ord Chg - Res 6	\$ 1.83	\$ 1.83	1	\$ 1.83	\$ 21.96	\$ 1.83	\$ 21.96
Subse Svc Ord Chg - Res 7	\$ 1.57	\$ 1.57		\$ -	\$ -	\$ -	\$ -
Subse Svc Ord Chg - Res 9	\$ 1.22	\$ 1.22		\$ -	\$ -	\$ -	\$ -
Subse Svc Ord Chg - Res 10	\$ 1.10	\$ 1.10	1	\$ 1.10	\$ 13.20	\$ 1.10	\$ 13.20
Subse Svc Ord Chg - Res 11	\$ 1.00	\$ 1.00		\$ -	\$ -	\$ -	\$ -
Subse Svc Ord Chg - Res 12	\$ 0.91	\$ 0.91	3	\$ 2.73	\$ 32.76	\$ 2.73	\$ 32.76
Central Off Connect Chrg	\$ 26.25	\$ 26.25	379	\$ 9,948.75	\$ 119,385.00	\$ 9,948.75	\$ 119,385.00
Central Off Connect Chrg - Res 2	\$ 13.12	\$ 13.12	21	\$ 275.52	\$ 3,306.24	\$ 275.52	\$ 3,306.24
Central Off Connect Chrg - Res 3	\$ 8.75	\$ 8.75	238	\$ 2,082.50	\$ 24,990.00	\$ 2,082.50	\$ 24,990.00
Central Off Connect Chrg - Res 4	\$ 6.56	\$ 6.56	26	\$ 170.56	\$ 2,046.72	\$ 170.56	\$ 2,046.72
Central Off Connect Chrg - Res 5	\$ 5.25	\$ 5.25	34	\$ 178.50	\$ 2,142.00	\$ 178.50	\$ 2,142.00
Central Off Connect Chrg - Res 6	\$ 4.37	\$ 4.37	317	\$ 1,385.29	\$ 16,623.48	\$ 1,385.29	\$ 16,623.48

TENNESSEE
2007 PRICE REGULATION FILING

Service Description	June 2005			June 2007			2005 Rates and 2007 Demand			2007 Rates and 2007 Demand			Proposed Revenues		
	Rate	Rate	Rate	Rate	Rate	Demand	Monthly Revenue	Base Annual Revenue	Monthly Revenue	Base Annual Revenue	Monthly Revenue	Base Annual Revenue	Monthly Revenue	Base Annual Revenue	Monthly Revenue
NRC Service Establish/Connection Charges: Bus															
Central Off Connect Chrg - Bus 7	\$ 3.75	\$ 3.75	\$ 26.25	\$ 26.25	\$ 26.25	194	\$ 5,092.50	\$ 61,110.00	\$ 5,092.50	\$ 61,110.00	\$ 5,092.50	\$ 61,110.00	\$ 5,092.50	\$ 61,110.00	\$ 5,092.50
Central Off Connect Chrg - Bus 8	\$ 3.25	\$ 3.25	\$ 13.12	\$ 13.12	\$ 13.12	1	\$ 13.12	\$ 157.44	\$ 13.12	\$ 157.44	\$ 13.12	\$ 157.44	\$ 13.12	\$ 157.44	\$ 13.12
Central Off Connect Chrg - Bus 9	\$ 2.91	\$ 2.91	\$ 2.38	\$ 2.38	\$ 2.38	1	\$ 2.38	\$ 28.56	\$ 2.38	\$ 28.56	\$ 2.38	\$ 28.56	\$ 2.38	\$ 28.56	\$ 2.38
Central Off Connect Chrg - Bus 10	\$ 2.62	\$ 2.62	\$ 2.18	\$ 2.18	\$ 2.18	1	\$ 2.18	\$ 26.16	\$ 2.18	\$ 26.16	\$ 2.18	\$ 26.16	\$ 2.18	\$ 26.16	\$ 2.18
Central Off Connect Chrg - Bus 11	\$ 2.35	\$ 2.35	\$ 33.50	\$ 33.50	\$ 33.50	114	\$ 3,819.00	\$ 45,828.00	\$ 3,819.00	\$ 45,828.00	\$ 3,819.00	\$ 45,828.00	\$ 3,819.00	\$ 45,828.00	\$ 3,819.00
Central Off Connect Chrg - Bus 12	\$ 2.18	\$ 2.18	\$ 26.50	\$ 26.50	\$ 26.50	108	\$ 2,862.00	\$ 34,344.00	\$ 2,862.00	\$ 34,344.00	\$ 2,862.00	\$ 34,344.00	\$ 2,862.00	\$ 34,344.00	\$ 2,862.00
Reconnect Charge - Bus	\$ 13.25	\$ 13.25	\$ 13.25	\$ 13.25	\$ 13.25	2	\$ 26.50	\$ 318.00	\$ 26.50	\$ 318.00	\$ 26.50	\$ 318.00	\$ 26.50	\$ 318.00	\$ 26.50
