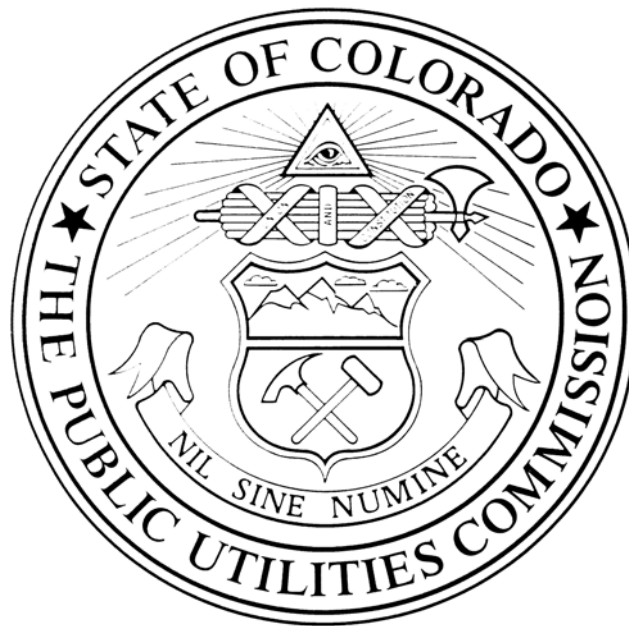


**Investigation into Modification of
Commission Practices and Policies
Regarding Intercarrier Compensation**



**Report of the
Colorado Public Utilities Commission
February 15, 2002**

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I. INTRODUCTION

Philosophy of the Colorado Public Utilities Commission

The Colorado Public Utilities Commission, in approaching this investigatory docket, shares the philosophy articulated by the Federal Communications Commission (“FCC”) in FCC 01-132, CC Docket No. 01-92, released on April 17, 2001:

We emphasize at the outset that we seek an approach to intercarrier compensation that will encourage efficient use of, and investment in, telecommunications networks, and the efficient development of competition. Consistent with the deregulatory goals of the 1996 Act, we seek an approach to intercarrier compensation that minimizes the need for regulatory intervention, both now and as competition continues to develop.

Purpose of Docket

The purpose of Docket No. 00I-494T is threefold: 1) to focus on the circumstances related to these intercarrier payments and gain a firm understanding of these circumstances; 2) to gain an understanding of intercarrier payment issues sufficient to constitute a basis for reform of current practices in Colorado, if and when appropriate; and 3) to enable the transition to a more efficient intercarrier compensation regime.

What is Intercarrier Compensation

“Intercarrier compensation” is the term-of-art in utility regulation for intercarrier payments or charges. Intercarrier compensation covers the full range of payments between carriers. The topic under consideration in this docket is more narrow. Specifically, the Commission is reviewing the mechanisms used to determine the rates, terms, and conditions of payments for use of one telecommunications network by another carrier. One example of such payments involves the exchange of traffic between a local exchange carrier and a toll carrier, which is known as “access charges.” Another example is the payment for exchange of traffic between local carriers, which is called “reciprocal compensation”. Providers of other types of telecommunications services connect with one another directly or indirectly through various other networks. The charges for these traffic exchanges also come under the broad heading of intercarrier compensation and should be considered in any examination of intercarrier compensation design. Other services that connect directly or indirectly through other networks

to the traditional telecommunications voice network include mobile wireless traffic (e.g. cellular, paging, messaging, PCS) and internet traffic.

The rates, terms and conditions of such compensation mechanisms have been contentious, both during the existence of the payment mechanisms, as well as during the design and implementation phases of the payment mechanisms. Such disputes typically are heard before state commissions and the FCC. The disputes have included the overall structure and function of an intercarrier compensation mechanism, as well as the rates charged pursuant to that mechanism. While this proceeding will investigate the existing rate structure, the nature of the inquiry before this Commission is not a rate proceeding, as that term typically is used.

Rather, the purpose of this docket is to investigate the fundamental nature of intercarrier compensation. Consequently, this docket seeks comments on a range of policy issues, as well as possible alternatives to the current intercarrier compensation regime in Colorado. The Commission is seeking data and analysis which bear directly on whether there should be any reform to the current intercarrier compensation regime, and, if the Commission is convinced to do so, what that reform should be.

Accordingly, there are three main questions to be addressed in this docket:

- 1) What is the current state of intercarrier compensation in Colorado;
- 2) What should be the intercarrier compensation policy in Colorado; and
- 3) What should be the regulatory mechanism for setting intercarrier compensation rates in Colorado?

These three topics were manifested in formal, targeted questions contained in Commission Decision No. C01-1225T, dated December 4, 2001 (“Procedural Order”). The order requests interested parties to submit factual information and analysis, in the form of written testimony, in response to those questions.

The Commission has prepared this report in order to assemble relevant information for consideration by the parties. This report is a supplement to and continuation of the Procedural Order and the Bibliography attached thereto. As such, it briefly surveys recent developments at

the FCC and in other states. The report also presents a compilation and digest of publicly-available data.^{1, 2, 3}

Developments At The FCC

The FCC adopted a Notice of Proposed Rulemaking (FCC 01-132) on April 19, 2001 in CC Docket No. 01-92.⁴ The purpose of that FCC docket is to re-examine all currently regulated

1. The questions, information, data, citations, indeed, all information presented in this Report and the Procedural Order, are intended to be suggestive in nature and are provided to share Commission's work to this point. The selection of any information, data, articles or other source of information for inclusion in this Report or the Procedural Order does not reflect agreement with, endorsement of, or support for a position or concept reflected in any particular piece of information or combinations of such information.

2. The material in this Report and in the Procedural Order is a subset of the material available on the issue of Intercarrier Compensation. Therefore, any suggestions, and submissions of additional information in any form, is encouraged and appreciated. Generally, this Commission has authority over rates, terms and conditions for regulated intrastate services as well as responsibility for other matters delegated to the Commission by statute or FCC rule or decision. If any party believes other services beyond this Commission's authority or any information related thereto is warranted for consideration in this matter, that material should be submitted to the Commission.

3. This report presents factual information that was available to the Commission through various publicly available information, such as annual reports filed with the Commission. This report does not address legal and jurisdictional complexities which might arise when designing a uniform intercarrier compensation mechanism that might be used at both the state and federal level. The parties are encouraged to address these legal and jurisdictional issues in their written testimony.

4. At the same time, the FCC adopted two other related orders. In one, it established a three-year interim measure to reduce, but not eliminate intercarrier payments associated with calls to internet service providers. In the other, it established another three-year interim measure under which competitive local exchange carriers may file access charge tariffs only if their rates do not exceed some benchmark rate.

5. Currently, there are two intercarrier compensation regimes that are frequently employed-- access charges for long-distance traffic and reciprocal compensation for local traffic.

forms of intercarrier compensation, and to test the idea of employing a single compensation regime throughout.⁵

The FCC initiated its investigation because of its belief that competition in the provisioning of telecommunications services is growing and new technologies for the provisioning of these services are proliferating. The ultimate purpose of the FCC's investigation is to establish an intercarrier compensation mechanism that encourages efficient use of the network and efficient investment therein, while minimizing the need for regulatory intervention.

With its Notice, the FCC seeks comment on the feasibility and desirability of using bill-and-keep as the universal compensation mechanism. It does so by asking interested parties to focus on the issues raised by two FCC working papers, namely, (1) Bill and Keep at the Central Office as the Efficient Interconnection Point, Patrick De Graba, FCC OPP Working Paper No. 33, December 2000; and (2) A Competitively Neutral Approach to Network Interconnection, Jay M. Atkinson and Christopher C. Barnekov, FCC OPP Working Paper No. 34, December 2000. While the FCC uses bill-and-keep as its format of departure, it does invite parties to propose and discuss alternative approaches as well. In considering various options, the FCC is ultimately looking for a mechanism that it can use for traffic bound for internet service providers after the three-year interim period, for reciprocal compensation under § 251 of the Telecommunications Act of 1996, and eventually for interstate access charges.⁶

Initial comments to the FCC were due on August 24, 2001, and reply comments on November 5, 2001. Comments were filed by telecommunications carriers, state regulatory agencies, national telecommunications organizations, consultants, and other interested parties. These comments are available at the following web site address: http://gullfoss2.fcc.gov/prod/ecfs/comsrch_v2.cgi.⁷

6. Interstate access charges are currently governed by a system of price cap regulation for the incumbent local exchange carriers that is in effect through June 30, 2005.

⁷ This link is to the FCC's website. The exact location is the *Electronic Comment Filing System*. Upon arrival there, it is necessary to move to the window under the "*Proceeding*" heading and enter a docket number, in this instance (CC-Docket No.) "01-92", click on the "*Retrieve Document*" button, which will move one to the comments for the FCC's intercarrier compensation rulemaking docket.

All major issues raised in the FCC Notice were, in turn, reflected in the questions that the Colorado Public Utilities Commission posed in the Procedural Order. The Commission instructed interested parties to address those issues within the context of the current state of regulation of telecommunications in Colorado.

