Kentucky Data Link
8829 Bond
Overland Park, KS 66214
(913) 492-1230
Fax (913) 492-1684

October 13, 1999

Tennessee Regulatory Authority
Attn: Darrell Whitis
460 James Robertson Parkway
Nashville, Tennessee 37243

99-00408

RE: Supplemental Information for KDL's Petition for Certificate of Convenience and Necessity to Provide Intrastate Telecommunications Services As a Facilities Based Interexchange Carrier

Dear Mr. Whitis:

Enclosed herein please find the above said supplemental information to our original petition mailed to your office on June 14, 1999. I have included thirteen copies and the original for your use in said application process.

Call me if are any problems or other steps we need to take to effectuate the above filing.

Thank you for your time and attention to this matter.

Sincerely,

Preston Scott Pulido
Corporate Counsel
Kentucky Data Link, Inc.

cc: file

Enclosures:

Supplemental Information (Original)
Thirteen Copies

FILE

Supplement to KDL's Application

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I. Managerial Requirements

See submitted Exhibit B for Management Profiles.

II Technical Requirements

(a) Key Technical Staff.

Jim Deckard, Construction Manager

Mr. Deckard analyzes the cost of new routes, supervises the project managers and secures pole attachments and rights-of-way agreements. Prior to joining KDL, Mr. Deckard had nearly 30 years of experience in telecommunications construction with BellSouth.

Phil Simpson, Project Manager

Mr. Simpson oversees the day-to-day construction of new fiber routes and monitors existing fiber routes. Prior to joining KDL, Mr. Simpson had 30 years of experience in telecommunications construction, 25 of those years with Northwestern Bell Telephone, Des Moines, Iowa.

Dick Liebo, Project Manager

Mr. Liebo oversees the day-to-day construction of new fiber routes and monitors existing fiber routes. Prior to joining KDL, Mr. Liebo had 17 years of experience in telecommunications construction with BellSouth.

Tim Gimmel, Systems Manager

Mr. Gimmel oversees the day-to-day operation and maintenance of KDL's transmission equipment. Mr. Gimmel also trains and supervises KDL's trouble emergency response crew. Mr. Gimmel has been with KDL since its inception.

(b) (1) – (4)

KDL is currently in the process of engineering a route that would extend its fiber optic network into Tennessee. Its initial goal is to construct and operate an aerial ADSS fiber route between Chattanooga and Johnson City via Knoxville by mid-year 2000. At its point-of-presence in each of those three cities, its fiber will be connected to Lucent FT2000 OC48 transmission equipment in a SONET configuration. After completing the above-described fiber route, KDL intends to expand into other areas of Tennessee, and for that reason, it requests statewide certification.

(c) KDL employs certified engineering support from both utility companies and engineering firms to produce detailed installation plans. It then hires certified contractors to install the fiber (electrical contractors to perform work in the electrical space and telecommunications contractors to perform work in the communications space).

(d) Not applicable to KDL since KDL is a facilities based Interexchange Carrier.

III. Financial Requirements

(a) The cost of the proposed network, which includes electronic switching equipment will be approximately $5,300,000.00.

(b) The current audited financial statements including an income statement, balance sheet, and statement of cash flows for the most recent fiscal or calendar year are attached hereto.

(c) Projected financial statements, including income statement, balance sheet, and cash flow statements for the next (3) years are attached hereto.

(d) Funding for the proposed network will come from a combination of two sources. The majority will come from loan commitments from Bank of America based upon signed contracts from Fortune 100 companies, and the remainder will come from vender credit and equipment leasing companies.

(e) The current proposed network will be built within the next twelve months with any future network expansion dependant upon customer's need within the state of Tennessee. The equipment deployed as mentioned above in Section II (b) (1-4) will cost approximately $250,000.00 each and will be deployed along the proposed fiber route from Chattanooga to Johnson City, Tennessee.

(f) The audited, interim and projected financial statements do not include any amounts for reciprocal compensation for terminating ISP traffic.

IV. Small and Minority Owned Telecommunications Business Participation Plan.

See submitted Exhibit D for KDL's Small and Minority Owned Telecommunications Business Participation Plan.

V. TRA Rules for Local Telecommunications Providers.

(a) Not applicable to KDL since KDL is a facilities based Interexchange Carrier.

(b) Not applicable to KDL since KDL is a facilities based Interexchange Carrier.

VI. Toll Dialing Parity Plan

Not applicable to KDL since KDL is a facilities based Interexchange Carrier.

VII. Miscellaneous

(a) Not applicable to KDL since KDL is a facilities based Interexchange Carrier.

(b) KDL has reviewed its network components for Y2K compliance and has identified those components that require upgrades. Y2K compliance will be included as a decision factor if the company chooses to do business with new suppliers. KDL has taken several effective steps to avoid Y2000 issues. KDL will install new fiber optic multiplex equipment used in our current fiber optic network, replacing current systems. This new equipment has embedded microprocessor functions, and this new equipment is Y2000 compliant, as certified by the vendor.

KDL support systems are not "smart" and do not rely upon Y2K compliant software control for HVAC or any other support.

KDL has not identified any additional embedded technology that we consider to be at risk to the Y2K problem. As stated earlier, we had identified necessary multiplexing equipment upgrades to our installed network and have completed this upgrade in the first quarter of 1999. Since this upgrade is available, we do not consider our fiber backbone to be at risk. No current impact upon our current services exists due to this situation.

KDL will diligently monitor the issue at hand and will take all necessary steps to prevent any problems in the near future.

(c) KDL will file its tariff according to TRA rules and procedure.

(d) KDL has been authorized to operate as a facilities based interexchange carrier in both Kentucky and Indiana. Currently, this Tennessee application is the only outstanding application for KDL in the Continental United States.

(e) KDL has not been involved in any pertinent mergers or acquisitions.

(f) KDL will not be providing voice grade service to any end user customers.

(g) KDL does not require customer deposits for its services.

(h) Tennessee customers of KDL will not be required to incur any non-recurring charges to initiate service with KDL.

