

Demonstration of Risk of Rate Instability or Service Interruption or Cessation  
state the following:

"The CAF support reduction began July 2012. Projecting through the calendar year 2015, including additional reductions that will occur July 1, 2015.

Calculation Method 1:

5% Annual CAF reduction amounts:

Baseline	2012	2013	2014	2015	(6 months) 2016	Total
Revenue						
1,084,327						
	1,084,327	1,030,111	978,605	929,675	883,191	
	5%	5%	5%	5.00%	2.50%	
	54,216	51,506	48,930	46,484	22,080	201,136
	1,084,327	1,030,111	978,605	929,675	883,191	
	(54,216)	(51,506)	(48,930)	(46,484)	(22,080)	
	1,030,111	978,605	929,675	883,191	861,111	

Calculation Method 2:

Baseline	2012	2013	2014	2015	(6 months) 2015	Total
Revenue						
1,084,327						
Remains constant	1,084,327	1,084,327	1,084,327	1,084,327	542,164	4,337,308
5% annual Reduction	1,030,111	978,605	929,675	883,191	430,556	3,821,582
Difference	54,216	105,722	154,652	201,136	111,608	515,726