

[Company Name] Telephone Company
IITA Proposed Access Requirement Calculation
Based on Rate of Return Filing in Docket 00-0233 as Adjusted by Staff

<u>Line #</u>	<u>Description</u>	<u>Source</u>	<u>Amount</u>	<u>Adjustment</u>	<u>Adjusted Amount</u>
Calculation of Total Revenue Requirement					
1	Net Regulated Plant	Form 23A, P 8, Net Plant	\$ -	\$ -	\$ -
2	Materials and Supplies Inventory	Page 2, 13-Month Average	-	-	-
3	Customer Deposits	Form 23A, P 8, 4040	-	-	-
4	ADIT - Regulated Plant	Form 23A, P 8, 4100 + 4340	-	-	-
5	Rate Base before Working Capital	line 1 + line 2 - line 3 - line 4			-
6	Working Capital Requirement				
7	Total Operating Expenses	Form 23A, P 14, Total	-	-	-
8	Less: Depreciation Expense	Form 23A, P 13, 6560	-	-	-
9	Total WC Operating Expense	line 7 - line 8	-	-	-
10	WC OE Requirement	line 9 * 45 / 360			-
11	Commission-Ordered Cash Balance Requirement		-	-	-
12	Total Working Capital Requirement	line 10 + line 11			-
13	Total Rate Base	line 5 + line 12			-
14	After-tax Cost of Capital				11.21%
15	Target Net Operating Income	line 24 * line 13			-
16	Gross Revenue Conversion Factor	line 37			1.6324
17	Return & Tax Requirement	line 15 * line 16			-
18	Total Operating Expenses	Form 23A, P 14, Total	-	-	-
19	Other Operating Inc and Exp - Net	Form 23A, P 15, 7100	-	-	-
20	Other Operating Taxes	Form 23A, P 15, 7240	-	-	-
21	Total Expense Requirement	lines 17, 18, & 19	-	-	-
22	Total Revenue Requirement	line 17+ line 21			-
Calculation of Interstate Revenue/Revenue Requirement					
23	Total Federal Revenue Requirement	Cost Study or Avg Sched Calc			\$ -
Calculation of State Revenue Requirement					
24	State Revenue Requirement	Line 22-line 23			\$ -
Calculation of Revenue Sources					
25	Local Revenues	Form 23A, P 10, Total Local Network Service Revenues			\$ -
26	State Subscriber Line Charges	Trial Balance 12/31/00			-
27	State High Cost Support	Approved Support-1st year			-
28	Imputed Local-1st Yr Local USF Increase	Approved USF schedule			-
29	Federal High Cost Loop Support	Trial Balance 12/31/00			-
30	Miscellaneous Revenues	Trial Balance 12/31/00			-
31	less Interstate B&C Revenues	Trial Balance 12/31/00			-
33	Total Revenue Sources				\$ -
Calculation of State Access Requirement					
34	Total State Access Requirement	Line 24-Line 33			\$ -
35	State special access-(w/mirrored rates)	Trial Balance 12/31/00			-
36	State Switched Access Requirement	Line 34-Line 35			\$ -
37	Gross Revenue Conversion Factor	1 / ((1 - .0718) * (1 - .34))			1.6324