

Illinois Universal Service Funding Calculation  
Summary of Calculated Funding Requirement

Line No.	Description	Adams Telephone	Alhambra-	Cass Telephone	Egyptian Telephone	Flat Rock	Grafton	Subtotal
		Cooperative	Telephone	Company	Cooperative	Telephone Co-Op.	Telephone	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1	Net Regulated Plant	\$ 15,744,869	\$ 2,146,387	\$ 1,612,629	\$ 6,576,548	\$ 458,900	\$ 1,730,192	\$ 28,269,525
2	Materials and Supplies Inventory	601,462	37,398	32,863	167,118	58,737	29,259	926,837
3	Customer Deposits	77,905	5,850	2,550	9,099	1,402	1,800	98,606
4	ADIT - Regulated Plant	-	587,686	-	(92,047)	-	-	495,639
5	Rate Base before Working Capital	16,268,426	1,590,249	1,642,942	6,826,614	516,235	1,757,651	28,602,117
6	Working Capital Requirement	-	-	-	-	-	-	-
7	Total Operating Expenses	5,508,846	909,044	2,981,026	5,088,471	456,314	1,095,991	16,039,692
8	Less: Depreciation Expense	1,484,753	244,272	305,931	1,316,508	94,301	272,825	3,718,590
9	Total WC Operating Expense	4,024,093	664,772	2,675,095	3,771,963	362,013	823,166	12,321,102
10	WC OE Requirement	503,012	83,097	334,387	471,495	45,252	102,896	1,540,138
11	Commission-Ordered Cash Balance Req.	-	-	-	-	-	-	-
12	Total Working Capital Requirement	503,012	83,097	334,387	471,495	45,252	102,896	1,540,138
13	Total Rate Base	16,771,438	1,673,346	1,977,329	7,298,109	561,487	1,860,547	30,142,255
14	Total Operating Revenues	6,119,862	1,112,247	3,169,100	5,904,013	616,604	1,304,679	18,226,505
15	Less: Illinois High Cost Fund	-	62,712	538,887	1,120,092	108,480	197,064	2,027,235
16	Net Operating Revenues	6,119,862	1,049,535	2,630,213	4,783,921	508,124	1,107,615	16,199,270
17	Total Operating Expenses	5,508,846	909,044	2,981,026	5,088,471	456,314	1,095,991	16,039,692
18	Other Operating Inc and Exp - Net	-	-	-	-	-	-	-
19	Other Operating Taxes	35,279	8,960	10,271	12,000	16,235	13,937	96,682
20	Net Op Inc before Income Taxes	575,737	131,531	(361,084)	(316,550)	35,575	(2,313)	62,896
21	Income Tax Expense	-	50,203	(5,416)	-	-	(35)	44,752
22	Net Operating Income	575,737	81,328	(355,668)	(316,550)	35,575	(2,278)	18,144
23	Return on Rate Base	3.43%	4.86%	-17.99%	-4.34%	6.34%	-0.12%	
24	After-tax Cost of Capital	9.34%	9.34%	9.34%	9.34%	9.34%	9.34%	
25	Target Net Operating Income	1,566,452	156,290	184,683	681,643	52,443	173,775	
26	Adj to Achieve Target Return on RB	990,715	74,962	540,351	998,193	16,868	176,053	
27	Gross Revenue Conversion Factor	1.0000	1.6173	1.0152	1.0000	1.0000	1.0152	
28	ROR Deficiency	990,715	121,237	548,564	998,193	16,868	178,734	\$ 2,854,311
29	Calculation of Income Tax Expense							
30	Net Op Inc before Inc Taxes	575,737	131,531	(361,084)	(316,550)	35,575	(2,313)	
31	Illinois Income Tax Expense	-	12,495	(5,416)	-	-	(35)	
32	Net Op Inc before Fed Inc Tax	575,737	119,036	(355,668)	(316,550)	35,575	(2,348)	
33	Federal Income Tax Expense	-	37,708	-	-	-	-	
34	Total Income Tax Expense	-	50,203	(5,416)	-	-	(35)	