Service Order Charge - Bus 2	\$ 8.63	\$ 8.63	\$ 8.63	\$ 8.63	\$ 8.63		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Service Order Charge - Bus 3	\$ 6.62	\$ 6.62	\$ 6.62	\$ 6.62	\$ 6.62		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Service Order Charge - Bus 4	\$ 5.30	\$ 5.30	\$ 5.30	\$ 5.30	\$ 5.30		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Service Order Charge - Bus 5	\$ 4.41	\$ 4.41	\$ 4.41	\$ 4.41	\$ 4.41		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Service Order Charge - Bus 6	\$ 2.65	\$ 2.65	\$ 2.65	\$ 2.65	\$ 2.65		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Service Order Charge - Bus 10	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	\$ 2.40	1	\$ 2.40	\$ 28.80	\$ 2.40	\$ 28.80	\$ 2.40	\$ 28.80	\$ 2.40	\$ 28.80	\$ 2.40
Service Order Charge - Bus 11	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	\$ 2.20	1	\$ 2.20	\$ 26.40	\$ 2.20	\$ 26.40	\$ 2.20	\$ 26.40	\$ 2.20	\$ 26.40	\$ 2.20
Service Order Charge - Bus 12	\$ 11.60	\$ 11.60	\$ 11.60	\$ 11.60	\$ 11.60	26	\$ 301.60	\$ 3,619.20	\$ 301.60	\$ 3,619.20	\$ 301.60	\$ 3,619.20	\$ 301.60	\$ 3,619.20	\$ 301.60
Subsequent svc order charge - Bus	\$ 3.86	\$ 3.86	\$ 3.86	\$ 3.86	\$ 3.86		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subsequent svc order charge - Bus 3	\$ 1.65	\$ 1.65	\$ 1.65	\$ 1.65	\$ 1.65		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subsequent svc order charge - Bus 7	\$ 0.96	\$ 0.96	\$ 0.96	\$ 0.96	\$ 0.96		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subsequent svc order charge - Bus 12	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00	53	\$ 689.00	\$ 8,268.00	\$ 689.00	\$ 8,268.00	\$ 689.00	\$ 8,268.00	\$ 689.00	\$ 8,268.00	\$ 689.00
Premise Visit Chg - Bus	\$ 4.33	\$ 4.33	\$ 4.33	\$ 4.33	\$ 4.33		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Premise Visit Chg - Bus 3	\$ 2.16	\$ 2.16	\$ 2.16	\$ 2.16	\$ 2.16		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Premise Visit Chg - Bus 6	\$ 1.30	\$ 1.30	\$ 1.30	\$ 1.30	\$ 1.30		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Premise Visit Chg - Bus 10	\$ 1.08	\$ 1.08	\$ 1.08	\$ 1.08	\$ 1.08	1	\$ 1.08	\$ 12.96	\$ 1.08	\$ 12.96	\$ 1.08	\$ 12.96	\$ 1.08	\$ 12.96	\$ 1.08
Premise Visit Chg - Bus 12	\$ 89.00	\$ 89.00	\$ 89.00	\$ 89.00	\$ 89.00	2	\$ 178.00	\$ 2,136.00	\$ 178.00	\$ 2,136.00	\$ 178.00	\$ 2,136.00	\$ 178.00	\$ 2,136.00	\$ 178.00
DID ea group 20 No - NRC	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Exchange - NRC Other															
Total Service Charges =							\$ 58,322.47	\$ 699,869.64	\$ 58,322.47	\$ 699,869.64	\$ 58,322.47	\$ 699,869.64	\$ 58,322.47	\$ 699,869.64	\$ 58,322.47
Total Basic Services =							\$ 976,135.49	\$ 11,713,625.88	\$ 976,135.49	\$ 11,713,625.88	\$ 976,135.49	\$ 11,713,625.88	\$ 976,135.49	\$ 11,713,625.88	\$ 976,135.49

