

## UNBUNDLED NETWORK ELEMENT RATE COMPARISON MATRIX

All Rates for RBOC in each State Unless Otherwise Noted

Updated February 2005

| State<br>Access Lines               | Company        | Density<br>Zones       | Loop<br>Rate<br>(per Month)   | Port<br>Rate<br>(per Month)                  | Switching<br>(per MOU)                                   | Tandem Switching<br>and Transport<br>(per MOU)  |
|-------------------------------------|----------------|------------------------|---|--|--|---|
| Alabama<br><br>1,834,337            | BS             | 1<br>2<br>3<br><br>Avg | \$12.58<br>\$21.05<br>\$34.34<br><br>\$17.60<br>*                       | \$1.38<br><br>\$3.36<br>w/ all features<br>* | \$0.0007025  | \$0.00010<br>Tandem Switching<br>\$0.0003224<br>Common Transport  |
| Alaska<br><br>164,254<br><br>40,444 | ATU<br><br>ACS | 1<br><br>1             | <b>\$18.64</b><br><br>\$19.19   | \$4.27<br><br>\$1.38                         | \$0.006595<br><br>\$0.00203                              | \$0.004712<br>Tandem Switching<br>\$0.000416<br>Termination<br><br>\$0.00155<br>Tandem Switching<br>\$0.00023<br>Common Transport |
| Arizona<br><br>2,530,160            | QW             | 1<br>2<br>3<br><br>Avg | \$9.05<br>\$14.84<br>\$36.44<br><br>\$12.12                             | \$1.61                                       | \$0.0009695  | \$0.000550<br>Tandem Switching<br>\$0.0008236<br>Common Transport   |
| Arkansas<br><br>953,638             | SBC            | 3<br>2<br>1<br><br>Avg | \$11.86<br>\$13.64<br>\$23.34<br><br>\$13.88                            | \$1.61                                       | \$0.001310<br>\$0.001690<br>\$0.002530<br><br>\$0.001658 | \$0.000789<br>Tandem Switching<br>\$0.000157-\$0.000196<br>Common Transport   |
| California<br><br>17,022,689        | SBC            | 1<br>2<br>3<br><br>Avg | <b>\$9.64</b><br><b>\$13.01</b><br><b>\$26.87</b><br><br><b>\$11.93</b> | <b>\$3.35</b>                                | <b>Included<br/>in port rate</b>                         | <b>\$0.000461</b><br><b>Tandem Switching</b><br>\$0.00127<br>Common Transport   |
| Colorado<br><br>2,566,718           | QW             | 1<br>2<br>3<br><br>Avg | \$5.91<br>\$12.31<br>\$32.74<br><br>\$15.85                             | \$1.15<br>w/all features                     | \$0.00161  | \$0.00069<br>Tandem Switching<br>\$0.00111<br>Common Transport  |

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

Updated February 2005

| State<br>Access Lines        | Company | Density<br>Zones       | Loop<br>Rate<br>(per Month)                       | Port<br>Rate<br>(per Month)                          | Switching<br>(per MOU)                                 | Tandem Switching<br>and Transport<br>(per MOU)  |
|------------------------------|---------|------------------------|---|--|--|---|
| Connecticut<br><br>2,204,505 | SBC     |                        | <b>\$14.41</b><br>Statewide<br>Rate               | <b>\$0.00</b><br>Included<br>in<br>switching<br>rate | <b>\$0.007360</b><br>On-Net**<br>\$0.003576<br>Off-Net | <b>\$0.006110</b><br>Tandem Switching<br>Off-net  |
| D.C.<br>***<br>832,290       | VZ      | 1                      | \$8.49  | \$1.55   | \$0.00300  | \$0.002532<br>Tandem Switching<br>\$0.000405 fixed<br>\$0.000005 per mile<br>Common Transport   |
| Delaware<br><br>564,508      | VZ      | 1<br>2<br>3<br><br>Avg | \$10.07<br>\$13.13<br>\$16.67<br><br>\$12.03      | \$2.23   | \$0.002507<br>Originating<br>\$0.001330<br>Terminating | \$0.0006688<br>Tandem Switching<br>\$0.0001221 fixed<br>\$0.000002 per mile<br>Common Transport |
| Florida<br><br>6,277,815     | BS      | 1<br>2<br>3<br><br>Avg | \$10.69<br>\$15.20<br>\$26.97<br><br>\$15.27<br>* | \$1.40<br><br><br>\$3.66<br>w/all features<br>*      | \$0.0007662  | \$0.0001319<br>Tandem Switching<br>\$0.0004372<br>Common Transport                              |
| Georgia<br><br>3,897,165     | BS      | 1<br>2<br>3<br><br>Avg | \$10.51<br>\$15.85<br>\$31.97<br><br>\$13.70<br>* | \$1.09<br><br><br>\$1.87<br>w/all features<br>*      | \$0.0006153  | \$0.0000972<br>Tandem Switching<br>\$0.0001914<br>Common Transport                              |
| Hawaii<br><br>686,495        | VZ      | Oahu<br>Maui<br>Hawaii | \$10.44<br>\$17.23<br>\$21.91                     | \$2.69   | \$0.0076074  | \$0.0012572<br>Tandem Switching<br>\$0.0002710<br>Common Transport                              |
| Idaho<br><br>525,771         | QW      | 1<br>2<br>3<br><br>Avg | \$15.65<br>\$23.76<br>\$40.50<br><br>\$20.21      | \$1.34<br><br><br>\$4.76<br>w/all features           | \$0.001343   | \$0.00069<br>Tandem Switching<br>\$0.00111<br>Common Transport                                  |

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

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

\*\*\* Rates currently available per 271 agreement.

Updated February 2005

| State<br>Access Lines            | Company | Density<br>Zones       | Loop<br>Rate<br>(per Month)                         | Port<br>Rate<br>(per Month) | Switching<br>(per MOU)                                       | Tandem Switching<br>and Transport<br>(per MOU)   |
|----------------------------------|---------|------------------------|---|-----------------------------|--|--|
| <b>Illinois</b><br><br>6,470,450 | SBC     | A<br>B<br>C<br><br>Avg | \$5.17<br>\$12.40<br>\$14.91<br><br><b>\$13.40</b>  | \$2.18                      | Included<br>in port rate                                     | \$0.000215<br>Tandem Switching<br><b>\$0.000304</b><br><b>Shared Transport</b>   |
| <b>Indiana</b><br><br>2,219,943  | SBC     | 3<br>2<br>1<br><br>Avg | \$12.00<br>\$12.50<br>\$11.50<br><br>\$11.97        | \$2.98                      | Included<br>in port rate                                     | \$0.000295<br>Tandem Switching<br><b>\$0.000513</b><br><b>Shared Transport</b>   |
| Iowa<br><br>1,028,347            | QW      | 1<br>2<br>3<br><br>Avg | \$12.69<br>\$15.14<br>\$26.39<br><br>\$15.94        | \$1.15                      | \$0.001558   | \$0.00069<br>Tandem Switching<br>\$0.00111<br>Common Transport   |
| <b>Kansas</b><br><br>1,224,632   | SBC     | 3<br>2<br>1<br><br>Avg | \$11.86<br>\$13.64<br>\$23.34<br><br><b>\$13.47</b> | \$1.61                      | \$0.00131<br>\$0.00169<br>\$0.00253<br><br><b>\$0.001509</b> | \$0.000789<br>Tandem Switching<br>\$0.000157-\$0.000196<br>Common Transport  |
| Kentucky<br><br>1,147,905        | BS      | 1<br>2<br>3<br><br>Avg | \$10.56<br>\$15.34<br>\$31.11<br><br>\$18.04<br>*   | \$1.49<br><br>*             | \$0.001197   | \$0.0001940<br>Tandem Switching<br>\$0.0007466<br>Common Transport   |
| Louisiana<br><br>2,196,551       | BS      | 1<br>2<br>3<br><br>Avg | \$12.90<br>\$23.33<br>\$48.43<br><br>\$17.30<br>*   | \$1.52<br><br>*             | \$0.001868   | \$0.0001067<br>Tandem Switching<br>\$0.0003748<br>Common Transport   |
| <b>Maine</b><br><br>698,325      | VZ      | 1<br>2<br>3<br><br>Avg | \$11.44<br>\$13.47<br>\$18.75<br><br><b>\$16.18</b> | \$0.94                      | \$0.00168  | \$0.001221<br>Tandem Switching<br><b>\$0.001940 Day</b><br><b>\$0.000322 Eve</b><br>\$0.00000 Night & Weekend<br><b>Common Transport</b> |

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

Updated February 2005

| State<br>Access Lines                 | Company | Density<br>Zones | Loop<br>Rate<br>(per Month) | Port<br>Rate<br>(per Month)          | Switching<br>(per MOU)   | Tandem Switching<br>and Transport<br>(per MOU)   |
|---------------------------------------|---------|------------------|-----------------------------|--------------------------------------|--|--|
| <b>Maryland</b><br><br>3,733,450      | VZ      | A1               | <b>\$10.13</b>              | <b>\$1.41</b>                        | <b>\$0.001325</b><br><b>Originating</b><br><b>\$0.001162</b><br><b>Terminating</b> | <b>\$0.000248</b><br><b>Tandem Switching</b><br><b>\$0.001341</b><br><b>Common Transport</b> |
|                                       |         | A2               | <b>\$10.18</b>              |                                      |  |  |
|                                       |         | B1               | <b>\$21.92</b>              |                                      |  |  |
|                                       |         | B2               | <b>\$14.45</b>              |                                      |  |  |
|                                       |         | Avg              | <b>\$12.00</b>              |                                      |  |  |
| <b>Massachusetts</b><br><br>3,980,560 | VZ      | 1                | \$10.81                     | \$2.22                               | \$0.000825<br>Originating<br>\$0.000724<br>Terminating                             | \$0.000043<br>Tandem Switching<br><b>\$0.000268</b><br><b>Common Transport</b>               |
|                                       |         | 2                | \$11.37                     |                                      |  |  |
|                                       |         | 3                | \$15.41                     |                                      |  |  |
|                                       |         | 4                | \$24.32                     |                                      |  |  |
|                                       |         | Avg              | \$13.93                     |                                      |  |  |
| <b>Michigan</b><br><br>4,966,710      | SBC     | A                | <b>\$9.13</b>               | <b>\$3.46</b>                        | <b>Included</b><br><b>in port rate</b>   | <b>\$0.000198</b><br><b>Tandem Switching</b><br><b>\$0.00083</b><br><b>Shared Transport</b>  |
|                                       |         | B                | <b>\$10.77</b>              |                                      |  |  |
|                                       |         | C                | <b>\$14.20</b>              |                                      |  |  |
|                                       |         | Avg              | <b>\$11.73</b>              |                                      |  |  |
|                                       |         |                  |                             |                                      |  |  |
| <b>Minnesota</b><br><br>2,004,934     | QW      | 1                | \$5.83                      | \$3.12<br>w/all features             | Included<br>in port rate   | \$0.00112<br>Tandem Switching<br><b>\$0.000613</b><br><b>Common Transport</b>                |
|                                       |         | 2                | \$8.95                      |                                      |  |  |
|                                       |         | 3                | \$10.62                     |                                      |  |  |
|                                       |         | 4                | \$15.66                     |                                      |  |  |
|                                       |         | Avg              | \$12.86                     |                                      |  |  |
| Mississippi                           | BS      | 1                | \$12.03                     | \$1.41                               | \$0.0010269  | \$0.0001723<br>Tandem Switching<br>\$0.0004541<br>Common Transport                           |
|                                       |         | 2                | \$16.87                     |                                      |  |  |
|                                       |         | 3                | \$25.68                     |                                      |  |  |
|                                       |         | 4                | \$43.85                     |                                      |  |  |
|                                       |         | Avg              | \$23.12<br>*                |                                      |  |  |
| <b>Missouri</b><br><br>2,478,864      | SBC     | 1                | \$12.71                     | \$1.74<br>\$1.97<br>\$2.47<br>\$2.25 | \$0.001620<br>\$0.001949<br>\$0.002807<br>\$0.002391                               | \$0.001231<br>Tandem Switching<br>\$0.000132 - \$0.000246<br>Common Transport                |
|                                       |         | 2                | \$18.64                     |                                      |  |  |
|                                       |         | 3                | \$19.74                     |                                      |  |  |
|                                       |         | 4                | \$16.41                     |                                      |  |  |
|                                       |         | Avg              | <b>\$15.71</b>              |                                      |  |  |
| Montana                               | QW      | 1                | \$23.10                     | \$1.58                               | \$0.001574   | \$0.000690<br>Tandem Switching<br>\$0.001110<br>Common Transport                             |
|                                       |         | 2                | \$23.90                     |                                      |  |  |
|                                       |         | 3                | \$27.13                     |                                      |  |  |
|                                       |         | 4                | \$29.29                     |                                      |  |  |
|                                       |         | Avg              | \$23.98                     |                                      |  |  |