(i) Contact for KDL regarding its Tennessee operations and filing requirements subsequent to KDL's application approval shall be as follows:

Cole W. Hawks
Corporate Counsel
8829 Bond Street
Overland Park, Kansas 66214
Phone: (913) 492-1230
Fax: (913) 492-1684

Kentucky Data Link, Inc.
Balance Sheet as of September 30, 1998

<u>Current Assets</u>	
Accounts Receivable	401,271.46
<u>Property and Equipment</u>	
Microwave Towers	2,174,506.17
Fiber Line	2,460,084.22
Office Furniture & Equipment	55,011.81
Land	30,743.46
WIP Fiber Build	846,748.84
Accumulated Depreciation	(1,452,481.55)
	4,114,612.95
Deferred Income Tax	(100,277.00)
Total Assets	4,415,607.41
<u>Current Liabilities</u>	
Accounts Payable	134,250.07
Sales Tax Payable	6,370.32
Accrued Expenses	4,984.46
Deferred Revenue	276,986.19
Other Accrued Liabilities	4,402,053.92
Total Liabilities	4,824,644.96
Common Stock	1,000.00
Retained Earnings	97,549.97
Current Earnings	(507,587.52)
Total Equity	(409,037.55)
Total Liabilities and Stockholder's Deficit	4,415,607.41

Kentucky Data Link, Inc.
Income Statement for the Year Ended September 30, 1998

Private Line Sales	1,607,543.64
Microwave Rental	48,000.00
Total	1,655,543.64
Direct Costs	
Private Line	691,479.10
Right of Way Costs	100,000.00
Co-Location Costs	850.00
Commissions	4,418.31
Total	796,747.41
Gross Margin	858,796.23
Gross Margin %	51.87%
Operating Expenses	
Salaries & Benefits	109,806.11
Travel	21,152.83
Meals	2,292.94
Equipment Repair	59,353.99
Office Supplies	1,688.81
Office Expense	880.59
Telephone	1,483.68
Insurance	1,599.18
Dues & Subscriptions	422.88
Utilities	5,555.94
Small Equipment	1,511.43
Gas Expense	1,678.92
Postage	1,046.76
Rent	35,784.73
Customer Refunds	1,430.51
Bad Debt Expense	95,037.24
Bank Charges	175.99
Taxes & Licenses	4,133.67
Professional Fees	1,103.72
Corporate Management Fee	544,069.25
Service & Installation	15.00
Other Income	(27,708.72)
Finance Charge Income	(14,418.70)
Total	848,096.75
EBITDA	10,699.48
Interest	100,668.25
Depreciation	296,824.74
Amortization	5,687.01
Earnings Before Tax	(392,480.52)
Income Taxes	115,107.00
Current Earnings	(507,587.52)

Kentucky Data Link, Inc.

Income Statement 1999				Actual							Projected		
	October	November	December	January	February	March	April	May	June	July	August	September	1999
Revenue:													
Fiber	131,096	94,945	94,945	135,682	134,446	119,100	120,715	120,715	165,064	148,635	163,315	187,446	1,616,104
Maintinance													
	131,096	94,945	94,945	135,682	134,446	119,100	120,715	120,715	165,064	148,635	163,315	187,446	1,616,104
Direct Costs:	0	0	502	1,003	1,003	1,583	1,853	1,753	1,424	11,003	2,450	2,812	25,385
Gross Margin	131,096	94,945	94,444	134,679	133,443	117,517	118,861	118,962	163,640	137,632	160,865	184,634	1,590,718
Operating Expenses:													
Salaries & Benefits	10,629	10,640	10,776	12,552	6,350	12,605	25,947	17,716	17,977	(64,080)	(64,080)	15,000	12,032
Travel & Entertainment	3,707	2,484	1,957	896	837	2,846	3,461	2,046	2,305	2,779	3,593	3,936	30,849
Office Expense	4,315	2,390	2,234	2,765	2,094	4,451	7,517	2,392	5,934	5,771	3,920	4,124	47,906
Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Occupancy	931	701	(163)	605	527	568	2,887	495	963	543	3,430	3,749	15,236
Professional Fees	627	0	0	411	7,291	804	926	0	0	0	327	375	10,760
Other (Income) Expense	0	0	0	0	0	0	(446,710)	0	(2)	0	3	4	(446,705)
Total Operating Expense	20,209	16,216	14,804	17,229	17,099	21,274	(405,972)	22,649	27,177	(54,987)	(52,808)	27,188	(329,922)
EBITDA	110,887	78,729	79,640	117,450	116,344	96,243	524,833	96,313	136,463	192,619	213,673	157,446	1,920,641
Interest Expense	10,888	10,758	10,627	19,307	27,986	30,968	33,951	37,620	42,075	44,492	47,925	39,207	355,804
Depreciation	32,291	32,331	32,294	47,683	51,422	49,095	49,292	41,170	55,038	55,036	49,250	49,250	544,153
EBT	67,707	35,640	36,719	50,460	36,936	16,180	441,590	17,523	39,350	93,091	116,498	68,989	1,020,684

Notes:

Revenue is calculated using V&H distances at .045 per DSO mile per month with the exception of the Madisonville to Owensboro existing contract.

Interest expense prior to May is paid and expensed at the Q-Comm Corporation level.
A management fee at the end of the year is charged to KDL to recoup these costs.
For purposes of this forecast an estimate of the amount of interest expense is included at 7.5% annually.

Depreciation is calculated over 15 years using the straight-line method.

Kentucky Data Link, Inc.

