

Oneida Telephone Exchange      Oneida Telephone Exchange Exhibit A  
 Illinois Universal Service Funding Calculation      Schedule A.01  
 Based upon ICC Form 23A Report Data for December 31, 2009

<u>Line #</u>	<u>Description</u>	<u>Source</u>	<u>Amount</u>	<u>Adjustment*</u>	<u>Adjusted Amount</u>
1	Net Regulated Plant	Form 23A, P 8, Net Plant	\$ 1,109,026	\$ (1,702)	\$ 1,107,324
2	Materials and Supplies Inventory	Page 2, 13-Month Average	32,167		32,167
3	Customer Deposits	Form 23A, P 8, 4040	3,500	-	3,500
4	ADIT - Regulated Plant	Form 23A, P 8, 4100 + 4340	-	-	-
5	Rate Base before Working Capital	line 1 + line 2 - line 3 - line 4			1,135,991
6	Working Capital Requirement				
7	Total Operating Expenses	Form 23A, P 11, Total	780,612	(39,024)	741,588
8	Less: Depreciation Expense	Form 23A, P 11, 6560	258,871	(36,456)	222,415
9	Total WC Operating Expense	line 7 - line 8	521,741	(2,568)	519,173
10	WC OE Requirement	line 9 * 45 / 360			64,897
11	Commission-Ordered Cash Balance Requirement		-	-	-
12	Total Working Capital Requirement	line 10 + line 11			64,897
13	Total Rate Base	line 5 + line 12			1,200,888
14	Total Operating Revenues	Form 23A, P 9, Total	895,246	(33,093)	862,153
15	Less: Illinois Universal Service Fund	Page 3, Line 4	122,486	-	122,486
16	Net Operating Revenues	line 14 - line 15	772,760	(33,093)	739,667
17	Total Operating Expenses	Form 23A, P 11, Total	780,612	(39,024)	741,588
18	Other Operating Inc and Exp - Net	Form 23A, P 12, 7100	-	-	-
19	Other Operating Taxes	Form 23A, P 12, 7240	7,681	-	7,681
20	Net Op Inc before Income Taxes	line 16 - lines 17, 18, & 19	(15,533)	5,931	(9,602)
21	Income Tax Expense	line 34			-
22	Net Operating Income	line 20 - line 21			(9,602)
23	Return on Rate Base	line 22 / line 13			-0.80%
24	After-tax Cost of Capital				9.34%
25	Target Net Operating Income	line 24 * line 13			112,163
26	Adj to Achieve Target Return on RB	line 25 - line 22			121,765
27	Gross Revenue Conversion Factor	line 35			1.0000
28	ROR Funding Deficiency Including Inc Taxes	line 26 * line 27			121,765
29	Calculation of Income Tax Expense				
30	Net Op Inc before Inc Taxes	line 20			(9,602)
31	Illinois Inc & Rep Tax Expense	line 30 * 0.0%			-
32	Net Op Inc before Fed Inc Tax	line 30 - line 31			(9,602)
33	Federal Income Tax Expense	line 32 * 0%			-
34	Total Imputed Income Tax Expense	line 31 + line 33			-
35	Gross Revenue Conversion Factor	1/((1 - 0)*(1 - 0))			1.0000

\* Provide detail on Page 4 for all adjustments.

Oneida Telephone Exchange  
Illinois Universal Service Funding Calculation  
Based upon ICC Form 23A Report Data for December 31, 2009  
Material & Supplies Worksheet and Other Information

<u>Line #</u>		
1	December-08	\$22,293
2	January-09	\$24,640
3	February-09	\$28,828
4	March-09	\$29,871
5	April-09	\$29,884
6	May-09	\$32,834
7	June-09	\$36,514
8	July-09	\$37,153
9	August-09	\$37,943
10	September-09	\$40,527
11	October-09	\$40,730
12	November-09	\$41,006
13	December-09	\$15,951
14	13 Month Average	\$32,167

Sale/Lease Back Arrangement

The company does not have any sale(s)/lease back arrangement.  
The company does have sale(s)/lease back arrangement.

Lease Agreement with Affiliates

The company does not have any lease agreements with affiliates.  
The company does have lease agreements with affiliates.

Tax Status (1=Taxable, 2=Coop) 2

After Tax Return-Taxable 9.34%  
After Tax Return-Coop 9.34%

Oneida Telephone Exchange  
 Illinois Universal Service Funding Calculation  
 Based upon ICC Form 23A Report Data for December 31, 2009  
 Operating Revenues By Category

<u>Line #</u>		<u>Source</u>	<u>Amount</u>
		Form 23A, P 9, Total Local	
1	Local Revenues	Network Service Revenues	\$ 135,813
2	State Subscriber Line Charges	Trial Balance 12/31/09	\$ -
3	State Access Revenues	Trial Balance 12/31/09	\$ 52,009
4	State Universal Service Support	Trial Balance 12/31/09	\$ 122,486
5	State Special Access Revenues	Trial Balance 12/31/09	\$ 41,915
6	Total State Access & Local Revenues	Sum (Ln 1 - 5)	\$ 352,223
7	Federal Subscriber Lines Charges	Trial Balance 12/31/09	\$ 39,245
8	Federal Access Revenues	Trial Balance 12/31/09	\$ 368,064
9	Federal High Cost Loop Support	Trial Balance 12/31/09	\$ 7,163
10	Federal Special Access Revenues	Trial Balance 12/31/09	\$ 92,219
11	Total Federal Access Revenues	Sum (Ln 7 - 10)	\$ 506,691
12	Misc Revenues	Trial Balance 12/31/09	\$ 36,332
13	Total Operating Revenues	Ln 6 + Ln 11 + Ln 12	\$ 895,246

9.29.2011  
REVISED:  
Amount

\$	135,813	
\$	-	
\$	29,217	(22,791.67)
\$	122,486	
\$	64,707	22,791.67

\$ 352,223

\$	39,245
\$	368,064
\$	7,163
\$	92,219

\$ 506,691

\$ 36,332

\$ 895,246

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 Illinois Universal Service Funding Calculation  
 Based upon ICC Form 23A Report Data for December 31, 2009  
 Description of Adjustments

Description of Adjustment	Calc	Debit	Credit
<u>Rate Base Adjustments</u>			
2010 Plant Additions (In TPUC at Year End 2009)		\$196,956	Originally Reported
		-\$196,956	NOTE: Adjusted to Zero: Amount not placed in service in 2010, still under construction
<u>2009 Non-Regulated Gen Support Adjustments (18%)</u>			
General Support Assets			\$16,909
Accumulated Depreciation- General Support Assets		\$14,781	
Deferred Income Taxes- General Support Assets		\$426	
<u>Revenue Adjustments</u>			
Remove Prior Period Amounts		\$16,995	
Local Rate Adjustment \$20.39 Local Rates are at \$20.39			
2009 HCL USF	\$7,695		
2010 Projected HCL USF (recv'd in 2011)	\$0		
Change	-\$7,695	\$7,695	
Lost Access Revenues due to intrastate originating - Mirroring		\$8,403	
<u>Expense Adjustments</u>			
Remove Non-Regulated Depreciation Expense			\$28,523
<u>2009 Non-Regulated Gen Support Adjustments (18%)</u>			
Plant Specific- General Support Assets			\$1,185
Depreciation Expense- General Support Assets			\$7,933
Non-Income Taxes			\$1,383

Note: Carry all adjustments forward to Page 1

NET:	
	-\$1,702

NET:	
	-\$33,093

Depn		
	\$36,456	
Other Exp:		
	\$2,568	
		\$39,024