35	Gross Revenue Conversion Factor	1.0000	1.6173	1.0152	1.0000	1.0000	1.0152	

Illinois Universal Service Funding Calculation  
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Line No.	Description	Subtotal from Page 1	Gridlev Telephone Company	Hamilton County Telephone Co-op	Harrisonville Telephone Company	Home Telephone Company	LaHarpe Telephone Company	Subtotal
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1	Net Regulated Plant	\$ 28,269,525	\$ 2,196,047	\$ 4,052,363	\$ 39,073,371	\$ 4,726,690	\$ 2,841,332	\$ 81,159,328
2	Materials and Supplies Inventory	926,837	70,686	523,655	472,913	104,467	78,016	2,176,574
3	Customer Deposits	98,606	2,195	9,225	8,687	1,650	225	120,588
4	ADIT - Regulated Plant	<u>495,639</u>	<u>96,700</u>	-	<u>4,371,912</u>	<u>598,713</u>	-	<u>5,562,964</u>
5	Rate Base before Working Capital	28,602,117	2,167,838	4,566,793	35,165,685	4,230,794	2,919,123	77,652,350
6	Working Capital Requirement							
7	Total Operating Expenses	16,039,692	1,892,967	2,148,141	15,568,714	3,476,235	1,605,649	40,731,398
8	Less: Depreciation Expense	<u>3,718,590</u>	<u>410,052</u>	<u>843,693</u>	<u>3,885,211</u>	<u>659,285</u>	<u>355,654</u>	<u>9,872,485</u>
9	Total WC Operating Expense	<u>12,321,102</u>	<u>1,482,915</u>	<u>1,304,448</u>	<u>11,683,503</u>	<u>2,816,950</u>	<u>1,249,995</u>	<u>30,858,913</u>
10	WC OE Requirement	1,540,138	185,364	163,056	1,460,438	352,119	156,249	3,857,364
11	Commission-Ordered Cash Balance Req.	-	-	-	-	-	-	-
12	Total Working Capital Requirement	<u>1,540,138</u>	<u>185,364</u>	<u>163,056</u>	<u>1,460,438</u>	<u>352,119</u>	<u>156,249</u>	<u>3,857,364</u>
13	Total Rate Base	<u>30,142,255</u>	<u>2,353,202</u>	<u>4,729,849</u>	<u>36,626,123</u>	<u>4,582,913</u>	<u>3,075,372</u>	<u>81,509,714</u>
14	Total Operating Revenues	18,226,505	2,113,078	2,358,100	19,438,626	4,041,539	2,001,717	48,179,565
15	Less: Illinois High Cost Fund	<u>2,027,235</u>	<u>329,796</u>	-	<u>595,008</u>	<u>633,540</u>	<u>209,028</u>	<u>3,794,607</u>
16	Net Operating Revenues	16,199,270	1,783,282	2,358,100	18,843,618	3,407,999	1,792,689	44,384,958
17	Total Operating Expenses	16,039,692	1,892,094	2,148,141	15,568,714	3,476,235	1,605,649	40,730,525
18	Other Operating Inc and Exp - Net	-	-	-	10,769	-	-	10,769
19	Other Operating Taxes	<u>96,682</u>	<u>17,098</u>	<u>5,599</u>	<u>126,068</u>	<u>19,701</u>	<u>3,977</u>	<u>269,125</u>
20	Net Op Inc before Income Taxes	62,896	(125,910)	204,360	3,138,067	(87,937)	183,063	3,374,539
21	Income Tax Expense	<u>44,752</u>	<u>(50,666)</u>	-	<u>1,263,699</u>	<u>(35,412)</u>	<u>2,746</u>	<u>1,225,119</u>
22	Net Operating Income	<u>18,144</u>	<u>(75,244)</u>	<u>204,360</u>	<u>1,874,368</u>	<u>(52,525)</u>	<u>180,317</u>	<u>2,149,420</u>
23	Return on Rate Base		<u>-3.20%</u>	<u>4.32%</u>	<u>5.12%</u>	<u>-1.15%</u>	<u>5.86%</u>	
24	After-tax Cost of Capital		<u>9.34%</u>	<u>9.34%</u>	<u>9.34%</u>	<u>9.34%</u>	<u>9.34%</u>	
25	Target Net Operating Income		<u>219,789</u>	<u>441,768</u>	<u>3,420,880</u>	<u>428,044</u>	<u>287,240</u>	