Sources and Uses of Funds 1999

	October	November	December	January	February	March	April	May	June	July	August	September	1999
Cashflow from Operations													
Net Income	67,707	35,640	36,719	50,460	36,936	16,180	441,590	17,523	39,350	93,091	116,498	68,989	1,020,684
Depreciation	32,291	32,331	32,294	47,683	51,422	49,095	49,292	41,170	55,038	55,036	49,250	49,250	544,153
Net Cash from Operations	99,999	67,971	69,013	98,143	88,358	65,275	490,882	58,693	94,388	148,127	165,748	118,239	1,564,837
Cashflow from Investing													
Capital Expenditures	(213,785)	(304,788)	(956,594)	(374,956)	(247,512)	(586,869)	(1,010,139)	(250,603)	(633,886)	(379,335)	(400,000)	(335,562)	(5,694,029)
Cashflow from Financing													
Debt Proceeds	0	0	0	2,819,095	0	996,101	0	1,215,861	251,469	623,697	269,961	735,562	6,911,746
Principal Payments	(20,863)	(20,863)	(20,863)	(20,863)	(20,863)	(20,863)	(20,863)	(20,863)	(20,863)	(80,757)	(83,751)	(91,352)	(443,627)
Net Cash Provided (Used)	(20,863)	(20,863)	(20,863)	2,798,232	(20,863)	975,238	(20,863)	1,194,998	230,606	542,940	186,210	644,210	6,468,119
Cash Increase (Decrease)	(134,649)	(257,680)	(908,444)	2,521,419	(180,017)	453,644	(540,120)	1,003,088	(308,892)	311,732	(48,042)	426,887	2,338,927
Debt Schedule													
Beginning Debt	1,752,520	1,731,657	1,710,794	1,689,931	4,488,163	4,467,300	5,442,538	5,421,675	6,616,673	6,847,279	7,390,219	7,576,429	
New Debt	0	0	0	2,819,095	0	996,101	0	1,215,861	251,469	623,697	269,961	735,562	
Debt Reductions	(20,863)	(20,863)	(20,863)	(20,863)	(20,863)	(20,863)	(20,863)	(20,863)	(20,863)	(80,757)	(83,751)	(91,352)	
Ending Debt	1,731,657	1,710,794	1,689,931	4,488,163	4,467,300	5,442,538	5,421,675	6,616,673	6,847,279	7,390,219	7,576,429	8,220,639	
Average Debt	1,742,089	1,721,226	1,700,363	3,089,047	4,477,732	4,954,919	5,432,107	6,019,174	6,731,976	7,118,749	7,483,324	7,898,534	
Interest Expense	10,888	10,758	10,627	19,307	27,986	30,968	33,951	37,620	42,075	44,492	46,771	49,366	

Kentucky Data Link, Inc.

Balance Sheet 1999	October	November	December	January	February	March	April	May	June	July	August	September
Cash	34,045	(27,597)	(11,919)	(361,115)	(277,564)	(65,040)	(313,517)	(161,998)	(5,293)	(144,863)	(192,905)	233,983
Accounts Receivable	207,482	258,467	53,749	158,991	73,679	107,732	161,888	51,255	196,029	75,142	73,679	73,679
Other	(100,027)	(100,177)	(100,177)	(99,174)	(99,174)	(99,174)	(98,799)	(99,099)	(99,199)	(99,199)	(99,174)	(99,174)
Property & Equipment, net	4,841,831	5,116,698	6,040,997	6,368,271	6,528,425	7,093,993	7,585,966	7,808,895	8,411,570	8,735,869	9,086,619	9,372,931
Total Assets	4,983,331	5,247,391	5,982,650	6,066,973	6,225,366	7,037,511	7,335,538	7,599,053	8,503,107	8,566,949	8,868,219	9,581,419
Accounts Payable	238,651	256,374	125,613	102,955	23,279	37,581	199,320	27,365	600,230	78,303	78,303	78,303
Other Accrued Expenses	3,354,354	3,585,914	4,436,078	1,694,367	1,916,363	1,722,788	1,438,349	661,298	722,531	672,269	670,831	670,831
Long Term Debt	1,731,657	1,710,794	1,689,931	4,488,163	4,467,300	5,442,538	5,421,675	6,616,673	6,847,279	7,390,219	7,576,429	8,220,639
Total Liabilities	5,324,662	5,553,082	6,251,622	6,285,485	6,406,942	7,202,907	7,059,344	7,305,336	8,170,040	8,140,791	8,325,563	8,969,773
Common Stock	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Retained Earnings	(410,038)	(410,038)	(410,038)	(410,038)	(410,038)	(410,038)	(410,038)	(410,038)	(410,038)	(410,038)	(410,038)	(410,038)
Current Year Income	67,707	103,347	140,066	190,526	227,462	243,642	685,232	702,755	742,105	835,196	951,694	1,020,684
Total Stockholders Equity	(341,331)	(305,691)	(268,972)	(218,512)	(181,576)	(165,396)	276,194	293,717	333,067	426,158	542,656	611,646
Total Liabilities and Equity	4,983,331	5,247,391	5,982,650	6,066,973	6,225,366	7,037,511	7,335,538	7,599,053	8,503,107	8,566,949	8,868,219	9,581,419

Kentucky Data Link, Inc.

Income Statement 2000

	October	November	December	January	February	March	April	May	June	July	August	September	2000
Revenue:													
Fiber	212,943	221,894	229,206	235,496	244,447	251,758	258,048	286,783	441,504	451,046	463,250	475,050	3,771,425
Maintinance													
	212,943	221,894	229,206	235,496	244,447	251,758	258,048	286,783	441,504	451,046	463,250	475,050	3,771,425
Direct Costs:	3,194	3,328	3,438	3,532	3,667	3,776	3,871	4,302	6,623	6,766	6,949	7,126	56,571
Gross Margin	209,749	218,566	225,768	231,963	240,780	247,982	254,177	282,481	434,881	444,281	456,301	467,924	3,714,854
Operating Expenses:													
Salaries & Benefits	14,682	15,300	15,804	16,237	16,855	17,359	17,792	19,774	21,744	22,214	22,815	23,396	223,972
Travel & Entertainment	4,259	4,216	4,126	4,003	3,911	3,776	3,871	4,302	6,623	6,766	6,949	7,126	59,927
Office Expense	4,259	4,438	4,584	4,710	4,889	5,035	5,161	5,736	8,830	9,021	9,265	9,501	75,429
Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Occupancy	4,259	4,438	4,584	4,474	4,400	4,280	4,129	4,302	6,181	5,864	5,559	5,226	57,695
Professional Fees	426	444	458	471	489	504	516	574	883	902	926	950	7,543
Other (Income) Expense	4	5	6	7	8	9	10	11	12	13	14	15	114
Total Operating Expense	27,889	28,840	29,562	29,903	30,552	30,963	31,479	34,697	44,273	44,779	45,528	46,214	424,679
EBITDA	181,860	189,726	196,206	202,060	210,228	217,019	222,698	247,784	390,609	399,501	410,773	421,711	3,290,175
Interest Expense	53,254	59,504	68,254	77,004	85,754	94,504	103,254	112,004	118,879	123,879	125,754	124,504	1,146,548
Depreciation	49,250	49,250	49,250	49,250	49,250	49,250	49,250	117,028	117,028	117,028	117,028	117,028	929,889
EBT	79,356	80,972	78,702	75,806	75,224	73,265	70,194	18,752	154,702	158,595	167,991	180,179	1,213,738

