

Analysis of Washington Network Investment and Operating Expense

| Total Product Investments | | Expected Life | Operating Expenses |
|---------------------------------------|---------------------|------------------|-----------------------|
| Forward-Looking Investment | WA-Specific | | |
| SS7 Investments | \$ 5,896,078 | 12 | \$ 930,559 |
| Operator Services | \$ 4,257,775 | 10 | \$ 3,344,489 |
| Total Collocation Investments | \$ 6,431,769 | 12 | \$ 1,015,105 |
| E911 Investments | \$ 2,998,925 | 12 | \$ 473,311 |
| Support Investments | \$ 294,521,594 | 25 | \$ - |
| ADSL, Frame Relay, ATM Incremental | \$ 54,913,992 | 9 | \$ 7,058,930 |
| Other Terminal | \$ 31,211,769 | 8 | \$ 10,990,710 |
| Total Switch Investments | \$ 233,173,358 | 12 | \$ 36,800,995 |
| Total Loop Investments | \$ 1,061,900,905 | 18 | \$ 126,708,123 |
| Total IOF Investments | \$ 160,652,809 | 9 | \$ 20,651,148 |
| Total Pub Comm Investments | \$ 337,341 | 8 | \$ - |
| Total Forward-looking Investments | \$ 1,856,296,315 | 17.1 | \$ 207,973,371 |