

UNBUNDLED NETWORK ELEMENT RATE COMPARISON MATRIX

All Rates for RBOC in each State Unless Otherwise Noted

Updated January 2004

State Access Lines	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per MOU)	Tandem Switching and Transport (per MOU)
Alabama 1,894,740	BS	1	\$12.58	\$1.38	\$0.0007025	\$0.00010 Tandem Switching \$0.0003224 Common Transport
		2	\$21.05			
		3	\$34.34			
		Avg	\$17.60 *			
Alaska 170,763 44,041	ATU	1	\$14.92	\$4.27	\$0.006595	\$0.004712 Tandem Switching \$0.000416 Termination
	ACS	1	\$19.19	\$1.38	\$0.00203	\$0.00155 Tandem Switching \$0.00023 Common Transport
Arizona 2,713,114	QW	1	\$9.05	\$2.44	\$0.00097	\$0.000550 Tandem Switching \$0.0008236 Common Transport
		2	\$14.84			
		3	\$36.44			
		Avg	\$12.12			
Arkansas 986,362	SBC	3	\$11.86	\$1.61	\$0.001310 \$0.001690 \$0.002530	\$0.000789 Tandem Switching \$0.000157-\$0.000196 Common Transport
		2	\$13.64			
		1	\$23.34			
		Avg	\$13.09			
California 17,708,228	SBC	1	\$8.24	\$0.83	\$0.00175 Set Up \$0.000550 Originating 0.00208 Set Up \$0.000550 Terminating	\$0.00023 Set Up \$0.000130 Tandem Switching \$0.00120 Common Transport
		2	\$11.19			
		3	\$19.69			
		Avg	\$9.82			
Colorado 2,667,934	QW	1	\$5.91	\$1.15	\$0.00161	\$0.00069 Tandem Switching \$0.00111 Common Transport
		2	\$12.31			
		3	\$32.74			
		Avg	\$15.85			
Connecticut 2,297,099	SBC	1A	\$8.95	\$3.31	\$0.007151 On-Net** \$0.003576 Off-Net	\$0.001984 Tandem Switching
		B	\$12.03			
		C	\$13.28			
		D	\$19.69			
		Avg	\$12.49			

*Stand-alone rates. Loop and port combination rates used in UNE-P shown on Table 1A.

** On-Net rate charged only on originating minutes.

Updated January 2004

State Access Lines	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per MOU)	Tandem Switching and Transport (per MOU)
D.C. 897,193	VZ	1	\$8.49 **	\$1.55	\$0.00300	\$0.00011 Tandem Switching \$0.00020 Common Transport
Delaware 580,535	VZ	1 2 3 Avg	\$10.07 \$13.13 \$16.67 \$12.03	\$2.23	\$0.002507 Originating \$0.001330 Terminating	\$0.0006688 Tandem Switching \$0.0001221 Common Transport
Florida 6,456,849	BS	1 2 3 Avg	\$10.69 \$15.20 \$26.97 \$15.27 *	\$1.40 \$3.66 w/all features *	\$0.0007662	\$0.0001319 Tandem Switching \$0.0004372 Common Transport
Georgia 4,030,955	BS	1 2 3 Avg	\$10.51 \$15.85 \$31.97 \$13.70 *	\$1.09 *	\$0.0006153	\$0.0000972 Tandem Switching \$0.0001914 Common Transport
Hawaii 706,080	VZ	Oahu Maui Hawaii	\$10.44 \$17.23 \$21.91	\$2.69	\$0.0076074	\$0.0012572 Tandem Switching \$0.0002710 Common Transport
Idaho 541,034	QW	1 2 3 Avg	\$15.65 \$23.76 \$40.50 \$20.21	\$1.34	\$0.001343	\$0.00069 Tandem Switching \$0.00111 Common Transport
Illinois 6,751,592	SBC	A B C Avg	\$2.59 \$7.07 \$11.40 \$9.81	\$2.18	Included in port rate	\$0.000215 Tandem Switching \$0.000415 Shared Transport
Indiana 2,294,599	SBC	3 2 1 Avg	\$12.00 \$12.50 \$11.50 \$12.12	\$2.98	Included in port rate	\$0.000295 Tandem Switching \$0.000823 Shared Transport
Iowa 1,069,497	QW	1 2 3 Avg	\$12.69 \$15.14 \$26.39 \$15.94	\$1.15	\$0.001558	\$0.00069 Tandem Switching \$0.00111 Common Transport

*Stand-alone rates. Loop and port combination rates used in UNE-P shown on Table 1A.

** Rates currently available per 271 agreement.

Updated January 2004

State Access Lines	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per MOU)	Tandem Switching and Transport (per MOU)
Kansas 1,305,416	SBC	3	\$11.86	\$1.61	\$0.00131	\$0.000789 Tandem Switching \$0.000157-\$0.000196 Common Transport
		2	\$13.64			
		1	\$23.34			
		Avg	\$14.04			
Kentucky 1,195,542	BS	1	\$10.56	\$1.49	\$0.001197	\$0.0001940 Tandem Switching \$0.0007466 Common Transport
		2	\$15.34			
		3	\$31.11			
		Avg	\$18.04 *			
Louisiana 2,303,388	BS	1	\$12.90	\$1.52	\$0.001868	\$0.0001067 Tandem Switching \$0.0003748 Common Transport
		2	\$23.33			
		3	\$48.43			
		Avg	\$17.30 *			
Maine 724,201	VZ	1	\$11.44	\$0.94	\$0.00168	\$0.001221 Tandem Switching \$0.001498 Day \$0.000398 Eve \$0.000000 Night & Weekend Common Transport
		2	\$13.47			
		3	\$18.75			
		Avg	\$16.19			
Maryland 3,835,943	VZ	A1	\$9.51	\$1.32	\$0.001243 Originating \$0.001090 Terminating	\$0.000233 Tandem Switching \$0.000113 Common Transport
		A2	\$9.55			
		B1	\$20.57			
		B2	\$13.56			
		Avg	\$11.26			
Massachusetts 4,185,130	VZ	1	\$10.81	\$2.22	\$0.000825 Originating \$0.000724 Terminating	\$0.000043 Tandem Switching \$0.000715 Common Transport
		2	\$11.37			
		3	\$15.41			
		4	\$24.32			
		Avg	\$13.93			
Michigan 5,252,321	SBC	A	\$8.47	\$2.53	\$0.000522	\$0.000191 Tandem Switching \$0.00073 Shared Transport
		B	\$8.73			
		C	\$12.54			
		Avg	\$10.31			
Minnesota 2,133,873	QW	1	\$5.83	\$3.12	Included in port rate	\$0.00112 Tandem Switching \$0.00065 Common Transport
		2	\$8.95			
		3	\$10.62			
		4	\$15.66			
		Avg	\$12.86			
Mississippi 1,311,913	BS	1	\$12.03	\$1.41	\$0.0010269	\$0.0001723 Tandem Switching \$0.0004541 Common Transport
		2	\$16.87			
		3	\$25.68			
		4	\$43.85			
		Avg	\$23.12 *			
			\$3.97 w/all features *			

*Stand-alone rates. Loop and port combination rates used in UNE-P shown on Table 1A.