Notes:

PRI/SPI Comparison

Basic SPI Calculation	Proposed Rev	0	\$
	Base Revenues		\$
	Result		
	X 100		

Monthly	Annualized
974,808.42	\$ 11,697,701.04
976,135.49	\$ 11,713,625.88
0.999	\$ 1.00
99.86	\$ 99.86

Current Year PRI

\$ 109.55

TENNESSEE
2007 PRICE REGULATION FILING

Service Description	A	June 2005 Rate	B	June 2007 Rate	C	June 2007 Demand	D	BASE REVENUE		Proposed Revenues	
								2005 Rates and Monthly Revenue G = C * E	Base Annual Revenue H = G * 12	2007 Rates and Monthly Revenue J = D * E	Base Annual Revenue K = J * 12
Late Payment Charges & NSF:											
Non Sufficient Funds Fee											
Late Pay Charge @1.5% (Misc. LEC Revenue)						7,364		\$ 19,655.37	\$ 235,864.44	\$ 19,655.37	\$ 235,864.44
Total Late Payment Charge =								\$ 19,655.37	\$ 235,864.44	\$ 19,655.37	\$ 235,864.44
Detail Billing:											
Duplicate Bill - Bus - 4 mo or older		\$ 6.50	\$ 6.50	6.50		0		\$ -	\$ -	\$ -	\$ -
Duplicate Bill - Res - prev 2 mo		\$ 3.50	\$ 3.50	3.50		4		\$ 14.00	\$ 168.00	\$ 14.00	\$ 168.00
Duplicate Bill - Res - 4 mo or older		\$ 4.50	\$ 4.50	4.50		0		\$ -	\$ -	\$ -	\$ -
Total Detail Billing =								\$ 14.00	\$ 168.00	\$ 14.00	\$ 168.00
Private Line:											
T1 Cbn Mlg Term Edu		\$ 53.14	\$ 53.14	53.14		9		\$ 478.26	\$ 5,739.12	\$ 478.26	\$ 5,739.12
Private line Alarm Channel 1st Mile		\$ 17.10	\$ 17.10	17.10		40		\$ 684.00	\$ 8,208.00	\$ 684.00	\$ 8,208.00
Private line Alarm Channel addl 1/4 mile		\$ 4.30	\$ 4.30	4.30		16		\$ 68.80	\$ 825.60	\$ 68.80	\$ 825.60
Private line Alarm Channel 1st Mile or fraction		\$ 17.10	\$ 17.10	17.10		97		\$ 1,658.70	\$ 19,904.40	\$ 1,658.70	\$ 19,904.40
Private line Alarm Channel addl 1/4 fraction		\$ 4.30	\$ 4.30	4.30		28		\$ 120.40	\$ 1,444.80	\$ 120.40	\$ 1,444.80
Private line Alarm Control Channel 1st Mile		\$ 17.10	\$ 17.10	17.10		1		\$ 17.10	\$ 205.20	\$ 17.10	\$ 205.20
Private line Alarm Meter Channel 1st Mile		\$ 17.10	\$ 17.10	17.10		15		\$ 256.50	\$ 3,078.00	\$ 256.50	\$ 3,078.00
Private line Alarm Meter Channel addl 1/4 mile		\$ 4.30	\$ 4.30	4.30		12		\$ 51.60	\$ 619.20	\$ 51.60	\$ 619.20
Private line Alarm Control Channel addl 1/4 mile		\$ 4.30	\$ 4.30	4.30		1		\$ 4.30	\$ 51.60	\$ 4.30	\$ 51.60
Total Private Line =								\$ 3,339.66	\$ 40,075.92	\$ 3,339.66	\$ 40,075.92
PIC:											
Intralata PIC change - manual		\$ 5.00	\$ 5.00	5.00		37		\$ -	\$ -	\$ 185.00	\$ 2,220.00
Intralata PIC change - automated		\$ 5.00	\$ 5.00	5.00		37		\$ -	\$ -	\$ 185.00	\$ 2,220.00
Total Picc =								\$ -	\$ -	\$ 370.00	\$ 4,440.00
Miscellaneous Service Arrangements											
Billed No Screening		\$ 2.00	\$ 2.00	2.00		1,728		\$ 3,456.00	\$ 41,472.00	\$ 3,456.00	\$ 41,472.00
Billed No Screening - No Collect or 3rd Party		\$ 3.00	\$ 3.00	2.00		977		\$ 2,931.00	\$ 35,172.00	\$ 1,954.00	\$ 23,448.00
Billed No Screening - No 3rd Party		\$ 4.00	\$ 4.00	2.00		83		\$ 332.00	\$ 3,984.00	\$ 166.00	\$ 1,992.00
Billed No Screening - No Collect		\$ 5.00	\$ 5.00	2.00		38		\$ 190.00	\$ 2,280.00	\$ 76.00	\$ 912.00
Bulk Billed No Screening		\$ 1.00	\$ 1.00	1.00		14		\$ 14.00	\$ 168.00	\$ 14.00	\$ 168.00
Dial Data Services - Bus		\$ 5.00	\$ 5.00	5.00		0		\$ -	\$ -	\$ -	\$ -
Off Premise - contiguous property		\$ 5.00	\$ 5.00	5.00		900		\$ 4,500.00	\$ 54,000.00	\$ 4,500.00	\$ 54,000.00
Personal Signaling Service Tone Only		\$ 5.00	\$ 5.00	5.00		0		\$ -	\$ -	\$ -	\$ -
Reserved Telephone Number		\$ 5.00	\$ 5.00	5.00		101		\$ 505.00	\$ 6,060.00	\$ 505.00	\$ 6,060.00
Total Miscellaneous Service Arrangements =								\$ 11,928.00	\$ 143,136.00	\$ 10,671.00	\$ 128,052.00