26	Adj to Achieve Target Return on RB		295,033	237,408	1,546,512	480,569	106,923	
27	Gross Revenue Conversion Factor		<u>1.6734</u>	<u>1.0000</u>	<u>1.6742</u>	<u>1.6742</u>	<u>1.0152</u>	
28	ROR Deficiency	<u>2,854,311</u>	<u>493,708</u>	<u>237,408</u>	<u>2,589,171</u>	<u>804,569</u>	<u>108,548</u>	<u>7,087,715</u>
29	Calculation of Income Tax Expense							
30	Net Op Inc before Inc Taxes		(125,910)	204,360	3,138,067	(87,937)	183,063	
31	Illinois Income Tax Expense		<u>(11,961)</u>	-	<u>298,116</u>	<u>(8,354)</u>	<u>2,746</u>	
32	Net Op Inc before Fed Inc Tax		(113,949)	204,360	2,839,951	(79,583)	180,317	
33	Federal Income Tax Expense		<u>(38,705)</u>	-	<u>965,583</u>	<u>(27,058)</u>	-	
34	Total Imputed Income Tax Expense		<u>(50,666)</u>	-	<u>1,263,700</u>	<u>(35,412)</u>	<u>2,746</u>	
35	Gross Revenue Conversion Factor		<u>1.6734</u>	<u>1.0000</u>	<u>1.6742</u>	<u>1.6742</u>	<u>1.0152</u>	

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Line No.	Description	Subtotal from Page 2	Leaf River Telephone Company	Madison Telephone Company	Metamora Telephone Company	McDonough Telephone Coop	McNabb Telephone Company	Subtotal
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Net Regulated Plant	\$ 81,159,328	\$ 2,713,515	\$ 11,739,953	\$ 5,404,676	\$ 12,269,894	\$ 499,397	\$113,786,763
2	Materials and Supplies Inventory	2,176,574	93,366	95,821	324,246	322,997	16,384	3,029,388
3	Customer Deposits	120,588	2,050	15,084	24,126	375	5,030	167,253
4	ADIT - Regulated Plant	5,562,964	-	-	410,637	-	35,775	6,009,376
5	Rate Base before Working Capital	77,652,350	2,804,831	11,820,690	5,294,159	12,592,516	474,976	110,639,522
6	Working Capital Requirement							
7	Total Operating Expenses	40,731,398	1,285,124	9,020,851	2,555,595	5,416,535	670,994	59,680,497
8	Less: Depreciation Expense	9,872,485	338,757	1,783,077	790,104	1,493,331	107,361	14,385,115
9	Total WC Operating Expense	30,858,913	946,367	7,237,774	1,765,491	3,923,204	563,633	45,295,382
10	WC OE Requirement	3,857,364	118,296	904,722	220,686	490,400	70,454	5,661,922
11	Commission-Ordered Cash Balance Req.	-	-	-	-	-	-	-
12	Total Working Capital Requirement	3,857,364	118,296	904,722	220,686	490,400	70,454	5,661,922
13	Total Rate Base	81,509,714	2,923,127	12,725,412	5,514,845	13,082,916	545,430	116,301,444
14	Total Operating Revenues	48,179,565	1,602,711	8,876,802	2,946,612	6,676,787	598,463	68,880,940
15	Less: Illinois High Cost Fund	3,794,607	264,360	783,924	354,556	926,664	62,940	6,187,051
16	Net Operating Revenues	44,384,958	1,338,351	8,092,878	2,592,056	5,750,123	535,523	62,693,889
17	Total Operating Expenses	40,730,525	1,285,124	9,020,851	2,555,595	5,416,535	670,994	59,679,624
18	Other Operating Inc and Exp - Net	10,769	-	-	-	-	-	10,769
19	Other Operating Taxes	269,125	18,633	31,271	51,664	19,445	10,571	400,709
20	Net Op Inc before Income Taxes	3,374,539	34,594	(959,244)	(15,203)	314,143	(146,042)	2,602,787