Updated January 2004

State Access Lines	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per MOU)	Tandem Switching and Transport (per MOU)
Missouri 2,589,570	SBC	1	\$12.71	\$1.74	\$0.001620	\$0.001231
		2	\$18.64	\$1.97	\$0.001949	Tandem Switching
		3	\$19.74	\$2.47	\$0.002807	\$0.000155-\$0.000246
		4	\$16.41	\$2.25	\$0.002391	Common Transport
		Avg	\$15.19	\$1.89		
Montana 363,764	QW	1	\$23.10	\$1.58	\$0.001574	\$0.000690
		2	\$23.90			Tandem Switching
		3	\$27.13			\$0.001110
		4	\$29.29			Common Transport
		Avg	\$23.72			
Nebraska 428,546	QW	1	\$12.14	\$2.47	\$0.00126	\$0.00069
		2	\$28.11			Tandem Switching
		3	\$62.50			\$0.001110
		Avg	\$14.04			Common Transport
Nevada 381,785	SBC	1	\$11.77	\$1.63	\$0.00161	\$0.00171
		2	\$22.64			Tandem Switching
		3	\$66.25			\$0.00727
		Avg	\$19.83			Common Transport
New Hampshire 754,277	VZ	1	\$11.97	\$0.71	\$0.002425 Day	\$0.000774-\$0.000684
		2	\$16.04		\$0.003199 Eve	Tandem Switching
		3	\$25.00		\$0.001343 Night	\$0.000714-\$0.000000
		Avg	\$16.21			Common Transport
New Jersey 6,386,976	VZ	1	\$8.12	\$1.91	\$0.001203	\$0.000674
		2	\$9.59		Originating	Tandem Switching
		3	\$10.92		\$0.001171	\$0.000085
		Avg	\$9.52		Terminating	Common Transport
New Mexico 840,470	QW	1	\$16.04	\$1.38	\$0.0011083	\$0.001616
		2	\$18.34			Tandem Switching
		3	\$23.70			\$0.0001252
		Avg	\$18.52			Common Transport
New York 11,402,671	VZ	1	\$7.70	\$4.57	\$0.001147	\$0.000203
		2	\$11.31		Originating	Tandem Switching
		3	\$15.51		\$0.00111	\$0.000939
		Avg	\$11.49		Terminating	Common Transport
					*	
North Carolina 2,448,542	BS	1	\$12.11	\$2.19	\$0.001500	\$0.0006
		2	\$21.24			Tandem Switching
		3	\$33.65			\$0.00034
		Avg	\$15.88			Common Transport
			*	*		

*Stand-alone rates. Loop and port combination rates used in UNE-P shown on Table 1A.

Updated January 2004

State Access Lines	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per MOU)	Tandem Switching and Transport (per MOU)
North Dakota 201,794	QW	1	\$13.53	\$1.27	\$0.001475	\$0.00069 Tandem Switching \$0.001110 Common Transport
		2	\$22.80			
		3	\$51.65			
		Avg	\$16.28			
Ohio 4,044,673	SBC	B	\$5.84	\$4.61	\$0.000779	\$0.000210 Tandem Switching \$0.000629 Common Transport
		C	\$7.88			
		D	\$9.43			
		Avg	\$7.01			
Oklahoma 1,567,762	SBC	3	\$12.14	\$2.18	\$0.002041	\$0.000794 Tandem Switching \$0.000212-\$0.000374 Common Transport
		2	\$13.65	\$2.21	\$0.001881	
		1	\$26.25	\$2.58	\$0.002850	
		Avg	\$14.84	\$2.25		
Oregon 1,367,142	QW	1	\$13.95	\$1.14	\$0.001330	\$0.00069 Tandem Switching \$0.001040 Common Transport
		2	\$25.20			
		3	\$56.21			
		Avg	\$15.00			
Pennsylvania 5,992,020	VZ	1	\$10.25	Option A: \$2.67	\$0.001802	\$0.000795 Tandem Switching \$0.000144 Common Transport
		2	\$11.00	Option B:*** \$1.90	Originating \$0.001615	
		3	\$14.00		Terminating	
		4	\$16.75			
Avg	\$13.81					
Rhode Island 595,651	VZ	1	\$11.19	\$1.86	\$0.001358	\$0.000274 Tandem Switching \$0.001050 Common Transport
		2	\$15.44			
		3	\$19.13			
		Avg	\$13.93			
South Carolina 1,464,191	BS	1	\$14.94	\$1.65	\$0.0010519	\$0.0001634 Tandem Switching \$0.0004095 Common Transport
		2	\$21.39			
		3	\$26.72			
		Avg	\$17.60 *			
South Dakota 240,762	QW	1	\$15.20	\$1.84	\$0.000702	\$0.000690 Tandem Switching \$0.001388 Common Transport
		2	\$16.56			
		3	\$21.77			
		Avg	\$18.84			
Tennessee 2,582,666	BS	1	\$11.74	\$1.89	\$0.0008041	\$0.0009778 Tandem Switching \$0.00038 Common Transport
		2	\$17.59			
		3	\$29.37			
		Avg	\$14.92 *			

*Stand-alone rates. Loop and port combination rates used in UNE-P shown on Table 1A.

*** Option A includes all vertical features. Option B includes all vertical features except 3-way calling.

Updated January 2004

State Access Lines	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per MOU)	Tandem Switching and Transport (per MOU)
Texas 9,747,649	SBC	3	\$12.14	\$1.58	\$0.0014244	\$0.000794
		2	\$13.65	\$2.47	\$0.0012691	Tandem Switching
		1	\$18.98	\$3.05	\$0.0011973	\$0.000123-\$0.000144
		Avg	\$14.15	\$2.90	\$0.0021160	Common Transport
Utah 1,017,668	QW	1	\$11.41	\$0.89	0.001427	\$0.000671-\$0.000694
		2	\$13.83	\$0.90	0.001654	Tandem Switching
		3	\$19.11	\$1.02	0.001798	\$0.001039
		Avg	\$13.03	\$0.92	\$0.001626	Common Transport
Vermont 356,688	VZ	1	\$7.72	\$1.03	\$0.004003	\$0.000921
		2	\$8.35			Tandem Switching
		3	\$21.63			\$0.000630
		Avg	\$14.41			Common Transport
Virginia 3,457,759	VZ	1	\$11.89	\$2.83	Included in port rate	\$0.000020
		2	\$15.26			Tandem Switching
		3	\$28.43			\$0.000054
		Avg	\$14.43			Common Transport
Washington 2,390,156	QW	1	\$6.05	\$1.34	\$0.001178	\$0.00069
		2	\$10.99			Tandem Switching
		3	\$12.40			\$0.000760
		4	\$13.95			Common Transport
		5	\$18.70			
		Avg	\$14.20			
West Virginia 846,247	VZ	1	\$14.49	\$1.60	\$0.002586	\$0.0002394
		2	\$22.04		Originating	Tandem Switching
		3	\$35.00		\$0.002505	\$0.00067
		4	\$43.44		Terminating	Common Transport
		Avg	\$20.41			
Wisconsin 2,057,391	SBC	A	\$9.51	\$2.83	Included in port rate	\$0.000230
		B	\$10.87			Tandem Switching
		C	\$15.25			\$0.000650
		Avg.	\$10.18			Shared Transport
Wyoming 253,233	QW	BRA	\$19.91	\$2.64	\$0.000920	\$0.000690
		1	\$26.94			Tandem Switching
		2	\$30.13			\$0.001110
		3	\$40.98			Common Transport
		Avg	\$23.39			

Note: Access line data from NECA USF submission to FCC, dated October 1, 2003.