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

Updated February 2005

| State<br>Access Lines           | Company | Density<br>Zones       | Loop<br>Rate<br>(per Month)  | Port<br>Rate<br>(per Month)                          | Switching<br>(per MOU)                                 | Tandem Switching<br>and Transport<br>(per MOU)   |
|---------------------------------|---------|------------------------|--|--|--|--|
| Nebraska<br><br>395,465         | QW      | 1<br>2<br>3<br><br>Avg | \$12.14<br>\$28.11<br>\$62.50<br><br>\$17.51                             | \$2.47   | \$0.00126  | \$0.00069<br>Tandem Switching<br>\$0.001110<br>Common Transport  |
| Nevada<br><br>370,904           | SBC     | 1<br>2<br>3<br><br>Avg | \$11.77<br>\$22.64<br>\$66.25<br><br><b>\$21.25</b>                      | \$1.63   | \$0.00161  | \$0.00171<br>Tandem Switching<br>\$0.00727<br>Common Transport   |
| New Hampshire<br><br>726,497    | VZ      | 1<br>2<br>3<br><br>Avg | \$11.97<br>\$16.04<br>\$25.00<br><br>\$16.21                             | \$0.71   | \$0.002425 Day<br>\$0.003199 Eve<br>\$0.001343 Night   | <b>\$0.000737-\$0.000684</b><br><b>Tandem Switching</b><br><b>\$0.000328-\$0.000565</b><br><b>Common Transport</b> |
| New Jersey<br><br>6,095,951     | VZ      | 1<br>2<br>3<br><br>Avg | \$8.81<br>\$10.42<br>\$11.82<br><br>\$10.32                              | \$2.72   | \$0.001399<br>Originating<br>\$0.001364<br>Terminating | \$0.000772<br>Tandem Switching<br>\$0.000093 Fixed<br>\$0.0000006 per mile<br>Common Transport                     |
| New Mexico<br><br>818,870       | QW      | 1<br>2<br>3<br><br>Avg | \$16.04<br>\$18.34<br>\$23.70<br><br>\$18.52                             | \$1.38<br><br>\$5.53<br>w/all features               | \$0.0011083  | \$0.001616<br>Tandem Switching<br>\$0.0001252<br>Common Transport  |
| New York<br><br>10,858,329      | VZ      | 1<br>2<br>3<br><br>Avg | \$7.70<br>\$11.31<br>\$15.51<br><br>\$11.49                              | \$4.57<br><br>*                                      | \$0.001147<br>Originating<br>\$0.00111<br>Terminating  | <b>\$0.000481</b><br><b>Tandem Switching</b><br><b>\$0.000203</b><br><b>Common Transport</b>                       |
| North Carolina<br><br>2,362,747 | BS      | 1<br>2<br>3<br><br>Avg | \$12.11<br>\$21.24<br>\$33.65<br><br>\$15.88<br>*                        | \$2.19<br><br>*                                      | \$0.001500   | \$0.0006<br>Tandem Switching<br>\$0.00034<br>Common Transport  |
| North Dakota<br><br>189,857     | QW      | 1<br>2<br>3<br><br>Avg | <b>\$14.53</b><br><b>\$24.49</b><br><b>\$55.47</b><br><br><b>\$16.71</b> | <b>\$2.58</b><br><br><b>\$6.35</b><br>w/all features | \$0.001475   | \$0.00069<br>Tandem Switching<br>\$0.001110<br>Common Transport  |

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

Updated February 2005

| State<br>Access Lines           | Company | Density<br>Zones            | Loop<br>Rate<br>(per Month)   | Port<br>Rate<br>(per Month)                      | Switching<br>(per MOU)  | Tandem Switching<br>and Transport<br>(per MOU)  |
|---------------------------------|---------|-----------------------------|---|--|---|---|
| Ohio<br><br>3,903,288           | SBC     | B<br>C<br>D<br><br>Avg      | <b>\$9.46</b><br><b>\$12.52</b><br><b>\$13.65</b><br><br><b>\$12.63</b> | \$4.61   | \$0.000779  | \$0.000213<br>Tandem Switching<br>\$0.000629<br>Common Transport                              |
| Oklahoma<br><br>1,469,349       | SBC     | 3<br>2<br>1<br><br>Avg      | \$12.14<br>\$13.65<br>\$26.25<br><br><b>\$15.97</b>                     | \$2.18<br>\$2.21<br>\$2.58<br><br>\$2.29         | \$0.002268<br>\$0.002516<br>\$0.003800<br><br><b>\$0.002697</b> | \$0.000956<br>Tandem Switching<br>\$0.000266 - \$0.000499<br>Common Transport                 |
| Oregon<br><br>1,304,393         | QW      | 1<br>2<br>3<br><br>Avg      | \$13.95<br>\$25.20<br>\$56.21<br><br>\$15.00                            | \$1.14   | \$0.0013301   | \$0.00069<br>Tandem Switching<br>\$0.001040<br>Common Transport                               |
| Pennsylvania<br><br>5,706,854   | VZ      | 1<br>2<br>3<br>4<br><br>Avg | \$6.77<br>\$9.25<br>\$12.39<br>\$22.39<br><br>\$13.76                   | \$1.68<br><br><br><br>\$1.91<br>w/ all features  | \$0.001373<br>Originating<br>\$0.001175<br>Terminating          | \$0.000120<br>Tandem Switching<br>\$0.000206 fixed<br>\$0.000010 per mile<br>Common Transport |
| Rhode Island<br><br>549,546     | VZ      | 1<br>2<br>3<br><br>Avg      | \$11.19<br>\$15.44<br>\$19.13<br><br>\$13.93                            | \$1.86   | \$0.001358<br>Originating<br>\$0.001192<br>Terminating          | \$0.000274<br>Tandem Switching<br><b>\$0.000291</b><br><b>Common Transport</b>                |
| South Carolina<br><br>1,422,703 | BS      | 1<br>2<br>3<br><br>Avg      | \$14.94<br>\$21.39<br>\$26.72<br><br>\$17.60<br>*                       | \$1.65<br><br><br>\$4.69<br>w/ all features<br>* | \$0.0010519   | \$0.0001634<br>Tandem Switching<br>\$0.0004095<br><br>Common Transport                        |
| South Dakota<br><br>219,501     | QW      | 1<br>2<br>3<br><br>Avg      | \$15.20<br>\$16.56<br>\$21.77<br><br>\$18.84                            | \$1.84   | \$0.000702  | \$0.000690<br>Tandem Switching<br>\$0.00138786<br>Common Transport                            |
| Tennessee<br><br>2,496,477      | BS      | 1<br>2<br>3<br><br>Avg      | \$11.74<br>\$17.59<br>\$29.37<br><br>\$14.92<br>*                       | \$1.89<br><br><br>*                              | \$0.0008041   | \$0.0009778<br>Tandem Switching<br>\$0.00038<br>Common Transport                              |

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

Updated February 2005

| State<br>Access Lines                          | Company | Density<br>Zones | Loop<br>Rate<br>(per Month) | Port<br>Rate<br>(per Month)                     | Switching<br>(per MOU)   | Tandem Switching<br>and Transport<br>(per MOU) |
|--|---------|------------------|-----------------------------|---|--------------------------|--|
| <b>Texas</b><br><br><br><br>9,116,910          | SBC     | 3                | <b>\$12.26</b>              | \$1.58  | \$0.0014244              | \$0.000794                                     |
|  |         | 2                | <b>\$13.69</b>              | \$2.47  | \$0.0012691              | Tandem Switching                               |
|  |         | 1                | <b>\$16.34</b>              | \$3.05  | \$0.0011973              | \$0.000123-\$0.000144                          |
|  |         |                  |                             | \$4.21  | \$0.0021160              | Common Transport                               |
|  |         | Avg              | <b>\$13.78</b>              | \$2.22  | \$0.0014386              |  |
| Utah<br><br><br><br>994,767                    | QW      | Urban            | \$11.33                     | \$3.56  | \$0.001427               | \$0.000671-\$0.000694                          |
|  |         | Sub              | \$12.22                     | Port rate<br>includes<br>unlimited<br>switching | \$0.001654               | Tandem Switching                               |
|  |         | Rural            | \$19.57                     |   | \$0.001798               | \$0.001039                                     |
|  |         |                  |                             |   | Standalone<br>rates      | Common Transport                               |
|  |         | Avg              | \$12.97                     |   |                          |  |
| <b>Vermont</b><br><br><br><br>349,788          | VZ      | 1                | \$7.72                      | \$1.03  | \$0.004003               | \$0.000921                                     |
|  |         | 2                | \$8.35                      |   |                          | Tandem Switching                               |
|  |         | 3                | \$21.63                     |   |                          | <b>\$0.000630</b>                              |
|  |         |                  |                             |   |                          | <b>Common Transport</b>                        |
|  |         | Avg              | \$14.41                     |   |                          |  |
| <b>Virginia</b><br><br><br><br>3,304,681       | VZ      | 1                | <b>\$10.74</b>              | <b>\$1.30</b>                                   | <b>\$0.002643</b>        | <b>\$0.000548</b>                              |
|  |         | 2                | <b>\$16.45</b>              |   | <b>Originating</b>       | <b>Tandem Switching</b>                        |
|  |         | 3                | <b>\$29.40</b>              |   | <b>\$0.001331</b>        | <b>\$0.000114</b>                              |
|  |         |                  |                             |   | <b>Terminating</b>       | <b>Common Transport</b>                        |
|  |         | Avg              | <b>\$13.76</b>              |   |                          |  |
| <b>Washington</b><br><br><br><br><br>2,328,093 | QW      | 1                | <b>\$11.26</b>              | \$1.34  | \$0.001178               | \$0.00069                                      |
|  |         | 2                | <b>\$13.63</b>              |   |                          | Tandem Switching                               |
|  |         | 3                | <b>\$16.92</b>              |   |                          | \$0.000760                                     |
|  |         | 4                | <b>\$28.23</b>              |   |                          | Common Transport                               |
|  |         | 5                | <b>\$67.77</b>              |   |                          |  |
|  |         |                  |                             | Avg   | <b>\$16.90</b>           |  |
| West Virginia<br><br><br><br>821,887           | 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                     |   |                          |  |
| <b>Wisconsin</b><br><br><br><br>1,946,471      | SBC     | A                | <b>\$11.53</b>              | \$2.83  | Included in<br>port rate | \$0.000229                                     |
|  |         | B                | <b>\$13.17</b>              |   |                          | Tandem Switching                               |
|  |         | C                | <b>\$15.86</b>              |   |                          | <b>\$0.000485</b>                              |
|  |         |                  |                             |   |                          | <b>Shared Transport</b>                        |
|  |         | Avg.             | <b>\$12.25</b>              |   |                          |  |

Updated February 2005

| State<br>Access Lines | Company | Density<br>Zones | Loop<br>Rate<br>(per Month) | Port<br>Rate<br>(per Month) | Switching<br>(per MOU) | Tandem Switching<br>and Transport<br>(per MOU) |
|-----------------------|---------|------------------|-----------------------------|-----------------------------|------------------------|--|
| Wyoming               | 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                               |
| 244,238               |         | Avg              | \$23.39                     |                             |                        |  |