21	Income Tax Expense	1,225,119	519	(14,390)	(6,122)	-	(36,128)	1,168,998
22	Net Operating Income	2,149,420	34,075	(944,854)	(9,081)	314,143	(109,914)	1,433,789
23	Return on Rate Base		1.17%	-7.42%	-0.16%	2.40%	-20.15%	
24	After-tax Cost of Capital		9.34%	9.34%	9.34%	9.34%	9.34%	
25	Target Net Operating Income		273,020	1,188,553	515,087	1,221,944	50,943	
26	Adj to Achieve Target Return on RB		238,945	2,133,407	524,168	907,801	160,857	
27	Gross Revenue Conversion Factor		1.0152	1.0152	1.6742	1.0000	1.3287	
28	ROR Deficiency	7,087,715	242,587	2,165,835	877,562	907,801	213,731	11,495,231
29	Calculation of Income Tax Expense							
30	Net Op Inc before Inc Taxes		34,594	(959,244)	(15,203)	314,143	(146,042)	
31	Illinois Income Tax Expense		519	(14,390)	(1,444)	-	(13,874)	
32	Net Op Inc before Fed Inc Tax		34,075	(944,854)	(13,759)	314,143	(132,168)	
33	Federal Income Tax Expense		-	-	(4,678)	-	(22,254)	
34	Total Imputed Income Tax Expense		519	(14,390)	(6,122)	-	(36,128)	
35	Gross Revenue Conversion Factor		1.0152	1.0152	1.6742	1.0000	1.3287	

Illinois Universal Service Funding Calculation  
Summary of Calculated Funding Requirement

Line No.	Description	Subtotal from Page 3	MidCentury	Montrose Mutual	Moultrie	New Windsor	Oneida	Subtotal
			Telephone Cooperative, Inc.	Telephone Company	Independent Telephone Company	Telephone Company	Telephone Exchange	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1	Net Regulated Plant	\$ 113,786,763	\$ 15,946,283	\$ 1,211,283	\$ 1,749,579	\$ 1,281,930	\$ 1,107,324	\$ 135,083,162
2	Materials and Supplies Inventory	3,029,388	42,825	286,850	46,485	28,377	32,167	3,466,092
3	Customer Deposits	167,253	-	1,600	-	6,486	3,500	178,839
4	ADIT - Regulated Plant	<u>6,009,376</u>	-	<u>322,676</u>	-	<u>252,788</u>	-	<u>6,584,840</u>
5	Rate Base before Working Capital	110,639,522	15,989,108	1,173,857	1,796,064	1,051,033	1,135,991	131,785,575
6	Working Capital Requirement							
7	Total Operating Expenses	59,680,497	4,971,800	1,558,097	1,969,627	520,792	741,588	69,442,401
8	Less: Depreciation Expense	<u>14,385,115</u>	<u>1,707,653</u>	<u>228,193</u>	<u>277,671</u>	<u>166,234</u>	<u>222,415</u>	<u>16,987,281</u>
9	Total WC Operating Expense	<u>45,295,382</u>	<u>3,264,147</u>	<u>1,329,904</u>	<u>1,691,956</u>	<u>354,558</u>	<u>519,173</u>	<u>52,455,120</u>
10	WC OE Requirement	5,661,922	408,018	166,238	211,495	44,320	64,897	6,556,889
11	Commission-Ordered Cash Balance Req.	-	-	-	-	-	-	-
12	Total Working Capital Requirement	<u>5,661,922</u>	<u>408,018</u>	<u>166,238</u>	<u>211,495</u>	<u>44,320</u>	<u>64,897</u>	<u>6,556,889</u>
13	Total Rate Base	<u>116,301,444</u>	<u>16,397,126</u>	<u>1,340,095</u>	<u>2,007,559</u>	<u>1,095,353</u>	<u>1,200,888</u>	<u>138,342,464</u>
14	Total Operating Revenues	68,880,940	5,536,625	1,558,979	2,459,246	661,367	862,153	79,959,310
15	Less: Illinois High Cost Fund	<u>6,187,051</u>	<u>166,464</u>	<u>257,688</u>	<u>593,724</u>	<u>85,714</u>	<u>122,486</u>	<u>7,413,127</u>