UNE COMBINATION RATES

Rates Effective When Used As Part of Loop/Port Combination or UNE-P
Updated January 2004

State Access Lines	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per MOU)	Tandem Switching and Transport (per MOU)
Alabama 1,894,740	BS	1	\$11.55	\$1.15	\$0.0007025	\$0.00010 Tandem Switching \$0.00032 Common Transport
		2	\$20.04			
		3	\$33.65			
		Avg	\$16.66	\$3.13 w/ all features		
Florida 6,456,849	BS	1	\$9.77	\$1.17	\$0.000766	\$0.0001319 Tandem Switching \$0.0004372 Termination
		2	\$13.88			
		3	\$24.63			
		Avg	\$13.95	\$3.43 w/ all features		
Georgia 4,030,955	BS	1	\$9.56	\$0.9019	\$0.000615	\$0.0000972 Tandem Switching \$0.0001914 Common Transport
		2	\$14.86			
		3	\$31.66			
		Avg	\$12.82			
Kentucky 1,195,542	BS	1	\$9.64	\$1.15	\$0.001197	\$0.000194 Tandem Switching \$0.0007466 Common Transport
		2	\$14.37			
		3	\$30.59			
		Avg	\$17.26			
Louisiana 2,303,388	BS	1	\$11.77	\$1.36	\$0.001868	\$0.0001067 Tandem Switching \$0.0003748 Common Transport
		2	\$22.39			
		3	\$48.26			
		Avg	\$16.24			
Mississippi 1,311,913	BS	1	\$10.99	\$1.23	\$0.0010269	\$0.0001723 Tandem Switching \$0.0004541 Common Transport
		2	\$15.90			
		3	\$25.03			
		4	\$43.68			
Avg	\$22.37	\$3.79 w/ all features				
New York 11,402,671	VZ	1	\$7.70	\$2.57	\$0.001147 Originating \$0.001110 Terminating	\$0.000481 Tandem Switching \$0.000939 Common Transport
		2	\$11.31			
		3	\$15.51			
		Avg	\$11.49			
North Carolina 2,448,542	BS	1	\$10.75	\$2.28	\$0.00150	\$0.00060 Tandem Switching \$0.00034 Common Transport
		2	\$19.05			
		3	\$30.33			
		Avg	\$14.18			
South Carolina 1,464,191	BS	1	\$13.76	\$1.13	\$0.0010519	\$0.0001634 Tandem Switching \$0.0004095 Common Transport
		2	\$20.38			
		3	\$26.04			
		Avg	\$16.51	\$4.17 w/ all features		
Tennessee 2,582,666	BS	1	\$11.11	\$1.70	\$0.0008041	\$0.0009778 Tandem Switching \$0.0003871 Common Transport
		2	\$16.65			
		3	\$27.80			
		Avg	\$14.12			

Note: Access line data from NECA USF submission to FCC, dated October 1, 2003.

UNE RATE/REVENUE COMPARISON MATRIX

All Rates for RBOC in each State Unless Otherwise Noted

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Revenue/line (per Month)	Percentage
Alabama	BS	1	\$11.55	\$1.15	\$0.70	\$13.40	\$52.02	25.8%
		2	\$20.04			\$21.89		42.1%
		3	\$33.65			\$35.50		68.2%
		Avg	\$16.66					
Alaska	ATU	1	\$14.92	\$4.27	\$6.60	\$25.79	n/a	n/a
	ACS	1	\$19.19	\$1.38	\$2.03	\$22.60		
Arizona	QW	1	\$9.05	\$2.44	\$0.97	\$12.46	\$41.68	29.9%
		2	\$14.84			\$18.25		43.8%
		3	\$36.44			\$39.85		95.6%
		Avg	\$12.12					
Arkansas	SBC	3	\$11.86	\$1.61	\$1.31	\$14.78	\$43.89	33.7%
		2	\$13.64		\$1.69	\$16.94		38.6%
		1	\$23.34		\$2.53	\$27.48		62.6%
		Avg	\$13.09		\$1.84			
California	SBC	1	\$8.24	\$0.83	\$0.74	\$9.81	\$31.56	31.1%
		2	\$11.19			\$12.76		40.4%
		3	\$19.69			\$21.26		67.4%
		Avg	\$9.82					
Colorado	QW	1	\$5.91	\$1.15	\$1.61	\$8.67	\$51.83	16.7%
		2	\$12.31			\$15.07		29.1%
		3	\$32.74			\$35.50		68.5%
		Avg	\$15.85					
Connecticut	SBC	1A	\$8.95	\$3.31	\$3.58*	\$15.84	\$40.44	39.2%
		B	\$12.03			\$18.92		46.8%
		C	\$13.28			\$20.17		49.9%
		D	\$19.69			\$26.58		65.7%
		Avg	\$12.49					
D.C.	VZ	1	\$8.49	\$1.55	\$3.00	\$13.04	\$42.68	30.6%

* Assumes MOU 75% On-Net, 25% Off-Net

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Revenue/line (per Month)	Percentage
Delaware	VZ	1	\$10.07	\$2.23	\$1.92	\$14.22	\$34.89	40.8%
		2	\$13.13			\$17.28		49.5%
		3	\$16.67			\$20.82		59.7%
		Avg	\$12.03					
Florida	BS	1	\$9.77	\$1.17	\$0.77	\$11.71	\$41.94	27.9%
		2	\$13.88			\$15.82		37.7%
		3	\$24.63			\$26.57		63.4%
		Avg	\$13.95					
Georgia	BS	1	\$9.56	\$0.90	\$0.61	\$11.07	\$51.04	21.7%
		2	\$14.86			\$16.37		32.1%
		3	\$31.66			\$33.17		65.0%
		Avg	\$12.82					
Hawaii	VZ	Oahu	\$10.44	\$2.69	\$7.61	\$20.74	\$43.78	47.4%
		Maui	\$17.23			\$27.53		62.9%
		Hawaii	\$21.91			\$32.21		73.6%
Idaho	QW	1	\$15.65	\$1.34	\$1.34	\$18.33	\$40.30	45.5%
		2	\$23.76			\$26.44		65.6%
		3	\$40.50			\$43.18		107.1%
		Avg	\$20.21					
Illinois	SBC	A	\$2.59	\$2.18 Port rate includes unlimited switching	n/a	\$4.77	\$39.19	12.2%
		B	\$7.07			\$9.25		23.6%
		C	\$11.40			\$13.58		34.7%
		Avg	\$9.81					
Indiana	SBC	3	\$12.00	\$2.98 Port rate includes unlimited switching	n/a	\$14.98	\$37.49	40.0%
		2	\$12.50			\$15.48		41.3%
		1	\$11.50			\$14.48		38.6%
		Avg	\$12.12					
Iowa	QW	1	\$12.69	\$1.15	\$1.56	\$15.40	\$35.39	43.5%
		2	\$15.14			\$17.85		50.4%
		3	\$26.39			\$29.10		82.2%
		Avg	\$15.94					

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Revenue/line (per Month)	Percentage
Kansas	SBC	3	\$11.86	\$1.61	\$1.31	\$14.78	\$40.85	36.2%
		2	\$13.64		\$1.69	\$16.94		41.5%
		1	\$23.34		\$2.53	\$27.48		67.3%
		Avg	\$14.04		\$1.84			
Kentucky	BS	1	\$9.64	\$1.15	\$1.20	\$11.99	\$48.90	24.5%
		2	\$14.37			\$16.72		34.2%
		3	\$30.59			\$32.94		67.4%
		Avg	\$17.26					
Louisiana	BS	1	\$11.77	\$1.36	\$1.87	\$15.00	\$51.88	28.9%
		2	\$22.39			\$25.62		49.4%
		3	\$48.26			\$51.49		99.2%
		Avg	\$16.24					
Maine	VZ	1	\$11.44	\$0.94	\$1.68	\$14.06	\$38.56	36.5%
		2	\$13.47			\$16.09		41.7%
		3	\$18.75			\$21.37		55.4%
		Avg	\$16.19					
Maryland	VZ	A1	\$9.51	\$1.32	\$1.17	\$12.00	\$39.23	30.6%
		A2	\$9.55			\$12.04		30.7%
		B1	\$20.57			\$23.06		58.8%
		B2	\$13.56			\$16.05		40.9%
		Avg	\$11.26					
Massachusetts	VZ	1	\$10.81	\$2.22	\$0.77	\$13.80	\$35.69	38.7%
		2	\$11.37			\$14.36		40.2%
		3	\$15.41			\$18.40		51.6%
		4	\$24.32			\$27.31		76.5%
		Avg	\$13.93					
Michigan	SBC	A	\$8.47	\$2.53	\$0.52	\$11.52	\$36.79	31.3%
		B	\$8.73			\$11.78		32.0%
		C	\$12.54			\$15.59		42.4%
		Avg	\$10.31					
Minnesota	QW	1	\$5.83	\$3.12 Port rate includes unlimited switching	n/a	\$8.95	\$39.14	22.9%
		2	\$8.95			\$12.07		30.8%
		3	\$10.62			\$13.74		35.1%
		4	\$15.66			\$18.78		48.0%
		Avg	\$12.86					