Note: Access Line Data from NECA USF submission dated October 1, 2004



**UNE COMBINATION RATES**

Rates Effective When Used As Part of Loop/Port Combination or UNE-P  
Updated February 2005

| State<br>Access Lines        | Company | Density<br>Zones            | Loop<br>Rate<br>(per Month)                             | Port<br>Rate<br>(per Month)               | Switching<br>(per MOU)                                 | Tandem Switching<br>and Transport<br>(per MOU)                                 |
|------------------------------|---------|-----------------------------|---|---|--|--|
| Alabama<br><br>1,834,337     | BS      | 1<br>2<br>3<br><br>Avg      | \$11.55<br>\$20.04<br>\$33.65<br><br>\$16.66            | \$1.15<br><br>\$3.13<br>w/ all features   | \$0.0007025  | \$0.00010<br>Tandem Switching<br>\$0.00032<br>Common Transport                 |
| Florida<br><br>6,277,815     | BS      | 1<br>2<br>3<br><br>Avg      | \$9.77<br>\$13.88<br>\$24.63<br><br>\$13.95             | \$1.17<br><br>\$3.43<br>w/ all features   | \$0.000766   | \$0.0001319<br>Tandem Switching<br>\$0.0004372<br>Termination                  |
| Georgia<br><br>3,897,165     | BS      | 1<br>2<br>3<br><br>Avg      | \$9.56<br>\$14.86<br>\$31.66<br><br>\$12.82             | \$0.9019<br><br>\$1.68<br>w/ all features | \$0.000615   | \$0.0000972<br>Tandem Switching<br>\$0.0001914<br>Common Transport             |
| Kentucky<br><br>1,147,905    | BS      | 1<br>2<br>3<br><br>Avg      | \$9.64<br>\$14.37<br>\$30.59<br><br>\$17.26             | \$1.15                                    | \$0.001197   | \$0.000194<br>Tandem Switching<br>\$0.0007466<br>Common Transport              |
| Louisiana<br><br>2,196,551   | BS      | 1<br>2<br>3<br><br>Avg      | \$11.77<br>\$22.39<br>\$48.26<br><br>\$16.24            | \$1.36                                    | \$0.001868   | \$0.0001067<br>Tandem Switching<br>\$0.0003748<br>Common Transport             |
| Mississippi<br><br>1,278,863 | BS      | 1<br>2<br>3<br>4<br><br>Avg | \$10.99<br>\$15.90<br>\$25.03<br>\$43.68<br><br>\$22.37 | \$1.23<br><br>\$3.79<br>w/ all features   | \$0.0010269  | \$0.0001723<br>Tandem Switching<br>\$0.0004541<br>Common Transport             |
| New York<br><br>10,858,329   | VZ      | 1<br>2<br>3<br><br>Avg      | \$7.70<br>\$11.31<br>\$15.51<br><br>\$11.49             | \$2.57                                    | \$0.001147<br>Originating<br>\$0.001111<br>Terminating | \$0.000481<br>Tandem Switching<br><b>\$0.000203</b><br><b>Common Transport</b> |

Table 1A

| State<br>Access Lines              | Company | Density<br>Zones                 | Loop<br>Rate<br>(per Month)  | Port<br>Rate<br>(per Month)             | Switching<br>(per MOU) | Tandem Switching<br>and Transport<br>(per MOU)                     |
|------------------------------------|---------|----------------------------------|--|---|------------------------|--|
| North Carolina<br><br>2,362,747    | BS      | 1<br>2<br>3<br><br>Avg           | \$10.75<br>\$19.05<br>\$30.33<br><br>\$14.18   | \$2.28                                  | \$0.00150              | \$0.00060<br>Tandem Switching<br>\$0.00034<br>Common Transport     |
| South Carolina<br><br>1,422,703    | BS      | 1<br>2<br>3<br><br>Avg           | \$13.76<br>\$20.38<br>\$26.04<br><br>\$16.51   | \$1.13<br><br>\$4.17<br>w/ all features | \$0.0010519            | \$0.0001634<br>Tandem Switching<br>\$0.0004095<br>Common Transport |
| Tennessee<br><br>2,496,477         | BS      | 1<br>2<br>3<br><br>Avg           | \$11.11<br>\$16.65<br>\$27.80<br><br>\$14.12   | \$1.70                                  | \$0.0008041            | \$0.0009778<br>Tandem Switching<br>\$0.0003871<br>Common Transport |
| <b>Washington</b><br><br>2,328,093 | QW      | 1<br>2<br>3<br>4<br>5<br><br>Avg | <b>\$11.07</b><br><b>\$13.44</b><br><b>\$16.73</b><br><b>\$28.04</b><br><b>\$67.58</b><br><br><b>\$16.71</b> | \$1.34                                  | \$0.001178             | \$0.00069<br>Tandem Switching<br>\$0.000760<br>Common Transport    |

Note: Access Line data from NECA USF submission to FCC, dated October 1, 2004

### UNE RATE/REVENUE COMPARISON MATRIX

All Rates for RBOC in each State Unless Otherwise Noted

Updated February 2005

| 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        | \$52.84                          | 25.4%      |
|             |         | 2             | \$20.04               |   |                       | \$21.89        |                                  | 41.4%      |
|             |         | 3             | \$33.65               |   |                       | \$35.50        |                                  | 67.2%      |
|             |         | Avg           | \$16.66               |   |                       |                |                                  |            |
| Alaska      | ATU     | 1             | <b>\$18.64</b>        | \$4.27  | \$6.60                | \$29.51        | n/a                              | n/a        |
|             | ACS     | 1             | \$19.19               | \$1.38  | \$2.03                | \$22.60        |                                  |            |
| Arizona     | QW      | 1             | \$9.05                | \$1.61  | \$0.97                | \$11.63        | \$42.84                          | 27.1%      |
|             |         | 2             | \$14.84               |   |                       | \$17.42        |                                  | 40.7%      |
|             |         | 3             | \$36.44               |   |                       | \$39.02        |                                  | 91.1%      |
|             |         | Avg           | \$12.12               |   |                       |                |                                  |            |
| Arkansas    | SBC     | 3             | \$11.86               | \$1.61  | \$1.31                | \$14.78        | \$46.09                          | 32.1%      |
|             |         | 2             | \$13.64               |   |                       | \$16.94        |                                  | 36.8%      |
|             |         | 1             | \$23.34               |   |                       | \$27.48        |                                  | 59.6%      |
|             |         | Avg           | \$13.88               |   |                       | \$1.66         |                                  |            |
| California  | SBC     | 1             | <b>\$9.64</b>         | <b>\$3.35</b><br>Port rate includes unlimited switching | <b>\$0.00</b>         | <b>\$12.99</b> | \$32.92                          | 39.5%      |
|             |         | 2             | <b>\$13.01</b>        |   |                       | <b>\$16.36</b> |                                  | 49.7%      |
|             |         | 3             | <b>\$26.87</b>        |   |                       | <b>\$30.22</b> |                                  | 91.8%      |
|             |         | Avg           | <b>\$11.93</b>        |   |                       |                |                                  |            |
| Colorado    | QW      | 1             | \$5.91                | \$1.15  | \$1.61                | \$8.67         | \$55.22                          | 15.7%      |
|             |         | 2             | \$12.31               |   |                       | \$15.07        |                                  | 27.3%      |
|             |         | 3             | \$32.74               |   |                       | \$35.50        |                                  | 64.3%      |
|             |         | Avg           | \$15.85               |   |                       |                |                                  |            |
| Connecticut | SBC     | 1             | <b>\$14.41</b>        | <b>\$0.00</b><br>Included in switching                  | <b>\$6.41</b><br>*    | <b>\$20.82</b> | \$39.68                          | 52.5%      |
| D.C.        | VZ      | 1             | \$8.49                | \$1.55  | \$3.00                | \$13.04        | \$37.62                          | 34.7%      |

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

## Updated February 2005

| 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    | \$36.46                          | 39.0%      |
|          |         | 2             | \$13.13               |                       |                       | \$17.28    |                                  | 47.4%      |
|          |         | 3             | \$16.67               |                       |                       | \$20.82    |                                  | 57.1%      |
|          |         | Avg           | \$12.03               |                       |                       |            |                                  |            |
| Florida  | BS      | 1             | \$9.77                | \$1.17                | \$0.77                | \$11.71    | \$41.16                          | 28.4%      |
|          |         | 2             | \$13.88               |                       |                       | \$15.82    |                                  | 38.4%      |
|          |         | 3             | \$24.63               |                       |                       | \$26.57    |                                  | 64.6%      |
|          |         | Avg           | \$13.95               |                       |                       |            |                                  |            |
| Georgia  | BS      | 1             | \$9.56                | \$0.90                | \$0.61                | \$11.07    | \$54.31                          | 20.4%      |
|          |         | 2             | \$14.86               |                       |                       | \$16.37    |                                  | 30.1%      |
|          |         | 3             | \$31.66               |                       |                       | \$33.17    |                                  | 61.1%      |
|          |         | Avg           | \$12.82               |                       |                       |            |                                  |            |
| Hawaii   | VZ      | Oahu          | \$10.44               | \$2.69                | \$7.61                | \$20.74    | \$44.73                          | 46.4%      |
|          |         | Maui          | \$17.23               |                       |                       | \$27.53    |                                  | 61.5%      |
|          |         | Hawaii        | \$21.91               |                       |                       | \$32.21    |                                  | 72.0%      |
| Idaho    | QW      | 1             | \$15.65               | \$1.34                | \$1.34                | \$18.33    | \$42.55                          | 43.1%      |
|          |         | 2             | \$23.76               |                       |                       | \$26.44    |                                  | 62.1%      |
|          |         | 3             | \$40.50               |                       |                       | \$43.18    |                                  | 101.5%     |
|          |         | Avg           | \$20.21               |                       |                       |            |                                  |            |
| Illinois | SBC     | A             | \$5.17                | \$2.18                | \$0.00                | \$7.35     | \$35.78                          | 20.5%      |
|          |         | B             | \$12.40               |                       |                       | \$14.58    |                                  | 40.7%      |
|          |         | C             | \$14.91               |                       |                       | \$17.09    |                                  | 47.8%      |
|          |         | Avg           | <b>\$13.40</b>        |                       |                       |            |                                  |            |
| Indiana  | SBC     | 3             | \$12.00               | \$2.98                | \$0.00                | \$14.98    | \$39.48                          | 37.9%      |
|          |         | 2             | \$12.50               |                       |                       | \$15.48    |                                  | 39.2%      |
|          |         | 1             | \$11.50               |                       |                       | \$14.48    |                                  | 36.7%      |
|          |         | Avg           | \$11.97               |                       |                       |            |                                  |            |
| Iowa     | QW      | 1             | \$12.69               | \$1.15                | \$1.56                | \$15.40    | \$36.25                          | 42.5%      |
|          |         | 2             | \$15.14               |                       |                       | \$17.85    |                                  | 49.2%      |
|          |         | 3             | \$26.39               |                       |                       | \$29.10    |                                  | 80.3%      |
|          |         | Avg           | \$15.94               |                       |                       |            |                                  |            |

## Updated February 2005

| State           | Company | Density Zones | Loop Rate (per Month) | Port Rate (per Month)                                   | Switching (per Month) | Total Cost     | Average Revenue/line (per Month) | Percentage     |         |       |
|-----------------|---------|---------------|-----------------------|---|-----------------------|----------------|----------------------------------|----------------|---------|-------|
| <b>Kansas</b>   | SBC     | 3             | \$11.86               | \$1.61  | \$1.31                | \$14.78        | \$42.66                          | 34.6%          |         |       |
|                 |         | 2             | \$13.64               |   |                       |                |                                  | \$1.69         | \$16.94 | 39.7% |
|                 |         | 1             | \$23.34               |   |                       |                |                                  | \$2.53         | \$27.48 | 64.4% |
|                 |         | Avg           | <b>\$13.47</b>        |   |                       |                |                                  | <b>\$1.51</b>  |         |       |
| Kentucky        | BS      | 1             | \$9.64                | \$1.15  | \$1.20                | \$11.99        | \$45.90                          | 26.1%          |         |       |
|                 |         | 2             | \$14.37               |   |                       |                |                                  | \$16.72        | 36.4%   |       |
|                 |         | 3             | \$30.59               |   |                       |                |                                  | \$32.94        | 71.8%   |       |
|                 |         | Avg           | \$17.26               |   |                       |                |                                  |                |         |       |
| Louisiana       | BS      | 1             | \$11.77               | \$1.36  | \$1.87                | \$15.00        | \$54.62                          | 27.5%          |         |       |
|                 |         | 2             | \$22.39               |   |                       |                |                                  | \$25.62        | 46.9%   |       |
|                 |         | 3             | \$48.26               |   |                       |                |                                  | \$51.49        | 94.3%   |       |
|                 |         | Avg           | \$16.24               |   |                       |                |                                  |                |         |       |
| <b>Maine</b>    | VZ      | 1             | \$11.44               | \$0.94  | \$1.68                | \$14.06        | \$40.67                          | 34.6%          |         |       |
|                 |         | 2             | \$13.47               |   |                       |                |                                  | \$16.09        | 39.6%   |       |
|                 |         | 3             | \$18.75               |   |                       |                |                                  | \$21.37        | 52.5%   |       |
|                 |         | Avg           | <b>\$16.18</b>        |   |                       |                |                                  |                |         |       |
| <b>Maryland</b> | VZ      | A1            | <b>\$10.13</b>        | <b>\$1.41</b>   | <b>\$1.24</b>         | <b>\$12.78</b> | \$39.76                          | 32.1%          |         |       |
|                 |         | A2            | <b>\$10.18</b>        |   |                       |                |                                  | <b>\$12.83</b> | 32.3%   |       |
|                 |         | B1            | <b>\$21.92</b>        |   |                       |                |                                  | <b>\$24.57</b> | 61.8%   |       |
|                 |         | B2            | <b>\$14.45</b>        |   |                       |                |                                  | <b>\$17.10</b> | 43.0%   |       |
|                 |         | Avg           | <b>\$12.00</b>        |   |                       |                |                                  |                |         |       |
| Massachusetts   | VZ      | 1             | \$10.81               | \$2.22  | \$0.77                | \$13.80        | \$36.46                          | 37.8%          |         |       |
|                 |         | 2             | \$11.37               |   |                       |                |                                  | \$14.36        | 39.4%   |       |
|                 |         | 3             | \$15.41               |   |                       |                |                                  | \$18.40        | 50.5%   |       |
|                 |         | 4             | \$24.32               |   |                       |                |                                  | \$27.31        | 74.9%   |       |
|                 |         | Avg           | \$13.93               |   |                       |                |                                  |                |         |       |
| <b>Michigan</b> | SBC     | A             | <b>\$9.13</b>         | <b>\$3.46</b><br>Port rate includes unlimited switching | \$0.00                | <b>\$12.59</b> | \$34.42                          | 36.6%          |         |       |
|                 |         | B             | <b>\$10.77</b>        |   |                       |                |                                  | <b>\$14.23</b> | 41.3%   |       |
|                 |         | C             | <b>\$14.20</b>        |   |                       |                |                                  | <b>\$17.66</b> | 51.3%   |       |
|                 |         | Avg           | <b>\$11.73</b>        |   |                       |                |                                  |                |         |       |
| Minnesota       | QW      | 1             | \$5.83                | \$3.12  | \$0.00                | \$8.95         | \$39.79                          | 22.5%          |         |       |
|                 |         | 2             | \$8.95                |   |                       |                |                                  | \$12.07        | 30.3%   |       |
|                 |         | 3             | \$10.62               |   |                       |                |                                  | \$13.74        | 34.5%   |       |
|                 |         | 4             | \$15.66               |   |                       |                |                                  | \$18.78        | 47.2%   |       |
|                 |         | Avg           | \$12.86               |   |                       |                |                                  |                |         |       |

