

Actuals for 2002 (\$000s)

	Investments	Expenses	Calculated or User-defined factor	User-defined factor
Plant-Specific Operations Expenses				
TPIS - General Support				
2111 Land	\$ 7,561	\$ -	0.0276	0.0276
2112 Motor Vehicles	\$ 9,279	\$ 762	0.0276	0.0276
2113 Aircraft	\$ 0	\$ 206	0.0276	0.0276
2114 Special Purpose Vehicles	\$ 15,418	\$ 293	0.0276	0.0276
2115 Garage Work Equipment	\$ 0	\$ -	0.0276	0.0276
2116 Other Work Equipment	\$ 0	\$ -	0.0276	0.0276
2121 Buildings	\$ 162,909	\$ 11,414	0.0906	0.0906
2122 Furniture	\$ 6,160	\$ 214	0.0906	0.0906
2123 Office Equipment	\$ 12,528	\$ 1,335	0.0906	0.0906
2124 General Purpose Computers	\$ 38,768	\$ 14,172	0.0906	0.0906
2110 Total Land & Support Assets	\$ 252,623	\$ 28,396	0.0528	0.0528

Land & Bldg Exp Applied to Bldgs

TPIS - Central Office Switching				
2211 Analog Electronic Switching	\$ -	\$ -	0.0000	0.0558
2212 Digital Electronic Switching	\$ 442,595	\$ 9,376	0.0558	0.0558
2210 Total Central Office Switching	\$ 442,595	\$ 9,376	0.0485	0.0485

2220 Operator Systems	\$ 903	\$ 52	0.0576	
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TPIS - Central Office Transmission				
2231 Satellite & Earth Station Facilities				
2231 Other Radio Facilities				
2231 Radio Systems				
2232 Circuit Equipment	\$ 479,958	\$ 4,834	0.0200	0.0200
2230 Total Central Office Transmission	\$ 479,958	\$ 4,834	0.0200	0.0200

TPIS - Information Orig/Term				
2311 Station Apparatus	\$ -	\$ -	0.0000	
2321 Customer Premises Wiring	\$ -	\$ -	0.0000	
2341 Large Private Branch Exchange	\$ -	\$ -	0.0000	
2351 Public Telephone Terminal Equipment	\$ -	\$ -	0.0000	
2362 Other Terminal Equipment	\$ 23,578	\$ 4,145	0.1758	
2310 Total Information Orig/Term	\$ 23,578	\$ 4,145	0.1758	

TPIS - Cable & Wire Facilities				
2411 Poles	\$ 39,228	\$ 1,853	0.0219	0.0219
2421 Aerial Cable	\$ 175,790	\$ 3,989	0.0669	0.0669
2422 Underground Cable	\$ 274,979	\$ 1,516	0.0210	0.0210
2423 Buried Cable	\$ 353,858	\$ 10,425	0.0446	0.0446
2424 Submarine Cable				
2425 Deep Sea Cable				
2426 Intra-building Network Cable				
2431 Aerial Wire				
2441 Conduit Systems	\$ 131,851	\$ 287	0.0058	0.0058
2410 Total Cable & Wire Facilities	\$ 975,706	\$ 18,070	0.0185	
240 Total TPIS (before amortizable assets)	\$ 1,922,740	\$ 64,873	0.0337	

Alternative Cable Maintenance Factors		
	Fiber	Copper
	0.0073	0.0669
	0.0084	0.0210
	0.0061	0.0446

	Expenses	Investment	Factor
6512 Provisioning Expenses	\$ (125)	\$ 1,922,740	-0.0001
6531 Power Expenses	\$ 2,416	\$ 1,922,740	0.0013
6532 Network Administration	\$ 7,232	\$ 1,922,740	0.0038
6533 Testing	\$ 3,472	\$ 1,922,740	0.0018
6534 Plant Operations Administration	\$ 9,358	\$ 1,922,740	0.0049
6535 Engineering	\$ 3,454	\$ 1,922,740	0.0018
6540 Access Expense			
6530 Total Network Operations Expenses (includes provisioning)	\$ 25,807	\$ 1,922,740	0.0134

9.36% all
28.02% switching, interoffice
13.45% all
36.26% all
13.38% all

Network Support Factor Calculation			
	Expenses	Cable & Wire Inv	Factor
6112 Motor Vehicles	\$ 762		
6113 Aircraft	\$ 206		
6114 Special Purpose Vehicles	\$ 293		
6115 Garage Work Equipment	\$ -		
6116 Other Work Equipment	\$ -		

per line network operations total lines (from net. invest. inputs)		(=total ARMIS 6530/total lines)
annual net ops per line	\$ 24.97	1,033,568
Network Operations Ratio	0.0134	
Model Investment	\$ 996,038,236	
Total Network Ops Expense	13368816.77	
Net Ops less SIO	\$ 9,622,419	
Forward-looking Net Ops Exp	\$ 9,622,419	
SIO Net Ops Exp	\$ 3,746,398	
Forward-looking SIO Net Ops Exp	\$ 3,746,398	