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Revenue/line (per Month)	Percentage
Mississippi	BS	1	\$10.99	\$1.23	\$1.03	\$13.25	\$62.76	21.1%
		2	\$15.90			\$18.16		28.9%
		3	\$25.03			\$27.29		43.5%
		4	\$43.68			\$45.94		73.2%
		Avg	\$22.37					
Missouri	SBC	1	\$12.71	\$1.74	\$1.62	\$16.07	\$40.59	39.6%
		2	\$18.64	\$1.97	\$1.95	\$22.56		55.6%
		3	\$19.74	\$2.47	\$2.81	\$25.02		61.6%
		4	\$16.41	\$2.25	\$2.39	\$21.05		51.9%
		Avg	\$15.19	\$1.89	\$2.19			
Montana	QW	1	\$23.10	\$1.58	\$1.57	\$26.25	\$42.13	62.3%
		2	\$23.90			\$27.05		64.2%
		3	\$27.13			\$30.28		71.9%
		4	\$29.29			\$32.44		77.0%
		Avg	\$23.72					
Nebraska	QW	1	\$12.14	\$2.47	\$1.26	\$15.87	\$53.52	29.7%
		2	\$28.11			\$31.84		59.5%
		3	\$62.50			\$66.23		123.7%
		Avg	\$14.04					
Nevada	SBC	1	\$11.77	\$1.63	\$1.61	\$15.01	\$33.35	45.0%
		2	\$22.64			\$25.88		77.6%
		3	\$66.25			\$69.49		208.4%
		Avg	\$19.83					
New Hampshire	VZ	1	\$11.97	\$0.71	\$2.44	\$15.12	\$35.66	42.4%
		2	\$16.04			\$19.19		53.8%
		3	\$25.00			\$28.15		78.9%
		Avg	\$16.21					
New Jersey	VZ	1	\$8.12	\$1.91	\$1.18	\$11.21	\$30.77	36.4%
		2	\$9.59			\$12.68		41.2%
		3	\$10.92			\$14.01		45.5%
		Avg	\$9.52					

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Revenue/line (per Month)	Percentage		
New Mexico	QW	1	\$16.04	\$1.38	\$1.11	\$18.53	\$41.58	44.6%		
		2	\$18.34			\$20.83		50.1%		
		3	\$23.70			\$26.19		63.0%		
		Avg	\$18.52							
New York	VZ	1	\$7.70	\$2.57	\$1.13	\$11.40	\$42.92	26.6%		
		2	\$11.31			\$15.01		35.0%		
		3	\$15.51			\$19.21		44.8%		
		Avg	\$11.49							
North Carolina	BS	1	\$10.75	\$2.28	\$1.50	\$14.53	\$44.89	32.4%		
		2	\$19.05			\$22.83		50.9%		
		3	\$30.33			\$34.11		76.0%		
		Avg	\$14.18							
North Dakota	QW	1	\$13.53	\$1.27	\$1.48	\$16.28	\$43.97	37.0%		
		2	\$22.80			\$25.55		58.1%		
		3	\$51.65			\$54.40		123.7%		
		Avg	\$16.28							
Ohio	SBC	B	\$5.84	\$4.61	\$0.78	\$11.23	\$39.48	28.4%		
		C	\$7.88			\$13.27		33.6%		
		D	\$9.43			\$14.82		37.5%		
		Avg	\$7.01							
Oklahoma	SBC	3	\$12.14	\$2.18	\$2.04	\$16.36	\$39.62	41.3%		
		2	\$13.65			\$17.75		44.8%		
		1	\$26.25			\$2.58		\$2.85	\$31.68	80.0%
		Avg	\$14.84			\$2.25		\$2.26		
Oregon	QW	1	\$13.95	\$1.14	\$1.33	\$16.42	\$37.23	44.1%		
		2	\$25.20			\$27.67		74.3%		
		3	\$56.21			\$58.68		157.6%		
		Avg	\$15.00							
Pennsylvania	VZ	1	\$10.25	\$2.67	\$1.71	\$14.63	\$32.62	44.8%		
		2	\$11.00			\$15.38		47.1%		
		3	\$14.00			\$18.38		56.3%		
		4	\$16.75			\$21.13		64.8%		
		Avg	\$13.81							

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Revenue/line (per Month)	Percentage		
Rhode Island	VZ	1	\$11.19	\$1.86	\$1.28	\$14.33	\$36.22	39.6%		
		2	\$15.44			\$18.58		51.3%		
		3	\$19.13			\$22.27		61.5%		
		Avg	\$13.93							
South Carolina	BS	1	\$13.76	\$1.13	\$1.05	\$15.94	\$50.39	31.6%		
		2	\$20.38			\$22.56		44.8%		
		3	\$26.04			\$28.22		56.0%		
		Avg	\$16.51							
South Dakota	QW	1	\$15.20	\$1.84	\$0.70	\$17.74	\$39.41	45.0%		
		2	\$16.56			\$19.10		48.5%		
		3	\$21.77			\$24.31		61.7%		
		Avg	\$18.84							
Tennessee	BS	1	\$11.11	\$1.70	\$0.80	\$13.61	\$47.28	28.8%		
		2	\$16.65			\$19.15		40.5%		
		3	\$27.80			\$30.30		64.1%		
		Avg	\$14.12							
Texas	SBC	3	\$12.14	\$1.58	\$1.42	\$15.14	\$42.97	35.2%		
		2	\$13.65			\$2.47		\$1.20	\$17.54	40.8%
		1	\$18.98			\$4.21		\$2.12	\$24.61	57.3%
		Avg	\$14.15			\$2.90		\$1.58		
Utah	QW	1	\$11.41	\$0.89	\$1.43	\$13.73	\$42.15	32.6%		
		2	\$13.83			\$0.90		\$1.65	\$16.38	38.9%
		3	\$19.11			\$1.02		\$1.80	\$21.93	52.0%
		Avg	\$13.03			\$0.92		\$1.63		
Vermont	VZ	1	\$7.72	\$1.03	\$4.00	\$12.75	\$44.79	28.5%		
		2	\$8.35			\$13.38		29.9%		
		3	\$21.63			\$26.66		59.5%		
		Avg	\$14.41							
Virginia	VZ	1	\$11.89	\$2.83 Port rate includes unlimited switching	\$0.00	\$14.72	\$40.09	36.7%		
		2	\$15.26			\$18.09		45.1%		
		3	\$28.43			\$31.26		78.0%		
		Avg	\$14.43							

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Revenue/line (per Month)	Percentage
Washington	QW	1	\$6.05	\$1.34	\$1.18	\$8.57	\$37.51	22.8%
		2	\$10.99			\$13.51		36.0%
		3	\$12.40			\$14.92		39.8%
		4	\$13.95			\$16.47		43.9%
		5	\$18.70			\$21.22		56.6%
		Avg	\$14.20					
West Virginia	VZ	1	\$14.49	\$1.60	\$2.55	\$18.64	\$48.51	38.4%
		2	\$22.04			\$26.19		54.0%
		3	\$35.00			\$39.15		80.7%
		4	\$43.44			\$47.59		98.1%
		Avg	\$20.41					
Wisconsin	SBC	A	\$9.51	\$2.83 Port rate includes unlimited switching	n/a	\$12.34	\$38.67	31.9%
		B	\$10.87			\$13.70		35.4%
		C	\$15.25			\$18.08		46.8%
		Avg.	\$10.18					
Wyoming	QW	BRA	\$19.91	\$2.64	\$0.92	\$23.47	\$48.22	48.7%
		1	\$26.94			\$30.50		63.3%
		2	\$30.13			\$33.69		69.9%
		3	\$40.98			\$44.54		92.4%
		Avg	\$23.39					