Notes:

Revenue is calculated using V&H distances at .040 per DSO mile per month with the exception of the Madisonville to Owensboro existing contract.

Interest expense is calculated at 8% annually.

Depreciation is calculated over 15 years using the straight-line method.

Kentucky Data Link, Inc.

Sources and Uses of Funds 2000

	October	November	December	January	February	March	April	May	June	July	August	September	2000
Cashflow from Operations													
Net Income	79,356	80,972	78,702	75,806	75,224	73,265	70,194	18,752	154,702	158,595	167,991	180,179	1,213,738
Depreciation	49,250	49,250	49,250	49,250	49,250	49,250	49,250	117,028	117,028	117,028	117,028	117,028	929,889
Net Cash from Operations	128,606	130,222	127,952	125,056	124,474	122,515	119,444	135,780	271,730	275,622	285,019	297,207	2,143,627
Cashflow from Investing													
Capital Expenditures	(700,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,000,000)	(1,000,000)	0	0	(13,200,000)
Cashflow from Financing													
Debt Proceeds	700,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,000,000	1,000,000	0	0	13,200,000
Debt Service	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(200,000)	(200,000)	(200,000)	(200,000)	(1,600,000)
Net Cash Provided (Used)	600,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	800,000	800,000	(200,000)	(200,000)	11,600,000
Cash Increase (Decrease)	28,606	30,222	27,952	25,056	24,474	22,515	19,444	35,780	71,730	75,622	85,019	97,207	543,627
Debt Schedule													
Beginning Debt	8,220,639	8,820,639	10,220,639	11,620,639	13,020,639	14,420,639	15,820,639	17,220,639	18,620,639	19,420,639	20,220,639	20,020,639	
New Debt	700,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,000,000	1,000,000	0	0	
Debt Reductions	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(200,000)	(200,000)	(200,000)	(200,000)	
Ending Debt	8,820,639	10,220,639	11,620,639	13,020,639	14,420,639	15,820,639	17,220,639	18,620,639	19,420,639	20,220,639	20,020,639	19,820,639	
Average Debt	8,520,639	9,520,639	10,920,639	12,320,639	13,720,639	15,120,639	16,520,639	17,920,639	19,020,639	19,820,639	20,120,639	19,920,639	
Interest Expense	53,254	59,504	68,254	77,004	85,754	94,504	103,254	112,004	118,879	123,879	125,754	124,504	

Kentucky Data Link, Inc.

Balance Sheet 2000	October	November	December	January	February	March	April	May	June	July	August	September
Cash	262,589	292,811	320,762	345,818	370,293	392,808	412,252	448,032	519,761	595,384	680,403	777,609
Accounts Receivable	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679
Other	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)
Property & Equipment, net	10,023,681	11,474,431	12,925,181	14,375,931	15,826,681	17,277,431	18,728,181	20,111,153	20,994,125	21,877,098	21,760,070	21,643,042
Total Assets	10,260,775	11,741,747	13,220,448	14,696,254	16,171,479	17,644,744	19,114,938	20,533,690	21,488,392	22,446,986	22,414,977	22,395,157
Accounts Payable	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303
Other Accrued Expenses	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831
Long Term Debt	8,820,639	10,220,639	11,620,639	13,020,639	14,420,639	15,820,639	17,220,639	18,620,639	19,420,639	20,220,639	20,020,639	19,820,639
Total Liabilities	9,569,773	10,969,773	12,369,773	13,769,773	15,169,773	16,569,773	17,969,773	19,369,773	20,169,773	20,969,773	20,769,773	20,569,773
Common Stock	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Retained Earnings	610,646	610,646	610,646	610,646	610,646	610,646	610,646	610,646	610,646	610,646	610,646	610,646
Current Year Income	79,356	160,328	239,030	314,836	390,060	463,325	533,520	552,271	706,973	865,568	1,033,559	1,213,738
Total Stockholders Equity	691,002	771,974	850,675	926,481	1,001,706	1,074,971	1,145,165	1,163,917	1,318,619	1,477,213	1,645,204	1,825,384
Total Liabilities and Equity	10,260,775	11,741,747	13,220,448	14,696,254	16,171,479	17,644,744	19,114,938	20,533,690	21,488,392	22,446,986	22,414,977	22,395,157

Kentucky Data Link, Inc.