TENNESSEE
2007 PRICE REGULATION FILING

Service Description	June 2005 Rate		June 2007 Rate		BASE REVENUE		Proposed Revenues	
	June 2005 Rate	June 2007 Rate	June 2007 Demand	2005 Rates and Monthly Demand	Base Annual Revenue	2007 Rates and Monthly Demand	Base Annual Revenue	
Directory:								
Directory Additional Line - Bus	\$ 1.95	\$ 1.95	823	\$ 1,604.85	\$ 19,258.20	\$ 1,604.85	\$ 19,258.20	
Directory Additional Line - Res	\$ 1.35	\$ 1.35	3	\$ 4.05	\$ 48.60	\$ 4.05	\$ 48.60	
Directory Additional Name - Bus	\$ 1.95	\$ 1.95	98	\$ 191.10	\$ 2,293.20	\$ 191.10	\$ 2,293.20	
Directory Additional Name - Res	\$ 1.35	\$ 1.35	206	\$ 278.10	\$ 3,337.20	\$ 278.10	\$ 3,337.20	
Directory Non-Pub	\$ 3.00	\$ 3.00	31,495	\$ 94,485.00	\$ 1,133,820.00	\$ 94,485.00	\$ 1,133,820.00	
Directory Non-Pub No Charge	\$ (3.00)	\$ (3.00)	25,747	\$ (77,241.00)	\$ (926,892.00)	\$ (77,241.00)	\$ (926,892.00)	
Single Appearance Directory Number	\$ 1.00	\$ 5.00		\$ -	\$ -	\$ -	\$ -	
Foreign Listing -Bus	\$ 1.95	\$ 1.95	378	\$ 737.10	\$ 8,845.20	\$ 737.10	\$ 8,845.20	
Foreign Listing -Res	\$ 1.35	\$ 1.35	1	\$ 1.35	\$ 16.20	\$ 1.35	\$ 16.20	
Cross Reference Listing	\$ 1.95	\$ 1.95	39	\$ 76.05	\$ 912.60	\$ 76.05	\$ 912.60	
Total Directory =				\$ 20,136.60	\$ 241,639.20	\$ 20,136.60	\$ 241,639.20	
ISDN:								
ISDN Packet Switched D Channel - Bus	\$ 12.00	\$ 12.00	10	\$ 120.00	\$ 1,440.00	\$ 120.00	\$ 1,440.00	
ISDN Port Charge Bus & Res	\$ 6.91	\$ 6.91	95	\$ 656.45	\$ 7,877.40	\$ 656.45	\$ 7,877.40	
Total ISDN =				\$ 776.45	\$ 9,317.40	\$ 776.45	\$ 9,317.40	
Centrex Features:								
Attendant Feature Package	\$ 65.00	\$ 65.00	0	\$ -	\$ -	\$ -	\$ -	
Centrex Features	\$ 1.99	\$ 1.99	17	\$ 33.83	\$ 405.96	\$ 33.83	\$ 405.96	
Centrex Features Advantage	\$ 1.99	\$ 1.99	77	\$ 153.23	\$ 1,838.76	\$ 153.23	\$ 1,838.76	
Bridge Data Init to 6 term	\$ 7.64	\$ 7.64	4	\$ 30.56	\$ 366.72	\$ 30.56	\$ 366.72	
Voice Bridging - per port	\$ 8.44	\$ 8.44	37	\$ 312.28	\$ 3,747.36	\$ 312.28	\$ 3,747.36	
Caller ID Name and Number	\$ 7.95	\$ 7.95	144	\$ 1,144.80	\$ 13,737.60	\$ 1,144.80	\$ 13,737.60	
Feature Series 1000 - digital	\$ 2.00	\$ 2.00	238	\$ 476.00	\$ 5,712.00	\$ 476.00	\$ 5,712.00	
Feature Series 2000 - digital	\$ 3.20	\$ 3.20	3	\$ 9.60	\$ 115.20	\$ 9.60	\$ 115.20	
Feature Series 3000 - digital	\$ 3.50	\$ 3.50	360	\$ 1,260.00	\$ 15,120.00	\$ 1,260.00	\$ 15,120.00	
Music on Hold	\$ 25.00	\$ 25.00	5	\$ 125.00	\$ 1,500.00	\$ 125.00	\$ 1,500.00	
Network Access Register	\$ 45.25	\$ 45.25	139	\$ 6,289.75	\$ 75,477.00	\$ 6,289.75	\$ 75,477.00	
Paging	\$ 40.00	\$ 40.00	6	\$ 240.00	\$ 2,880.00	\$ 240.00	\$ 2,880.00	
Line add on Rt	\$ 4.00	\$ 4.00	57	\$ 228.00	\$ 2,736.00	\$ 228.00	\$ 2,736.00	
Priority Set Interface	\$ 5.00	\$ 5.00	38	\$ 190.00	\$ 2,280.00	\$ 190.00	\$ 2,280.00	
Centrex Wire Center Line Charge - Feature	\$ 6.00	\$ 6.00	124	\$ 744.00	\$ 8,928.00	\$ 744.00	\$ 8,928.00	
Wire Center Line Charge	\$ 6.00	\$ 6.00	618	\$ 3,708.00	\$ 44,496.00	\$ 3,708.00	\$ 44,496.00	
Total Centrex Features =				\$ 14,945.05	\$ 179,340.60	\$ 14,945.05	\$ 179,340.60	
Hunting Options:								
Rotary Hunt 1 Party - Bus	\$ 14.59	\$ 14.59	709	\$ 10,344.31	\$ 124,131.72	\$ 10,344.31	\$ 124,131.72	
Rotary Hunt 1 Party - Bus - Sparta & McMinnville	\$ 2.00	\$ 2.00	242	\$ 484.00	\$ 5,808.00	\$ 484.00	\$ 5,808.00	
Rotary Hunt 1 Party - Res	\$ 2.30	\$ 2.30	9	\$ 20.70	\$ 248.40	\$ 20.70	\$ 248.40	
Rotary Hunt Manual - Bus	\$ 14.59	\$ 14.59	1,876	\$ 27,370.84	\$ 328,450.08	\$ 27,370.84	\$ 328,450.08	
Rotary Hunt Manual - Bus - Sparta & McMinnville	\$ 2.00	\$ 2.00	843	\$ 1,686.00	\$ 20,232.00	\$ 1,686.00	\$ 20,232.00	
Rotary Hunt Manual - Res	\$ 1.35	\$ 1.35	6	\$ 8.10	\$ 97.20	\$ 8.10	\$ 97.20	
Total Hunting Options =				\$ 39,913.95	\$ 478,967.40	\$ 39,913.95	\$ 478,967.40	
Number Port:								
Svc Provider Number Port	\$ 0.34	\$ 0.34	23,940	\$ 8,139.60	\$ 97,675.20	\$ 8,139.60	\$ 97,675.20	
Svc Provider Number Port	\$ 0.41	\$ 0.41	368	\$ 150.88	\$ 1,810.56	\$ 150.88	\$ 1,810.56	
Svc Provider Number Port - ISDN	\$ 1.70	\$ 1.70	15	\$ 25.50	\$ 306.00	\$ 25.50	\$ 306.00	
Svc Provider Number Port -PBX	\$ 3.06	\$ 3.06	4	\$ 12.24	\$ 146.88	\$ 12.24	\$ 146.88	
Svc Provider Number Port - PBX	\$ 3.69	\$ 3.69	1	\$ 3.69	\$ 44.28	\$ 3.69	\$ 44.28	
Total Port charges =				\$ 8,331.91	\$ 99,982.92	\$ 8,331.91	\$ 99,982.92	
Dial Data Service:								
DATD DL Link SV/B1 Cond	\$ 5.00	\$ 5.00	1	\$ 5.00	\$ 60.00	\$ 5.00	\$ 60.00	
Total Digital Data Service =				\$ 5.00	\$ 60.00	\$ 5.00	\$ 60.00	