NOTES:

1. Monthly cost of switching based on usage of 1,000 minutes per month. In states with on-peak/off-peak pricing or originating/terminating pricing, the 1,000 minutes were allocated 50/50. In states with day/evening/ night pricing, the 1,000 minutes were allocated 50/30/20. In states with per call or set up rates, it was assumed there were 100 calls per month.
2. The Total Cost column is the sum of monthly unbundled loop, port and switching. Because of the widely varying rate designs for transport for each state, transport costs are not included. However, the reader is cautioned that a complete UNE platform to provide local service would also include transport costs.
3. Average revenue per line is taken from the FCC's Trends in Telephone Service, Aug. 2003, Tables 7.2 and 15.7. The revenue per line is an average of all incumbent local exchange and subscriber line charge revenue, business and residence.
4. The Percentage column is the Total Cost column divided by Average Revenue/line.

UNE RATE/RESIDENTIAL RATE COMPARISON MATRIX

All Rates for RBOC in each State Unless Otherwise Noted

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Residential Rate (per Month)	Percentage
Alabama	BS	1	\$11.55	\$1.15	\$0.73	\$13.43	\$26.58	50.5%
		2	\$20.04			\$21.92		82.5%
		3	\$33.65			\$35.53		133.7%
		Avg	\$16.66					
Alaska	ATU	1	\$14.92	\$4.27	\$6.60	\$25.79	\$21.04	122.6%
Arizona	QW	1	\$9.05	\$2.44	\$0.97	\$12.46	\$22.78	54.7%
		2	\$14.84			\$18.25		80.1%
		3	\$36.44			\$39.85		174.9%
		Avg	\$12.12					
Arkansas	SBC	3	\$11.86	\$1.61	\$1.31	\$14.78	\$25.49	58.0%
		2	\$13.64		\$1.69	\$16.94		66.5%
		1	\$23.34		\$2.53	\$27.48		107.8%
		Avg	\$13.09		\$1.84			
California	SBC	1	\$8.24	\$0.83	\$0.74	\$9.81	\$17.37	56.5%
		2	\$11.19			\$12.76		73.5%
		3	\$19.69			\$21.26		122.4%
		Avg	\$9.82					
Colorado	QW	1	\$5.91	\$1.15	\$1.61	\$8.67	\$24.79	35.0%
		2	\$12.31			\$15.07		60.8%
		3	\$32.74			\$35.50		143.2%
		Avg	\$20.65					
Connecticut	SBC	1A	\$8.95	\$3.31	\$3.58*	\$15.84	\$20.12	78.7%
		B	\$12.03			\$18.92		94.0%
		C	\$13.28			\$20.17		100.2%
		D	\$19.69			\$26.58		132.1%
		Avg	\$12.49					
D.C.	VZ	1	\$8.49	\$1.55	\$3.00	\$13.04	\$20.82	62.6%

* Assumes MOU 75% On-Net, 25% Off-Net

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Residential Rate (per Month)	Percentage
Delaware	VZ	1	\$10.07	\$2.23	\$1.92	\$14.22	\$18.03	78.9%
		2	\$13.13			\$17.28		95.8%
		3	\$16.67			\$20.82		111.4%
		Avg	\$12.03					
Florida	BS	1	\$9.77	\$1.17	\$0.77	\$11.71	\$20.81	56.3%
		2	\$13.88			\$15.82		76.0%
		3	\$24.63			\$26.57		127.7%
		Avg	\$13.95					
Georgia	BS	1	\$9.56	\$0.90	\$0.62	\$11.08	\$28.94	38.3%
		2	\$14.86			\$16.38		56.6%
		3	\$31.66			\$33.18		114.7%
		Avg	\$12.82					
Hawaii	VZ	Oahu	\$10.44	\$2.69	\$7.61	\$20.74	\$25.06	82.8%
		Maui	\$17.23			\$27.53		109.9%
		Hawaii	\$21.91			\$32.21		128.5%
Idaho	QW	1	\$15.65	\$1.34	\$1.34	\$18.33	\$24.56	74.6%
		2	\$23.76			\$26.44		107.7%
		3	\$40.50			\$43.18		175.8%
		Avg	\$20.21					
Illinois	SBC	A	\$2.59	\$2.18	n/a	\$4.77	\$21.88	21.8%
		B	\$7.07			\$9.25		42.3%
		C	\$11.40			\$13.58		62.1%
		Avg	\$9.81					
Indiana	SBC	3	\$12.00	\$2.98	n/a	\$14.98	\$20.43	73.3%
		2	\$12.50			\$15.48		75.8%
		1	\$11.50			\$14.48		70.9%
		Avg	\$12.12					
Iowa	QW	1	\$12.69	\$1.15	\$1.56	\$15.40	\$18.03	85.4%
		2	\$15.14			\$17.85		104.6%
		3	\$26.39			\$29.10		180.9%
		Avg	\$15.94					

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Residential Rate (per Month)	Percentage
Kansas	SBC	3	\$11.86	\$1.61	\$1.31	\$14.78	\$19.65	75.2%
		2	\$13.64		\$1.69	\$16.94		86.2%
		1	\$23.34		\$2.53	\$27.48		139.8%
		Avg	\$14.04		\$1.84			
Kentucky	BS	1	\$9.64	\$1.15	\$1.20	\$11.99	\$28.79	41.6%
		2	\$14.37			\$16.72		58.1%
		3	\$30.59			\$32.94		114.4%
		Avg	\$17.26					
Louisiana	BS	1	\$11.77	\$1.36	\$1.87	\$15.00	\$23.75	63.2%
		2	\$22.39			\$25.62		107.9%
		3	\$48.26			\$51.49		216.8%
		Avg	\$16.24					
Maine	VZ	1	\$11.44	\$0.94	\$1.68	\$14.06	\$26.51	53.0%
		2	\$13.47			\$16.09		60.7%
		3	\$18.75			\$21.37		80.6%
		Avg	\$16.19					
Maryland	VZ	A1	\$9.51	\$1.32	\$1.17	\$12.00	\$27.33	43.9%
		A2	\$9.55			\$12.04		44.1%
		B1	\$20.57			\$23.06		84.4%
		B2	\$13.56			\$16.05		58.7%
		Avg	\$11.26					
Massachusetts	VZ	1	\$10.81	\$2.22	\$0.77	\$13.80	\$26.13	52.8%
		2	\$11.37			\$14.36		55.0%
		3	\$15.41			\$18.40		70.4%
		4	\$24.32			\$27.31		104.5%
		Avg	\$13.93					
Michigan	SBC	A	\$8.47	\$2.53	\$0.52	\$11.52	\$27.62	41.7%
		B	\$8.73			\$11.78		42.7%
		C	\$12.54			\$15.59		56.4%
		Avg	\$10.31					
Minnesota	QW	1	\$5.83	\$3.12 Port rate includes unlimited switching	n/a	\$8.95	\$22.81	39.2%
		2	\$8.95			\$12.07		52.9%
		3	\$10.62			\$13.74		60.2%
		4	\$15.66			\$18.78		82.3%
		Avg	\$12.86					