	October	November	December	January	February	March	April	May	June	July	August	September	2001
Revenue:													
Fiber	424,983	436,625	475,645	484,959	496,601	514,782	524,096	535,739	626,173	635,487	647,129	665,310	6,467,530
Maintinance	0	0	0	0	0	0	0	0	0	0	0	0	0
	424,983	436,625	475,645	484,959	496,601	514,782	524,096	535,739	626,173	635,487	647,129	665,310	6,467,530
Direct Costs:	6,375	6,549	7,135	7,274	7,449	7,722	7,861	8,036	9,393	9,532	9,707	9,980	97,013
Gross Margin	418,608	430,076	468,510	477,684	489,152	507,061	516,235	527,702	616,780	625,955	637,422	655,331	6,370,517
Operating Expenses:													
Salaries & Benefits	20,930	21,504	23,426	23,884	24,458	25,353	25,812	26,385	30,839	31,298	31,871	32,767	318,526
Travel & Entertainment	6,375	6,549	7,135	7,274	7,449	7,722	7,861	8,036	9,393	9,532	9,707	9,980	97,013
Office Expense	8,500	8,733	9,513	9,699	9,932	10,296	10,482	10,715	12,523	12,710	12,943	13,306	129,351
Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Occupancy	4,250	4,366	4,756	4,850	4,966	5,148	5,241	5,357	6,262	6,355	6,471	6,653	64,675
Professional Fees	850	873	951	970	993	1,030	1,048	1,071	1,252	1,271	1,294	1,331	12,935
Other (Income) Expense	4	5	6	7	8	9	10	11	12	13	14	15	114
Total Operating Expense	40,909	42,030	45,787	46,684	47,806	49,557	50,454	51,576	60,281	61,179	62,300	64,051	622,614
EBITDA	377,700	388,046	422,723	431,000	441,346	457,504	465,780	476,127	556,499	564,776	575,122	591,279	5,747,903
Interest Expense	100,571	100,281	135,491	135,099	134,709	134,320	133,931	133,544	133,159	132,774	132,390	132,007	1,538,277
Depreciation	117,028	117,028	146,611	146,611	146,611	146,611	146,611	146,611	146,611	146,611	146,611	146,611	1,700,167
EBT	160,100	170,737	140,621	149,290	160,026	176,573	185,238	195,971	276,730	285,391	296,121	312,661	2,509,460

Notes:

Revenue is calculated using V&H distances at .035 per DSO mile per month with the exception of the Madisonville to Owensboro existing contract.

Interest expense is calculated at 8% annually.

Depreciation is calculated over 15 years using the straight-line method.

Kentucky Data Link, Inc.

Sources and Uses of Funds 2001

	October	November	December	January	February	March	April	May	June	July	August	September	2001
Cashflow from Operations													
Net Income	160,100	170,737	140,621	149,290	160,026	176,573	185,238	195,971	276,730	285,391	296,121	312,661	2,509,460
Depreciation	117,028	117,028	146,611	146,611	146,611	146,611	146,611	146,611	146,611	146,611	146,611	146,611	1,700,167
Net Cash from Operations	277,128	287,765	287,233	295,901	306,637	323,184	331,849	342,582	423,341	432,002	442,732	459,272	4,209,626
Cashflow from Investing													
Capital Expenditures	(700,000)	(1,500,000)	(1,500,000)	(1,500,000)	(125,000)	0	0	0	0	0	0	0	(5,325,000)
Cashflow from Financing													
Debt Proceeds	700,000	1,500,000	1,500,000	1,500,000	125,000	0	0	0	0	0	0	0	5,325,000
Debt Service	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(250,000)	(250,000)	(250,000)	(300,000)	(350,000)	(350,000)	(350,000)	(3,100,000)
Net Cash Provided (Used)	500,000	1,300,000	1,300,000	1,300,000	(75,000)	(250,000)	(250,000)	(250,000)	(300,000)	(350,000)	(350,000)	(350,000)	2,225,000
Cash Increase (Decrease)	77,128	87,765	87,233	95,901	106,637	73,184	81,849	92,582	123,341	82,002	92,732	109,272	1,109,626
Debt Schedule													
Beginning Debt	19,820,639	20,320,639	21,620,639	22,920,639	24,220,639	24,145,639	23,895,639	23,645,639	23,395,639	23,095,639	22,745,639	22,395,639	
New Debt	700,000	1,500,000	1,500,000	1,500,000	125,000	0	0	0	0	0	0	0	
Debt Reductions	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(250,000)	(250,000)	(250,000)	(300,000)	(350,000)	(350,000)	(350,000)	
Ending Debt	20,320,639	21,620,639	22,920,639	24,220,639	24,145,639	23,895,639	23,645,639	23,395,639	23,095,639	22,745,639	22,395,639	22,045,639	
Average Debt	20,070,639	20,970,639	22,270,639	23,570,639	24,183,139	24,020,639	23,770,639	23,520,639	23,245,639	22,920,639	22,570,639	22,220,639	
Interest Expense	125,441	131,066	139,191	147,316	151,145	150,129	148,566	147,004	145,285	143,254	141,066	138,879	

Kentucky Data Link, Inc.

Balance Sheet 2001	October	November	December	January	February	March	April	May	June	July	August	September
Cash	854,738	942,503	1,029,735	1,125,636	1,232,273	1,305,458	1,387,306	1,479,889	1,603,229	1,685,232	1,777,964	1,887,236
Accounts Receivable	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679
Other	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)
Property & Equipment, net	22,226,014	23,608,987	24,962,375	26,315,764	26,294,153	26,147,542	26,000,931	25,854,320	25,707,709	25,561,098	25,414,487	25,267,875
Total Assets	23,055,257	24,525,994	25,966,616	27,415,905	27,500,932	27,427,505	27,362,742	27,308,714	27,285,443	27,220,834	27,166,955	27,129,616
Accounts Payable	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303
Other Accrued Expenses	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831
Long Term Debt	20,320,639	21,620,639	22,920,639	24,220,639	24,145,639	23,895,639	23,645,639	23,395,639	23,095,639	22,745,639	22,395,639	22,045,639
Total Liabilities	21,069,773	22,369,773	23,669,773	24,969,773	24,894,773	24,644,773	24,394,773	24,144,773	23,844,773	23,494,773	23,144,773	22,794,773
Common Stock	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Retained Earnings	1,824,384	1,824,384	1,824,384	1,824,384	1,824,384	1,824,384	1,824,384	1,824,384	1,824,384	1,824,384	1,824,384	1,824,384
Current Year Income	160,100	330,838	471,459	620,749	780,775	957,348	1,142,586	1,338,557	1,615,287	1,900,678	2,196,799	2,509,460
Total Stockholders Equity	1,985,484	2,156,221	2,296,843	2,446,132	2,606,159	2,782,732	2,967,969	3,163,941	3,440,670	3,726,061	4,022,182	4,334,843
Total Liabilities and Equity	23,055,257	24,525,994	25,966,616	27,415,905	27,500,932	27,427,505	27,362,742	27,308,714	27,285,443	27,220,834	27,166,955	27,129,616

Kentucky Data Link, Inc.

