



80 South Jefferson Road  
Whippany, NJ 07981

Richard A. Askoff  
Executive Director – Regulatory

raskoff@neca.org  
973 884-8350  
fax 973 884-8008

February 26, 2018

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, N.W.  
TW-A325  
Washington, D.C. 20554

Re: National Exchange Carrier Association, Inc.  
2017 Interim Modification of Average Schedules, WC Docket No. 16-400  
2018 Further Modification of Average Schedules, WC Docket No. 17-346

Dear Ms. Dortch:

Attached is NECA's *2017 Interim* and *2018 Further Modification of Average Schedules* of currently-effective and proposed common line and special access settlement formulas. This filing is made in compliance with section 69.606 of the Commission's rules, 47 C.F.R. § 69.606, and contains revisions to formulas required to reflect the effects of the 2017 Tax Cut and Jobs Act (TCJA) on average schedule company revenue requirements.

The 2017 Interim revisions are proposed to become effective for a six-month period beginning on January 1, 2018. The proposed effective date for the 2018 Further Modification is for the period July 1, 2017 through June 30, 2018.

In accordance with the Commission's rules, this *2017 Interim* and *2018 Further Modification of Average Schedules* has been filed electronically together with an appendix in Microsoft - Excel format in the above-referenced dockets. If you have questions regarding the content of these files, please contact Tanja Curovic, Sr. Director, Average Schedules, at 973-884-8483.

Sincerely,

A handwritten signature in black ink, appearing to read "Tanja Curovic", is written over a light blue horizontal line.

Attachment: 2018 Interim Modification of Average Schedules

Cc: Douglas Slotten, WCB  
Pamela Arluk, WCB

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554

2017 INTERIM AND 2018 FURTHER MODIFICATION OF AVERAGE SCHEDULE FORMULAS

February 26, 2018

**Introduction**

In this filing, the National Exchange Carrier Association, Inc. (NECA) proposes modifications to the currently-effective common line and special access average schedule formulas<sup>1</sup> to reflect the effects of the 2017 Tax Cut and Jobs Act (TCJA) on average schedule company revenue requirements.<sup>2</sup> These modifications are proposed to apply to settlements for the period January 1, 2018 through June 30, 2018.

NECA further proposes additional modifications to the formulas filed on December 21, 2017, to be effective for the period July 1, 2018 through June 30, 2019.<sup>3</sup>

These additional modifications are necessary because the effects of the new tax law that were not known at the time either set of formulas was developed. The overall effect of the TCJA on current and proposed settlements is a decrease of about 0.5%.

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<sup>1</sup> NECA *2017 Modification of Average Schedules*, WC Docket No. 16-400 (filed December 22, 2016) (*December 2016 Filing*); NECA *2017 Further Modification of Average Schedules*, WC Docket No. 16-400 (filed May 3, 2017). *National Exchange Carrier Association, Inc. 2017 Modification of Average Schedules*, WC Docket No. 16-400, Order, 32 FCC Rcd. 4175 (2017)

<sup>2</sup> *Tax Cuts and Jobs Act*, Pub. L. No. 115-97, 131 Stat. 2054 (2017).

<sup>3</sup> NECA *2018 Modification of Average Schedules*, WC Docket No. 17-346, (filed December 21, 2017) (*December 2017 Filing*)

## **Section 1**

The revised formulas were derived by multiplying the original formulas by an adjustment factor corresponding to the impact of the new tax law on the cost companies' revenue requirements by category. For this purpose, NECA used the data of 125 taxable cost study areas from the cost companies sample used in the 2017 average schedule study. NECA recalculated their revenue requirements from 2016 cost studies reflecting the new tax law requirements, shown in Appendix A.

Exhibit A shows the weighted sums of the original and recalculated annual revenue requirements and their ratios. The ratios in Column C represent the average impact of the tax changes on the sample cost companies' revenue requirements and were used to adjust the revenue requirements of the taxable average schedule sample companies.

**Exhibit A**  
**Development of Revenue Requirement (RRQ) Adjustment Factors**  
**Based on 2016 Cost Studies of Taxable Sample Cost Companies**

	(A)	(B)	(C) = (B)/(A)
<b>Access Category</b>	<b>Original 2016 Weighted RRQ</b>	<b>Tax Adjusted Weighted RRQ</b>	<b>Tax Adjustment RRQ Factor</b>
Common Line	\$314,178,596	\$311,057,764	0.990065
Special Access	\$203,459,594	\$200,937,480	0.987604

Exhibits B and C show the adjustment factors from Column C applied to the data of taxable sample average schedule companies used in the development of the current and proposed average schedule formulas.