Developments At Other State Commissions

The National Regulatory Research Institute (“NRRI”) has published an extensive summary of state activity concerning intercarrier compensation reform. That information may be accessed at the following web site:

<http://www.nrri.ohio-state.edu/programs/telcom/pdf/IntercarrierCompensationOrders.pdf>

Finally, the Commission refers interested parties to the bibliography attached to Commission Decision No. C01-1225. To the extent there are additions in the future to that bibliography, please consult the Commission’s website for those updates as well as electronic versions of certain documents and links to other pertinent documents. Also, attached to this Decision, the Commission has included an updated Bibliography.⁸

II. DESCRIPTION OF DATA AND RELATED INFORMATION

The data in this report, as well as the documents referenced either in the text or in the bibliography, represent the Commission’s attempt briefly to survey the relevant literature and to synthesize the readily-available Colorado financial and operational data. In the pursuit of completeness and neutrality, the Commission focused its research on the most basic, publicly-available data in hopes of beginning the debate with a minimum of controversy. The Commission recognizes that significant data relevant to this issue reside with the affected companies. Therefore, the Commission’s Procedural Order solicited company-specific data, information from other regulatory proceedings, relevant articles, and any other information or documentation that might provide additional insight. The Commission re-emphasizes its invitation to the parties to submit additional information.

⁸ The initial Bibliography attached to Commission Decision C01-1225, dated December 4, 2001, issued in the instant docket, has been revised. The revised Bibliography contains all information from the initial Bibliography with additions denoted in **bold** and other corrections noted when relevant.

Basic Information on Access Rates, Revenues, and Minutes of Use

Appendix 1 summarizes information gathered from annual reports filed with the Colorado PUC by Incumbent Local Exchange Carriers (“ILECs”). Appendix 1 shows that small ILECs derived over 62% of their regulated revenues from interstate and intrastate access charges in 2000. Although Qwest is less dependent on access charge revenues, it derived more than 31% of total regulated revenues from that source. Appendix 1 demonstrates that any reduction in access rates would have a significant impact on the revenues of small ILECs as well as on Qwest.

If, for example, switched access charges were eliminated, local exchange carriers might argue that they should be allowed to recover any lost revenue through local rate adjustments. Columns K, L and M of Appendix 1 quantify the *increase* in local rates per access line that would be necessary if switched access charges were reduced to \$0. Specifically, Column L isolates the impact on local rates of eliminating intrastate switched access charges, Column M performs the same calculation per access line for interstate switched access charges, and Column K combines Columns L and M. If the Commission were to eliminate completely intrastate switched access charges, and if it chose to allow recovery of 100% of the lost revenue through local rates, the average local rate *increase* would be \$8.56 per month for customers of small ILECs, and \$2.83 per month for Qwest customers. The projected impact on customers of small ILECs is more dramatic when one considers the broad range of values, which would vary from \$2.29 per month for CenturyTel of Colorado to \$63.27 per month for Rico Telephone.

Another alternative to switched access revenue might be the Colorado High Cost Support Mechanism. Column N of Appendix 1 presents the high cost support that would be necessary to make whole each company if all switched access charges were reduced to \$0. Small ILECs would need to receive almost \$79 million in additional high cost support to offset the loss of switched access revenues, while Qwest would sustain a revenue shortfall of \$670 million.

In 2000, the high cost surcharge of 3.1% generated approximately \$66.5 million in contributions to the fund. If intrastate switched access charges (which are the rates under the jurisdiction of the Colorado Commission) were reduced to \$0, the high cost surcharge would need to increase to 7.89% in order to generate the extra funds needed to make whole the ILECs, including Qwest. Customers paying \$20 per month for intrastate telecommunications services would see

the high cost surcharge increase from \$0.62 per month to \$1.58 per month. If both interstate and intrastate access charges were reduced to \$0, the high cost surcharge would need to increase to 37.68% to generate the necessary revenues. Under this scenario, customers paying \$20 per month for intrastate telecommunications services would pay \$7.54 per month to the high cost support mechanism.

Appendix 2 presents the primary sources of revenue for ILECs in Colorado, including basic local exchange, local network services, federal and state high cost revenues (i.e. USF and CHCSM), miscellaneous, non-regulated, and interstate and intrastate access. Appendix 2 also shows the monthly rates for business and residential basic local service of Colorado ILECs. The average monthly rate for business customers of small ILECs is \$22.81, while the monthly rate for Qwest business customers is \$34.60.

Appendix 3 is a graphical depiction of the primary sources of aggregate revenue in 2000 for small ILECs in Colorado. Appendix 4 provides corresponding percentages for Qwest. This information was derived from the annual reports filed by each provider with the Commission. The amounts were not audited by the Commission, and may include revenue settlements from prior periods.

Relying on information from Qwest's 2000 annual report to this Commission, Appendix 5 summarizes the calling patterns of Qwest's customers. Appendix 5 shows that 85% of all calls on the Qwest network in Colorado were local calls, while only 15% were toll calls. The average number of local calls per switched access line was 2,775 in Colorado during 2000.

Appendix 6 presents information on changes in originating and terminating access minutes from 1999 to 2000 for ILECs, including Qwest. Rico Telephone was not included because the company did not provide access minute data on its annual report to the Commission. Bijou Telephone was not included because its terminating minutes were deemed unreliable. As shown in Appendix 6, average originating minutes for rural ILECs increased by 5.73%, and average terminating minutes increased by 5.35%. The disparity between originating and terminating minutes, especially for small ILECs in Colorado, is also shown in Appendix 6. On average, originating minutes exceeded terminating minutes by 29% in Colorado during 2000.

Appendix 6 also shows on a Colorado basis, that Qwest's interstate access revenue per minute of use ("MOU") in 2000 was extremely similar to intrastate access revenue per MOU (\$0.0515 vs. \$0.0513). The difference was much wider in 1999, when interstate access revenue per MOU (\$0.0467) was much lower than intrastate access revenue per MOU (\$0.0605).

Since July 1984, on a national basis, per minute access charges paid by long distance carriers have declined from \$0.173 per minute to \$0.019 per minute in July 2000.⁹ However, despite this downward trend, access charges remain a significant expense to companies like AT&T, which reported in its 10-Q filing with the Securities and Exchange Commission that access and connection charges represented about 25% of total operating expenses for the nine month period ending September 30, 2001.

Colorado High Cost Support Mechanism

Appendix 7 contains information from the Colorado High Cost Support Mechanism ("CHCSM") worksheets for calendar year 2000. The Colorado intrastate revenues were consolidated from the information provided by companies that submitted a worksheet. Providers include Competitive Local Exchange Carriers, Wireless Providers, Incumbent Local Exchange Carriers, Inter-exchange Carriers, Messaging and Paging Carriers, Payphone Providers, Internet Service Providers, and Toll Resellers.

Appendix 7 breaks down the consolidated revenue information into intrastate retail and intrastate wholesale revenue by source. For calendar year 2000, providers reported intrastate retail revenues of \$2,273,781,796, and intrastate wholesale revenues of \$325,965,111.

Appendix 8 identifies the different wholesale services from which providers derived revenues in 2000. "Fixed Local Service provided under tariffs" and "Per minute charges for originating and terminating calls based on contracts or unbundled network elements" were the two primary sources of intrastate wholesale revenues, accounting for a combined 50.4% of total wholesale revenues.

9. Source: "Statistics of the Long Distance Telecommunications Industry", Industry Analysis Division, Common Carrier Bureau, Federal Communications Commission, January 2001, Table 12.

Appendix 9 identifies the different retail services that generated revenues in 2000. The majority of retail revenues (46.9% of total retail revenues) were generated from “Fixed Local Services”, defined as monthly service charges, connections fees, and additional vertical features.

Mobile Service and Wireless Telephony

According to Appendix 7, revenues from mobile service (including wireless telephony, paging and messaging, and other mobile) accounted for more than 35% of total intrastate retail revenues in 2000. By comparison, fixed local services represented approximately 47% of intrastate retail revenues, while toll accounted for more than 14%.

The FCC reported that there were 1,856,075 wireless subscribers in Colorado as of December 31, 2000.¹⁰ By contrast, Qwest reported 2,821,113 access lines (excluding payphone lines) on that date; small ILECs had 135,164 access lines; and competitive local exchange carriers had 252,841. As wireless providers are becoming significant users of the public switched network, any reform of intercarrier compensation mechanisms must adequately address costs imposed on the public switched network by these different technologies.

Access Revenues Per Minute of Use

Appendix 10 provides intrastate access revenues for the small ILECs for 1998, 1999, and 2000. In addition, Appendix 10 shows originating and terminating access minutes for 2000, and access revenues per MOU in 2000. As with any such endeavor, the results are arguably less than precise due to out-of-period adjustments to access revenues that were reported to the Commission on the annual report. However, Appendix 10 offers a general range of access revenues per minute from which the Commission and the interested parties can begin to understand the amounts collected for access to the public switched network.

10. Source: “Annual Report and Analysis of Competitive Market Conditions With Respect to Commercial Mobile Services”, Wireless Telecommunications Bureau, Federal Communications Commission, FCC 01-192, Sixth Report, July 17, 2001, Appendix C, Table 2.

III. CONCLUSION

This Report, along with the Procedural Order, is an attempt to provide data and other factual information to the interested parties. The goal is to improve and further the Commission's research. The Commission encourages the parties to assist it in building a more comprehensive record.