TENNESSEE
2007 PRICE REGULATION FILING

Service Description	June 2005 Rate	June 2007 Rate	June 2007 Demand	BASE REVENUE		Proposed Revenues	
				2005 Rates and 2007 Demand	Base Annual Revenue	2007 Rates and 2007 Demand	Base Annual Revenue
Digital Channel Service:							
DCS Port Monthly Charge	\$ 690.00	\$ 690.00	6	\$ 4,140.00	\$ 49,680.00	\$ 4,140.00	\$ 49,680.00
Digital Channel Services	\$ 69.00	\$ 69.00	3	\$ 207.00	\$ 2,484.00	\$ 207.00	\$ 2,484.00
DCS Digital Transport	\$ 160.00	\$ 160.00	6	\$ 960.00	\$ 11,520.00	\$ 960.00	\$ 11,520.00
Total Digital Channel Service =				\$ 5,307.00	\$ 63,684.00	\$ 5,307.00	\$ 63,684.00
Direct Inward Dial:							
DID Working 20 Num	\$ 10.00	\$ 10.00	112	\$ 1,120.00	\$ 13,440.00	\$ 1,120.00	\$ 13,440.00
DID Svc Addl Chg	\$ 25.00	\$ 25.00	116	\$ 2,900.00	\$ 34,800.00	\$ 2,900.00	\$ 34,800.00
Total Inward Dial =				\$ 4,020.00	\$ 48,240.00	\$ 4,020.00	\$ 48,240.00
Class Features:							
Anonymous Call Rejection - Bus	\$ 2.00	\$ 2.00	114	\$ 228.00	\$ 2,736.00	\$ 228.00	\$ 2,736.00
Anonymous Call Rejection - Res	\$ 2.00	\$ 2.00	472	\$ 944.00	\$ 11,328.00	\$ 944.00	\$ 11,328.00
Auto Busy Redial - Bus	\$ 5.00	\$ 5.00	1	\$ 5.00	\$ 60.00	\$ 6.00	\$ 72.00
Auto Busy Redial - Res	\$ 5.00	\$ 5.00	1	\$ 5.00	\$ 60.00	\$ 5.00	\$ 60.00
Auto Call Return - Bus	\$ 6.00	\$ 6.00	127	\$ 762.00	\$ 9,144.00	\$ 762.00	\$ 9,144.00
Auto Call Return - Res	\$ 5.00	\$ 5.00	139	\$ 695.00	\$ 8,340.00	\$ 695.00	\$ 8,340.00
Call Trace - Bus	\$ 6.00	\$ 6.00	29	\$ 174.00	\$ 2,088.00	\$ 174.00	\$ 2,088.00
Call Trace - Res	\$ 5.00	\$ 5.00	3	\$ 15.00	\$ 180.00	\$ 15.00	\$ 180.00
Call Trace - Usage Basis	\$ 0.75	\$ 0.75	57	\$ 42.75	\$ 513.00	\$ 42.75	\$ 513.00
Call Waiting ID - Bus	\$ 0.50	\$ 0.50	76	\$ 38.00	\$ 456.00	\$ 38.00	\$ 456.00
Call Waiting ID - Res	\$ 0.50	\$ 0.50	363	\$ 181.50	\$ 2,178.00	\$ 181.50	\$ 2,178.00
Caller ID - Bus	\$ 10.00	\$ 10.00	148	\$ 1,480.00	\$ 17,760.00	\$ 1,480.00	\$ 17,760.00
Caller ID - Res	\$ 7.00	\$ 7.00	683	\$ 4,781.00	\$ 57,372.00	\$ 4,781.00	\$ 57,372.00
Caller ID w/name - Bus	\$ 11.75	\$ 11.75	615	\$ 7,226.25	\$ 86,715.00	\$ 7,226.25	\$ 86,715.00
Caller ID w/name - Res	\$ 7.50	\$ 7.50	4,932	\$ 36,990.00	\$ 443,880.00	\$ 36,990.00	\$ 443,880.00
Caller Name & Number - Res	\$ 0.95	\$ 0.95	1	\$ 0.95	\$ 11.40	\$ 0.95	\$ 11.40
Calling No ID Res & Bus	\$ 5.50	\$ 5.50	16	\$ 88.00	\$ 1,056.00	\$ 88.00	\$ 1,056.00
Remote Call Forwarding - additional access path	\$ 21.90	\$ 21.90	54	\$ 1,182.60	\$ 14,191.20	\$ 1,182.60	\$ 14,191.20
Remote Call Forwarding - Bus	\$ 21.90	\$ 21.90	268	\$ 5,869.20	\$ 70,430.40	\$ 5,869.20	\$ 70,430.40
Remote Call Forwarding - Res	\$ 21.90	\$ 21.90	13	\$ 284.70	\$ 3,416.40	\$ 284.70	\$ 3,416.40
Selective Call Acceptance - Bus	\$ 4.00	\$ 4.00	1	\$ 4.00	\$ 48.00	\$ 4.00	\$ 48.00
Selective Call Acceptance - Res	\$ 3.00	\$ 3.00	10	\$ 30.00	\$ 360.00	\$ 30.00	\$ 360.00
Selective Call Forward - Bus	\$ 6.00	\$ 6.00	0	\$ -	\$ -	\$ -	\$ -
Selective Call Forward - Res	\$ 5.00	\$ 5.00	2	\$ 10.00	\$ 120.00	\$ 10.00	\$ 120.00
Selective Call Rejection/line - Bus	\$ 4.00	\$ 4.00	50	\$ 200.00	\$ 2,400.00	\$ 200.00	\$ 2,400.00
Selective Call Rejection/line - Res	\$ 3.00	\$ 3.00	160	\$ 480.00	\$ 5,760.00	\$ 480.00	\$ 5,760.00
Selective Call Rejection/line - Res	\$ 6.00	\$ 6.00	92	\$ 552.00	\$ 6,624.00	\$ 552.00	\$ 6,624.00
1 Select a ring - Bus	\$ 6.00	\$ 6.00	106	\$ 636.00	\$ 7,632.00	\$ 636.00	\$ 7,632.00
1 Select a ring - Res	\$ 6.00	\$ 6.00	0	\$ -	\$ -	\$ -	\$ -
VIP Alert - Bus	\$ 4.00	\$ 4.00	0	\$ -	\$ -	\$ -	\$ -
VIP Alert - Res	\$ 3.00	\$ 3.00	1	\$ 3.00	\$ 36.00	\$ 3.00	\$ 36.00
Total Class Features =				\$ 62,907.95	\$ 754,895.40	\$ 62,908.95	\$ 754,907.40