## Updated February 2005

| State         | Company | Density<br>Zones | Loop<br>Rate<br>(per Month) | Port<br>Rate<br>(per Month) | Switching<br>(per Month) | Total<br>Cost | Average<br>Revenue/line<br>(per Month) | Percentage |
|---------------|---------|------------------|-----------------------------|-----------------------------|--------------------------|---------------|--|------------|
| Mississippi   | BS      | 1                | \$10.99                     | \$1.23                      | \$1.03                   | \$13.25       | \$66.98                                | 19.8%      |
|               |         | 2                | \$15.90                     |                             |                          | \$18.16       |  | 27.1%      |
|               |         | 3                | \$25.03                     |                             |                          | \$27.29       |  | 40.7%      |
|               |         | 4                | \$43.68                     |                             |                          | \$45.94       |  | 68.6%      |
|               |         | Avg              | \$22.37                     |                             |                          |               |  |            |
| Missouri      | SBC     | 1                | \$12.71                     | \$1.74                      | \$1.62                   | \$16.07       | \$39.75                                | 40.4%      |
|               |         | 2                | \$18.64                     | \$1.97                      | \$1.95                   | \$22.56       |  | 56.8%      |
|               |         | 3                | \$19.74                     | \$2.47                      | \$2.81                   | \$25.02       |  | 62.9%      |
|               |         | 4                | \$16.41                     | \$2.25                      | \$2.39                   | \$21.05       |  | 53.0%      |
|               |         | Avg              | <b>\$15.71</b>              | <b>\$1.95</b>               | <b>\$1.95</b>            |               |  |            |
| Montana       | QW      | 1                | \$23.10                     | \$1.58                      | \$1.57                   | \$26.25       | \$44.73                                | 58.7%      |
|               |         | 2                | \$23.90                     |                             |                          | \$27.05       |  | 60.5%      |
|               |         | 3                | \$27.13                     |                             |                          | \$30.28       |  | 67.7%      |
|               |         | 4                | \$29.29                     |                             |                          | \$32.44       |  | 72.5%      |
|               |         | Avg              | \$23.98                     |                             |                          |               |  |            |
| Nebraska      | QW      | 1                | \$12.14                     | \$2.47                      | \$1.26                   | \$15.87       | \$53.96                                | 29.4%      |
|               |         | 2                | \$28.11                     |                             |                          | \$31.84       |  | 59.0%      |
|               |         | 3                | \$62.50                     |                             |                          | \$66.23       |  | 122.7%     |
|               |         | Avg              | \$17.51                     |                             |                          |               |  |            |
| Nevada        | SBC     | 1                | \$11.77                     | \$1.63                      | \$1.61                   | \$15.01       | \$35.51                                | 42.3%      |
|               |         | 2                | \$22.64                     |                             |                          | \$25.88       |  | 72.9%      |
|               |         | 3                | \$66.25                     |                             |                          | \$69.49       |  | 195.7%     |
|               |         | Avg              | <b>\$21.25</b>              |                             |                          |               |  |            |
| New Hampshire | VZ      | 1                | \$11.97                     | \$0.71                      | \$2.44                   | \$15.12       | \$35.37                                | 42.7%      |
|               |         | 2                | \$16.04                     |                             |                          | \$19.19       |  | 54.3%      |
|               |         | 3                | \$25.00                     |                             |                          | \$28.15       |  | 79.6%      |
|               |         | Avg              | \$16.21                     |                             |                          |               |  |            |
| New Jersey    | VZ      | 1                | \$8.81                      | \$2.72                      | \$2.76                   | \$14.29       | \$31.57                                | 45.3%      |
|               |         | 2                | \$10.42                     |                             |                          | \$15.90       |  | 50.4%      |
|               |         | 3                | \$11.82                     |                             |                          | \$17.30       |  | 54.8%      |
|               |         | Avg              | \$10.32                     |                             |                          |               |  |            |

## Updated February 2005

| State          | Company | Density<br>Zones | Loop<br>Rate<br>(per Month) | Port<br>Rate<br>(per Month) | Switching<br>(per Month) | Total<br>Cost  | Average<br>Revenue/line<br>(per Month) | Percentage |
|----------------|---------|------------------|-----------------------------|-----------------------------|--------------------------|----------------|--|------------|
| New Mexico     | QW      | 1                | \$16.04                     | \$1.38                      | \$1.11                   | \$18.53        | \$42.67                                | 43.4%      |
|                |         | 2                | \$18.34                     |                             |                          | \$20.83        |  | 48.8%      |
|                |         | 3                | \$23.70                     |                             |                          | \$26.19        |  | 61.4%      |
|                |         | Avg              | \$18.52                     |                             |                          |                |  |            |
| New York       | VZ      | 1                | \$7.70                      | \$2.57                      | \$1.13                   | \$11.40        | \$45.24                                | 25.2%      |
|                |         | 2                | \$11.31                     |                             |                          | \$15.01        |  | 33.2%      |
|                |         | 3                | \$15.51                     |                             |                          | \$19.21        |  | 42.5%      |
|                |         | Avg              | \$11.49                     |                             |                          |                |  |            |
| North Carolina | BS      | 1                | \$10.75                     | \$2.28                      | \$1.50                   | \$14.53        | \$45.62                                | 31.9%      |
|                |         | 2                | \$19.05                     |                             |                          | \$22.83        |  | 50.0%      |
|                |         | 3                | \$30.33                     |                             |                          | \$34.11        |  | 74.8%      |
|                |         | Avg              | \$14.18                     |                             |                          |                |  |            |
| North Dakota   | QW      | 1                | <b>\$14.53</b>              | <b>\$2.58</b>               | \$1.48                   | <b>\$18.59</b> | \$45.59                                | 40.8%      |
|                |         | 2                | <b>\$24.49</b>              |                             |                          | <b>\$28.55</b> |  | 62.6%      |
|                |         | 3                | <b>\$55.47</b>              |                             |                          | <b>\$59.53</b> |  | 130.6%     |
|                |         | Avg              | <b>\$16.71</b>              |                             |                          |                |  |            |
| Ohio           | SBC     | B                | <b>\$9.46</b>               | \$4.61                      | \$0.78                   | <b>\$14.85</b> | \$40.97                                | 36.2%      |
|                |         | C                | <b>\$12.52</b>              |                             |                          | <b>\$17.91</b> |  | 43.7%      |
|                |         | D                | <b>\$13.65</b>              |                             |                          | <b>\$19.04</b> |  | 46.5%      |
|                |         | Avg              | <b>\$12.63</b>              |                             |                          |                |  |            |
| Oklahoma       | SBC     | 3                | \$12.14                     | \$2.18                      | \$2.27                   | \$16.59        | \$43.06                                | 38.5%      |
|                |         | 2                | \$13.65                     | \$2.21                      | \$2.52                   | \$18.38        |  | 42.7%      |
|                |         | 1                | \$26.25                     | \$2.58                      | \$3.80                   | \$32.63        |  | 75.8%      |
|                |         | Avg              | <b>\$15.97</b>              | <b>\$2.29</b>               | <b>\$2.70</b>            |                |  |            |
| Oregon         | QW      | 1                | \$13.95                     | \$1.14                      | \$1.33                   | \$16.42        | \$40.81                                | 40.2%      |
|                |         | 2                | \$25.20                     |                             |                          | \$27.67        |  | 67.8%      |
|                |         | 3                | \$56.21                     |                             |                          | \$58.68        |  | 143.8%     |
|                |         | Avg              | \$15.00                     |                             |                          |                |  |            |
| Pennsylvania   | VZ      | 1                | \$6.77                      | \$1.68                      | \$2.55                   | \$11.00        | \$33.56                                | 32.8%      |
|                |         | 2                | \$9.25                      |                             |                          | \$13.48        |  | 40.2%      |
|                |         | 3                | \$12.39                     |                             |                          | \$16.62        |  | 49.5%      |
|                |         | 4                | \$22.39                     |                             |                          | \$26.62        |  | 79.3%      |
|                |         | Avg              | \$13.76                     |                             |                          |                |  |            |

## Updated February 2005

| State          | Company | Density<br>Zones | Loop<br>Rate<br>(per Month) | Port<br>Rate<br>(per Month)                               | Switching<br>(per Month) | Total<br>Cost  | Average<br>Revenue/line<br>(per Month) | Percentage |       |
|----------------|---------|------------------|-----------------------------|---|--------------------------|----------------|--|------------|-------|
| Rhode Island   | VZ      | 1                | \$11.19                     | \$1.86  | \$1.28                   | \$14.33        | \$35.12                                | 40.8%      |       |
|                |         | 2                | \$15.44                     |   |                          | \$18.58        |  | 52.9%      |       |
|                |         | 3                | \$19.13                     |   |                          | \$22.27        |  | 63.4%      |       |
|                |         | Avg              | \$13.93                     |   |                          |                |  |            |       |
| South Carolina | BS      | 1                | \$13.76                     | \$1.13  | \$1.05                   | \$15.94        | \$53.78                                | 29.6%      |       |
|                |         | 2                | \$20.38                     |   |                          | \$22.56        |  | 41.9%      |       |
|                |         | 3                | \$26.04                     |   |                          | \$28.22        |  | 52.5%      |       |
|                |         | Avg              | \$16.51                     |   |                          |                |  |            |       |
| South Dakota   | QW      | 1                | \$15.20                     | \$1.84  | \$0.70                   | \$17.74        | \$41.75                                | 42.5%      |       |
|                |         | 2                | \$16.56                     |   |                          | \$19.10        |  | 45.7%      |       |
|                |         | 3                | \$21.77                     |   |                          | \$24.31        |  | 58.2%      |       |
|                |         | Avg              | \$18.84                     |   |                          |                |  |            |       |
| Tennessee      | BS      | 1                | \$11.11                     | \$1.70  | \$0.80                   | \$13.61        | \$49.25                                | 27.6%      |       |
|                |         | 2                | \$16.65                     |   |                          | \$19.15        |  | 38.9%      |       |
|                |         | 3                | \$27.80                     |   |                          | \$30.30        |  | 61.5%      |       |
|                |         | Avg              | \$14.12                     |   |                          |                |  |            |       |
| Texas          | SBC     | 3                | <b>\$12.26</b>              | \$1.58  | \$1.42                   | \$15.26        | \$46.02                                | 33.2%      |       |
|                |         | 2                | <b>\$13.69</b>              |   |                          | \$2.47         |  | \$17.58    | 38.2% |
|                |         | 1                | <b>\$16.34</b>              |   |                          | \$4.21         |  | \$21.97    | 47.7% |
|                |         | Avg              | <b>\$13.78</b>              |   |                          | \$2.22         |  | \$1.44     |       |
| Utah           | QW      | 1                | \$11.33                     | \$3.56<br>Port rate<br>includes<br>unlimited<br>switching | \$0.00                   | \$14.89        | \$44.36                                | 33.6%      |       |
|                |         | 2                | \$12.22                     |   |                          | \$15.78        |  | 35.6%      |       |
|                |         | 3                | \$19.57                     |   |                          | \$23.13        |  | 52.1%      |       |
|                |         | Avg              | \$12.97                     |   |                          |                |  |            |       |
| Vermont        | VZ      | 1                | \$7.72                      | \$1.03  | \$4.00                   | \$12.75        | \$43.84                                | 29.1%      |       |
|                |         | 2                | \$8.35                      |   |                          | \$13.38        |  | 30.5%      |       |
|                |         | 3                | \$21.63                     |   |                          | \$26.66        |  | 60.8%      |       |
|                |         | Avg              | \$14.41                     |   |                          |                |  |            |       |
| Virginia       | VZ      | 1                | <b>\$10.74</b>              | <b>\$1.30</b>   | <b>\$1.99</b>            | <b>\$14.03</b> | \$39.81                                | 35.2%      |       |
|                |         | 2                | <b>\$16.45</b>              |   |                          | <b>\$19.74</b> |  | 49.6%      |       |
|                |         | 3                | <b>\$29.40</b>              |   |                          | <b>\$32.69</b> |  | 82.1%      |       |
|                |         | Avg              | <b>\$13.76</b>              |   |                          |                |  |            |       |