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APPENDICES

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APPENDIX 1: POSSIBLE IMPACTS OF REDUCING SWITCHED ACCESS RATES TO \$0

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1		2000	Intrastate	Intrastate Acc	Interstate	Interstate Acc	Access	Business	Residential	Total	Local Rate	Local Rate	Local Rate	Total Increase
2	Company	Total	Access	as % of Total	Access	as % of Total	as % of Total	AL	AL	AL	Increase/AL if	Increase/AL	Increase/AL	in HCSM if all
3		Operating Rev*	Revenue	Oper Revenue	Revenue	Oper Revenue	Revenue	Dec-00	Dec-00	Dec-00	All Access = 0	if Intrastate = 0	if Interstate = 0	Access = 0
4										(H+I)	(Per month)	(Per month)	(Per month)	(C+E)
5	Agate	\$199,136	\$43,178	21.68%	\$91,387	45.89%	67.57%	37	90	127	\$ 88.30	\$ 28.33	\$ 59.97	\$134,565
6	Big Sandy	\$1,026,963	\$183,715	17.89%	\$289,934	28.23%	46.12%	148	939	1,087	\$ 36.31	\$ 14.08	\$ 22.23	\$473,649
7	Bijou	\$1,361,393	\$281,849	20.70%	\$611,239	44.90%	65.60%	215	1,186	1,401	\$ 53.12	\$ 16.76	\$ 36.36	\$893,088
8	Blanca	\$1,488,536	\$105,894	7.11%	\$183,382	12.32%	19.43%	127	927	1,054	\$ 22.87	\$ 8.37	\$ 14.50	\$289,276
9	CT - Colo	\$7,371,742	\$281,128	3.81%	\$4,664,446	63.27%	67.09%	3,351	6,875	10,226	\$ 40.30	\$ 2.29	\$ 38.01	\$4,945,574
10	CT - Eagle	\$79,850,714	\$8,133,154	10.19%	\$45,181,440	56.58%	66.77%	22,064	61,285	83,349	\$ 53.30	\$ 8.13	\$ 45.17	\$53,314,594
11	Columbine	\$1,851,909	\$210,997	11.39%	\$581,945	31.42%	42.82%	309	1,073	1,382	\$ 47.81	\$ 12.72	\$ 35.09	\$792,942
12	Delta	\$7,113,942	\$1,088,543	15.30%	\$3,221,852	45.29%	60.59%	2,356	7,957	10,313	\$ 34.83	\$ 8.80	\$ 26.03	\$4,310,395
13	Eastern Slope	\$4,380,328	\$889,160	20.30%	\$1,681,993	38.40%	58.70%	1,327	3,931	5,258	\$ 40.75	\$ 14.09	\$ 26.66	\$2,571,153
14	El Paso	\$3,026,662	\$378,150	12.49%	\$930,468	30.74%	43.24%	427	4,235	4,662	\$ 23.39	\$ 6.76	\$ 16.63	\$1,308,618
15	Farmers	\$824,490	\$68,138	8.26%	\$166,843	20.24%	28.50%	251	414	665	\$ 29.45	\$ 8.54	\$ 20.91	\$234,981
16	Great Plains	\$6,457	\$2,253	34.89%	\$3,243	50.22%	85.12%	-	8	8	\$ 57.25	\$ 23.47	\$ 33.78	\$5,496
17	Haxtun	\$1,678,946	\$196,190	11.69%	\$1,048,005	62.42%	74.11%	459	1,362	1,821	\$ 56.94	\$ 8.98	\$ 47.96	\$1,244,195
18	Nucla	\$1,836,166	\$291,799	15.89%	\$810,474	44.14%	60.03%	499	1,112	1,611	\$ 57.02	\$ 15.09	\$ 41.92	\$1,102,273
19	Nunn	\$818,463	\$77,094	9.42%	\$345,272	42.19%	51.60%	122	441	563	\$ 62.52	\$ 11.41	\$ 51.11	\$422,366
20	Peetz	\$345,789	\$29,001	8.39%	\$177,851	51.43%	59.82%	43	189	232	\$ 74.30	\$ 10.42	\$ 63.88	\$206,852
21	Phillips	\$1,250,148	\$237,132	18.97%	\$621,006	49.67%	68.64%	699	1,522	2,221	\$ 32.20	\$ 8.90	\$ 23.30	\$858,138
22	Pine Drive	\$811,318	\$92,816	11.44%	\$262,507	32.36%	43.80%	71	821	892	\$ 33.20	\$ 8.67	\$ 24.52	\$355,323
23	Plains	\$2,443,572	\$303,858	12.43%	\$684,709	28.02%	40.46%	376	1,198	1,574	\$ 52.34	\$ 16.09	\$ 36.25	\$988,567
24	Rico	\$455,883	\$129,828	28.48%	\$149,748	32.85%	61.33%	48	123	171	\$ 136.25	\$ 63.27	\$ 72.98	\$279,576
25	Roggen	\$465,565	\$67,504	14.50%	\$44,857	9.63%	24.13%	89	211	300	\$ 31.21	\$ 18.75	\$ 12.46	\$112,361
26	Rye	\$2,941,936	\$174,220	5.92%	\$1,174,393	39.92%	45.84%	417	1,922	2,339	\$ 48.05	\$ 6.21	\$ 41.84	\$1,348,613
27	South Park	\$592,681	\$14,340	2.42%	\$231,758	39.10%	41.52%	15	102	117	\$ 175.28	\$ 10.21	\$ 165.07	\$246,098
28	Stoneham	\$137,422	\$11,213	8.16%	\$70,912	51.60%	59.76%	7	69	76	\$ 90.05	\$ 12.29	\$ 77.75	\$82,125
29	Strasburg	\$1,510,715	\$279,156	18.48%	\$716,659	47.44%	65.92%	407	1,229	1,636	\$ 50.72	\$ 14.22	\$ 36.50	\$995,815
30	Sunflower	\$581,841	\$71,268	12.25%	\$288,935	49.66%	61.91%	91	250	341	\$ 88.03	\$ 17.42	\$ 70.61	\$360,203
31	Wiggins	\$1,622,224	\$220,618	13.60%	\$755,797	46.59%	60.19%	353	1,316	1,669	\$ 48.75	\$ 11.02	\$ 37.74	\$976,415
32	Willard	\$143,609	\$22,343	15.56%	\$98,658	68.70%	84.26%	-	69	69	\$ 146.14	\$ 26.98	\$ 119.15	\$121,001
33														
34	Small ILECs	\$126,138,550	\$13,884,539	11.01%	\$65,089,713	51.60%	62.61%	34,308	100,856	135,164	\$ 48.69	\$ 8.56	\$ 40.13	\$78,974,252
35														
36	Qwest	\$2,122,750,491	\$95,728,669	4.51%	\$574,651,679	27.07%	31.58%	921,467	1,899,646	2,821,113	\$ 19.80	\$ 2.83	\$ 16.97	\$670,380,348
37														
38	Mobile Wireless									1,856,075				
39														
40	CLECs							147,757	105,084	252,841				
41														
42														
43	High Cost Impact	2000 Total HCSM Distributions			\$59,721,596									
44		2000 HCSM Contributions at 3.1% surcharge			\$66,563,539									
45		Intrastate access revenues for small ILECs			\$13,884,539									
46		Intrastate access revenues for Qwest			\$95,728,669									
47		Estimated Total HCSM Distribution if intrastate access = \$0			\$169,334,804									
48		Surcharge to replace lost intrastate access			7.89%									
49		Estimated Total HCSM Distribution if all access = \$0			\$809,076,196									
50		Surcharge to replace all lost access revenues			37.68%									
51														