TENNESSEE
2007 PRICE REGULATION FILING

Service Description	BASE REVENUE			Proposed Revenues	
	June 2005 Rate	June 2007 Rate	June 2007 Demand	2007 Rates and 2007 Demand Monthly Revenue	Base Annual Revenue
Class Packages:					
4400 Value Pack Bus	\$ 10.75	\$ 10.75	0	\$ -	\$ -
4400 Value Pack Res	\$ 8.75	\$ 8.75	25	\$ 218.75	\$ 2,625.00
4900 Value Pack Res	\$ 13.25	\$ 13.25	10	\$ 132.50	\$ 1,590.00
Basic Feature Pack Bus	\$ 9.95	\$ 9.95	0	\$ -	\$ -
Basic Feature Pack Res	\$ 9.95	\$ 9.95	4	\$ 39.80	\$ 477.60
Caller ID Name & Num - Basic Pak Bus	\$ 14.75	\$ 14.75	1	\$ 14.75	\$ 177.00
Caller ID Name & Num - Basic Pak Res	\$ 11.75	\$ 11.75	2	\$ 23.50	\$ 282.00
Caller ID Name & Num - Enhanced Pak - Bus	\$ 18.75	\$ 18.75	0	\$ -	\$ -
Caller ID Name & Num - Enhanced Pak - Res	\$ 15.75	\$ 15.75	2	\$ 31.50	\$ 378.00
Class Caller ID with Smartphone	\$ 11.00	\$ 11.00	1	\$ 11.00	\$ 132.00
Enhanced Feature 5 Pack - Bus	\$ 16.95	\$ 16.95	1	\$ 16.95	\$ 203.40
Enhanced Feature 5 Pack - Res	\$ 13.95	\$ 13.95	8	\$ 111.60	\$ 1,339.20
Select Pkg w/touch-call	\$ 14.50	\$ 14.50	19	\$ 275.50	\$ 3,306.00
Select Plus Pkg w/touch-call	\$ 15.00	\$ 15.00	285	\$ 4,275.00	\$ 51,300.00
Frontier Select - res	\$ 24.95	\$ 24.95	586	\$ 14,620.70	\$ 175,448.40
Frontier Select + res	\$ 28.95	\$ 28.95	100	\$ 2,895.00	\$ 34,740.00
Feature 5 Pack	\$ 11.95	\$ 11.95	852	\$ 10,181.40	\$ 122,176.80
Total Class Packages =				\$ 32,847.95	\$ 394,175.40
Custom Calling Features:					
3-Way Calling - Bus	\$ 5.00	\$ 5.00	102	\$ 510.00	\$ 6,120.00
3-Way Calling - Res	\$ 3.75	\$ 3.75	176	\$ 660.00	\$ 7,920.00
Call Waiting ID	\$ 0.50	\$ 0.50	10	\$ 5.00	\$ 60.00
Call Forward - Bus	\$ 3.50	\$ 3.50	610	\$ 2,135.00	\$ 25,620.00
Call Forward - Busy/No Answer - Bus	\$ 2.00	\$ 2.00	38	\$ 76.00	\$ 912.00
Call Forward - Busy/No Answer - Res	\$ 1.00	\$ 1.00	5	\$ 5.00	\$ 60.00
Call Forward - Don't Answer - Bus	\$ 2.00	\$ 2.00	-	\$ -	\$ -
Call Forward - Don't Answer - Res	\$ 1.00	\$ 1.00	-	\$ -	\$ -
Call Forward - Res	\$ 2.00	\$ 2.00	-	\$ -	\$ -
Call Forward of a Busy Call - Bus	\$ 2.00	\$ 2.00	374	\$ 748.00	\$ 8,976.00
Call Forward of a Busy Call - Res	\$ 1.00	\$ 1.00	262	\$ 262.00	\$ 3,144.00
Call Forward Res per Line	\$ 2.00	\$ 2.00	314	\$ 628.00	\$ 7,536.00
Call Forward of a Call Waiting No Ans - Bus	\$ 2.00	\$ 2.00	372	\$ 744.00	\$ 8,928.00
Call Forward of a Call Waiting No Ans - Res	\$ 1.00	\$ 1.00	150	\$ 150.00	\$ 1,800.00
Call Forward Multi Path	\$ 10.00	\$ 10.00	4	\$ 40.00	\$ 480.00
Econ Serv Call forward busy/no answer - Res	\$ 1.00	\$ 1.00	5	\$ 5.00	\$ 60.00
Call Waiting/Cancel Call Waiting - Bus	\$ 4.50	\$ 4.50	15	\$ 67.50	\$ 810.00
Call Waiting/Cancel Call Waiting - Res	\$ 3.50	\$ 3.50	183	\$ 640.50	\$ 7,686.00
Call Waiting - Bus	\$ 3.50	\$ 3.50	-	\$ -	\$ -
Call Waiting - Res	\$ 3.50	\$ 3.50	2,439	\$ 8,536.50	\$ 102,438.00
Self-a-rin Number Disc	\$ 3.00	\$ 3.00	4	\$ 12.00	\$ 144.00
Disc Call Wait - Bus Grandfathered	\$ 2.50	\$ 2.50	1	\$ 2.50	\$ 30.00
Disc Call Wait - Res Grandfathered	\$ 2.20	\$ 2.20	2	\$ 4.40	\$ 52.80
Distinctive Ring - Bus	\$ 6.00	\$ 6.00	-	\$ -	\$ -
Distinctive Ring - Res	\$ 6.00	\$ 6.00	-	\$ -	\$ -
Speed Call 30 - Bus	\$ 5.00	\$ 5.00	18	\$ 90.00	\$ 1,080.00
Speed Call 30 Disc-Bus	\$ 4.50	\$ 4.50	3	\$ 13.50	\$ 162.00
Speed Call 30 - Res	\$ 3.50	\$ 3.50	5	\$ 17.50	\$ 210.00
Speed Call 8 - Bus	\$ 2.75	\$ 2.75	4	\$ 11.00	\$ 132.00
Speed Call 8 - Res	\$ 2.20	\$ 2.20	23	\$ 50.60	\$ 607.20
Stutter and visual message wait indicator	\$ 1.00	\$ 1.00	1	\$ 1.00	\$ 12.00
Call Return - Usage Basis	\$ 0.75	\$ 0.75	5,509	\$ 4,131.75	\$ 49,581.00
Usage Sensitive Report Dial	\$ 0.75	\$ 0.75	181	\$ 135.75	\$ 1,629.00
Toll Denial - Bus	\$ 4.75	\$ 4.75	-	\$ -	\$ -
Toll Denial - Res	\$ 2.75	\$ 2.75	-	\$ -	\$ -
Total Custom Calling Features =				\$ 19,682.50	\$ 236,190.00

