

**Exhibit CMD-5a**  
**HM 5.3 Preprocessing Sensitivity Analyses**  
**Maximum Merge Points**

<b>Maximum Merge Points<sup>1</sup></b>	<b>Number of Clusters</b>	<b>Total Loop Unit Cost per Month</b>
<b>(Count)</b>	<b>(Count)</b>	<b>(Dollars)</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
300	6,576	\$ 10.29
600	3,548	9.03
900	2,570	8.41
1,200	2,082	8.09
1,500	1,821	7.92
1,800	1,645	7.82
2,100	1,516	7.80
2,400	1,427	7.80
2,700	1,336	7.79
3,000	1,273	7.82
3,300	1,231	7.81
3,600	1,197	7.81
3,900	1,159	7.83
4,200	1,137	7.85
4,500	1,116	7.84
4,800	1,094	7.85
5,100	1,080	7.85
5,400	1,064	7.84
5,700	1,048	7.85
6,000	1,037	7.86
6,300	1,024	7.87
<b>6,451</b>	<b>1,019</b>	<b>7.87</b>
6,600	1,014	7.89
6,900	1,008	7.88
7,200	1,001	7.89
7,500	992	7.90
7,800	981	7.92
8,100	972	7.97
8,400	966	7.96
8,700	965	7.95
9,000	962	7.96

**Notes and Sources:**

The benchmarks for these analyses are 1,019 clusters and \$7.87, instead of 1,018 clusters and \$7.64 as filed by AT&T/MCI on April 9, 2004, because AT&T/MCI make manual adjustments to the TNS preprocessing result, which cannot be replicated.

<sup>1</sup> Also referred to as "maximum lines" and defined as "the greatest number of lines that may be contained in the cluster" per AT&T/MCI. In the default scenario, the maximum merge points input variable is set at 6,451.

**Exhibit CMD-5b**  
**HM 5.3 Preprocessing Sensitivity Analyses**  
**Net Effect of Varying the Number of Clusters**

Maximum Merge Points <sup>1</sup>	Number of Clusters	Total Investment	Investment per Cluster	Cluster Ratio <sup>2</sup>	Investment Ratio <sup>3</sup>	Net Effect <sup>4</sup>
(Count)	(Count)	(Dollars)	(Dollars)	(e)	(f)	(g)
(a)	(b)	(c)	(d) (c) / (b)	(b) / 1,019	\$855,754 / (d)	(e) / (f)
300	6,576	\$ 1,167,874,621	\$ 177,597	6.4534	4.8185	1.3393
600	3,548	1,013,741,126	285,722	3.4818	2.9951	1.1625
900	2,570	948,967,280	369,248	2.5221	2.3176	1.0882
1,200	2,082	917,947,527	440,897	2.0432	1.9409	1.0527
1,500	1,821	898,338,408	493,321	1.7870	1.7347	1.0302
1,800	1,645	887,248,132	539,361	1.6143	1.5866	1.0175
2,100	1,516	882,476,767	582,109	1.4877	1.4701	1.0120
2,400	1,427	881,297,852	617,588	1.4004	1.3856	1.0106
2,700	1,336	876,696,354	656,210	1.3111	1.3041	1.0054
3,000	1,273	877,633,372	689,421	1.2493	1.2413	1.0064
3,300	1,231	875,109,664	710,893	1.2080	1.2038	1.0036
3,600	1,197	874,948,715	730,951	1.1747	1.1707	1.0034
3,900	1,159	875,125,711	755,070	1.1374	1.1333	1.0036
4,200	1,137	875,881,989	770,345	1.1158	1.1109	1.0044
4,500	1,116	874,573,891	783,668	1.0952	1.0920	1.0029
4,800	1,094	873,903,318	798,815	1.0736	1.0713	1.0022
5,100	1,080	873,910,386	809,176	1.0599	1.0576	1.0022
5,400	1,064	872,937,424	820,430	1.0442	1.0431	1.0011
5,700	1,048	873,125,671	833,135	1.0285	1.0271	1.0013
6,000	1,037	872,484,128	841,354	1.0177	1.0171	1.0005
6,300	1,024	871,818,767	851,386	1.0049	1.0051	0.9998
<b>6,451</b>	<b>1,019</b>	<b>872,013,437</b>	<b>855,754</b>	<b>1.0000</b>	<b>1.0000</b>	<b>1.0000</b>
6,600	1,014	873,503,433	861,443	0.9951	0.9934	1.0017
6,900	1,008	872,539,472	865,615	0.9892	0.9886	1.0006
7,200	1,001	872,841,017	871,969	0.9823	0.9814	1.0009
7,500	992	873,849,333	880,897	0.9735	0.9715	1.0021

**Exhibit CMD-5**  
**Reply Declaration of Christian M. Dippon**

<b>Maximum Merge Points<sup>1</sup></b>	<b>Number of Clusters</b>	<b>Total Investment</b>	<b>Investment per Cluster</b>	<b>Cluster Ratio<sup>2</sup></b>	<b>Investment Ratio<sup>3</sup></b>	<b>Net Effect<sup>4</sup></b>
<b>(Count)</b>	<b>(Count)</b>	<b>(Dollars)</b>	<b>(Dollars)</b>	<b>(e)</b>	<b>(f)</b>	<b>(g)</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(b) / 1,019</b>	<b>\$855,754 / (d)</b>	<b>(e) / (f)</b>
7,800	981	875,079,425	892,028	0.9627	0.9593	1.0035
8,100	972	877,467,298	902,744	0.9539	0.9479	1.0063
8,400	966	876,364,430	907,210	0.9480	0.9433	1.0050
8,700	965	874,949,849	906,684	0.9470	0.9438	1.0034
9,000	962	875,309,129	909,885	0.9441	0.9405	1.0038

**Notes and Sources:**

The benchmark for these analyses differs from the numbers filed by AT&T/MCI on April 9, 2004 because AT&T/MCI make manual adjustments to the TNS preprocessing result, which cannot be replicated.

<sup>1</sup> Also referred to as "maximum lines" and defined as "the greatest number of lines that may be contained in the cluster" per AT&T/MCI. In the default scenario, the maximum merge points input variable is set at 6,451.

<sup>2</sup> Calculated as (Number of clusters) / (Number of clusters in default scenario).

<sup>3</sup> Calculated as (Investment per cluster in default scenario) / (Investment per cluster).

<sup>4</sup> Values close to one reflect the fact that increase/decrease in number of clusters is offset by decrease/increase in the investment per cluster. Thus, the net effect of varying the number of clusters on the total loop monthly unit cost is small.