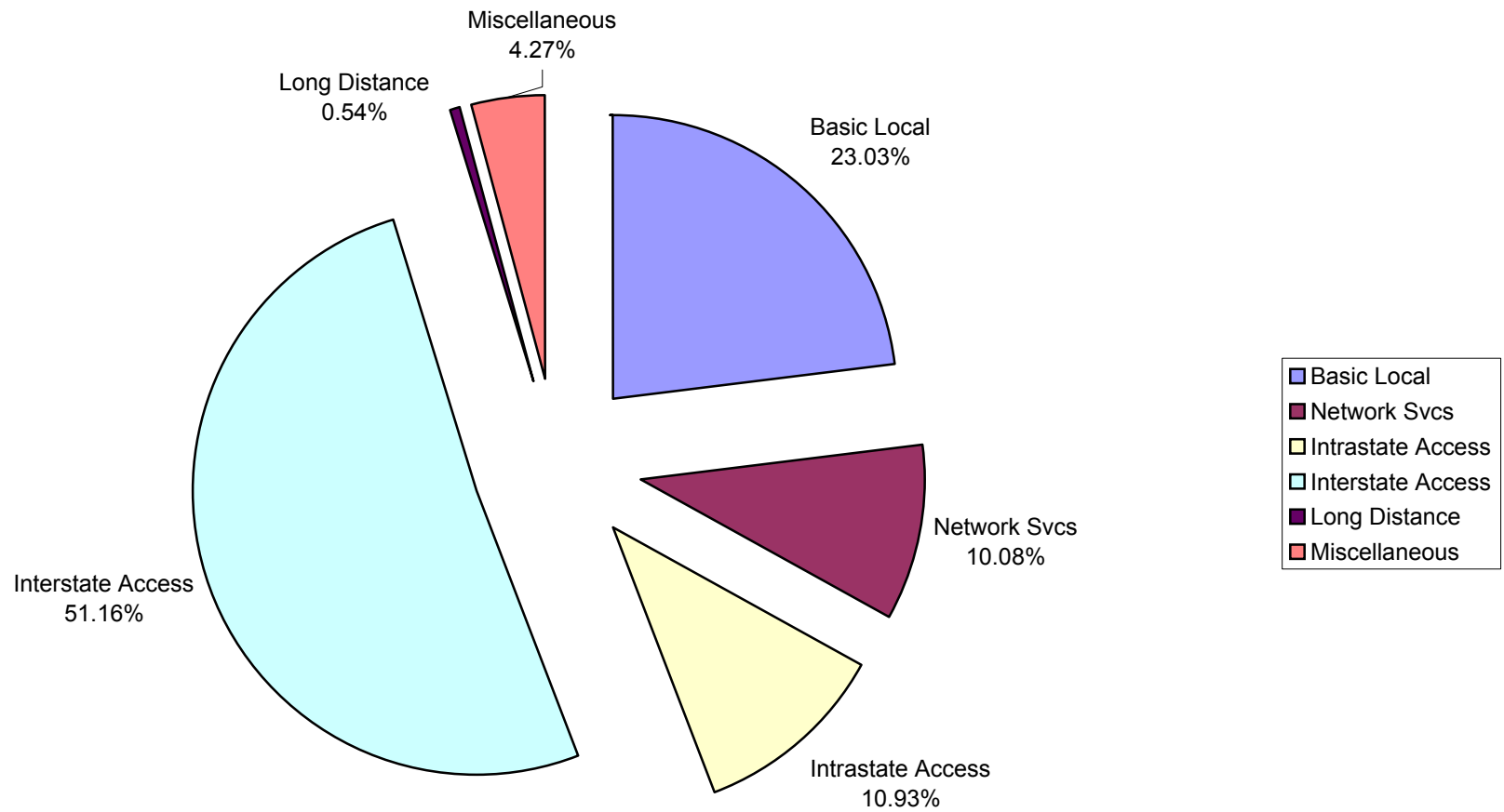
* includes basic local service, local network service, federal and state network access for intrastate and interstate, long distance, miscellaneous, excluding non-regulated, and less uncollectible.
Source: 2000 Annual Reports filed with Colorado PUC.

APPENDIX 2: 2000 ILEC REVENUES BY CATEGORY

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	2000	2000	2000	2000	2000	2000	2000	Intrastate	Interstate	2000	2000	2000	2000	2000	Expected
2	Company	Basic Local	Local Network	USF	Colorado	Miscellaneous	Non-Regulated	Access	Access	Total Local &	Business	Residential	Year End	Year End	Revenue from
3		Revenue	Services	Support	HCSM	Revenue	Revenue	Revenue	Revenue	Access Revenue	Local Rate	Local Rate	Business	Residential	Local Exchange
4		(5000-5009)	(5010-5069)			(5200-5270)	(5280)	(5080-5084)	(5080-5084)	(B + C+ H + I)	per month	per month	AL	AL	(AL * Rate)
5															
6															
7	Agate	\$9,196	\$34,378	\$18,667		\$21,035	\$0	\$43,178	\$91,387	\$178,139	\$4.94	\$4.94	37	90	\$7,529
8	Big Sandy	\$212,919	\$284,938	\$257,112		\$52,166	\$36,098	\$183,715	\$289,934	\$971,506	\$25.18	\$15.44	148	939	\$218,698
9	Bijou	\$282,976	\$103,373	\$81,825		\$117,035	\$53,488	\$281,849	\$611,239	\$1,279,437	\$20.14	\$13.59	215	1,186	\$245,374
10	Blanca	\$301,484	\$328,658	\$309,036		\$131,735	\$505,039	\$105,894	\$183,382	\$919,418	\$22.11	\$16.11	127	927	\$212,903
11	CT - Colo	\$1,743,385	\$353,543	\$2,020,187		\$416,484	\$0	\$281,128	\$4,664,446	\$7,042,502	\$24.31	\$11.77	3,351	6,875	\$1,948,579
12	CT - Eagle	\$19,129,068	\$5,408,176	\$20,386,756	\$1,283,777	\$2,699,048	\$0	\$8,133,154	\$45,181,440	\$77,851,838	\$36.79	\$14.74	22,064	61,285	\$20,580,906
13	Columbine	\$348,491	\$650,731	\$582,969		\$59,851	\$541	\$210,997	\$581,945	\$1,792,164	\$32.28	\$18.98	309	1,073	\$364,081
14	Delta	\$1,842,029	\$490,425	\$1,089,977	\$120,928	\$491,357	\$0	\$1,088,543	\$3,221,852	\$6,642,849	\$24.93	\$14.07	2,356	7,957	\$2,048,281
15	Eastern Slope	\$940,721	\$383,436	\$231,756		\$484,288	\$55,334	\$889,160	\$1,681,993	\$3,895,310	\$16.03	\$13.36	1,327	3,931	\$885,480
16	El Paso	\$924,919	\$589,174	\$198,265		\$215,540	\$84,806	\$378,150	\$930,468	\$2,822,711	\$30.60	\$15.40	427	4,235	\$939,422
17	Farmers	\$163,150	\$402,210	\$364,208		\$28,001	\$11,309	\$68,138	\$166,843	\$800,341	\$25.12	\$16.74	251	414	\$158,826
18	Great Plains	\$1,954	\$81	\$0		\$174	\$832	\$2,253	\$3,243	\$7,531	\$8.25	\$5.50	0	8	\$528
19	Haxtun	\$376,762	\$8,004	\$377,695		\$46,964	\$0	\$196,190	\$1,048,005	\$1,628,961	\$20.55	\$13.70	459	1,362	\$337,102
20	Nucla	\$334,134	\$329,255	\$179,402	\$34,590	\$78,458	\$8,233	\$291,799	\$810,474	\$1,765,662	\$24.81	\$16.95	499	1,112	\$374,743
21	Nunn	\$151,729	\$202,535	\$188,468		\$59,988	\$3,110	\$77,094	\$345,272	\$776,630	\$30.86	\$20.56	122	441	\$153,983
22	Peetz	\$45,712	\$150,185	\$69,870		\$13,060	\$3,010	\$29,001	\$98,066	\$322,964	\$19.85	\$15.50	31	193	\$43,282
23	Phillips	\$240,420	\$0	\$0	\$17,603	\$27,839	\$133,596	\$237,132	\$621,006	\$1,098,558	\$11.10	\$8.08	699	1,522	\$240,680
24	Pine Drive	\$189,050	\$239,499	\$13,998	\$219,121	\$31,260	\$40,367	\$92,816	\$262,507	\$783,872	\$18.63	\$17.05	71	821	\$183,849
25	Plains	\$416,328	\$891,912	\$809,205		\$128,412	\$51,590	\$303,858	\$684,709	\$2,296,807	\$25.25	\$20.62	376	1,198	\$410,361
26	Rico	\$48,178	\$119,385	\$15,918	\$70,764	\$9,254	\$1,042	\$129,828	\$149,748	\$447,139	\$25.95	\$20.65	48	123	\$45,427
27	Roggen	\$48,237	\$290,424	\$149,761		\$15,372	\$12,629	\$67,504	\$44,857	\$451,022	\$10.50	\$10.50	89	211	\$37,800
28	Rye	\$631,982	\$855,073	\$703,535		\$72,668	\$0	\$174,220	\$1,174,393	\$2,835,668	\$39.40	\$19.70	417	1,922	\$651,518
29	South Park	\$33,216	\$307,837	\$302,459		\$5,123	\$0	\$14,340	\$231,758	\$587,151	\$39.98	\$29.98	15	102	\$43,892
30	Stoneham	\$16,751	\$36,435	\$13,519		\$2,111	\$0	\$11,213	\$70,912	\$135,311	\$16.26	\$16.26	7	69	\$14,829
31	Strasburg	\$338,501	\$80,113	\$271,417		\$98,516	\$0	\$279,156	\$716,659	\$1,414,429	\$26.40	\$16.40	407	1,229	\$370,805
32	Sunflower	\$59,333	\$135,655	\$126,243		\$26,081	\$1,062	\$71,268	\$288,935	\$555,191	\$18.34	\$12.22	91	250	\$56,687
33	Wiggins	\$420,930	\$138,303	\$100,836		\$82,525	\$36,914	\$220,618	\$755,797	\$1,535,648	\$23.84	\$19.84	353	1,316	\$414,300
34	Willard	\$15,506	\$394	\$12,605		\$6,300	\$0	\$22,343	\$98,658	\$136,901	\$16.27	\$16.27	0	69	\$13,472
35															
36	Small ILEC	\$29,267,061	\$12,814,132	\$28,875,689	\$1,746,783	\$5,420,645	\$1,039,000	\$13,884,539	\$65,009,928	\$120,975,660	\$22.81	\$15.53	34,296	100,860	\$31,003,335
37															
38															
39															
40															
41															
42	Qwest	\$824,580,969	\$271,859,893	\$1,161,612	\$57,974,812	\$311,280,740	\$116,586,311	\$95,728,669	\$574,651,679	\$1,766,821,210	\$34.60	\$14.91	921,467	1,899,646	\$371,767,421