	October	November	December	January	February	March	April	May	June	July	August	September	2002
Revenue:													
Fiber	578,249	588,228	641,169	649,152	659,131	674,715	682,698	692,677	713,422	721,405	731,385	746,968	8,079,201
Maintinance	0	0	0	0	0	0	0	0	0	0	0	0	0
	578,249	588,228	641,169	649,152	659,131	674,715	682,698	692,677	713,422	721,405	731,385	746,968	8,079,201
Direct Costs:	8,674	8,823	9,618	9,737	9,887	10,121	10,240	10,390	10,701	10,821	10,971	11,205	121,188
Gross Margin	569,576	579,405	631,551	639,415	649,244	664,594	672,458	682,287	702,721	710,584	720,414	735,764	7,958,013
Operating Expenses:													
Salaries & Benefits	28,479	28,970	31,578	31,971	32,462	33,230	33,623	34,114	35,136	35,529	36,021	36,788	397,901
Travel & Entertainment	8,674	8,823	9,618	9,737	9,887	10,121	10,240	10,390	10,701	10,821	10,971	11,205	121,188
Office Expense	11,565	11,765	12,823	12,983	13,183	13,494	13,654	13,854	14,268	14,428	14,628	14,939	161,584
Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Occupancy	5,782	5,882	6,412	6,492	6,591	6,747	6,827	6,927	7,134	7,214	7,314	7,470	80,792
Professional Fees	1,156	1,176	1,282	1,298	1,318	1,349	1,365	1,385	1,427	1,443	1,463	1,494	16,158
Other (Income) Expense	4	5	6	7	8	9	10	11	12	13	14	15	114
Total Operating Expense	55,660	56,622	61,718	62,488	63,449	64,950	65,720	66,681	68,679	69,448	70,410	71,911	777,737
EBITDA	513,915	522,783	569,833	576,927	585,795	599,644	606,738	615,606	634,042	641,136	650,004	663,853	7,180,276
Interest Expense	131,626	131,246	189,033	188,487	187,942	187,399	186,857	186,317	185,779	185,242	184,707	184,173	2,128,807
Depreciation	146,611	146,611	195,083	195,083	195,083	195,083	195,083	195,083	195,083	195,083	195,083	195,083	2,244,056
EBT	235,678	244,926	185,716	193,357	202,770	217,162	224,797	234,205	253,180	260,811	270,214	284,597	2,807,413

Notes:
Revenue is calculated using V&H distances at .030 per DSO mile per month with the exception of the Madisonville to Owensboro existing contract.

Interest expense is calculated at 8% annually.

Depreciation is calculated over 15 years using the straight-line method.

Kentucky Data Link, Inc.

Sources and Uses of Funds 2002

	October	November	December	January	February	March	April	May	June	July	August	September	2002
Cashflow from Operations													
Net Income	235,678	244,926	185,716	193,357	202,770	217,162	224,797	234,205	253,180	260,811	270,214	284,597	2,807,413
Depreciation	146,611	146,611	195,083	195,083	195,083	195,083	195,083	195,083	195,083	195,083	195,083	195,083	2,244,056
Net Cash from Operations	382,289	391,537	380,800	388,440	397,853	412,245	419,881	429,289	448,263	455,894	465,297	479,680	5,051,468
Cashflow from Investing													
Capital Expenditures	(700,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(525,000)	0	0	0	0	0	(8,725,000)
Cashflow from Financing													
Debt Proceeds	700,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	525,000	0	0	0	0	0	8,725,000
Debt Service	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(200,000)	(200,000)	(200,000)	(200,000)	(3,600,000)
Net Cash Provided (Used)	350,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	175,000	(350,000)	(200,000)	(200,000)	(200,000)	(200,000)	5,125,000
Cash Increase (Decrease)	32,289	41,537	30,800	38,440	47,853	62,245	69,881	79,289	248,263	255,894	265,297	279,680	1,451,468
Debt Schedule													
Beginning Debt	22,045,639	22,395,639	23,545,639	24,695,639	25,845,639	26,995,639	28,145,639	28,320,639	27,870,639	27,420,639	26,970,639	26,520,639	
New Debt	700,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	525,000	0	0	0	0	0	
Debt Reductions	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)	
Ending Debt	22,395,639	23,545,639	24,695,639	25,845,639	26,995,639	28,145,639	28,320,639	27,870,639	27,420,639	26,970,639	26,520,639	26,070,639	
Average Debt	22,220,639	22,970,639	24,120,639	25,270,639	26,420,639	27,570,639	28,233,139	28,095,639	27,645,639	27,195,639	26,745,639	26,295,639	
Interest Expense	138,879	143,566	150,754	157,941	165,129	172,316	176,457	175,598	172,785	169,973	167,160	164,348	

Kentucky Data Link, Inc.