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| 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             | <b>\$11.07</b>        | \$1.34  | \$1.18                | <b>\$13.59</b> | \$40.48                          | 33.6%      |
|               |         | 2             | <b>\$13.44</b>        |   |                       |                |                                  | 39.4%      |
|               |         | 3             | <b>\$16.73</b>        |   |                       |                |                                  | 47.6%      |
|               |         | 4             | <b>\$28.04</b>        |   |                       |                |                                  | 75.5%      |
|               |         | 5             | <b>\$67.58</b>        |   |                       |                |                                  | 173.2%     |
|               |         | Avg           | <b>\$16.71</b>        |   |                       |                |                                  |            |
| West Virginia | VZ      | 1             | \$14.49               | \$1.60  | \$2.55                | \$18.64        | \$48.93                          | 38.1%      |
|               |         | 2             | \$22.04               |   |                       |                |                                  | 53.5%      |
|               |         | 3             | \$35.00               |   |                       |                |                                  | 80.0%      |
|               |         | 4             | \$43.44               |   |                       |                |                                  | 97.3%      |
|               |         | Avg           | \$20.41               |   |                       |                |                                  |            |
| Wisconsin     | SBC     | A             | <b>\$11.53</b>        | \$2.83<br>Port rate<br>includes<br>unlimited<br>switching | n/a                   | \$14.36        | \$40.32                          | 35.6%      |
|               |         | B             | <b>\$13.17</b>        |   |                       |                |                                  | 39.7%      |
|               |         | C             | <b>\$15.86</b>        |   |                       |                |                                  | 46.4%      |
|               |         | Avg.          | <b>\$12.25</b>        |   |                       |                |                                  |            |
| Wyoming       | QW      | BRA           | \$19.91               | \$2.64  | \$0.92                | \$23.47        | \$50.64                          | 46.3%      |
|               |         | 1             | \$26.94               |   |                       |                |                                  | 60.2%      |
|               |         | 2             | \$30.13               |   |                       |                |                                  | 66.5%      |
|               |         | 3             | \$40.98               |   |                       |                |                                  | 88.0%      |
|               |         | 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, May 2004, 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 February 2005

| 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        | \$26.81                              | 50.1%      |
|                    |         | 2             | \$20.04               |   |                       | \$21.92        |                                      | 81.8%      |
|                    |         | 3             | \$33.65               |   |                       | \$35.53        |                                      | 132.5%     |
|                    |         | Avg           | \$16.66               |   |                       |                |                                      |            |
| <b>Alaska</b>      | ATU     | 1             | <b>\$18.64</b>        | \$4.27  | \$6.60                | <b>\$29.51</b> | \$21.60                              | 136.6%     |
| Arizona            | QW      | 1             | \$9.05                | \$1.61  | \$0.97                | \$11.63        | \$23.49                              | 49.5%      |
|                    |         | 2             | \$14.84               |   |                       | \$17.42        |                                      | 74.2%      |
|                    |         | 3             | \$36.44               |   |                       | \$39.02        |                                      | 166.1%     |
|                    |         | Avg           | \$12.12               |   |                       |                |                                      |            |
| Arkansas           | SBC     | 3             | \$11.86               | \$1.61  | \$1.31                | \$14.78        | \$25.93                              | 57.0%      |
|                    |         | 2             | \$13.64               |   |                       | \$16.94        |                                      | 65.3%      |
|                    |         | 1             | \$23.34               |   |                       | \$27.48        |                                      | 106.0%     |
|                    |         | Avg           | \$13.88               |   |                       | \$1.66         |                                      |            |
| <b>California</b>  | SBC     | 1             | <b>\$9.64</b>         | <b>\$3.35</b><br>Port rate includes unlimited switching | <b>\$0.00</b>         | <b>\$12.99</b> | \$17.86                              | 72.7%      |
|                    |         | 2             | <b>\$13.01</b>        |   |                       | <b>\$16.36</b> |                                      | 91.6%      |
|                    |         | 3             | <b>\$26.87</b>        |   |                       | <b>\$30.22</b> |                                      | 169.2%     |
|                    |         | Avg           | <b>\$11.93</b>        |   |                       |                |                                      |            |
| Colorado           | QW      | 1             | \$5.91                | \$1.15  | \$1.61                | \$8.67         | \$26.33                              | 32.9%      |
|                    |         | 2             | \$12.31               |   |                       | \$15.07        |                                      | 57.2%      |
|                    |         | 3             | \$32.74               |   |                       | \$35.50        |                                      | 134.8%     |
|                    |         | Avg           | \$15.85               |   |                       |                |                                      |            |
| <b>Connecticut</b> | SBC     | 1A            | <b>\$14.41</b>        | <b>\$0.00</b><br>included in switching                  | <b>\$6.41</b><br>*    | <b>\$15.84</b> | \$21.26                              | 74.5%      |
| D.C.               | VZ      | 1             | \$8.49                | \$1.55  | \$3.00                | \$13.04        | \$21.67                              | 60.2%      |

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

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| 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    | \$18.05                              | 78.8%      |
|          |         | 2             | \$13.13               |                       |                       | \$17.28    |                                      | 95.7%      |
|          |         | 3             | \$16.67               |                       |                       | \$20.82    |                                      | 111.3%     |
|          |         | Avg           | \$12.03               |                       |                       |            |                                      |            |
| Florida  | BS      | 1             | \$9.77                | \$1.17                | \$0.77                | \$11.71    | \$21.07                              | 55.6%      |
|          |         | 2             | \$13.88               |                       |                       | \$15.82    |                                      | 75.1%      |
|          |         | 3             | \$24.63               |                       |                       | \$26.57    |                                      | 126.1%     |
|          |         | Avg           | \$13.95               |                       |                       |            |                                      |            |
| Georgia  | BS      | 1             | \$9.56                | \$0.90                | \$0.62                | \$11.08    | \$29.59                              | 37.4%      |
|          |         | 2             | \$14.86               |                       |                       | \$16.38    |                                      | 55.4%      |
|          |         | 3             | \$31.66               |                       |                       | \$33.18    |                                      | 112.1%     |
|          |         | Avg           | \$12.82               |                       |                       |            |                                      |            |
| Hawaii   | VZ      | Oahu          | \$10.44               | \$2.69                | \$7.61                | \$20.74    | \$25.12                              | 82.6%      |
|          |         | Maui          | \$17.23               |                       |                       | \$27.53    |                                      | 109.6%     |
|          |         | Hawaii        | \$21.91               |                       |                       | \$32.21    |                                      | 128.2%     |
| Idaho    | QW      | 1             | \$15.65               | \$1.34                | \$1.34                | \$18.33    | \$24.66                              | 74.3%      |
|          |         | 2             | \$23.76               |                       |                       | \$26.44    |                                      | 107.2%     |
|          |         | 3             | \$40.50               |                       |                       | \$43.18    |                                      | 175.1%     |
|          |         | Avg           | \$20.21               |                       |                       |            |                                      |            |
| Illinois | SBC     | A             | \$5.17                | \$2.18                | \$0.00                | \$7.35     | \$22.40                              | 32.8%      |
|          |         | B             | \$12.40               |                       |                       | \$14.58    |                                      | 65.1%      |
|          |         | C             | \$14.91               |                       |                       | \$17.09    |                                      | 76.3%      |
|          |         | Avg           | <b>\$13.40</b>        |                       |                       |            |                                      |            |
| Indiana  | SBC     | 3             | \$12.00               | \$2.98                | \$0.00                | \$14.98    | \$20.23                              | 74.0%      |
|          |         | 2             | \$12.50               |                       |                       | \$15.48    |                                      | 76.5%      |
|          |         | 1             | \$11.50               |                       |                       | \$14.48    |                                      | 71.6%      |
|          |         | Avg           | \$11.97               |                       |                       |            |                                      |            |
| Iowa     | QW      | 1             | \$12.69               | \$1.15                | \$1.56                | \$15.40    | \$18.11                              | 85.0%      |
|          |         | 2             | \$15.14               |                       |                       | \$17.85    |                                      | 104.1%     |
|          |         | 3             | \$26.39               |                       |                       | \$29.10    |                                      | 180.0%     |
|          |         | Avg           | \$15.94               |                       |                       |            |                                      |            |

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| State           | Company | Density Zones | Loop Rate (per Month) | Port Rate (per Month)                                   | Switching (per Month) | Total Cost     | Average Residential Rate (per Month) | Percentage     |         |        |
|-----------------|---------|---------------|-----------------------|---|-----------------------|----------------|--------------------------------------|----------------|---------|--------|
| <b>Kansas</b>   | SBC     | 3             | \$11.86               | \$1.61  | \$1.31                | \$14.78        | \$19.60                              | 75.4%          |         |        |
|                 |         | 2             | \$13.64               |   |                       |                |                                      | \$1.69         | \$16.94 | 86.4%  |
|                 |         | 1             | \$23.34               |   |                       |                |                                      | \$2.53         | \$27.48 | 140.2% |
|                 |         | Avg           | <b>\$13.47</b>        |   |                       |                |                                      | <b>\$1.51</b>  |         |        |
| Kentucky        | BS      | 1             | \$9.64                | \$1.15  | \$1.20                | \$11.99        | \$29.11                              | 41.2%          |         |        |
|                 |         | 2             | \$14.37               |   |                       |                |                                      | \$16.72        | 57.4%   |        |
|                 |         | 3             | \$30.59               |   |                       |                |                                      | \$32.94        | 113.2%  |        |
|                 |         | Avg           | \$17.26               |   |                       |                |                                      |                |         |        |
| Louisiana       | BS      | 1             | \$11.77               | \$1.36  | \$1.87                | \$15.00        | \$23.70                              | 63.3%          |         |        |
|                 |         | 2             | \$22.39               |   |                       |                |                                      | \$25.62        | 108.1%  |        |
|                 |         | 3             | \$48.26               |   |                       |                |                                      | \$51.49        | 217.3%  |        |
|                 |         | Avg           | \$16.24               |   |                       |                |                                      |                |         |        |
| <b>Maine</b>    | VZ      | 1             | \$11.44               | \$0.94  | \$1.68                | \$14.06        | \$27.46                              | 51.2%          |         |        |
|                 |         | 2             | \$13.47               |   |                       |                |                                      | \$16.09        | 58.6%   |        |
|                 |         | 3             | \$18.75               |   |                       |                |                                      | \$21.37        | 77.8%   |        |
|                 |         | Avg           | <b>\$16.18</b>        |   |                       |                |                                      |                |         |        |
| <b>Maryland</b> | VZ      | A1            | <b>\$10.13</b>        | <b>\$1.41</b>   | <b>\$1.24</b>         | <b>\$12.78</b> | \$27.06                              | 47.2%          |         |        |
|                 |         | A2            | <b>\$10.18</b>        |   |                       |                |                                      | <b>\$12.83</b> | 47.4%   |        |
|                 |         | B1            | <b>\$21.92</b>        |   |                       |                |                                      | <b>\$24.57</b> | 90.8%   |        |
|                 |         | B2            | <b>\$14.45</b>        |   |                       |                |                                      | <b>\$17.10</b> | 63.2%   |        |
|                 |         | Avg           | <b>\$12.00</b>        |   |                       |                |                                      |                |         |        |
| Massachusetts   | VZ      | 1             | \$10.81               | \$2.22  | \$0.77                | \$13.80        | \$29.65                              | 46.5%          |         |        |
|                 |         | 2             | \$11.37               |   |                       |                |                                      | \$14.36        | 48.4%   |        |
|                 |         | 3             | \$15.41               |   |                       |                |                                      | \$18.40        | 62.1%   |        |
|                 |         | 4             | \$24.32               |   |                       |                |                                      | \$27.31        | 92.1%   |        |
|                 |         | Avg           | \$13.93               |   |                       |                |                                      |                |         |        |
| <b>Michigan</b> | SBC     | A             | <b>\$9.13</b>         | <b>\$3.46</b><br>Port rate includes unlimited switching | \$0.00                | <b>\$12.59</b> | \$27.42                              | 45.9%          |         |        |
|                 |         | B             | <b>\$10.77</b>        |   |                       |                |                                      | <b>\$14.23</b> | 51.9%   |        |
|                 |         | C             | <b>\$14.20</b>        |   |                       |                |                                      | <b>\$17.66</b> | 64.4%   |        |
|                 |         | Avg           | <b>\$11.73</b>        |   |                       |                |                                      |                |         |        |
| Minnesota       | QW      | 1             | \$5.83                | \$3.12<br>Port rate includes unlimited switching        | \$0.00                | \$8.95         | \$23.46                              | 38.2%          |         |        |
|                 |         | 2             | \$8.95                |   |                       |                |                                      | \$12.07        | 51.4%   |        |
|                 |         | 3             | \$10.62               |   |                       |                |                                      | \$13.74        | 58.6%   |        |
|                 |         | 4             | \$15.66               |   |                       |                |                                      | \$18.78        | 80.1%   |        |
|                 |         | Avg           | \$12.86               |   |                       |                |                                      |                |         |        |