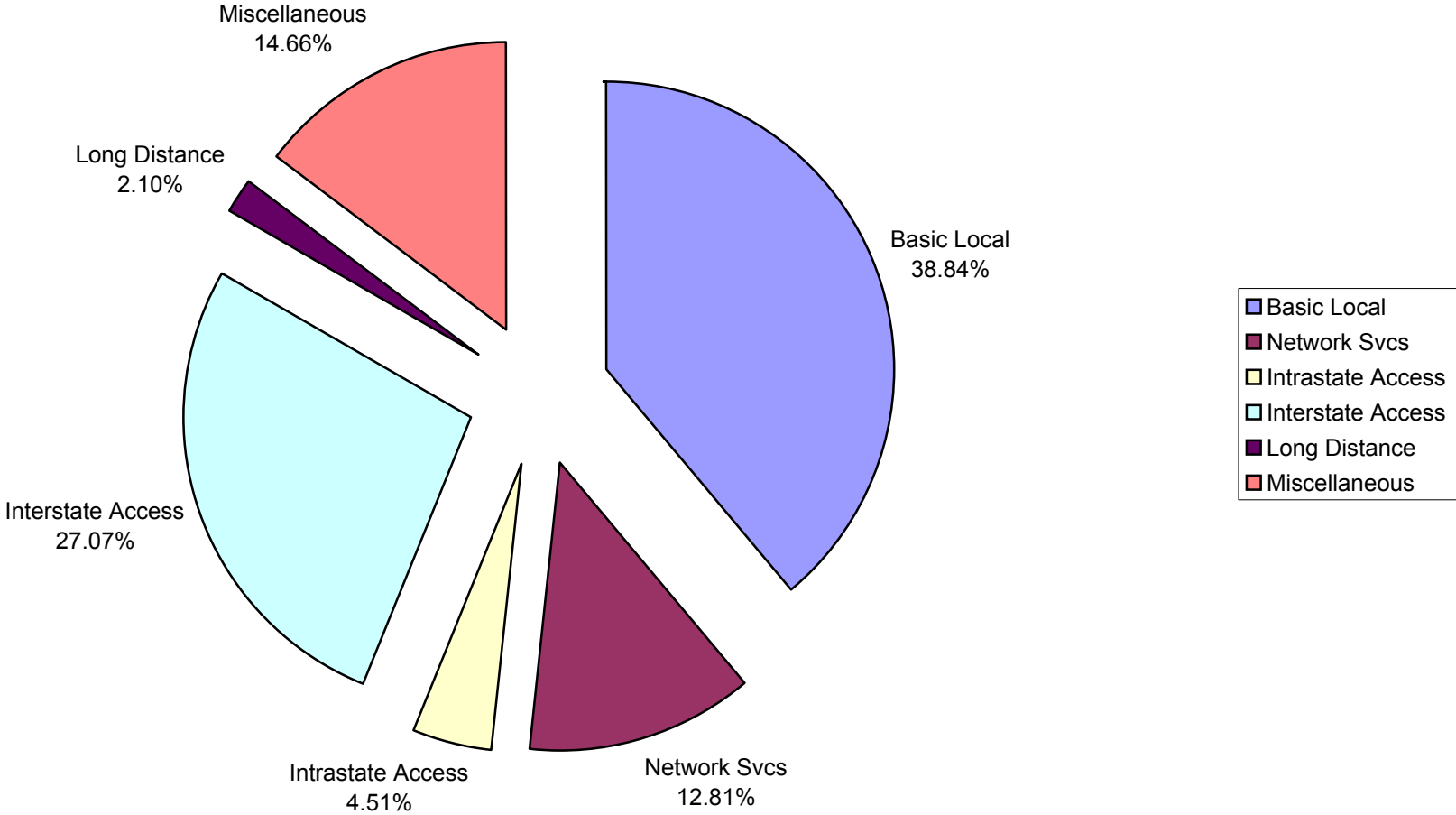
CenturyTel of Eagle's local rates are based on Rate Group I, which covers the majority of exchanges in the company's service area
 Source: 2000 annual reports filed with Colorado PUC. The above numbers were not audited by the PUC.

APPENDIX 3: SMALL ILEC REVENUES AS A PERCENTAGE OF 2000 TOTAL REGULATED REVENUES



Source: 2000 Annual Reports filed with the Colorado PUC. The above numbers were not audited by the PUC.

APPENDIX 4: QWEST REVENUES AS PERCENTAGE OF 2000 TOTAL REGULATED REVENUES



Source: 2000 Annual Report filed with Colorado PUC by Qwest Corporation. The above numbers were not audited by the PUC.

APPENDIX 5: QWEST 2000 CALLING INFORMATION BY STATE

	A	B	C	D	E	F	G	H
1		Switched	Local Calls	IntraLATA	InterLATA	InterLATA	Total Calls	Local Calls/
2		Access Lines		Toll calls	Interstate	Intrastate		Switched AL
3					Toll calls	Toll calls		(2000)
4								
5	Arizona	2,959,467	9,107,701,000	43,737,000	1,249,539,000	190,590,000	10,591,567,000	3,077
6	Colorado	2,845,889	7,897,222,000	90,839,000	1,092,627,000	204,873,000	9,285,561,000	2,775
7	Idaho	583,168	1,618,209,000	14,888,000	227,193,000	27,706,000	1,887,996,000	2,775
8	Iowa	1,143,962	2,864,985,000	45,698,000	373,823,000	122,428,000	3,406,934,000	2,504
9	Minnesota	2,342,669	6,433,764,000	24,415,000	739,501,000	204,664,000	7,402,344,000	2,746
10	Montana	386,624	940,684,000	13,258,000	142,519,000	39,701,000	1,136,162,000	2,433
11	Nebraska	507,263	1,436,646,000	12,550,000	197,856,000	47,385,000	1,694,437,000	2,832
12	New Mexico	863,377	2,634,022,000	23,608,000	353,844,000	65,446,000	3,076,920,000	3,051
13	North Dakota	218,651	656,313,000	10,789,000	102,041,000	22,966,000	792,109,000	3,002
14	Oregon	1,460,169	3,925,170,000	61,464,000	562,925,000	142,686,000	4,692,245,000	2,688
15	South Dakota	280,799	711,100,000	14,846,000	118,473,000	22,123,000	866,542,000	2,532
16	Utah	1,165,099	3,577,404,000	86,396,000	417,802,000	82,080,000	4,163,682,000	3,070
17	Washington	2,607,757	7,048,226,000	183,851,000	935,695,000	264,408,000	8,432,180,000	2,703
18	Wyoming	261,266	557,131,000	10,417,000	116,148,000	20,430,000	704,126,000	2,132
19								
20	Total	17,626,160	49,408,577,000	636,756,000	6,629,986,000	1,457,486,000	58,132,805,000	2,803
21								
22								
23								
24	Arizona	2,959,467	85.99%	0.41%	11.80%	1.80%	100.00%	
25	Colorado	2,845,889	85.05%	0.98%	11.77%	2.21%	100.00%	
26	Idaho	583,168	85.71%	0.79%	12.03%	1.47%	100.00%	
27	Iowa	1,143,962	84.09%	1.34%	10.97%	3.59%	100.00%	
28	Minnesota	2,342,669	86.92%	0.33%	9.99%	2.76%	100.00%	
29	Montana	386,624	82.79%	1.17%	12.54%	3.49%	100.00%	
30	Nebraska	507,263	84.79%	0.74%	11.68%	2.80%	100.00%	
31	New Mexico	863,377	85.61%	0.77%	11.50%	2.13%	100.00%	
32	North Dakota	218,651	82.86%	1.36%	12.88%	2.90%	100.00%	
33	Oregon	1,460,169	83.65%	1.31%	12.00%	3.04%	100.00%	
34	South Dakota	280,799	82.06%	1.71%	13.67%	2.55%	100.00%	
35	Utah	1,165,099	85.92%	2.07%	10.03%	1.97%	100.00%	
36	Washington	2,607,757	83.59%	2.18%	11.10%	3.14%	100.00%	
37	Wyoming	261,266	79.12%	1.48%	16.50%	2.90%	100.00%	
38								
39	Total	17,626,160	84.99%	1.10%	11.40%	2.51%	100.00%	

Source: 2000 Annual Report filed with Colorado PUC by Qwest Corporation. The above figures were not audited by the PUC.