TENNESSEE
2007 PRICE REGULATION FILING

Service Description	BASE REVENUE				Proposed Revenues	
	June 2005 Rate	June 2007 Rate	June 2007 Demand	2005 Rates and 2007 Demand Monthly Revenue	2007 Rates and 2007 Demand Monthly Revenue	Base Annual Revenue
Custom Calling Packages:						
Bundle Package 1 - Bus	\$ 6.95	\$ 6.95	55	\$ 382.25	\$ 382.25	\$ 4,587.00
Bundle Package 1 - Res	\$ 4.95	\$ 4.95	191	\$ 945.45	\$ 945.45	\$ 11,345.40
Distinctive Ring w/4000 or 4900 Pack - Res	\$ 3.00	\$ 3.00	0	\$ -	\$ -	\$ -
Smart Call/cd w/ cf fwd - Bus	\$ 5.50	\$ 5.50	49	\$ 269.50	\$ 269.50	\$ 3,234.00
Smart Call/cd w/ cf fwd - Res	\$ 3.70	\$ 3.70	102	\$ 377.40	\$ 377.40	\$ 4,528.80
Basic Pkg w/ CW, CF Toll rst - Bus	\$ 6.25	\$ 6.25	5	\$ 31.25	\$ 31.25	\$ 375.00
Basic Pkg w/ CW, CF Toll rst - Res	\$ 4.25	\$ 4.25	7	\$ 29.75	\$ 29.75	\$ 357.00
Frontier Advantage Pack - Bus	\$ 4.50	\$ 4.50	255	\$ 1,147.50	\$ 1,147.50	\$ 13,770.00
Frontier Advantage Pack - Res	\$ 9.00	\$ 9.00	108	\$ 972.00	\$ 972.00	\$ 11,664.00
Plus Pak - Bus	\$ 6.25	\$ 6.25	0	\$ -	\$ -	\$ -
Plus Pak - Res	\$ 4.25	\$ 4.25	0	\$ -	\$ -	\$ -
Smarter Call Pkg Prime Pak - Bus	\$ 7.00	\$ 7.00	27	\$ 189.00	\$ 189.00	\$ 2,268.00
Smarter Call Pkg Prime Pak - Res	\$ 4.50	\$ 4.50	305	\$ 1,372.50	\$ 1,372.50	\$ 16,470.00
Services Pak - Bus	\$ 5.50	\$ 5.50	0	\$ -	\$ -	\$ -
Services Pak - Res	\$ 3.70	\$ 3.70	0	\$ -	\$ -	\$ -
Total Custom Calling Packages =				\$ 5,716.60	\$ 5,716.60	\$ 68,599.20
Non-Basic Service Conn Charges/NRCs:						
				\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -
Total Non Basic Service Order Charge =				\$ -	\$ -	\$ -

