

Bond/Letter of Credit
VITCOM, LLC
Calculation

Estimated Number of Business Customers: 500

Average Revenue per customer per month:	\$35.00 Monthly Revenue per customer
Fixed Utilities Fund (FUF):	1.433% of Intrastate revenues
911 Fund:	\$0.9269 average per line per month
Colorado High Cost Support Mechanism (CHCSM):	2.6% of revenues
TRS Relay Fund:	\$.05 per line per month
PUC Administrative Costs . In the event CLEC does not perform customer transition obligations, calculated at:	\$3.80 per customer.

Prepayments - Assume each customer prepays one month of service ((\$25X1) X 500 customers)

Wholesale Supplier Regulatory Obligation is to cover payment obligations if a provider curtails and/or discontinues service and the Commission orders the underlying wholesale provider to continue service until customers are transitioned to other providers. It is calculated as the product of two months of retail service (\$50) and the number of lines provided by the wholesale provider(s).

Number of Lines	500	<u>Total</u>	<u>% of</u>
Annual Revenues	\$210,000		
FUF		\$3,009	4.38%
911		5,561	8.09%
CHCSM		5,460	7.94%
TRS Fund		300	0.44%
PUC Administrative Costs		1,900	2.76%
Customer Prepayments		17,500	25.46%
Wholesale Supplier Obligation		<u>35,000</u>	<u>50.92%</u>
Total Initial BOND/LETTER of CREDIT Requirement		\$68,730	100.00%