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Residential Rate (per Month)	Percentage
Mississippi	BS	1	\$10.99	\$1.23	\$1.03	\$13.25	\$28.73	46.1%
		2	\$15.90			\$18.16		63.2%
		3	\$25.03			\$27.29		95.0%
		4	\$43.68			\$45.94		159.9%
		Avg	\$22.37					
Missouri	SBC	1	\$12.71	\$1.74	\$1.62	\$16.07	\$21.21	75.8%
		2	\$18.64	\$1.97	\$1.95	\$22.56		106.4%
		3	\$19.74	\$2.47	\$2.81	\$25.02		118.0%
		4	\$16.41	\$2.25	\$2.39	\$21.05		99.2%
		Avg	\$15.19	\$1.89	\$2.19			
Montana	QW	1	\$23.10	\$1.58	\$1.57	\$26.25	\$25.93	101.2%
		2	\$23.90			\$27.05		104.3%
		3	\$27.13			\$30.28		116.8%
		4	\$29.29			\$32.44		125.1%
		Avg	\$23.72					
Nebraska	QW	1	\$12.14	\$2.47	\$1.26	\$15.87	\$26.61	59.6%
		2	\$28.11			\$31.84		119.7%
		3	\$62.50			\$66.23		248.9%
		Avg	\$14.04					
Nevada	SBC	1	\$11.77	\$1.63	\$1.61	\$15.01	\$16.64	90.2%
		2	\$22.64			\$25.88		155.5%
		3	\$66.25			\$69.49		417.6%
		Avg	\$19.83					
New Hampshire	VZ	1	\$11.97	\$0.71	\$2.44	\$15.12	\$22.77	66.4%
		2	\$16.04			\$19.19		89.3%
		3	\$25.00			\$28.15		146.8%
		Avg	\$16.21					
New Jersey	VZ	1	\$8.12	\$1.91	\$1.18	\$11.21	\$16.67	67.2%
		2	\$9.59			\$12.68		76.1%
		3	\$10.92			\$14.01		84.0%
		Avg	\$9.52					

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Residential Rate (per Month)	Percentage		
New Mexico	QW	1	\$16.04	\$1.38	\$1.11	\$18.53	\$21.63	85.7%		
		2	\$18.34			\$20.83		96.3%		
		3	\$23.70			\$26.19		121.1%		
		Avg	\$18.52							
New York	VZ	1	\$7.70	\$2.57	\$1.13	\$11.40	\$30.02	38.0%		
		2	\$11.31			\$15.01		50.0%		
		3	\$15.51			\$19.21		64.0%		
		Avg	\$11.49							
North Carolina	BS	1	\$10.75	\$2.28	\$1.50	\$14.53	\$20.97	69.3%		
		2	\$19.05			\$22.83		108.9%		
		3	\$30.33			\$34.11		162.7%		
		Avg	\$14.18							
North Dakota	QW	1	\$13.53	\$1.27	\$1.48	\$16.28	\$24.79	65.7%		
		2	\$22.80			\$25.55		103.1%		
		3	\$51.65			\$54.40		219.4%		
		Avg	\$16.28							
Ohio	SBC	B	\$5.84	\$4.61	\$0.78	\$11.23	\$20.81	54.0%		
		C	\$7.88			\$13.27		63.8%		
		D	\$9.43			\$14.82		71.2%		
		Avg	\$7.01							
Oklahoma	SBC	3	\$12.14	\$2.18	\$2.04	\$16.36	\$19.47	84.0%		
		2	\$13.65			\$17.75		91.2%		
		1	\$26.25			\$2.58		\$2.85	\$31.68	162.7%
		Avg	\$14.84			\$2.25		\$2.26		
Oregon	QW	1	\$13.95	\$1.14	\$1.33	\$16.42	\$24.29	67.6%		
		2	\$25.20			\$27.67		113.9%		
		3	\$56.21			\$58.68		241.6%		
		Avg	\$15.00							
Pennsylvania	VZ	1	\$10.25	\$2.67	\$1.71	\$14.63	\$21.74	67.3%		
		2	\$11.00			\$15.38		70.7%		
		3	\$14.00			\$18.38		84.5%		
		4	\$16.75			\$21.13		97.2%		
		Avg	\$13.81							

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Residential Rate (per Month)	Percentage
Rhode Island	VZ	1	\$11.19	\$1.86	\$1.28	\$14.33	\$27.15	52.8%
		2	\$15.44			\$18.58		68.4%
		3	\$19.13			\$22.27		82.0%
		Avg	\$13.93					
South Carolina	BS	1	\$13.76	\$1.13	\$1.05	\$15.94	\$22.50	70.8%
		2	\$20.38			\$22.56	\$21.60	104.4%
		3	\$26.04			\$28.22	\$20.25	139.4%
		Avg	\$16.51					
South Dakota	QW	1	\$15.20	\$1.84	\$0.70	\$17.74	\$25.35	70.0%
		2	\$16.56			\$19.10		75.3%
		3	\$21.77			\$24.31		95.9%
		Avg	\$18.84					
Tennessee	BS	1	\$11.11	\$1.70	\$0.80	\$13.61	\$23.55	57.8%
		2	\$16.65			\$19.15		81.3%
		3	\$27.80			\$30.30		128.7%
		Avg	\$14.12					
Texas	SBC	3	\$12.14	\$1.58	\$1.42	\$15.14	\$20.64	73.4%
		2	\$13.65	\$2.47	\$1.20	\$17.54		85.0%
		1	\$18.98	\$4.21	\$2.12	\$24.61		119.2%
		Avg	\$14.15	\$2.90	\$1.58			
Utah	QW	1	\$11.41	\$0.89	\$1.43	\$13.73	\$21.19	64.8%
		2	\$13.83	\$0.90	\$1.65	\$16.38		77.3%
		3	\$19.11	\$1.02	\$1.80	\$21.93		103.5%
		Avg	\$13.03	\$0.92	\$1.63			
Vermont	VZ	1	\$7.72	\$1.03	\$4.00	\$12.75	\$32.06	39.8%
		2	\$8.35			\$13.38		41.7%
		3	\$21.63			\$26.66		83.2%
		Avg	\$14.41					
Virginia	VZ	1	\$11.89	\$2.83	\$0.00	\$14.72	\$31.26	47.1%
		2	\$15.26	Port rate includes unlimited switching		\$18.09		57.9%
		3	\$28.43			\$31.26		100.0%
		Avg	\$14.43					

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Residential Rate (per Month)	Percentage
Washington	QW	1	\$6.05	\$1.34	\$1.18	\$8.57	\$20.54	41.7%
		2	\$10.99			\$13.51		65.8%
		3	\$12.40			\$14.92		72.6%
		4	\$13.95			\$16.47		80.2%
		5	\$18.70			\$21.22		103.3%
		Avg	\$14.20					
West Virginia	VZ	1	\$14.49	\$1.60	\$2.55	\$18.64	\$29.08	64.1%
		2	\$22.04			\$26.19		90.1%
		3	\$35.00			\$39.15		134.6%
		4	\$43.44			\$47.59		163.7%
		Avg	\$20.41					
Wisconsin	SBC	A	\$9.51	\$2.83	n/a	\$12.34	\$35.27	35.0%
		B	\$10.87	Port rate includes unlimited switching		\$13.70		38.8%
		C	\$15.25			\$18.08		51.3%
		Avg.	\$10.18					
Wyoming	QW	BRA	\$19.91	\$2.64	\$0.92	\$23.47	\$30.20	77.7%
		1	\$26.94			\$30.50		101.0%
		2	\$30.13			\$33.69		111.6%
		3	\$40.98			\$44.54		147.5%
		Avg	\$23.39					

NOTES:

1. Monthly cost of switching based on usage of 1,000 minutes per month. In states with on-peak/off-peak pricing or originating/terminating pricing, the 1,000 minutes were allocated 50/50. In states with day/evening/night pricing, the 1,000 minutes were allocated 50/30/20. In states with per call or set up rates, it was assumed there were 100 calls per month.
2. The Total Cost column is the sum of monthly unbundled loop, port and switching. Because of the widely varying rate designs for transport for each state, transport costs are not included. However, the reader is cautioned that a complete UNE platform to provide local service would also include transport costs.
3. Monthly residential rates by state are taken from the FCC's Reference Book of Rates, Price Indices and Expenditures for Telephone Service, July 2003, Table 1.3, adjusted for changes in federal subscriber line charge and federal universal service surcharge on end-users. Rates for Delaware, Idaho, Iowa, Kansas, Nevada, New Hampshire, North Dakota, Oklahoma, South Carolina, South Dakota, Vermont & Wyoming taken from tariffs, including federal subscriber line charge and federal universal service surcharge on end-users.
4. The Percentage column is the Total Cost column divided by the Average Residential Rate column.