Balance Sheet 2002	October	November	December	January	February	March	April	May	June	July	August	September
Cash	1,919,525	1,961,062	1,991,862	2,030,302	2,078,155	2,140,400	2,210,281	2,289,570	2,537,833	2,793,727	3,059,024	3,338,704
Accounts Receivable	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679	73,679
Other	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)	(99,174)
Property & Equipment, net	25,821,264	27,174,653	28,479,570	29,784,487	31,089,403	32,394,320	32,724,237	32,529,153	32,334,070	32,138,987	31,943,903	31,748,820
Total Assets	27,715,294	29,110,221	30,445,937	31,789,294	33,142,063	34,509,225	34,909,022	34,793,228	34,846,407	34,907,218	34,977,432	35,062,029
Accounts Payable	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303	78,303
Other Accrued Expenses	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831	670,831
Long Term Debt	22,395,639	23,545,639	24,695,639	25,845,639	26,995,639	28,145,639	28,320,639	27,870,639	27,420,639	26,970,639	26,520,639	26,070,639
Total Liabilities	23,144,773	24,294,773	25,444,773	26,594,773	27,744,773	28,894,773	29,069,773	28,619,773	28,169,773	27,719,773	27,269,773	26,819,773
Common Stock	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Retained Earnings	4,333,843	4,333,843	4,333,843	4,333,843	4,333,843	4,333,843	4,333,843	4,333,843	4,333,843	4,333,843	4,333,843	4,333,843
Current Year Income	235,678	480,604	666,321	859,678	1,062,447	1,279,609	1,504,406	1,738,612	1,991,791	2,252,602	2,522,816	2,807,413
Total Stockholders Equity	4,570,521	4,815,448	5,001,164	5,194,521	5,397,290	5,614,452	5,839,249	6,073,455	6,326,634	6,587,445	6,857,659	7,142,256
Total Liabilities and Equity	27,715,294	29,110,221	30,445,937	31,789,294	33,142,063	34,509,225	34,909,022	34,693,228	34,496,407	34,307,218	34,127,432	33,962,029

KDL, Inc.
Consolidated Statement of Operations

		Actual							Projected					
	1998	October	November	December	January	February	March	April	May	June	July	August	September	**1999**
Revenue:														
Fiber	501,879	131,096	94,945	94,945	135,682	134,446	119,100	120,715	140,665	146,713	151,612	163,315	173,536	1,606,769
Maintinance														
	501,879	131,096	94,945	94,945	135,682	134,446	119,100	120,715	140,665	146,713	151,612	163,315	173,536	1,606,769
Direct Costs:	160,204	0	0	502	1,003	1,003	1,583	1,853	2,110	2,201	2,274	2,450	2,603	17,581
Gross Margin	341,675	131,096	94,945	94,444	134,679	133,443	117,517	118,861	138,555	144,512	149,338	160,865	170,933	1,589,187
Operating Expenses:														
Salaries & Benefits	109,806	10,629	10,640	10,776	12,552	6,350	12,605	25,947	28,133	28,609	28,806	30,213	31,236	236,497
Travel & Entertainment	23,446	3,707	2,484	1,957	896	837	2,846	3,461	3,517	3,521	3,487	3,593	3,644	33,951
Office Expense	16,067	4,315	2,390	2,234	2,765	2,094	4,451	7,517	4,220	4,108	3,942	3,920	3,818	45,773
Bad Debt Expense	95,037	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Occupancy	41,341	931	701	(163)	605	527	568	2,887	3,376	3,374	3,335	3,430	3,471	23,042
Professional Fees	1,104	627	0	0	411	7,291	804	926	281	293	303	327	347	11,610
Other (Income) Expense	0	0	0	0	0	0	0	(446,710)	0	1	2	3	4	(446,700)
Total Operating Expense	286,801	20,209	16,216	14,804	17,229	17,099	21,274	(405,972)	39,527	39,907	39,876	41,485	42,520	(95,826)
EBITDA	54,874	110,887	78,729	79,640	117,450	116,344	96,243	524,833	99,028	104,605	109,462	119,380	128,412	1,685,013
Interest Expense	100,668	324	0	0	0	0	0	0	53,846	53,691	53,536	57,881	65,214	284,491
Depreciation	302,512	32,291	32,331	32,294	47,683	51,422	49,095	49,292	45,500	45,500	45,500	49,250	55,500	535,659
EBT	(348,306)	78,272	46,398	47,346	69,767	64,922	47,148	475,541	(318)	5,415	10,426	12,249	7,699	864,863

Notes:
Revenue is calculated using V&H distances at .045 per DSO mile per month with the exception of the Madisonville to Owensboro existing contract.

Interest expense prior to May is paid and expensed at the Q-Comm Corporation level.
A management fee at the end of the year is charged to KDL to recoup these costs.
For purposes of this forecast an estimate of the amount of interest expense is included at 8% annually.

Depreciation is calculated over 15 years using the straight-line method.

KDL, Inc.
Consolidated Statement of Operations

	October	November	December	January	February	March	April	May	June	July	August	September	2000
Revenue:													
Fiber	133,002	140,018	146,630	337,747	349,951	442,714	452,256	464,460	498,812	509,457	522,762	540,503	4,538,312
Maintinance				12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	112,500
	133,002	140,018	146,630	350,247	362,451	455,214	464,756	476,960	511,312	521,957	535,262	553,003	4,650,812
Direct Costs:	1,995	2,100	2,199	5,066	5,249	6,641	6,784	6,967	7,482	7,642	7,841	8,108	68,075
Gross Margin	131,007	137,918	144,431	332,681	344,701	436,073	445,472	457,493	491,330	501,815	514,921	532,395	4,470,237
Operating Expenses:													
Salaries & Benefits	23,581	24,825	25,998	58,219	58,599	71,952	71,276	70,911	73,699	72,763	72,089	71,873	695,786
Travel & Entertainment	2,660	2,660	2,639	5,742	5,599	6,641	6,784	6,967	7,482	7,642	7,841	8,108	70,765
Office Expense	2,660	2,800	2,933	6,755	6,999	8,854	9,045	9,289	9,976	10,189	10,455	10,810	90,766
Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Occupancy	2,660	2,800	2,933	6,417	6,299	7,526	7,236	6,967	6,983	6,623	6,273	5,946	68,663
Professional Fees	266	280	293	675	700	885	905	929	998	1,019	1,046	1,081	9,077
Other (Income) Expense	4	5	6	7	8	9	10	11	12	13	14	15	114
Total Operating Expense	31,831	33,371	34,801	77,816	78,204	95,868	95,255	95,074	99,151	98,249	97,718	97,833	935,172
EBITDA	99,176	104,546	109,630	254,865	266,497	340,205	350,217	362,418	392,179	403,566	417,203	434,563	3,535,065
Interest Expense	65,025	64,837	64,650	134,296	97,908	125,459	125,096	124,735	147,374	146,948	146,524	146,100	1,388,952
Depreciation	55,500	55,500	55,500	113,694	113,694	136,889	136,889	136,889	156,056	156,056	156,056	156,056	1,428,778
EBT	(21,349)	(15,791)	(10,520)	6,875	54,894	77,858	88,232	100,795	88,749	100,562	114,623	132,407	717,336

Notes:
Revenue is calculated using V&H distances at .040 per DSO mile per month with the exception of the Madisonville to Owensboro existing contract.