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| 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    | \$29.00                              | 45.7%      |
|               |         | 2             | \$15.90               |                       |                       | \$18.16    |                                      | 62.6%      |
|               |         | 3             | \$25.03               |                       |                       | \$27.29    |                                      | 94.1%      |
|               |         | 4             | \$43.68               |                       |                       | \$45.94    |                                      | 158.4%     |
|               |         | Avg           | \$22.37               |                       |                       |            |                                      |            |
| Missouri      | SBC     | 1             | \$12.71               | \$1.74                | \$1.62                | \$16.07    | \$20.68                              | 77.7%      |
|               |         | 2             | \$18.64               | \$1.97                | \$1.95                | \$22.56    |                                      | 109.1%     |
|               |         | 3             | \$19.74               | \$2.47                | \$2.81                | \$25.02    |                                      | 121.0%     |
|               |         | 4             | \$16.41               | \$2.25                | \$2.39                | \$21.05    |                                      | 101.8%     |
|               |         | Avg           | <b>\$15.71</b>        | <b>\$1.95</b>         | <b>\$1.95</b>         |            |                                      |            |
| Montana       | QW      | 1             | \$23.10               | \$1.58                | \$1.57                | \$26.25    | \$26.85                              | 97.8%      |
|               |         | 2             | \$23.90               |                       |                       | \$27.05    |                                      | 100.7%     |
|               |         | 3             | \$27.13               |                       |                       | \$30.28    |                                      | 112.8%     |
|               |         | 4             | \$29.29               |                       |                       | \$32.44    |                                      | 120.8%     |
|               |         | Avg           | \$23.98               |                       |                       |            |                                      |            |
| Nebraska      | QW      | 1             | \$12.14               | \$2.47                | \$1.26                | \$15.87    | \$29.42                              | 53.9%      |
|               |         | 2             | \$28.11               |                       |                       | \$31.84    |                                      | 108.2%     |
|               |         | 3             | \$62.50               |                       |                       | \$66.23    |                                      | 225.1%     |
|               |         | Avg           | \$17.51               |                       |                       |            |                                      |            |
| Nevada        | SBC     | 1             | \$11.77               | \$1.63                | \$1.61                | \$15.01    | \$16.56                              | 90.6%      |
|               |         | 2             | \$22.64               |                       |                       | \$25.88    |                                      | 156.3%     |
|               |         | 3             | \$66.25               |                       |                       | \$69.49    |                                      | 419.6%     |
|               |         | Avg           | <b>\$21.25</b>        |                       |                       |            |                                      |            |
| New Hampshire | VZ      | 1             | \$11.97               | \$0.71                | \$2.44                | \$15.12    | \$22.78                              | 66.4%      |
|               |         | 2             | \$16.04               |                       |                       | \$19.19    |                                      | 89.3%      |
|               |         | 3             | \$25.00               |                       |                       | \$28.15    |                                      | 146.7%     |
|               |         | Avg           | \$16.21               |                       |                       |            |                                      |            |
| New Jersey    | VZ      | 1             | \$8.81                | \$2.72                | \$2.76                | \$14.29    | \$16.34                              | 87.5%      |
|               |         | 2             | \$10.42               |                       |                       | \$15.90    |                                      | 97.3%      |
|               |         | 3             | \$11.82               |                       |                       | \$17.30    |                                      | 105.9%     |
|               |         | Avg           | \$10.32               |                       |                       |            |                                      |            |

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| 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        | \$24.32                              | 76.2%         |         |        |
|                |         | 2             | \$18.34               |                       |                       | \$20.83        |                                      | 85.6%         |         |        |
|                |         | 3             | \$23.70               |                       |                       | \$26.19        |                                      | 107.7%        |         |        |
|                |         | Avg           | \$18.52               |                       |                       |                |                                      |               |         |        |
| New York       | VZ      | 1             | \$7.70                | \$2.57                | \$1.13                | \$11.40        | \$31.41                              | 36.3%         |         |        |
|                |         | 2             | \$11.31               |                       |                       | \$15.01        |                                      | 47.8%         |         |        |
|                |         | 3             | \$15.51               |                       |                       | \$19.21        |                                      | 61.2%         |         |        |
|                |         | Avg           | \$11.49               |                       |                       |                |                                      |               |         |        |
| North Carolina | BS      | 1             | \$10.75               | \$2.28                | \$1.50                | \$14.53        | \$23.51                              | 61.8%         |         |        |
|                |         | 2             | \$19.05               |                       |                       | \$22.83        |                                      | 97.1%         |         |        |
|                |         | 3             | \$30.33               |                       |                       | \$34.11        |                                      | 145.1%        |         |        |
|                |         | Avg           | \$14.18               |                       |                       |                |                                      |               |         |        |
| North Dakota   | QW      | 1             | <b>\$14.53</b>        | <b>\$2.58</b>         | \$1.48                | \$18.59        | \$24.89                              | 74.7%         |         |        |
|                |         | 2             | <b>\$24.49</b>        |                       |                       | \$28.55        |                                      | 114.7%        |         |        |
|                |         | 3             | <b>\$55.47</b>        |                       |                       | \$59.53        |                                      | 239.2%        |         |        |
|                |         | Avg           | <b>\$16.71</b>        |                       |                       |                |                                      |               |         |        |
| Ohio           | SBC     | B             | <b>\$9.46</b>         | \$4.61                | \$0.78                | <b>\$14.85</b> | \$21.21                              | 70.0%         |         |        |
|                |         | C             | <b>\$12.52</b>        |                       |                       | <b>\$17.91</b> |                                      | 84.4%         |         |        |
|                |         | D             | <b>\$13.65</b>        |                       |                       | <b>\$19.04</b> |                                      | 89.8%         |         |        |
|                |         | Avg           | <b>\$12.63</b>        |                       |                       |                |                                      |               |         |        |
| Oklahoma       | SBC     | 3             | \$12.14               | \$2.18                | \$2.27                | \$16.59        | \$19.42                              | 85.4%         |         |        |
|                |         | 2             | \$13.65               |                       |                       | \$2.21         |                                      | \$2.52        | \$18.38 | 94.6%  |
|                |         | 1             | \$26.25               |                       |                       | \$2.58         |                                      | \$3.80        | \$32.63 | 168.0% |
|                |         | Avg           | <b>\$15.97</b>        |                       |                       | <b>\$2.29</b>  |                                      | <b>\$2.70</b> |         |        |
| Oregon         | QW      | 1             | \$13.95               | \$1.14                | \$1.33                | \$16.42        | \$26.05                              | 63.0%         |         |        |
|                |         | 2             | \$25.20               |                       |                       | \$27.67        |                                      | 106.2%        |         |        |
|                |         | 3             | \$56.21               |                       |                       | \$58.68        |                                      | 225.3%        |         |        |
|                |         | Avg           | \$15.00               |                       |                       |                |                                      |               |         |        |
| Pennsylvania   | VZ      | 1             | \$6.77                | \$1.68                | \$2.55                | \$11.00        | \$22.40                              | 49.1%         |         |        |
|                |         | 2             | \$9.25                |                       |                       | \$13.48        |                                      | 60.2%         |         |        |
|                |         | 3             | \$12.39               |                       |                       | \$16.62        |                                      | 74.2%         |         |        |
|                |         | 4             | \$22.39               |                       |                       | \$26.62        |                                      | 118.8%        |         |        |
|                |         | Avg           | \$13.76               |                       |                       |                |                                      |               |         |        |

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| 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        | \$29.32                              | 48.9%      |
|                |         | 2             | \$15.44               |   |                       | \$18.58        |                                      | 63.4%      |
|                |         | 3             | \$19.13               |   |                       | \$22.27        |                                      | 76.0%      |
|                |         | Avg           | \$13.93               |   |                       |                |                                      |            |
| South Carolina | BS      | 1             | \$13.76               | \$1.13  | \$1.05                | \$15.94        | \$22.55                              | 70.7%      |
|                |         | 2             | \$20.38               |   |                       | \$22.56        |                                      | 104.2%     |
|                |         | 3             | \$26.04               |   |                       | \$28.22        |                                      | 139.0%     |
|                |         | Avg           | \$16.51               |   |                       |                |                                      |            |
| South Dakota   | QW      | 1             | \$15.20               | \$1.84  | \$0.70                | \$17.74        | \$25.45                              | 69.7%      |
|                |         | 2             | \$16.56               |   |                       | \$19.10        |                                      | 75.0%      |
|                |         | 3             | \$21.77               |   |                       | \$24.31        |                                      | 95.5%      |
|                |         | Avg           | \$18.84               |   |                       |                |                                      |            |
| Tennessee      | BS      | 1             | \$11.11               | \$1.70  | \$0.80                | \$13.61        | \$22.85                              | 59.6%      |
|                |         | 2             | \$16.65               |   |                       | \$19.15        |                                      | 83.8%      |
|                |         | 3             | \$27.80               |   |                       | \$30.30        |                                      | 132.6%     |
|                |         | Avg           | \$14.12               |   |                       |                |                                      |            |
| Texas          | SBC     | 3             | <b>\$12.26</b>        | \$1.58  | \$1.42                | \$15.26        | \$29.69                              | 51.4%      |
|                |         | 2             | <b>\$13.69</b>        | \$2.47  | \$1.20                | \$17.58        |                                      | 59.2%      |
|                |         | 1             | <b>\$16.34</b>        | \$4.21  | \$2.12                | \$21.97        |                                      | 74.0%      |
|                |         | Avg           | <b>\$13.78</b>        | \$2.22  | \$1.44                |                |                                      |            |
| Utah           | QW      | 1             | <b>\$11.33</b>        | <b>\$3.56</b><br>Port rate includes unlimited switching | \$0.00                | \$14.89        | \$22.73                              | 65.5%      |
|                |         | 2             | <b>\$12.22</b>        |   |                       | \$15.78        |                                      | 69.4%      |
|                |         | 3             | <b>\$19.57</b>        |   |                       | \$23.13        |                                      | 101.8%     |
|                |         | Avg           | <b>\$12.97</b>        |   |                       |                |                                      |            |
| Vermont        | VZ      | 1             | \$7.72                | \$1.03  | \$4.00                | \$12.75        | \$32.07                              | 39.8%      |
|                |         | 2             | \$8.35                |   |                       | \$13.38        |                                      | 41.7%      |
|                |         | 3             | \$21.63               |   |                       | \$26.66        |                                      | 83.1%      |
|                |         | Avg           | \$14.41               |   |                       |                |                                      |            |
| Virginia       | VZ      | 1             | <b>\$10.74</b>        | <b>\$1.30</b>   | <b>\$1.99</b>         | <b>\$14.03</b> | \$28.90                              | 48.5%      |
|                |         | 2             | <b>\$16.45</b>        |   |                       | <b>\$19.74</b> |                                      | 68.3%      |
|                |         | 3             | <b>\$29.40</b>        |   |                       | <b>\$32.69</b> |                                      | 113.1%     |
|                |         | Avg           | <b>\$13.76</b>        |   |                       |                |                                      |            |

