

1 rates above were recently phased in through Docket UT-040788, and became effective
2 July 1, 2007.

3
4 **IV. COMPARABLE LOCAL EXCHANGE RATES ON A NATIONAL LEVEL**

5
6 **Q. How do United's local exchange rates compare to local exchange rates on a national
7 level?**

8 A. Exhibit No. ____ (TWZ-4) provides the national average urban monthly charge for flat-
9 rate service (including touch tone service). That rate is ~~\$15.72~~\$15.62 per month, as
10 reflected in Table 1.1. Staff believes that, although the more relevant comparison is to
11 local exchange rates (which are provided separately and discussed above as Exhibit No.
12 ____ (TWZ-3) for reference) charged by United itself and other local exchange carriers
13 within the state of Washington, the rates paid by local exchange customers in other states
14 are also informative for this purpose. Dr. Blackmon discusses specific rates in other
15 states to show that even a local exchange rate of \$20.00 a month, or more, has still been
16 considered to be reasonable in this context.

17
18 **V. IMPUTED ANNUAL REVENUE AT VERIZON'S RATE LEVELS**

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20 **Q. Please provide and explain the calculation of the imputed annual revenue that Dr.
21 Blackmon refers to when making his recommendation that United's ITAC should
22 be reduced.**