16	Net Operating Revenues	62,693,889	5,370,161	1,301,291	1,865,522	575,653	739,667	72,546,183
17	Total Operating Expenses	59,679,624	4,971,800	1,558,097	1,969,627	520,792	741,588	69,441,528
18	Other Operating Inc and Exp - Net	10,769	-	-	-	-	-	10,769
19	Other Operating Taxes	<u>400,709</u>	<u>83,748</u>	<u>7,889</u>	<u>1,607</u>	<u>9,065</u>	<u>7,681</u>	<u>510,699</u>
20	Net Op Inc before Income Taxes	2,602,787	314,613	(264,695)	(105,712)	45,796	(9,602)	2,583,187
21	Income Tax Expense	<u>1,168,998</u>	-	<u>(95,995)</u>	<u>(41,629)</u>	<u>15,565</u>	-	<u>1,046,939</u>
22	Net Operating Income	<u>1,433,789</u>	<u>314,613</u>	<u>(168,700)</u>	<u>(64,083)</u>	<u>30,231</u>	<u>(9,602)</u>	<u>1,536,248</u>
23	Return on Rate Base	<u>0.00%</u>	<u>1.92%</u>	<u>-12.59%</u>	<u>-3.19%</u>	<u>2.76%</u>	<u>-0.80%</u>	
24	After-tax Cost of Capital		<u>9.34%</u>	<u>9.34%</u>	<u>9.34%</u>	<u>9.34%</u>	<u>9.34%</u>	
25	Target Net Operating Income		<u>1,531,492</u>	<u>125,165</u>	<u>187,506</u>	<u>102,306</u>	<u>112,163</u>	
26	Adj to Achieve Target Return on RB		1,216,879	293,865	251,589	72,075	121,765	
27	Gross Revenue Conversion Factor		<u>1.0000</u>	<u>1.5690</u>	<u>1.6496</u>	<u>1.5149</u>	<u>1.0000</u>	
28	ROR Deficiency	<u>11,495,231</u>	<u>1,216,879</u>	<u>461,074</u>	<u>415,021</u>	<u>109,186</u>	<u>121,765</u>	<u>13,819,156</u>
29	Calculation of Income Tax Expense							
30	Net Op Inc before Inc Taxes		314,613	(264,695)	(105,712)	45,796	(9,602)	
31	Illinois Income Tax Expense		-	<u>(25,146)</u>	<u>(10,043)</u>	<u>4,351</u>	-	
32	Net Op Inc before Fed Inc Tax		314,613	(239,549)	(95,669)	41,445	(9,602)	
33	Federal Income Tax Expense		-	<u>(70,849)</u>	<u>(31,586)</u>	<u>11,214</u>	-	
34	Total Imputed Income Tax Expense		-	<u>(95,995)</u>	<u>(41,629)</u>	<u>15,565</u>	-	
35	Gross Revenue Conversion Factor		<u>1.0000</u>	<u>1.5690</u>	<u>1.6496</u>	<u>1.5149</u>	<u>1.0000</u>	

Illinois Universal Service Funding Calculation  
Summary of Calculated Funding Requirement

Line No.	Description	Subtotal from Page 4	Reynolds Telephone Company	Shawnee Telephone Company	Viola Home Telephone Company	Wabash Telephone Cooperative	Woodhull Telephone Company	Subtotal Calculated Funding Requirement
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1	Net Regulated Plant	\$ 135,083,162	\$ 1,743,549	\$ 22,815,147	\$ 1,226,901	\$ 11,898,052	\$ 1,951,462	\$ 174,718,273
2	Materials and Supplies Inventory	3,466,092	22,793	181,634	21,427	384,764	24,901	4,101,611
3	Customer Deposits	178,839	2,800	108,859	208	13,990	-	304,696
4	ADIT - Regulated Plant	6,584,840	142,446	269,783	108,689	-	106,260	7,212,018
5	Rate Base before Working Capital	131,785,575	1,621,096	22,618,139	1,139,431	12,268,826	1,870,103	171,303,170
6	Working Capital Requirement	-	-	-	-	-	-	-
7	Total Operating Expenses	69,442,401	492,280	7,867,730	661,537	5,687,683	751,661	84,903,292
8	Less: Depreciation Expense	16,987,281	138,331	1,876,412	143,832	1,886,630	169,069	21,201,555