APPENDIX 6: ACCESS MINUTES, 2000 VS 1999

	A	B	C	D	E	F
1		2000 Access Minutes			1999 Access Minutes	
2		Orig Min	Term Min		Orig Min	Term Min
3	Agate					
4	Interstate, interLATA	101,901	54,402		82,076	104,684
5	Interstate, intraLATA	-	-		-	-
6	Intrastate, interLATA	179,335	145,937		200,487	195,346
7	Intrastate, intraLATA	51,192	43,845		51,593	44,136
8	Total	332,428	244,184		334,156	344,166
9	% Change	-0.52%	-40.95%			
10	Big Sandy					
11	Interstate, interLATA	1,836,804	1,353,737		1,591,879	1,220,939
12	Interstate, intraLATA	-	-		-	-
13	Intrastate, interLATA	1,044,369	899,470		960,059	819,629
14	Intrastate, intraLATA	523,545	421,572		487,636	429,131
15	Total	3,404,718	2,674,779		3,039,574	2,469,699
16	% Change	10.72%	7.67%			
17	Bijou					
18	Interstate, interLATA	-	-		-	-
19	Interstate, intraLATA	-	-		-	-
20	Intrastate, interLATA	-	-		-	-
21	Intrastate, intraLATA	-	-		-	-
22	Total	-	-		-	-
23	% Change	#DIV/0!	#DIV/0!			
24	Blanca					
25	Interstate, interLATA	1,745,584	1,243,639		1,742,165	1,327,682
26	Interstate, intraLATA	-	-		-	-
27	Intrastate, interLATA	720,593	640,840		726,750	533,988
28	Intrastate, intraLATA	288,547	293,218		291,232	274,389
29	Total	2,754,724	2,177,697		2,760,147	2,136,059
30	% Change	-0.20%	1.91%			
31	CenturyTel of Colorado					
32	Interstate, interLATA	22,629,143	16,580,393		20,832,193	15,204,958
33	Interstate, intraLATA	-	-		-	-
34	Intrastate, interLATA	2,790,227	1,346,459		2,678,994	1,552,370
35	Intrastate, intraLATA	3,048,311	1,812,362		2,703,220	1,878,199
36	Total	28,467,681	19,739,214		26,214,407	18,635,527
37	% Change	7.92%	5.59%			
38	CenturyTel of Eagle					
39	Interstate, interLATA	150,158,977	115,719,744		142,049,601	111,144,735
40	Interstate, intraLATA	109	-		97	-
41	Intrastate, interLATA	44,006,582	42,670,582		40,620,723	30,060,336
42	Intrastate, intraLATA	42,143,734	25,046,579		42,215,564	31,611,949
43	Total	236,309,402	183,436,905		224,885,985	172,817,020
44	% Change	4.83%	5.79%			
45	Columbine					
46	Interstate, interLATA	3,015,551	2,540,222		2,727,977	2,360,322
47	Interstate, intraLATA	-	-		-	-
48	Intrastate, interLATA	1,135,739	1,059,907		1,019,398	955,582
49	Intrastate, intraLATA	623,549	520,393		536,823	458,621
50	Total	4,774,839	4,120,522		4,284,198	3,774,525
51	% Change	10.28%	8.40%			

APPENDIX 6: ACCESS MINUTES, 2000 VS 1999

	A	B	C	D	E	F
1		2000 Access Minutes			1999 Access Minutes	
2		Orig Min	Term Min		Orig Min	Term Min
52	Delta					
53	Interstate, interLATA	17,028,997	13,324,675		16,681,128	13,023,112
54	Interstate, intraLATA	28	17		2	-
55	Intrastate, interLATA	1,359,412	877,424		1,660,365	939,975
56	Intrastate, intraLATA	8,044,205	7,385,558		6,362,227	6,304,097
57	Total	26,432,642	21,587,674		24,703,722	20,267,184
58	% Change	6.54%	6.12%			
59	Eastern Slope					
60	Interstate, interLATA	8,154,300	6,635,191		8,809,478	6,645,746
61	Interstate, intraLATA	71	71		-	-
62	Intrastate, interLATA	3,384,972	2,803,776		2,841,626	1,894,417
63	Intrastate, intraLATA	4,160,018	3,520,699		4,430,313	3,773,971
64	Total	15,699,361	12,959,737		16,081,417	12,314,134
65	% Change	-2.43%	4.98%			
66	El Paso					
67	Interstate, interLATA	9,751,338	6,742,088		8,753,689	6,627,783
68	Interstate, intraLATA	-	-		-	-
69	Intrastate, interLATA	2,380,257	1,757,495		2,427,926	1,575,797
70	Intrastate, intraLATA	2,558,472	2,200,846		2,199,075	2,236,113
71	Total	14,690,067	10,700,429		13,380,690	10,439,693
72	% Change	8.91%	2.44%			
73	Farmers					
74	Interstate, interLATA	1,052,771	871,685		956,217	833,295
75	Interstate, intraLATA	-	-		-	-
76	Intrastate, interLATA	57,335	54,762		147,156	41,737
77	Intrastate, intraLATA	335,197	267,327		211,772	200,938
78	Total	1,445,303	1,193,774		1,315,145	1,075,970
79	% Change	9.01%	9.87%			
80	Great Plains					
81	Interstate, interLATA	24,073	18,242		22,230	16,310
82	Interstate, intraLATA	1,444	2,109		6,544	5,555
83	Intrastate, interLATA	19,578	16,949		22,243	16,700
84	Intrastate, intraLATA	74	144		51	38
85	Total	45,169	37,444		51,068	38,603
86	% Change	-13.06%	-3.10%			
87	Haxtun					
88	Interstate, interLATA	2,347,694	1,973,388		2,367,276	1,989,485
89	Interstate, intraLATA	-	-		-	-
90	Intrastate, interLATA	1,187,668	711,428		805,561	588,443
91	Intrastate, intraLATA	388,811	503,360		609,566	790,706
92	Total	3,924,173	3,188,176		3,782,403	3,368,634
93	% Change	3.61%	-5.66%			
94	Nucla					
95	Interstate, interLATA	2,404,015	2,002,867		2,270,064	2,139,887
96	Interstate, intraLATA	-	-		-	-
97	Intrastate, interLATA	255,581	215,962		325,577	181,973
98	Intrastate, intraLATA	1,054,152	870,613		837,877	780,445
99	Total	3,713,748	3,089,442		3,433,518	3,102,305
100	% Change	7.55%	-0.42%			

APPENDIX 6: ACCESS MINUTES, 2000 VS 1999

	A	B	C	D	E	F
1		2000 Access Minutes			1999 Access Minutes	
2		Orig Min	Term Min		Orig Min	Term Min
101	Nunn					
102	Interstate, interLATA	932,986	726,475		784,028	827,974
103	Interstate, intraLATA	-	-		-	-
104	Intrastate, interLATA	77,935	80,777		95,915	46,375
105	Intrastate, intraLATA	371,728	297,145		297,797	301,927
106	Total	1,382,649	1,104,397		1,177,740	1,176,276
107	% Change	14.82%	-6.51%			
108	Peetz					
109	Interstate, interLATA	476,491	441,834		384,838	521,940
110	Interstate, intraLATA	11,724	11,276		8,441	9,066
111	Intrastate, interLATA	147,801	79,266		98,910	75,338
112	Intrastate, intraLATA	104,328	96,903		104,420	102,209
113	Total	740,344	629,279		596,609	708,553
114	% Change	19.41%	-12.60%			
115	Phillips					
116	Interstate, interLATA	3,304,466	2,489,749		3,026,218	2,688,127
117	Interstate, intraLATA	728	689		526	1,007
118	Intrastate, interLATA	350,164	265,908		425,524	139,148
119	Intrastate, intraLATA	1,636,148	1,071,772		1,200,263	982,925
120	Total	5,291,506	3,828,118		4,652,531	3,811,207
121	% Change	12.08%	0.44%			
122	Pine Drive					
123	Interstate, interLATA	1,322,100	1,162,875		1,250,166	1,060,378
124	Interstate, intraLATA	-	-		-	-
125	Intrastate, interLATA	605,875	399,159		610,996	369,901
126	Intrastate, intraLATA	162,639	190,067		211,416	236,942
127	Total	2,090,614	1,752,101		2,072,578	1,667,221
128	% Change	0.86%	4.84%			
129	Plains					
130	Interstate, interLATA	2,717,985	2,433,893		1,977,734	1,935,274
131	Interstate, intraLATA	-	-		-	-
132	Intrastate, interLATA	1,063,622	839,227		774,698	775,513
133	Intrastate, intraLATA	929,449	863,117		1,140,035	917,799
134	Total	4,711,056	4,136,237		3,892,467	3,628,586
135	% Change	17.38%	12.27%			
136	Rico					
137	Interstate, interLATA	-	-		-	-
138	Interstate, intraLATA	-	-		-	-
139	Intrastate, interLATA	-	-		-	-
140	Intrastate, intraLATA	-	-		-	-
141	Total	-	-		-	-
142	% Change					
143	Roggen					
144	Interstate, interLATA	390,096	531,673		326,877	490,794
145	Interstate, intraLATA	56	70		8	8
146	Intrastate, interLATA	77,320	155,189		91,818	58,105
147	Intrastate, intraLATA	297,640	272,341		255,063	264,588
148	Total	765,112	959,273		673,766	813,495
149	% Change	11.94%	15.20%			