## Exhibit B

### Derivation of Tax Adjustment Factors for Current Average Schedule Formulas

	Common Line	Special Access
A. Original RRQ - Taxable Companies in Sample	\$74,074,031	\$35,523,221
B. Tax Adjustment RRQ Factor	0.990065	0.987604
C. Revised RRQ - Taxable Companies in Sample (Line A * Line B)	\$73,338,093	\$35,082,886
D. Original RRQ - Tax Exempt Companies in Sample	\$49,442,054	\$23,363,150
E. Original RRQ - All Sample <sup>4</sup> (Line A + Line D)	\$123,516,085	\$58,886,371
F. Revised RRQ - All Sample (Line C + Line D)	\$122,780,147	\$58,446,036
G. Formula Tax Adjustment Factor (Line F / Line E)	<b>0.994042</b>	<b>0.992522</b>

## Exhibit C

### Derivation of Tax Adjustment Factor for Proposed Average Schedule Formulas

	Common Line	Special Access
A. Original RRQ - Taxable Companies in Sample	\$76,674,046	\$30,406,384
B. Tax Adjustment RRQ Factor from Exhibit A	0.990065	0.987604
C. Revised RRQ - Taxable Companies in Sample (Line A * Line B)	\$75,912,276	\$30,029,476
D. Original RRQ - Tax Exempt Companies in Sample	\$44,030,862	\$21,500,553
E. Original RRQ - All Sample <sup>5</sup> (Line A + Line D)	\$120,704,907	\$51,906,936
F. Revised RRQ - All Sample (Line C + Line D)	\$119,943,138	\$51,530,028
G. Formula Tax Adjustment Factor (Line F / Line E)	<b>0.993689</b>	<b>0.992739</b>

<sup>4</sup> December 2016 Filing, Exhibit 6.7

<sup>5</sup> December 2017 Filing, Exhibit 6.4

Recalculated revenue requirements for taxable companies and the unchanged revenue requirements for tax exempt companies were divided by the original totals, by category, to produce the factors used for adjusting the original current and proposed formulas, shown on Line G of each table.

The settlement effects of the proposed revisions are shown in Exhibit D. All the amounts in this exhibit are based on the data shown in Exhibit 7.6 in the December 2017 filing.

The revised formulas are displayed in Section 2 (current formulas for January 2018) and in Section 3 (proposed formulas for July 2018). These two sections replace Section VIII from the December 2016 and from December 2017 filing respectively.

The revised current and proposed formulas comply with section 69.606 of the Commission's rules by providing for settlements that simulate those that would be received by a cost company that is representative of average schedule companies, as impacted by the TCJA. NECA requests the Commission approve the proposed formulas for implementation on July 1, 2018 and the revisions to the current formulas for implementation as of January 1, 2018.

**EXHIBIT D**

**REVISED MONTHLY SETTLEMENTS BASED ON DATA FROM EXHIBIT 7.6, DECEMBER 2017 FILING**

	(A)	(B)	(C)	(D)	(E) = (B)/(A) -1	(F) = (D)/(C) -1
	<u>Current Original</u>	<u>Current Revised</u>	<u>Proposed Original</u>	<u>Proposed Revised</u>	Tax impact on current	Tax impact on proposed
A. Common Line Basic with MAG Shifts after Limits	\$8,831,297	\$8,785,640	\$9,675,004	\$9,621,351	-0.52%	-0.55%
B. Consumer Broadband Only Loop	\$1,337,993	\$1,329,987	\$1,564,865	\$1,554,958	-0.60%	-0.63%
C. CL Universal Service Contribution	\$1,068,446	\$1,068,446	\$1,068,446	\$1,068,446	0.00%	0.00%
D. Common Line Total (A + B + C)	\$11,237,736	\$11,184,073	\$12,308,315	\$12,244,755	-0.48%	-0.52%
E. Special Access Non DSL with TIC Shift	\$2,745,896	\$2,726,373	\$2,860,021	\$2,840,226	-0.71%	-0.69%
F. DSL Voice-Data with TIC Shift	\$1,793,442	\$1,780,319	\$1,899,591	\$1,886,086	-0.73%	-0.71%
G. DSL Broadband-Only Second Mile	\$4,337	\$4,337	\$4,306	\$4,306	0.00%	0.00%
H. Special Access DSL with TIC Shift Total (F + G)	\$1,797,779	\$1,784,656	\$1,903,897	\$1,890,392	-0.73%	-0.71%
I. Traffic Sensitive Switched	\$3,843,335	\$3,843,335	\$3,651,168	\$3,651,168	0.00%	0.00%
J. Traffic Sensitive Total (E + H + I)	\$8,387,010	\$8,354,364	\$8,415,086	\$8,381,786	-0.39%	-0.40%
K. Overall Total (D + J)	\$19,624,746	\$19,538,437	\$20,723,402	\$20,626,541	-0.44%	-0.47%