9	Total WC Operating Expense	52,455,120	353,949	5,991,318	517,705	3,801,053	582,592	63,701,737
10	WC OE Requirement	6,556,889	44,244	748,915	64,713	475,132	72,824	7,962,716
11	Commission-Ordered Cash Balance Req.	-	-	-	-	-	-	-
12	Total Working Capital Requirement	6,556,889	44,244	748,915	64,713	475,132	72,824	7,962,716
13	Total Rate Base	138,342,464	1,665,340	23,367,054	1,204,144	12,743,958	1,942,927	179,265,886
14	Total Operating Revenues	79,959,310	535,817	10,358,234	600,888	5,799,285	857,123	98,110,657
15	Less: Illinois High Cost Fund	7,413,127	-	810,480	32,860	711,204	51,614	9,019,285
16	Net Operating Revenues	72,546,183	535,817	9,547,754	568,028	5,088,081	805,509	89,091,372
17	Total Operating Expenses	69,441,528	492,280	7,867,730	664,574	5,687,683	751,661	84,905,456
18	Other Operating Inc and Exp - Net	10,769	-	-	-	-	-	10,769
19	Other Operating Taxes	510,699	3,438	24,287	9,786	38,698	6,310	593,218
20	Net Op Inc before Income Taxes	2,583,187	40,099	1,655,737	(106,332)	(638,300)	47,538	3,581,929
21	Income Tax Expense	1,046,939	15,290	666,765	(41,663)	-	18,626	1,705,957
22	Net Operating Income	1,536,248	24,809	988,972	(64,669)	(638,300)	28,912	1,875,972
23	Return on Rate Base		1.49%	4.23%	-5.37%	-5.01%	1.49%	
						0.00%		
24	After-tax Cost of Capital		9.34%	9.34%	9.34%	9.34%	9.34%	
25	Target Net Operating Income		155,543	2,182,483	112,467	1,190,286	181,469	
26	Adj to Achieve Target Return on RB		130,734	1,193,511	177,136	1,828,586	152,557	
27	Gross Revenue Conversion Factor		1.6164	1.6742	1.6345	1.0000	1.6442	
28	ROR Deficiency	13,819,156	211,312	1,998,176	289,529	1,828,586	250,840	18,397,598
29	Calculation of Income Tax Expense							
30	Net Op Inc before Inc Taxes		40,099	1,655,737	(106,332)	(638,300)	47,538	
31	Illinois Income Tax Expense		3,809	157,295	(10,102)	-	4,516	
32	Net Op Inc before Fed Inc Tax		36,290	1,498,442	(96,230)	(638,300)	43,022	
33	Federal Income Tax Expense		11,481	491,444	(31,561)	-	14,110	
34	Total Imputed Income Tax Expense		15,290	648,739	(41,663)	-	18,626	
35	Gross Revenue Conversion Factor		1.6164	1.6742	1.6345	1.0000	1.6442	

Illinois Universal Service Funding Calculation  
Summary of Calculated Funding Requirement

Line No.	Description	Subtotal from Page 5	Frontier Communications-Illinois	Frontier Communications-Midland	Frontier Communications-Lakeside	Frontier Communications-Mt Pulaski	Frontier Communications-Schuyler	Frontier Communications-Orion	Total Calculated Funding Requirement
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Net Regulated Plant	\$ 174,718,273	\$ 10,397,000	\$ 8,894,605	\$ 1,054,000	\$ 5,928,000	\$ 6,057,000	\$ 2,148,000	\$ 209,196,878
2	Materials and Supplies Inventory	4,101,611	-	-	-	-	-	-	4,101,611
3	Customer Deposits	304,696	-	-	-	-	-	-	304,696
4	ADIT - Regulated Plant	7,212,018	774,881	644,023	113,097	212,813	1,243,371	162,942	10,363,145
5	Rate Base before Working Capital	171,303,170	9,622,119	8,250,582	940,903	5,715,187	4,813,629	1,985,058	202,630,648