APPENDIX 6: ACCESS MINUTES, 2000 VS 1999

	A	B	C	D	E	F
1		2000 Access Minutes			1999 Access Minutes	
2		Orig Min	Term Min		Orig Min	Term Min
150	Rye					
151	Interstate, interLATA	4,813,464	3,523,453		4,150,118	3,435,578
152	Interstate, intraLATA	-	-		-	-
153	Intrastate, interLATA	616,287	376,653		713,814	428,571
154	Intrastate, intraLATA	945,458	653,122		1,105,922	818,626
155	Total	6,375,209	4,553,228		5,969,854	4,682,775
156	% Change	6.36%	-2.85%			
157	South Park					
158	Interstate, interLATA	110,847	62,281		90,759	101,408
159	Interstate, intraLATA	-	-		-	-
160	Intrastate, interLATA	65,592	38,531		42,199	24,760
161	Intrastate, intraLATA	48,672	45,369		29,088	28,190
162	Total	225,111	146,181		162,046	154,358
163	% Change	28.02%	-5.59%			
164	Stoneham					
165	Interstate, interLATA	105,257	78,221		87,593	100,579
166	Interstate, intraLATA	4	1		-	-
167	Intrastate, interLATA	28,554	28,698		16,715	11,105
168	Intrastate, intraLATA	56,312	42,298		131,048	118,093
169	Total	190,127	149,218		235,356	229,777
170	% Change	-23.79%	-53.99%			
171	Strasburg					
172	Interstate, interLATA	2,899,178	1,716,237		2,690,147	1,580,224
173	Interstate, intraLATA	-	-		20	30
174	Intrastate, interLATA	385,190	233,764		428,429	210,986
175	Intrastate, intraLATA	1,751,224	1,538,876		1,345,069	1,416,620
176	Total	5,035,592	3,488,877		4,463,665	3,207,860
177	% Change	11.36%	8.05%			
178	Sunflower					
179	Interstate, interLATA	643,090	509,477		577,510	450,095
180	Interstate, intraLATA	-	-		-	-
181	Intrastate, interLATA	157,979	148,292		152,408	136,225
182	Intrastate, intraLATA	226,656	96,157		208,183	67,365
183	Total	1,027,725	753,926		938,101	653,685
184	% Change	8.72%	13.30%			
185	Wiggins					
186	Interstate, interLATA	2,856,428	2,427,388		2,284,179	2,150,852
187	Interstate, intraLATA	10	9		102	93
188	Intrastate, interLATA	479,472	401,446		467,940	253,142
189	Intrastate, intraLATA	1,634,596	1,558,543		1,397,611	1,445,091
190	Total	4,970,506	4,387,386		4,149,832	3,849,178
191	% Change	16.51%	12.27%			
192	Willard					
193	Interstate, interLATA	101,708	117,675		83,713	123,028
194	Interstate, intraLATA	3	2		12	12
195	Intrastate, interLATA	18,483	23,998		14,609	15,395
196	Intrastate, intraLATA	61,831	61,661		164,570	159,081
197	Total	182,025	203,336		262,904	297,516
198	% Change	-44.43%	-46.32%			

APPENDIX 6: ACCESS MINUTES, 2000 VS 1999

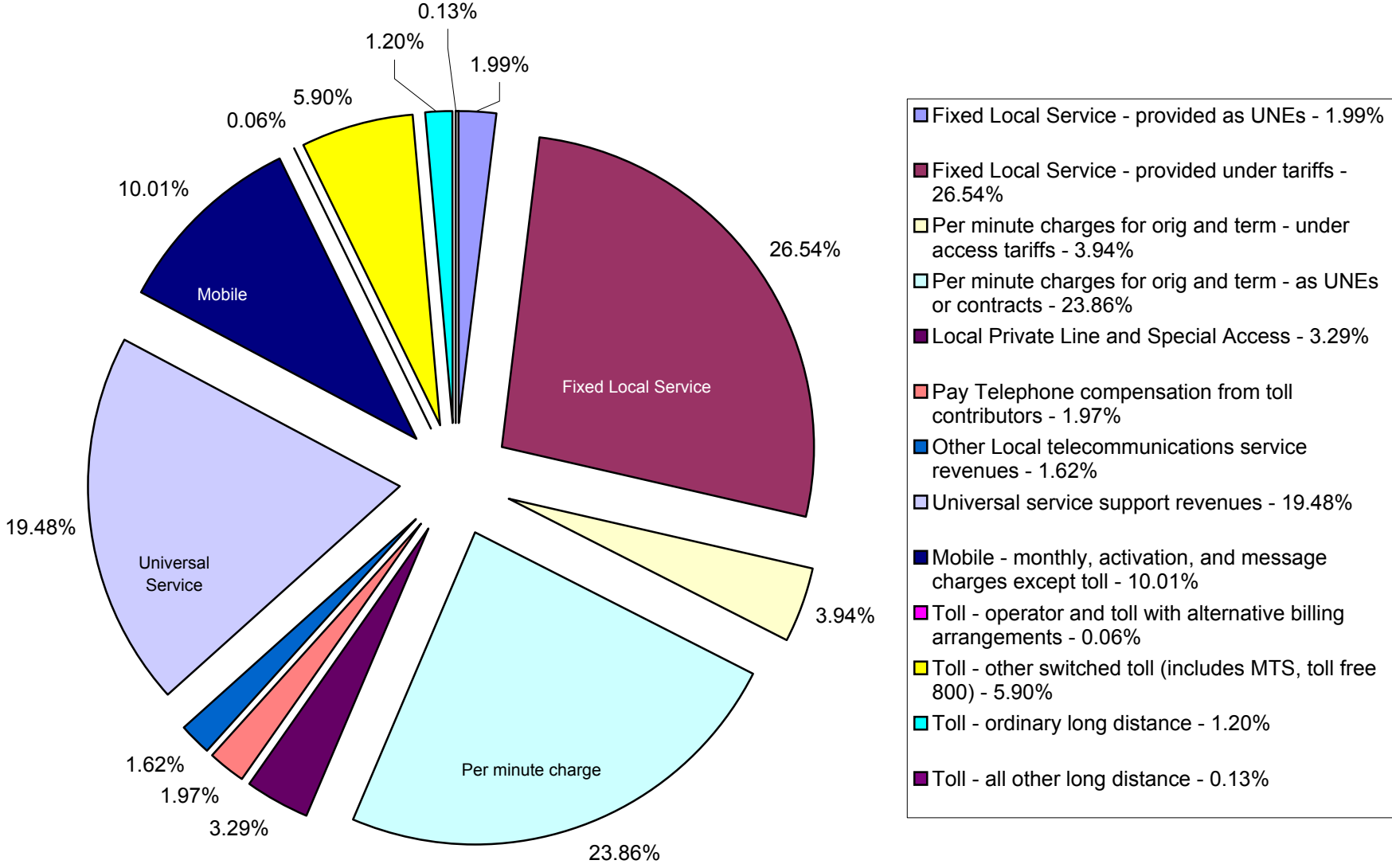
	A	B	C	D	E	F
1		2000 Access Minutes			1999 Access Minutes	
2		Orig Min	Term Min		Orig Min	Term Min
199						
200	Small ILECs (Total)					
201	Interstate, interLATA	240,925,244	185,281,504		226,599,853	178,105,189
202	Interstate, intraLATA	14,177	14,244		15,752	15,771
203	Intrastate, interLATA	62,595,922	56,271,899		58,370,840	41,900,857
204	Intrastate, intraLATA	71,446,488	49,673,887		68,527,434	55,642,189
205	Total	374,981,831	291,241,534		353,513,879	275,664,006
206	% Change	5.73%	5.35%			
207						
208	Qwest	Orig & Term Minutes			Orig & Term Minutes	
209	Interstate, interLATA	11,150,212,000			11,024,043,000	
210	Interstate, intraLATA	-			-	
211	Intrastate, interLATA	1,867,456,000			1,679,324,000	
212	Intrastate, intraLATA	-			-	
213	Total	13,017,668,000			12,703,367,000	
214						
215						
216	Qwest	Calling Info	% of Calls		Calling Info	% of Calls
217	Local Calls	7,897,222,000	85.05%		8,347,778,000	85.44%
218	IntraLATA Toll Calls (Orig)	90,839,000	0.98%		158,565,000	1.62%
219	InterLATA Toll Calls (Orig)					
220	Interstate	1,092,627,000	11.77%		1,082,766,000	11.08%
221	Intrastate	204,873,000	2.21%		181,775,000	1.86%
222	Total Calls	9,285,561,000	100.00%		9,770,884,000	100.00%
223						
224	Qwest					
225	Interstate Access Revenue	\$ 574,651,679			\$ 514,693,000	
226	Intrastate Access Revenue	\$ 95,728,669			\$ 101,540,000	
227	Interstate Revenue per MOU	\$ 0.0515			\$ 0.0467	
228	Intrastate Revenue per MOU	\$ 0.0513			\$ 0.0605	

APPENDIX 7: 2000 RETAIL AND WHOLESALE REVENUES

Description of Revenue Source	Retail Revenue	% of Rev
Fixed Local Service - monthly svc, connection, vertical features	\$ 1,066,467,984	46.90%
Tariffed Subscriber Line Charges and PICC charges to end users	\$ 756,082	0.03%
Local Private Line and Special Access	\$ 37,777,935	1.66%
Pay Telephone Coin Revenues	\$ 16,259,082	0.72%
Other Local telecommunications service revenues	\$ 359,447	0.02%
Mobile - monthly and activation charges	\$ 347,137,516	15.27%
Mobile - message charges including roaming, but excluding toll	\$ 457,213,058	20.11%
Toll - prepaid calling charges	\$ 2,027,243	0.09%
Toll - operator and toll with alternative billing arrangements	\$ 20,470,393	0.90%
Toll - other switched toll (includes MTS, toll free 800)	\$ 263,404,074	11.58%
Toll - ordinary long distance	\$ 29,938,394	1.32%
Toll - all other long distance	\$ 12,072,287	0.53%
Miscellaneous (including directory revenue)	\$ 19,898,301	0.88%
Total Intrastate Retail Revenue from HCSM filings	\$ 2,273,781,796	100.00%
	Wholesale Revenue	% of Rev
Fixed Local Service - provided as UNEs	\$ 6,478,101	1.99%
Fixed Local Service - provided under tariffs	\$ 86,512,262	26.54%
Per minute charges for orig and term - under access tariffs	\$ 12,842,857	3.94%
Per minute charges for orig and term - as UNEs or contracts	\$ 77,789,076	23.86%
Local Private Line and Special Access	\$ 10,735,922	3.29%
Pay Telephone compensation from toll contributors	\$ 6,424,495	1.97%
Other Local telecommunications service revenues	\$ 5,289,740	1.62%
Universal service support revenues	\$ 63,485,463	19.48%
Mobile - monthly, activation, and message charges except toll	\$ 32,626,677	10.01%
Toll - operator and toll with alternative billing arrangements	\$ 203,026	0.06%
Toll - other switched toll (includes MTS, toll free 800)	\$ 19,220,669	5.90%
Toll - ordinary long distance	\$ 3,925,549	1.20%
Toll - all other long distance	\$ 431,274	0.13%
Total Intrastate Wholesale Revenue from HCSM filings	\$ 325,965,111	100.00%