Interest expense is calculated at 8% annually.

Depreciation is calculated over 15 years using the straight-line method.

KDL, Inc.
Consolidated Statement of Operations

	October	November	December	January	February	March	April	May	June	July	August	September	2001
Revenue:													
Fiber	482,254	493,896	533,104	542,418	554,061	571,089	580,403	592,045	610,038	619,352	630,995	648,023	6,857,679
Maintinance	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
	494,754	506,396	545,604	554,918	566,561	583,589	592,903	604,545	622,538	631,852	643,495	660,523	7,007,679
Direct Costs:	7,234	7,408	7,997	8,136	8,311	8,566	8,706	8,881	9,151	9,290	9,465	9,720	102,865
Gross Margin	475,020	486,488	525,108	534,282	545,750	562,523	571,697	583,165	600,888	610,062	621,530	638,303	6,754,814
Operating Expenses:													
Salaries & Benefits	64,128	65,676	70,890	72,128	73,676	75,941	77,179	78,727	81,120	82,358	83,907	86,171	911,900
Travel & Entertainment	7,234	7,408	7,997	8,136	8,311	8,566	8,706	8,881	9,151	9,290	9,465	9,720	102,865
Office Expense	9,645	9,878	10,662	10,848	11,081	11,422	11,608	11,841	12,201	12,387	12,620	12,960	137,154
Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Occupancy	4,823	4,939	5,331	5,424	5,541	5,711	5,804	5,920	6,100	6,194	6,310	6,480	68,577
Professional Fees	965	988	1,066	1,085	1,108	1,142	1,161	1,184	1,220	1,239	1,262	1,296	13,715
Other (Income) Expense	4	5	6	7	8	9	10	11	12	13	14	15	114
Total Operating Expense	86,798	88,894	95,951	97,629	99,725	102,791	104,468	106,564	109,804	111,481	113,577	116,643	1,234,325
EBITDA	388,223	397,594	429,156	436,653	446,025	459,732	467,229	476,600	491,084	498,581	507,952	521,660	5,520,489
Interest Expense	145,678	145,257	180,337	179,816	179,296	178,778	178,262	177,746	177,233	176,721	176,210	175,701	2,071,034
Depreciation	156,056	156,056	185,639	185,639	185,639	185,639	185,639	185,639	185,639	185,639	185,639	185,639	2,168,500
EBT	86,489	96,282	63,180	71,198	81,089	95,315	103,329	113,215	128,212	136,222	146,104	160,320	1,280,955

Notes:
Revenue is calculated using V&H distances at .035 per DSO mile per month with the exception of the Madisonville to Owensboro existing contract.

Interest expense is calculated at 8% annually.

Depreciation is calculated over 15 years using the straight-line method.

KDL, Inc.
Consolidated Statement of Operations

	October	November	December	January	February	March	April	May	June	July	August	September	2002
Revenue:													
Fiber	563,432	573,411	626,512	634,496	644,475	659,071	667,054	677,033	697,939	705,923	715,902	730,498	7,895,745
Maintinance	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
	575,932	585,911	639,012	646,996	656,975	671,571	679,554	689,533	710,439	718,423	728,402	742,998	8,045,745
Direct Costs:	8,451	8,601	9,398	9,517	9,667	9,886	10,006	10,155	10,469	10,589	10,739	10,957	118,436
Gross Margin	554,980	564,810	617,115	624,978	634,808	649,185	657,048	666,878	687,470	695,334	705,163	719,540	7,777,308
Operating Expenses:													
Salaries & Benefits	74,922	76,249	83,310	84,372	85,699	87,640	88,702	90,029	92,808	93,870	95,197	97,138	1,049,937
Travel & Entertainment	8,451	8,601	9,398	9,517	9,667	9,886	10,006	10,155	10,469	10,589	10,739	10,957	118,436
Office Expense	11,269	11,468	12,530	12,690	12,889	13,181	13,341	13,541	13,959	14,118	14,318	14,610	157,915
Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Occupancy	5,634	5,734	6,265	6,345	6,445	6,591	6,671	6,770	6,979	7,059	7,159	7,305	78,957
Professional Fees	1,127	1,147	1,253	1,269	1,289	1,318	1,334	1,354	1,396	1,412	1,432	1,461	15,791
Other (Income) Expense	4	5	6	7	8	9	10	11	12	13	14	15	114
Total Operating Expense	101,408	103,205	112,763	114,200	115,997	118,625	120,063	121,860	125,624	127,061	128,858	131,486	1,421,151
EBITDA	453,573	461,605	504,352	510,778	518,810	530,559	536,985	545,018	561,847	568,272	576,305	588,054	6,356,158
Interest Expense	175,193	174,687	232,348	231,677	231,007	230,340	229,674	229,011	228,349	227,689	227,031	226,375	2,643,380
Depreciation	185,639	185,639	234,111	234,111	234,111	234,111	234,111	234,111	234,111	234,111	234,111	234,111	2,712,389
EBT	92,741	101,280	37,893	44,990	53,692	66,108	73,200	81,896	99,387	106,472	115,163	127,568	1,000,389

Notes:
Revenue is calculated using V&H distances at .030 per DSO mile per month with the exception of the Madisonville to Owensboro existing contract.

Interest expense is calculated at 8% annually.

Depreciation is calculated over 15 years using the straight-line method.