6	Working Capital Requirement								
7	Total Operating Expenses	84,903,292	2,356,911	2,604,250	364,279	1,060,106	1,400,955	824,302	93,514,095
8	Less: Depreciation Expense	21,201,555	1,068,094	1,115,656	150,593	535,959	635,403	260,430	24,967,690
9	Total WC Operating Expense	63,701,737	1,288,817	1,488,594	213,686	524,147	765,552	563,872	68,546,405
10	WC OE Requirement	7,962,716	161,102	186,074	26,711	65,518	95,694	70,484	8,568,300
11	Commission-Ordered Cash Balance Req.	-	-	-	-	-	-	-	-
12	Total Working Capital Requirement	7,962,716	161,102	186,074	26,711	65,518	95,694	70,484	8,568,300
13	Total Rate Base	179,265,886	9,783,221	8,436,656	967,614	5,780,705	4,909,323	2,055,542	211,198,948
14	Total Operating Revenues	98,110,657	2,821,737	3,476,116	473,034	1,152,908	1,938,031	886,030	108,858,513
15	Less: Illinois High Cost Fund	9,019,285	11,316	329,056	-	-	152,652	-	9,512,309
16	Net Operating Revenues	89,091,372	2,810,421	3,147,060	473,034	1,152,908	1,785,379	886,030	99,346,204
17	Total Operating Expenses	84,905,456	2,356,911	2,604,250	364,279	1,060,106	1,400,955	824,302	93,516,259
18	Other Operating Inc and Exp - Net	10,769	-	-	-	-	-	-	10,769
19	Other Operating Taxes	593,218	40,272	46,261	3,615	17,613	15,379	10,965	727,323
20	Net Op Inc before Income Taxes	3,581,929	413,238	496,549	105,140	75,189	369,045	50,763	5,091,853
21	Income Tax Expense	1,705,957	166,411	199,960	42,340	30,279	148,615	20,442	2,314,004
22	Net Operating Income	1,875,972	246,827	296,589	62,800	44,910	220,430	30,321	2,777,849
23	Return on Rate Base		2.52%	3.52%	6.49%	0.78%	4.49%	1.48%	19.27%
24	After-tax Cost of Capital		9.34%	9.34%	9.34%	9.34%	9.34%	9.34%	56.04%
25	Target Net Operating Income		913,753	787,984	90,375	539,918	458,531	191,988	2,982,548
26	Adj to Achieve Target Return on RB		666,926	491,395	27,575	495,007	238,100	161,667	2,080,671
27	Gross Revenue Conversion Factor		1.6742	1.6345	1.6742	1.6345	1.6345	1.6345	9.8864
28	Calculated ROR Deficiency <sup>1</sup>	18,397,598	1,116,567	803,185	46,166	809,090	389,175	264,245	21,826,026
28a	Calculated ROR Deficiency at Requested Amounts by Frontier Companies	18,397,598	182,494	160,596	10,403	121,793	71,517	40,230	18,984,631
29	Calculation of Income Tax Expense								
30	Net Op Inc before Inc Taxes		413,238	496,549	105,140	75,189	369,045	50,763	
31	Illinois Income Tax Expense		39,258	47,172	9,989	7,143	35,060	4,822	
32	Net Op Inc before Fed Inc Tax		373,980	449,377	95,151	68,046	333,985	45,941	
33	Federal Income Tax Expense		127,153	152,788	32,352	23,136	113,555	15,620	
34	Total Imputed Income Tax Expense		166,411	199,960	42,340	30,278	148,615	20,442	
35	Gross Revenue Conversion Factor		1.6742	1.6345	1.6742	1.6345	1.6345	1.6345	

Note <sup>1</sup> Frontier Companies' 2009 Form 1.01 supports a higher level of funding than they requested. Frontier companies' funding level is included at the level each requested in Frontier Communications Exhibit 2.0.