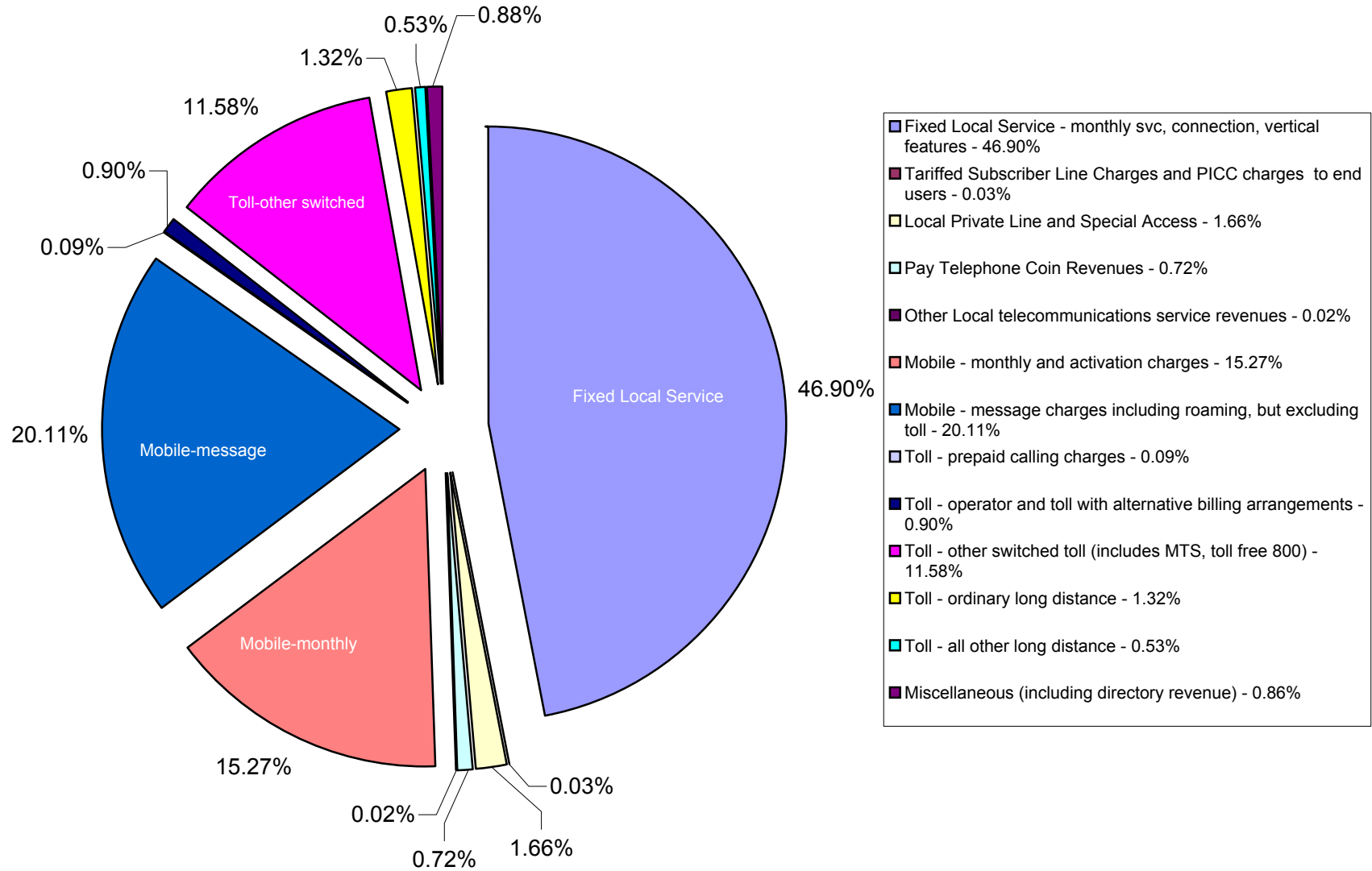
Source: Colorado High Cost Support Mechanism Worksheets Filed with Colorado PUC. The above figures were not audited by the PUC.

APPENDIX 8: 2000 CHCSM WHOLESALE REVENUE SOURCES



Wholesale Revenues based on information for the Calendar Year 2000

APPENDIX 9: 2000 CHCSM RETAIL REVENUES BY SOURCE



Retail Revenues based on information for the Calendar Year 2000

APPENDIX 10: INTRASTATE ACCESS REVENUES PER MOU

	A	B	C	D	E	F	G	H	I
1	Company	1998	1999	2000	% change	2000	2000	2000 Total	2000
2		Intrastate Acc	Intrastate Acc	Intrastate Acc	1998 v 2000	Orig Min	Term Min	Intrastate Min	Rev / Min
3									
4	Agate	\$46,831	\$34,834	\$43,178	-7.80%	230,527	189,782	420,309	0.1027
5	Big Sandy	\$166,272	\$177,581	\$183,715	10.49%	1,567,914	1,321,042	2,888,956	0.0636
6	Bijou	\$212,970	\$295,488	\$281,849	32.34%				
7	Blanca	\$88,481	\$101,193	\$105,894	19.68%	1,009,140	934,058	1,943,198	0.0545
8	CT - Colo	\$401,482	\$366,766	\$281,128	-29.98%	5,838,538	3,158,821	8,997,359	0.0312
9	CT - Eagle	\$8,315,310	\$8,565,254	\$8,133,154	-2.19%	86,150,316	67,717,161	153,867,477	0.0529
10	Columbine	\$206,005	\$185,354	\$210,997	2.42%	1,759,288	1,580,300	3,339,588	0.0632
11	Delta	\$788,357	\$962,368	\$1,088,543	38.08%	9,403,617	8,262,982	17,666,599	0.0616
12	Eastern Slope	\$768,165	\$839,059	\$889,160	15.75%	7,544,990	6,324,475	13,869,465	0.0641
13	El Paso	\$327,354	\$389,234	\$378,150	15.52%	4,938,729	3,958,341	8,897,070	0.0425
14	Farmers	\$50,497	\$51,643	\$68,138	34.93%	392,532	322,089	714,621	0.0953
15	Great Plains	\$4,053	\$2,280	\$2,253	-44.41%	19,652	17,093	36,745	0.0613
16	Haxtun	\$161,408	\$153,834	\$196,190	21.55%	1,576,479	1,214,788	2,791,267	0.0703
17	Nucla	\$299,605	\$287,022	\$291,799	-2.61%	1,309,733	1,086,575	2,396,308	0.1218
18	Nunn	\$75,714	\$79,456	\$77,094	1.82%	449,663	377,922	827,585	0.0932
19	Peetz	\$32,909	\$30,075	\$29,001	-11.88%	252,129	176,169	428,298	0.0677
20	Phillips	\$211,975	\$225,478	\$237,132	11.87%	1,986,312	1,337,680	3,323,992	0.0713
21	Pine Drive	\$89,890	\$87,541	\$92,816	3.26%	768,514	589,226	1,357,740	0.0684
22	Plains	\$301,117	\$291,891	\$303,858	0.91%	1,993,071	1,702,344	3,695,415	0.0822
23	Rico	\$53,022	\$59,876	\$129,828	144.86%			-	
24	Roggen	\$54,199	\$55,644	\$67,504	24.55%	374,960	427,530	802,490	0.0841
25	Rye	\$294,430	\$387,240	\$174,220	-40.83%	1,561,745	1,029,775	2,591,520	0.0672
26	South Park	\$3,411	\$9,775	\$14,340	320.40%	114,264	83,900	198,164	0.0724
27	Stoneham	\$55,859	\$37,190	\$11,213	-79.93%	84,866	70,996	155,862	0.0719
28	Strasburg	\$197,524	\$247,610	\$279,156	41.33%	2,136,414	1,772,640	3,909,054	0.0714
29	Sunflower	\$53,968	\$65,149	\$71,268	32.06%	384,635	244,449	629,084	0.1133
30	Wiggins	\$286,837	\$395,548	\$220,618	-23.09%	2,114,068	1,959,989	4,074,057	0.0542
31	Willard	\$12,223	\$27,851	\$22,343	82.79%	80,314	85,659	165,973	0.1346
32									
33	Small ILECs	\$13,559,868	\$14,412,234	\$13,884,539	2.39%				
34									
35									
36									
37									
38									
39									

Source: Annual Reports filed with Colorado PUC for 1998, 1999, and 2000. The above numbers were not audited by the PUC.