UNE RATE/BUSINESS RATE COMPARISON MATRIX

All Rates for RBOC in each State Unless Otherwise Noted

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Business Rate (per Month)	Percentage
Alabama	BS	1	\$11.55	\$1.15	\$0.73	\$13.43	\$49.51	27.1%
		2	\$20.04			\$21.92		44.3%
		3	\$33.65			\$35.53		71.8%
		Avg	\$16.66					
Alaska	ATU	1	\$14.92	\$4.27	\$6.60	\$25.79	\$35.35	73.0%
Arizona	QW	1	\$9.05	\$2.44	\$0.97	\$12.46	\$44.85	27.8%
		2	\$14.84			\$18.25		40.7%
		3	\$36.44			\$39.85		88.9%
		Avg	\$12.12					
Arkansas	SBC	3	\$11.86	\$1.61	\$1.31	\$14.78	\$44.77	33.0%
		2	\$13.64		\$1.69	\$16.94		37.8%
		1	\$23.34		\$2.53	\$27.48		61.4%
		Avg	\$13.09		\$1.84			
California	SBC	1	\$8.24	\$0.83	\$0.74	\$9.81	\$16.38	59.9%
		2	\$11.19			\$12.76		77.9%
		3	\$19.69			\$21.26		129.8%
		Avg	\$9.82					
Colorado	QW	1	\$5.91	\$1.15	\$1.61	\$8.67	\$48.02	18.1%
		2	\$12.31			\$15.07		31.4%
		3	\$32.74			\$35.50		73.9%
		Avg	\$15.85					
Connecticut	SBC	1A	\$8.95	\$3.31	\$3.58*	\$19.41	\$43.97	44.1%
		B	\$12.03			\$22.49		51.1%
		C	\$13.28			\$23.74		54.0%
		D	\$19.69			\$30.15		68.6%
		Avg	\$12.49					
D.C.	VZ	1	\$8.49	\$1.55	\$3.00	\$13.04	\$21.06	61.9%

* Assumes MOU 75% On-Net, 25% Off-Net

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Business Rate (per Month)	Percentage
Delaware	VZ	1	\$10.07	\$2.23	\$1.92	\$14.22	\$33.10	43.0%
		2	\$13.13			\$17.28		52.2%
		3	\$16.67			\$20.82		62.9%
		Avg	\$12.03					
Florida	BS	1	\$9.77	\$1.17	\$0.77	\$11.71	\$44.56	26.3%
		2	\$13.88			\$15.82		35.5%
		3	\$24.63			\$26.57		59.6%
		Avg	\$13.95					
Georgia	BS	1	\$9.56	\$0.90	\$0.62	\$11.08	\$63.59	17.4%
		2	\$14.86			\$16.38		25.8%
		3	\$31.66			\$33.18		52.2%
		Avg	\$12.82					
Hawaii	VZ	Oahu	\$10.44	\$2.69	\$7.61	\$20.74	\$53.62	38.7%
		Maui	\$17.23			\$27.53		51.3%
		Hawaii	\$21.91			\$32.21		60.1%
Idaho	QW	1	\$15.65	\$1.34	\$1.34	\$18.33	\$39.57	46.3%
		2	\$23.76			\$26.44		66.8%
		3	\$40.50			\$43.18		109.1%
		Avg	\$20.21					
Illinois	SBC	A	\$2.59	\$2.18	n/a	\$4.77	\$13.37	35.7%
		B	\$7.07			\$9.25		69.2%
		C	\$11.40			\$13.58		101.6%
		Avg	\$9.81					
Indiana	SBC	3	\$12.00	\$2.98	n/a	\$14.98	\$53.30	28.1%
		2	\$12.50			\$15.48		29.0%
		1	\$11.50			\$14.48		27.2%
		Avg	\$12.12					
Iowa	QW	1	\$12.69	\$1.15	\$1.56	\$15.40	\$36.56	42.1%
		2	\$15.14			\$17.85		51.6%
		3	\$26.39			\$29.10		89.0%
		Avg	\$15.94					

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Business Rate (per Month)	Percentage
Kansas	SBC	3	\$11.86	\$1.61	\$1.31	\$14.78	\$31.95	46.3%
		2	\$13.64		\$1.69	\$16.94		53.0%
		1	\$23.34		\$2.53	\$27.48		86.0%
		Avg	\$14.04		\$1.84			
Kentucky	BS	1	\$9.64	\$1.15	\$1.20	\$11.99	\$45.54	26.3%
		2	\$14.37			\$16.72		36.7%
		3	\$30.59			\$32.94		72.3%
		Avg	\$17.26					
Louisiana	BS	1	\$11.77	\$1.36	\$1.87	\$15.00	\$46.47	32.3%
		2	\$22.39			\$25.62		55.1%
		3	\$48.26			\$51.49		110.8%
		Avg	\$16.24					
Maine	VZ	1	\$11.44	\$0.94	\$1.68	\$14.06	\$48.58	28.9%
		2	\$13.47			\$16.09		33.1%
		3	\$18.75			\$21.37		44.0%
		Avg	\$16.19					
Maryland	VZ	A1	\$9.51	\$1.32	\$1.17	\$12.00	\$23.90	50.2%
		A2	\$9.55			\$12.04		50.4%
		B1	\$20.57			\$23.06		96.5%
		B2	\$13.56			\$16.05		67.2%
		Avg	\$11.26					
Massachusetts	VZ	1	\$10.81	\$2.22	\$0.77	\$13.80	\$22.75	60.7%
		2	\$11.37			\$14.36		63.1%
		3	\$15.41			\$18.40		80.9%
		4	\$24.32			\$27.31		120.0%
		Avg	\$13.93					
Michigan	SBC	A	\$8.47	\$2.53	\$0.52	\$11.52	\$24.33	47.3%
		B	\$8.73			\$11.78		48.4%
		C	\$12.54			\$15.59		64.1%
		Avg	\$10.31					
Minnesota	QW	1	\$5.83	\$3.12 Port rate includes unlimited switching	n/a	\$8.95	\$54.26	16.5%
		2	\$8.95			\$12.07		22.2%
		3	\$10.62			\$13.74		25.3%
		4	\$15.66			\$18.78		34.6%
		Avg	\$12.86					