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| 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             | <b>\$11.07</b>        | \$1.34   | \$1.18                | <b>\$13.59</b> | \$22.10                              | 61.5%      |
|               |         | 2             | <b>\$13.44</b>        |  |                       | <b>\$15.96</b> |                                      | 72.2%      |
|               |         | 3             | <b>\$16.73</b>        |  |                       | <b>\$19.25</b> |                                      | 87.1%      |
|               |         | 4             | <b>\$28.04</b>        |  |                       | <b>\$30.56</b> |                                      | 138.3%     |
|               |         | 5             | <b>\$67.58</b>        |  |                       | <b>\$70.10</b> |                                      | 317.2%     |
|               |         | Avg           | <b>\$16.71</b>        |  |                       |                |                                      |            |
| West Virginia | VZ      | 1             | \$14.49               | \$1.60   | \$2.55                | \$18.64        | \$29.77                              | 62.6%      |
|               |         | 2             | \$22.04               |  |                       | \$26.19        |                                      | 88.0%      |
|               |         | 3             | \$35.00               |  |                       | \$39.15        |                                      | 131.5%     |
|               |         | 4             | \$43.44               |  |                       | \$47.59        |                                      | 159.9%     |
|               |         | Avg           | \$20.41               |  |                       |                |                                      |            |
| Wisconsin     | SBC     | A             | <b>\$11.53</b>        | \$2.83<br>Port rate includes unlimited switching | \$0.00                | <b>\$14.36</b> | \$35.63                              | 40.3%      |
|               |         | B             | <b>\$13.17</b>        |  |                       | <b>\$16.00</b> |                                      | 44.9%      |
|               |         | C             | <b>\$15.86</b>        |  |                       | <b>\$18.69</b> |                                      | 52.5%      |
|               |         | Avg.          | <b>\$12.25</b>        |  |                       |                |                                      |            |
| Wyoming       | QW      | BRA           | \$19.91               | \$2.64   | \$0.92                | \$23.47        | \$30.30                              | 77.5%      |
|               |         | 1             | \$26.94               |  |                       | \$30.50        |                                      | 100.7%     |
|               |         | 2             | \$30.13               |  |                       | \$33.69        |                                      | 111.2%     |
|               |         | 3             | \$40.98               |  |                       | \$44.54        |                                      | 147.0%     |
|               |         | 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 2004, 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

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| 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        | \$49.91                           | 26.9%      |
|                    |         | 2             | \$20.04               |   |                       | \$21.92        |                                   | 43.9%      |
|                    |         | 3             | \$33.65               |   |                       | \$35.53        |                                   | 71.2%      |
|                    |         | Avg           | \$16.66               |   |                       |                |                                   |            |
| <b>Alaska</b>      | ATU     | 1             | <b>\$18.64</b>        | \$4.27  | \$6.60                | <b>\$29.51</b> | \$35.78                           | 82.5%      |
| Arizona            | QW      | 1             | \$9.05                | \$1.61  | \$0.97                | \$11.63        | \$43.37                           | 26.8%      |
|                    |         | 2             | \$14.84               |   |                       | \$17.42        |                                   | 40.2%      |
|                    |         | 3             | \$36.44               |   |                       | \$39.02        |                                   | 90.0%      |
|                    |         | Avg           | \$12.12               |   |                       |                |                                   |            |
| Arkansas           | SBC     | 3             | \$11.86               | \$1.61  | \$1.31                | \$14.78        | \$45.90                           | 32.2%      |
|                    |         | 2             | \$13.64               |   | \$1.69                | \$16.94        |                                   | 36.9%      |
|                    |         | 1             | \$23.34               |   | \$2.53                | \$27.48        |                                   | 59.9%      |
|                    |         | Avg           | \$13.88               |   | \$1.66                |                |                                   |            |
| <b>California</b>  | SBC     | 1             | <b>\$9.64</b>         | <b>\$3.35</b><br>Port rate includes unlimited switching | <b>\$0.00</b>         | <b>\$12.99</b> | \$16.94                           | 76.7%      |
|                    |         | 2             | <b>\$13.01</b>        |   |                       | <b>\$16.36</b> |                                   | 96.6%      |
|                    |         | 3             | <b>\$26.87</b>        |   |                       | <b>\$30.22</b> |                                   | 178.4%     |
|                    |         | Avg           | <b>\$11.93</b>        |   |                       |                |                                   |            |
| Colorado           | QW      | 1             | \$5.91                | \$1.15  | \$1.61                | \$8.67         | \$49.10                           | 17.7%      |
|                    |         | 2             | \$12.31               |   |                       | \$15.07        |                                   | 30.7%      |
|                    |         | 3             | \$32.74               |   |                       | \$35.50        |                                   | 72.3%      |
|                    |         | Avg           | \$15.85               |   |                       |                |                                   |            |
| <b>Connecticut</b> | SBC     | 1             | <b>\$14.41</b>        | <b>\$0.00</b><br>included in switching                  | <b>\$6.41</b><br>*    | <b>\$19.41</b> | \$44.40                           | 43.7%      |
| D.C.               | VZ      | 1             | \$8.49                | \$1.55  | \$3.00                | \$13.04        | \$21.48                           | 60.7%      |

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

## Updated February 2005

| 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    | \$33.12                           | 42.9%      |
|          |         | 2             | \$13.13               |                       |                       | \$17.28    |                                   | 52.2%      |
|          |         | 3             | \$16.67               |                       |                       | \$20.82    |                                   | 62.5%      |
|          |         | Avg           | \$12.03               |                       |                       |            |                                   |            |
| Florida  | BS      | 1             | \$9.77                | \$1.17                | \$0.77                | \$11.71    | \$44.80                           | 26.1%      |
|          |         | 2             | \$13.88               |                       |                       | \$15.82    |                                   | 35.3%      |
|          |         | 3             | \$24.63               |                       |                       | \$26.57    |                                   | 59.3%      |
|          |         | Avg           | \$13.95               |                       |                       |            |                                   |            |
| Georgia  | BS      | 1             | \$9.56                | \$0.90                | \$0.62                | \$11.08    | \$64.89                           | 17.1%      |
|          |         | 2             | \$14.86               |                       |                       | \$16.38    |                                   | 25.2%      |
|          |         | 3             | \$31.66               |                       |                       | \$33.18    |                                   | 51.1%      |
|          |         | Avg           | \$12.82               |                       |                       |            |                                   |            |
| Hawaii   | VZ      | Oahu          | \$10.44               | \$2.69                | \$7.61                | \$20.74    | \$49.76                           | 41.7%      |
|          |         | Maui          | \$17.23               |                       |                       | \$27.53    |                                   | 55.3%      |
|          |         | Hawaii        | \$21.91               |                       |                       | \$32.21    |                                   | 64.7%      |
| Idaho    | QW      | 1             | \$15.65               | \$1.34                | \$1.34                | \$18.33    | \$39.67                           | 46.2%      |
|          |         | 2             | \$23.76               |                       |                       | \$26.44    |                                   | 66.6%      |
|          |         | 3             | \$40.50               |                       |                       | \$43.18    |                                   | 108.8%     |
|          |         | Avg           | \$20.21               |                       |                       |            |                                   |            |
| Illinois | SBC     | A             | \$5.17                | \$2.18                | \$0.00                | \$7.35     | \$13.46                           | 54.6%      |
|          |         | B             | \$12.40               |                       |                       | \$14.58    |                                   | 108.3%     |
|          |         | C             | \$14.91               |                       |                       | \$17.09    |                                   | 127.0%     |
|          |         | Avg           | <b>\$13.40</b>        |                       |                       |            |                                   |            |
| Indiana  | SBC     | 3             | \$12.00               | \$2.98                | \$0.00                | \$14.98    | \$54.53                           | 27.5%      |
|          |         | 2             | \$12.50               |                       |                       | \$15.48    |                                   | 28.4%      |
|          |         | 1             | \$11.50               |                       |                       | \$14.48    |                                   | 26.6%      |
|          |         | Avg           | \$11.97               |                       |                       |            |                                   |            |
| Iowa     | QW      | 1             | \$12.69               | \$1.15                | \$1.56                | \$15.40    | \$36.64                           | 42.0%      |
|          |         | 2             | \$15.14               |                       |                       | \$17.85    |                                   | 51.4%      |
|          |         | 3             | \$26.39               |                       |                       | \$29.10    |                                   | 88.8%      |
|          |         | Avg           | \$15.94               |                       |                       |            |                                   |            |

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| State           | Company | Density Zones | Loop Rate (per Month) | Port Rate (per Month)  | Switching (per Month) | Total Cost     | Average Business Rate (per Month) | Percentage |
|-----------------|---------|---------------|-----------------------|--|-----------------------|----------------|-----------------------------------|------------|
| <b>Kansas</b>   | SBC     | 3             | \$11.86               | \$1.61   | \$1.31                | \$14.78        | \$31.90                           | 46.3%      |
|                 |         | 2             | \$13.64               |  | \$1.69                | \$16.94        |                                   | 53.1%      |
|                 |         | 1             | \$23.34               |  | \$2.53                | \$27.48        |                                   | 86.1%      |
|                 |         | Avg           | <b>\$13.47</b>        |  | <b>\$1.51</b>         |                |                                   |            |
| Kentucky        | BS      | 1             | \$9.64                | \$1.15   | \$1.20                | \$11.99        | \$45.85                           | 26.2%      |
|                 |         | 2             | \$14.37               |  |                       | \$16.72        |                                   | 36.5%      |
|                 |         | 3             | \$30.59               |  |                       | \$32.94        |                                   | 71.8%      |
|                 |         | Avg           | \$17.26               |  |                       |                |                                   |            |
| Louisiana       | BS      | 1             | \$11.77               | \$1.36   | \$1.87                | \$15.00        | \$46.42                           | 32.3%      |
|                 |         | 2             | \$22.39               |  |                       | \$25.62        |                                   | 55.2%      |
|                 |         | 3             | \$48.26               |  |                       | \$51.49        |                                   | 110.9%     |
|                 |         | Avg           | \$16.24               |  |                       |                |                                   |            |
| <b>Maine</b>    | VZ      | 1             | \$11.44               | \$0.94   | \$1.68                | \$14.06        | \$50.01                           | 28.1%      |
|                 |         | 2             | \$13.47               |  |                       | \$16.09        |                                   | 32.2%      |
|                 |         | 3             | \$18.75               |  |                       | \$21.37        |                                   | 42.7%      |
|                 |         | Avg           | <b>\$16.18</b>        |  |                       |                |                                   |            |
| <b>Maryland</b> | VZ      | A1            | <b>\$10.13</b>        | <b>\$1.41</b>  | <b>\$1.24</b>         | <b>\$12.78</b> | \$23.75                           | 53.8%      |
|                 |         | A2            | <b>\$10.18</b>        |  |                       | <b>\$12.83</b> |                                   | 54.0%      |
|                 |         | B1            | <b>\$21.92</b>        |  |                       | <b>\$24.57</b> |                                   | 103.5%     |
|                 |         | B2            | <b>\$14.45</b>        |  |                       | <b>\$17.10</b> |                                   | 72.0%      |
|                 |         | Avg           | <b>\$12.00</b>        |  |                       |                |                                   |            |
| Massachusetts   | VZ      | 1             | \$10.81               | \$2.22   | \$0.77                | \$13.80        | \$25.01                           | 55.2%      |
|                 |         | 2             | \$11.37               |  |                       | \$14.36        |                                   | 57.4%      |
|                 |         | 3             | \$15.41               |  |                       | \$18.40        |                                   | 73.6%      |
|                 |         | 4             | \$24.32               |  |                       | \$27.31        |                                   | 109.2%     |
|                 |         | Avg           | \$13.93               |  |                       |                |                                   |            |
| <b>Michigan</b> | SBC     | A             | <b>\$9.13</b>         | <b>\$3.46</b><br>Port rate<br>includes<br>unlimited<br>switching | \$0.00                | \$12.59        | \$24.49                           | 51.4%      |
|                 |         | B             | <b>\$10.77</b>        |  |                       | \$14.23        |                                   | 58.1%      |
|                 |         | C             | <b>\$14.20</b>        |  |                       | \$17.66        |                                   | 72.1%      |
|                 |         | Avg           | <b>\$11.73</b>        |  |                       |                |                                   |            |
| Minnesota       | QW      | 1             | \$5.83                | \$3.12<br>Port rate<br>includes<br>unlimited<br>switching        | \$0.00                | \$8.95         | \$54.79                           | 16.3%      |
|                 |         | 2             | \$8.95                |  |                       | \$12.07        |                                   | 22.0%      |
|                 |         | 3             | \$10.62               |  |                       | \$13.74        |                                   | 25.1%      |
|                 |         | 4             | \$15.66               |  |                       | \$18.78        |                                   | 34.3%      |
|                 |         | Avg           | \$12.86               |  |                       |                |                                   |            |