Aircraft & Special Purpose Vehicles \$ 1,055 \$ 975,706 0.0011

Customer Operations Expenses

	Expenses		Net Revenues		Factor
6611 Product Management *	\$ 6,251	\$ 0.5040	\$ 296,959		0.0211
6612 Sales *	\$ 11,748	\$ 0.9472	\$ 296,959		0.0396
6613 Product Advertising	\$ 974		\$ 296,959		0.0033
6610 Total Marketing Expenses	\$ 18,973				0.0639
6621 Call Completion Service	\$ 3,203		\$ 296,959		0.0108
6622 Number Services	\$ 4,479	\$ 0.3611	\$ 296,959		0.0151
6623 Customer Services	\$ 30,391	\$ 2.4503	\$ 296,959		0.1023
6620 Total Services Expenses	\$ 38,073	\$ 3.90			0.1282
Billing/bill inquiry (per line/month)	\$ 1.22				
Directory listing (per line/month)	-				
700 Total Customer Operations Expenses	\$ 57,046.00		\$ 296,959		0.1921

0.2534

Corporate Operations Expenses

	Expenses		Revenues		Factor
6711 Executive	\$ 2,197		\$ 296,959		0.0074
6712 Planning	\$ 1,416		\$ 296,959		0.0048
6710 Total Executive & Planning	\$ 3,613		\$ 296,959		0.0122
6721 Accounting & Finance	\$ 3,050		\$ 296,959		0.0103
6722 External Relations	\$ 2,904		\$ 296,959		0.0098
6723 Human Resources	\$ 4,200		\$ 296,959		0.0141
6724 Information Management	\$ 20,524		\$ 296,959		0.0691
6725 Legal	\$ 1,688		\$ 296,959		0.0057
6726 Procurement	\$ 563		\$ 296,959		0.0019
6727 Research & Development	\$ 225		\$ 296,959		0.0008
6728 Other General & Administrative	\$ 40,665		\$ 296,959		0.1369
6720 Total General & Administrative	\$ 73,819		\$ 296,959		0.2486

710 Total Corporate Operations Expense \$ 77,432 \$ 296,959 0.1040

0.3439

720 Total Operating Expenses \$ 225,158
note: does not include dep/amort

59.73% Total Operations General Support Allocator
41.32% "Office Worker" General Support Allocator

Misc Expenses Calculation	2122 Furniture	2123 Office Equipment	2124 GP Computer	2112 Motor Vehicles	2121 Buildings	2115 Garage Work Equipment	2116 Other Work Equipment	2690 Intangibles
Investment	\$ 6,160	\$ 12,528	\$ 38,768	\$ 9,279	127852.5000	\$ 15,418	\$ 0	\$ -
Investment/TPIS	0.003	0.007	0.020	0.005	0.0665	0.008	0.000	
Expense	\$ 214	\$ 1,335	\$ 14,172	\$ 762	5707.0000	\$ 293	\$ -	\$ -
Expense Factor	0.035	0.107	0.366	0.082	0.0446	0.019	-	
Model TPIS	\$ 1,161,717	\$ 1,161,717	\$ 1,161,717	\$ 1,161,717	1161716.5052	\$ 1,161,717	\$ 1,161,717	
Calculated Investment	\$ 3,722	\$ 7,569	\$ 23,424	\$ 5,606	77248.2808	\$ 9,316	\$ 0	
Calculated Expense	\$ 129	\$ 807	\$ 8,563	\$ 460	3448.1605	\$ 177	\$ -	\$ 25,578
Subtotal (\$s)	\$ 15,916,673							
Total Misc Expense	\$ 15,916,673							

Other Taxes & Uncollectibles Calculation

	Expenses		Net Revenues		Factor
7230 Operating State & Local Income Tax	\$ -		\$ (25,591)		
7240 Operating Other Taxes	\$ 26,075		\$ (25,591)		0.0465
5300 Uncollectible Revenues	\$ 26,875		\$ 296,959		0.0905
retail					0.0467
wholesale					0.0469

Ratio of Net Plant to TPIS

TPIS	\$ 1,922,740
Net Plant	\$ 1,922,740
Ratio	\$ 1
Model Investment	\$ -
Model % of Net Plant	\$ -
Model % of TPIS	0%