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Business Rate (per Month)	Percentage
Mississippi	BS	1	\$10.99	\$1.23	\$1.03	\$13.25	\$50.77	26.1%
		2	\$15.90			\$18.16		35.8%
		3	\$25.03			\$27.29		53.8%
		4	\$43.68			\$45.94		90.5%
		Avg	\$22.37					
Missouri	SBC	1	\$12.71	\$1.74	\$1.62	\$16.07	\$50.35	31.9%
		2	\$18.64			\$22.56		44.8%
		3	\$19.74			\$25.02		49.7%
		4	\$16.41			\$21.05		41.8%
		Avg	\$15.19			\$1.89		\$2.19
Montana	QW	1	\$23.10	\$1.58	\$1.57	\$26.25	\$44.33	59.2%
		2	\$23.90			\$27.05		61.0%
		3	\$27.13			\$30.28		68.3%
		4	\$29.29			\$32.44		73.2%
		Avg	\$23.72					
Nebraska	QW	1	\$12.14	\$2.47	\$1.26	\$15.87	\$38.02	41.7%
		2	\$28.11			\$31.84		83.7%
		3	\$62.50			\$66.23		174.2%
		Avg	\$14.04					
Nevada	SBC	1	\$11.77	\$1.63	\$1.61	\$15.01	\$27.69	54.2%
		2	\$22.64			\$25.88		93.5%
		3	\$66.25			\$69.49		251.0%
		Avg	\$19.83					
New Hampshire	VZ	1	\$11.97	\$0.71	\$2.44	\$15.12	\$51.71	29.2%
		2	\$16.04			\$19.19		40.5%
		3	\$25.00			\$28.15		72.6%
		Avg	\$16.21					
New Jersey	VZ	1	\$8.12	\$1.91	\$1.18	\$11.21	\$22.73	49.3%
		2	\$9.59			\$12.68		55.8%
		3	\$10.92			\$14.01		61.6%
		Avg	\$9.52					
New Mexico	QW	1	\$16.04	\$1.38	\$1.11	\$18.53	\$45.92	40.4%
		2	\$18.34			\$20.83		45.4%
		3	\$23.70			\$26.19		57.0%
		Avg	\$18.52					

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Business Rate (per Month)	Percentage		
New York	VZ	1	\$7.70	\$2.57	\$1.13	\$11.40	\$30.16	37.8%		
		2	\$11.31			\$15.01		49.8%		
		3	\$15.51			\$19.21		63.7%		
		Avg	\$11.49							
North Carolina	BS	1	\$10.75	\$2.28	\$1.50	\$14.53	\$42.95	33.8%		
		2	\$19.05			\$22.83		53.2%		
		3	\$30.33			\$34.11		79.4%		
		Avg	\$14.18							
North Dakota	QW	1	\$13.53	\$1.27	\$1.48	\$16.28	\$35.64	45.7%		
		2	\$22.80			\$25.55		71.7%		
		3	\$51.65			\$54.40		152.6%		
		Avg	\$16.28							
Ohio	SBC	B	\$5.84	\$4.61	\$0.78	\$11.23	\$31.26	35.9%		
		C	\$7.88			\$13.27		42.5%		
		D	\$9.43			\$14.82		47.4%		
		Avg	\$7.01							
Oklahoma	SBC	3	\$12.14	\$2.18	\$2.04	\$16.36	\$45.56	35.9%		
		2	\$13.65			\$2.21		\$17.75	39.0%	
		1	\$26.25			\$2.58		\$2.85	\$31.68	69.5%
		Avg	\$14.84			\$2.25		\$2.26		
Oregon	QW	1	\$13.95	\$1.14	\$1.33	\$16.42	\$40.50	40.5%		
		2	\$25.20			\$27.67		68.3%		
		3	\$56.21			\$58.68		144.9%		
		Avg	\$15.00							
Pennsylvania	VZ	1	\$10.25	\$2.67	\$1.71	\$14.63	\$19.79	73.9%		
		2	\$11.00			\$15.38		77.7%		
		3	\$14.00			\$18.38		92.9%		
		4	\$16.75			\$21.13		106.8%		
		Avg	\$13.81							
Rhode Island	VZ	1	\$11.19	\$1.86	\$1.28	\$14.33	\$29.20	49.1%		
		2	\$15.44			\$18.58		63.6%		
		3	\$19.13			\$22.27		76.3%		
		Avg	\$13.93							

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Business Rate (per Month)	Percentage
South Carolina	BS	1	\$13.76	\$1.13	\$1.05	\$15.94	\$49.85	32.0%
		2	\$20.38			\$22.56	\$46.45	48.6%
		3	\$26.04			\$28.22	\$41.35	68.2%
		Avg	\$16.51					
South Dakota	QW	1	\$15.20	\$1.84	\$0.70	\$17.74	\$45.50	39.0%
		2	\$16.56			\$19.10		42.0%
		3	\$21.77			\$24.31		53.4%
		Avg	\$18.84					
Tennessee	BS	1	\$11.11	\$1.70	\$0.80	\$13.61	\$59.17	23.0%
		2	\$16.65			\$19.15		32.4%
		3	\$27.80			\$30.30		51.2%
		Avg	\$14.12					
Texas	SBC	3	\$12.14	\$1.58	\$1.42	\$15.14	\$43.48	34.8%
		2	\$13.65			\$17.54		40.3%
		1	\$18.98			\$24.61		56.6%
		Avg	\$14.15			\$2.90		\$1.58
Utah	QW	1	\$11.41	\$0.89	\$1.43	\$13.73	\$32.35	42.4%
		2	\$13.83			\$16.38		50.6%
		3	\$19.11			\$21.93		67.8%
		Avg	\$13.03			\$0.92		\$1.63
Vermont	VZ	1	\$7.72	\$1.03	\$4.00	\$12.75	\$48.35	26.4%
		2	\$8.35			\$13.38		27.7%
		3	\$21.63			\$26.66		55.1%
		Avg	\$14.41					
Virginia	VZ	1	\$11.89	\$2.83 Port rate includes unlimited switching	\$0.00	\$14.72	\$78.71	18.7%
		2	\$15.26			\$18.09		23.0%
		3	\$28.43			\$31.26		39.7%
		Avg	\$14.43					
Washington	QW	1	\$6.05	\$1.34	\$1.18	\$8.57	\$40.82	21.0%
		2	\$10.99			\$13.51		33.1%
		3	\$12.40			\$14.92		36.6%
		4	\$13.95			\$16.47		40.3%
		5	\$18.70			\$21.22		52.0%
		Avg	\$14.20					

Updated January 2004

State	Company	Density Zones	Loop Rate (per Month)	Port Rate (per Month)	Switching (per Month)	Total Cost	Average Business Rate (per Month)	Percentage
West Virginia	VZ	1	\$14.49	\$1.60	\$2.55	\$18.64	\$60.39	30.9%
		2	\$22.04			\$26.19		43.4%
		3	\$35.00			\$39.15		64.8%
		4	\$43.44			\$47.59		78.8%
		Avg	\$20.41					
Wisconsin	SBC	A	\$9.51	\$2.83 Port rate includes unlimited switching	n/a	\$12.34	\$23.28	53.0%
		B	\$10.87			\$13.70		58.8%
		C	\$15.25			\$18.08		77.7%
		Avg.	\$10.18					
Wyoming	QW	BRA	\$19.91	\$2.64	\$0.92	\$23.47	\$30.20	77.7%
		1	\$26.94			\$30.50		101.0%
		2	\$30.13			\$33.69		111.6%
		3	\$40.98			\$44.54		147.5%
		Avg	\$23.39					

NOTES:

1. Monthly cost of switching based on usage of 1,000 minutes per month. In states with on-peak/off-peak pricing or originating/terminating pricing, the 1,000 minutes were allocated 50/50. In states with day/evening/night pricing, the 1,000 minutes were allocated 50/30/20. In states with per call or set up rates, it was assumed there were 100 calls per month.
2. The Total Cost column is the sum of monthly unbundled loop, port and switching. Because of the widely varying rate designs for transport for each state, transport costs are not included. However, the reader is cautioned that a complete UNE platform to provide local service would also include transport costs.
3. Monthly residential rates by state are taken from the FCC's Reference Book of Rates, Price Indices and Expenditures for Telephone Service, July 2003, Table 1.10, adjusted for changes in the federal subscriber line charge and federal universal service surcharge on end-users. Rates for Delaware, Idaho, Iowa, Kansas, Nevada, New Hampshire, North Dakota, Oklahoma, South Carolina, South Dakota, Vermont & Wyoming taken from tariffs, including federal subscriber line charge and federal universal service surcharge on end-users.
4. The Percentage column is the Total Cost column divided by the Average Business Rate column.