TENNESSEE
2007 PRICE REGULATION FILING

Service Description	June 2005			June 2007			BASE REVENUE			Proposed Revenues		
	Rate	Rate	Rate	Rate	Rate	Rate	2005 Rates and 2007 Demand	Monthly Revenue	Base Annual Revenue	2007 Rates and 2007 Demand	Monthly Revenue	Base Annual Revenue
Total Access Services:												
800 Database Query - Basic	\$	0.00670	\$	0.00670	\$	0.00670	\$	1,518.64	\$	18,223.62	\$	18,223.62
Carrier Common Line - 800 Orig at Term rate	\$	0.01304	\$	0.01304	\$	0.01304	\$	5,909.60	\$	70,915.24	\$	70,915.24
Carrier Common Line - Originating	\$	0.01200	\$	0.01200	\$	0.01200	\$	50,425.25	\$	605,103.04	\$	605,103.04
Carrier Common Line - Terminating	\$	0.01304	\$	0.01304	\$	0.01304	\$	52,237.37	\$	626,848.45	\$	626,848.45
Central Office Bridging Port MRC	\$	9.88	\$	9.88000	\$	9.88000	\$	19.76	\$	237.12	\$	237.12
Channel Mileage Facility (per mile) - 2.4Kbps	\$	0.77	\$	0.77	\$	0.77	\$	475.91	\$	5,710.92	\$	5,710.92
Channel Mileage Facility (per mile) - 56Kbps	\$	1.54	\$	1.54000	\$	1.54000	\$	443.11	\$	5,317.32	\$	5,317.32
Channel Mileage Facility (per mile) - 9.6Kbps	\$	0.77	\$	0.77000	\$	0.77000	\$	5.15	\$	61.84	\$	61.84
Channel Mileage Facility (per mile) - DS1	\$	35.18	\$	35.18000	\$	35.18000	\$	42,897.61	\$	514,771.36	\$	514,771.36
Channel Mileage Facility (per mile) - Voice Grade	\$	0.77	\$	0.77000	\$	0.77000	\$	718.57	\$	8,622.88	\$	8,622.88
Channel Mileage Term - 2.4Kbps	\$	41.88	\$	41.88000	\$	41.88000	\$	809.68	\$	9,716.16	\$	9,716.16
Channel Mileage Term - 56Kbps	\$	83.76	\$	83.76000	\$	83.76000	\$	2,010.24	\$	24,122.88	\$	24,122.88
Channel Mileage Term - 9.6Kbps	\$	41.88	\$	41.88	\$	41.88	\$	69.80	\$	837.60	\$	837.60
Channel Mileage Term - High Cap	\$	20.74	\$	20.74	\$	20.74	\$	-	\$	-	\$	-
Channel Mileage Term - Voice Grade	\$	41.88	\$	41.88	\$	41.88	\$	3,182.88	\$	38,194.56	\$	38,194.56
Channel Mileage Termination - DS1	\$	53.14	\$	53.14	\$	53.14	\$	8,856.67	\$	106,280.00	\$	106,280.00
Channel Termination - 2.4Kbps	\$	130.93	\$	130.93	\$	130.93	\$	523.72	\$	6,284.64	\$	6,284.64
Channel Termination - 56Kbps	\$	130.93	\$	130.93	\$	130.93	\$	6,764.72	\$	81,176.60	\$	81,176.60
Channel Termination - 9.6Kbps	\$	130.93	\$	130.93	\$	130.93	\$	654.65	\$	7,855.80	\$	7,855.80
Channel Termination - Voice Grade 2 Wire	\$	27.62	\$	27.62	\$	27.62	\$	3,489.33	\$	41,871.92	\$	41,871.92
Channel Termination - Voice Grade 4 Wire	\$	44.19	\$	44.19	\$	44.19	\$	1,266.78	\$	15,201.36	\$	15,201.36
Channel Termination - High Cap (1st system), 3 year	\$	306.45	\$	306.45	\$	306.45	\$	306.45	\$	3,677.40	\$	3,677.40
Channel Termination - High Cap (1st system), maximum	\$	367.16	\$	367.16	\$	367.16	\$	106,231.63	\$	1,274,779.52	\$	1,274,779.52
Channel Termination - High Cap (1st system), NRC	\$	902.70	\$	902.70	\$	902.70	\$	601.80	\$	7,221.60	\$	7,221.60
Channel Termination - High Cap (Each add. system), maximum	\$	184.45	\$	184.45	\$	184.45	\$	1,475.60	\$	17,707.20	\$	17,707.20
Channel Termination - High Cap (Educ system)	\$	140.00	\$	140.00	\$	140.00	\$	3,593.33	\$	43,120.00	\$	43,120.00
Clear Channel Capability	\$	24.00	\$	24.00	\$	24.00	\$	5,168.00	\$	62,016.00	\$	62,016.00
Data Capability Conditioning - Voice Grade	\$	1.97	\$	1.97	\$	1.97	\$	1.97	\$	23.64	\$	23.64
Local Switching 2 premium - Originating	\$	0.01	\$	0.00741	\$	0.00741	\$	34,510.96	\$	414,131.50	\$	414,131.50
Local Switching 2 premium - Terminating	\$	0.01	\$	0.00741	\$	0.00741	\$	29,695.97	\$	356,351.62	\$	356,351.62
Local Transport Facility - Originating	\$	0.00	\$	0.00005	\$	0.00005	\$	7,143.34	\$	85,720.04	\$	85,720.04
Local Transport Facility - Terminating	\$	0.00	\$	0.00005	\$	0.00005	\$	6,103.91	\$	73,246.96	\$	73,246.96
Local Transport Termination - Originating	\$	0.00	\$	0.00465	\$	0.00465	\$	21,618.69	\$	259,424.28	\$	259,424.28
Local Transport Termination - Terminating	\$	0.00	\$	0.00465	\$	0.00465	\$	22,610.43	\$	271,325.16	\$	271,325.16
Special Access Order	\$	69.92	\$	69.92	\$	69.92	\$	-	\$	-	\$	-
Special Access Surcharge	\$	25.00	\$	25.00	\$	25.00	\$	10,333.33	\$	124,000.00	\$	124,000.00
Total Access Services =							\$	431,674.85	\$	5,180,098.23	\$	5,180,098.23
Total Non Basic							\$	681,202.84	\$	8,174,434.11	\$	8,163,802.11

PRI/SPI Comparison

Non Basic SPI Calculation

Proposed Rev
Base Revenues
Result
X 100

\$ 8,163,802.11
\$ 8,174,434.11
0.999
99.87

Current Year PRI

109.2180287

109.2180287