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| 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    | \$50.90                           | 26.0%      |
|               |         | 2             | \$15.90               |                       |                       | \$18.16    |                                   | 35.7%      |
|               |         | 3             | \$25.03               |                       |                       | \$27.29    |                                   | 53.6%      |
|               |         | 4             | \$43.68               |                       |                       | \$45.94    |                                   | 90.3%      |
|               |         | Avg           | \$22.37               |                       |                       |            |                                   |            |
| Missouri      | SBC     | 1             | \$12.71               | \$1.74                | \$1.62                | \$16.07    | \$49.65                           | 32.4%      |
|               |         | 2             | \$18.64               | \$1.97                | \$1.95                | \$22.56    |                                   | 45.4%      |
|               |         | 3             | \$19.74               | \$2.47                | \$2.81                | \$25.02    |                                   | 50.4%      |
|               |         | 4             | \$16.41               | \$2.25                | \$2.39                | \$21.05    |                                   | 42.4%      |
|               |         | Avg           | <b>\$15.71</b>        | <b>\$1.95</b>         | <b>\$1.95</b>         |            |                                   |            |
| Montana       | QW      | 1             | \$23.10               | \$1.58                | \$1.57                | \$26.25    | \$45.22                           | 58.0%      |
|               |         | 2             | \$23.90               |                       |                       | \$27.05    |                                   | 59.8%      |
|               |         | 3             | \$27.13               |                       |                       | \$30.28    |                                   | 67.0%      |
|               |         | 4             | \$29.29               |                       |                       | \$32.44    |                                   | 71.7%      |
|               |         | Avg           | \$23.98               |                       |                       |            |                                   |            |
| Nebraska      | QW      | 1             | \$12.14               | \$2.47                | \$1.26                | \$15.87    | \$40.69                           | 39.0%      |
|               |         | 2             | \$28.11               |                       |                       | \$31.84    |                                   | 78.3%      |
|               |         | 3             | \$62.50               |                       |                       | \$66.23    |                                   | 162.8%     |
|               |         | Avg           | \$17.51               |                       |                       |            |                                   |            |
| Nevada        | SBC     | 1             | \$11.77               | \$1.63                | \$1.61                | \$15.01    | \$27.61                           | 54.4%      |
|               |         | 2             | \$22.64               |                       |                       | \$25.88    |                                   | 93.7%      |
|               |         | 3             | \$66.25               |                       |                       | \$69.49    |                                   | 251.7%     |
|               |         | Avg           | <b>\$21.25</b>        |                       |                       |            |                                   |            |
| New Hampshire | VZ      | 1             | \$11.97               | \$0.71                | \$2.44                | \$15.12    | \$51.72                           | 29.2%      |
|               |         | 2             | \$16.04               |                       |                       | \$19.19    |                                   | 40.5%      |
|               |         | 3             | \$25.00               |                       |                       | \$28.15    |                                   | 72.6%      |
|               |         | Avg           | \$16.21               |                       |                       |            |                                   |            |
| New Jersey    | VZ      | 1             | \$8.81                | \$2.72                | \$2.76                | \$14.29    | \$22.14                           | 64.5%      |
|               |         | 2             | \$10.42               |                       |                       | \$15.90    |                                   | 71.8%      |
|               |         | 3             | \$11.82               |                       |                       | \$17.30    |                                   | 78.1%      |
|               |         | Avg           | \$10.32               |                       |                       |            |                                   |            |
| New Mexico    | QW      | 1             | \$16.04               | \$1.38                | \$1.11                | \$18.53    | \$48.13                           | 38.5%      |
|               |         | 2             | \$18.34               |                       |                       | \$20.83    |                                   | 43.3%      |
|               |         | 3             | \$23.70               |                       |                       | \$26.19    |                                   | 54.4%      |
|               |         | Avg           | \$18.52               |                       |                       |            |                                   |            |

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| 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        | \$29.84                           | 38.2%      |
|                |         | 2             | \$11.31               |                       |                       | \$15.01        |                                   | 50.3%      |
|                |         | 3             | \$15.51               |                       |                       | \$19.21        |                                   | 64.4%      |
|                |         | Avg           | \$11.49               |                       |                       |                |                                   |            |
| North Carolina | BS      | 1             | \$10.75               | \$2.28                | \$1.50                | \$14.53        | \$45.30                           | 32.1%      |
|                |         | 2             | \$19.05               |                       |                       | \$22.83        |                                   | 50.4%      |
|                |         | 3             | \$30.33               |                       |                       | \$34.11        |                                   | 75.3%      |
|                |         | Avg           | \$14.18               |                       |                       |                |                                   |            |
| North Dakota   | QW      | 1             | <b>\$14.53</b>        | <b>\$2.58</b>         | \$1.48                | <b>\$18.59</b> | \$35.74                           | 52.0%      |
|                |         | 2             | <b>\$24.49</b>        |                       |                       | <b>\$28.55</b> |                                   | 79.9%      |
|                |         | 3             | <b>\$55.47</b>        |                       |                       | <b>\$59.53</b> |                                   | 166.6%     |
|                |         | Avg           | <b>\$16.71</b>        |                       |                       |                |                                   |            |
| Ohio           | SBC     | B             | <b>\$9.46</b>         | \$4.61                | \$0.78                | <b>\$14.85</b> | \$31.66                           | 46.9%      |
|                |         | C             | <b>\$12.52</b>        |                       |                       | <b>\$17.91</b> |                                   | 56.6%      |
|                |         | D             | <b>\$13.65</b>        |                       |                       | <b>\$19.04</b> |                                   | 60.1%      |
|                |         | Avg           | <b>\$12.63</b>        |                       |                       |                |                                   |            |
| Oklahoma       | SBC     | 3             | \$12.14               | \$2.18                | \$2.27                | \$16.59        | \$45.51                           | 36.5%      |
|                |         | 2             | \$13.65               | \$2.21                | \$2.52                | \$18.38        |                                   | 40.4%      |
|                |         | 1             | \$26.25               | \$2.58                | \$3.80                | \$32.63        |                                   | 71.7%      |
|                |         | Avg           | <b>\$15.97</b>        | <b>\$2.29</b>         | <b>\$2.70</b>         |                |                                   |            |
| Oregon         | QW      | 1             | \$13.95               | \$1.14                | \$1.33                | \$16.42        | \$42.46                           | 38.7%      |
|                |         | 2             | \$25.20               |                       |                       | \$27.67        |                                   | 65.2%      |
|                |         | 3             | \$56.21               |                       |                       | \$58.68        |                                   | 138.2%     |
|                |         | Avg           | \$15.00               |                       |                       |                |                                   |            |
| Pennsylvania   | VZ      | 1             | \$6.77                | \$1.68                | \$2.55                | \$11.00        | \$25.99                           | 42.3%      |
|                |         | 2             | \$9.25                |                       |                       | \$13.48        |                                   | 51.9%      |
|                |         | 3             | \$12.39               |                       |                       | \$16.62        |                                   | 63.9%      |
|                |         | 4             | \$22.39               |                       |                       | \$26.62        |                                   | 102.4%     |
|                |         | Avg           | \$13.76               |                       |                       |                |                                   |            |
| Rhode Island   | VZ      | 1             | \$11.19               | \$1.86                | \$1.28                | \$14.33        | \$31.19                           | 45.9%      |
|                |         | 2             | \$15.44               |                       |                       | \$18.58        |                                   | 59.6%      |
|                |         | 3             | \$19.13               |                       |                       | \$22.27        |                                   | 71.4%      |
|                |         | Avg           | \$13.93               |                       |                       |                |                                   |            |

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| 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        | \$49.90                           | 31.9%      |
|                |         | 2             | \$20.38               |  |                       | \$22.56        |                                   | 48.5%      |
|                |         | 3             | \$26.04               |  |                       | \$28.22        |                                   | 68.2%      |
|                |         | Avg           | \$16.51               |  |                       |                |                                   |            |
| South Dakota   | QW      | 1             | \$15.20               | \$1.84   | \$0.70                | \$17.74        | \$45.60                           | 38.9%      |
|                |         | 2             | \$16.56               |  |                       | \$19.10        |                                   | 41.9%      |
|                |         | 3             | \$21.77               |  |                       | \$24.31        |                                   | 53.3%      |
|                |         | Avg           | \$18.84               |  |                       |                |                                   |            |
| Tennessee      | BS      | 1             | \$11.11               | \$1.70   | \$0.80                | \$13.61        | \$55.82                           | 24.4%      |
|                |         | 2             | \$16.65               |  |                       | \$19.15        |                                   | 34.3%      |
|                |         | 3             | \$27.80               |  |                       | \$30.30        |                                   | 54.3%      |
|                |         | Avg           | \$14.12               |  |                       |                |                                   |            |
| Texas          | SBC     | 3             | <b>\$12.26</b>        | \$1.58   | \$1.42                | \$15.26        | \$50.11                           | 30.5%      |
|                |         | 2             | <b>\$13.69</b>        | \$2.47   | \$1.20                | \$17.58        |                                   | 35.1%      |
|                |         | 1             | <b>\$16.34</b>        | \$4.21   | \$2.12                | \$21.97        |                                   | 43.8%      |
|                |         | Avg           | <b>\$13.78</b>        | \$2.22   | \$1.44                |                |                                   |            |
| Utah           | QW      | 1             | <b>\$11.33</b>        | <b>\$3.56</b><br>Port rate<br>includes<br>unlimited<br>switching | \$0.00                | \$14.89        | \$32.72                           | 45.5%      |
|                |         | 2             | <b>\$12.22</b>        |  |                       | \$15.78        |                                   | 48.2%      |
|                |         | 3             | <b>\$19.57</b>        |  |                       | \$23.13        |                                   | 70.7%      |
|                |         | Avg           | <b>\$12.97</b>        |  |                       |                |                                   |            |
| Vermont        | VZ      | 1             | \$7.72                | \$1.03   | \$4.00                | \$12.75        | \$48.36                           | 26.4%      |
|                |         | 2             | \$8.35                |  |                       | \$13.38        |                                   | 27.7%      |
|                |         | 3             | \$21.63               |  |                       | \$26.66        |                                   | 55.1%      |
|                |         | Avg           | \$14.41               |  |                       |                |                                   |            |
| Virginia       | VZ      | 1             | <b>\$10.74</b>        | <b>\$1.30</b>  | <b>\$1.99</b>         | <b>\$14.03</b> | \$76.01                           | 18.5%      |
|                |         | 2             | <b>\$16.45</b>        |  |                       | <b>\$19.74</b> |                                   | 26.0%      |
|                |         | 3             | <b>\$29.40</b>        |  |                       | <b>\$32.69</b> |                                   | 43.0%      |
|                |         | Avg           | <b>\$13.76</b>        |  |                       |                |                                   |            |
| Washington     | QW      | 1             | <b>\$11.07</b>        | \$1.34   | \$1.18                | <b>\$13.59</b> | \$41.01                           | 33.1%      |
|                |         | 2             | <b>\$13.44</b>        |  |                       | <b>\$15.96</b> |                                   | 38.9%      |
|                |         | 3             | <b>\$16.73</b>        |  |                       | <b>\$19.25</b> |                                   | 46.9%      |
|                |         | 4             | <b>\$28.04</b>        |  |                       | <b>\$30.56</b> |                                   | 74.5%      |
|                |         | 5             | <b>\$67.58</b>        |  |                       | <b>\$70.10</b> |                                   | 170.9%     |
|                |         | Avg           | <b>\$16.71</b>        |  |                       |                |                                   |            |

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| 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        | \$61.20                           | 30.5%      |
|               |         | 2             | \$22.04               |   |                       | \$26.19        |                                   | 42.8%      |
|               |         | 3             | \$35.00               |   |                       | \$39.15        |                                   | 64.0%      |
|               |         | 4             | \$43.44               |   |                       | \$47.59        |                                   | 77.8%      |
|               |         | Avg           | \$20.41               |   |                       |                |                                   |            |
| Wisconsin     | SBC     | A             | <b>\$11.53</b>        | \$2.83<br>Port rate<br>includes<br>unlimited<br>switching | \$0.00                | <b>\$14.36</b> | \$22.91                           | 62.7%      |
|               |         | B             | <b>\$13.17</b>        |   |                       | <b>\$16.00</b> |                                   | 69.8%      |
|               |         | C             | <b>\$15.86</b>        |   |                       | <b>\$18.69</b> |                                   | 81.6%      |
|               |         | Avg.          | <b>\$12.25</b>        |   |                       |                |                                   |            |
| Wyoming       | QW      | BRA           | \$19.91               | \$2.64  | \$0.92                | \$23.47        | \$30.30                           | 77.5%      |
|               |         | 1             | \$26.94               |   |                       | \$30.50        |                                   | 100.7%     |
|               |         | 2             | \$30.13               |   |                       | \$33.69        |                                   | 111.2%     |
|               |         | 3             | \$40.98               |   |                       | \$44.54        |                                   | 147.0%     |
|               |         | 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 2004, 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.