

Bond/Letter of Credit

Calculation

Estimated Number of Customers: 1,633

Average Revenue per customer per month: \$ 17.00 Monthly Revenue per Customer

Fixed Utilities Fund (FUF): 1.433% of Intrastate revenues

911 Fund: \$0.75 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 approximately \$1.91 per customer.

Prepayments: Assume each customer prepays one month of service (($\$17 \times 1$) x 1,633 customers).

Customer Deposits: Company will not require customer deposits.

Wholesale Supplier Regulatory Obligation: Company is purchasing service from affiliated entity.

	1,633	<u>Total</u>	<u>% of Total</u>
Number of Lines	1,633		
Annual Revenues	\$ 333,132		
FUF		\$ 4,774	8%
911 Fund		14,697	25%
CHCSM		8,661	14%
TRS Fund		980	2%
PUC Administrative Costs		3,127	5%
Customer Prepayments		27,761	46%
Customer Deposits		0	0% N/A
Wholesale Supplier Obligation		<u>0</u>	<u>0% N/A</u>
 Total Initial BOND/LETTER of CREDIT Requirement		 \$60,000	 100%