**Section 2**

**2017/2018 Formula Revisions – To be Effective as of January 1, 2018**

**A. COMMON LINE FORMULAS**

**COMMON LINE BASIC FORMULA (Revised)**

Settlement = Settlement Access Lines × Common Line Settlement per Access Line

Common Line Settlement per Access Line

If LPE less than 300 then,  $\$33.452455 - (\$0.022384 \times \text{LPE})$

If LPE between 300 and 750 then,  $\$17.091699 + (\$2,893.686 / \text{LPE})$

If LPE between 750 and 3,000 then,  $\$22.867873 - (\$0.002558 \times \text{LPE})$

If LPE 3,000 or more then,  $0.8416 \times \{ \$17.091699 + (\$2,893.686 / \text{LPE}) \}$

$\text{LPE} = (\text{Access Lines} + \text{Broadband-Only Lines}) / \text{Exchange}$

**COMMON LINE FORMULA**

$0.995999 \times (\text{Common Line Access Line Formula}) + \text{Baseline Line Port Shift} + \text{Baseline CL TIC Shift}$

$0.995999 = \text{Adjustment due to Corporate Operations Expense and Opex limits}$

Baseline Line Port Shift:

Frozen Line Port amount from NECA's June 2011 tariff filing.

Baseline CL TIC Shift:

Frozen CL TIC amount from NECA's June 2011 tariff filing.

**CONSUMER BROADBAND-ONLY LOOP (CBOL) FORMULA**

CBOL Settlement =

$0.995999 \times (3.4945 \times \text{Common Line Settlement per Access Line}) \times \text{Broadband-Only Lines}$

$0.995999 = \text{Adjustment due to Corporate Operations Expense and Opex limits}$

**COMMON LINE RATE OF RETURN FORMULA**

Monthly Common Line settlements are adjusted to reflect the Rate of Return (ROR) achieved by the total NECA Common Line pool.

$$0.745607 + (2.366447 \times \text{ROR})$$

## **UNIVERSAL SERVICE SUPPORT CONTRIBUTION FORMULA**

An amount equal to the study area's contribution to the Federal Universal Service program assigned to the interstate common line access category according to Commission rules.

### **B. TRAFFIC SENSITIVE FORMULAS**

#### **SWITCHED ACCESS FORMULA**

Settlements = 95% of the prior year amount (equivalent to 73.51% of the Study Area's Baseline Switched Access Revenue Requirement, based on NECA's June 15, 2011 tariff filing)

#### **SPECIAL ACCESS FORMULAS**

##### **Special Access Non-DSL Formula (revised):**

Settlement = Rate Adjusted Special Access Revenues × Retention Ratio  
+ Baseline Non-DSL TIC Shift

Rate Adjusted Special Access Revenues = Non-DSL Revenues × Non-DSL TRI

##### **Retention Ratio**

If Rate Adjusted Revenues per Exchange less than 550:

$7.017 - 0.006375 \times \text{Rate Adjusted Revenues per Exchange}$

If Rate Adjusted Revenues per Exchange between 550 and 1,000:

$4.834 - 0.002418 \times \text{Rate Adjusted Revenues per Exchange}$

If Rate Adjusted Revenues per Exchange greater than 1,000:

$0.338549 + 2,079.562 / \text{Rate Adjusted Revenues per Exchange}$

Non-DSL TRI =  $1 / [(\text{Non-DSL 2017 Uniform Rate relative to December 2016 Uniform Rate}) \times (\text{2017 Band Rate relative to Uniform Rate})]$

##### **Baseline Non-DSL TIC Shift:**

The special access Non-DSL portion of the Baseline Special Access TIC shift from NECA's June 2011 tariff filing.



**Special Access DSL Settlements =  
DSL Voice Data Settlements paid to VD Lines + Second Mile Settlement paid to Broadband-Only Lines**

**Special Access DSL Voice Data (VD) Formula (Revised):**

Settlement = VD Lines × Settlement per VD Line + \$702.646 + Baseline DSL TIC Shift

Lines = Average Base Period 2015/2016 Access Lines + DSL Broadband-Only Lines

Percent VD = (VD Lines / Lines) × 100

Settlement per VD Line =

If Percent VD less than 50:  $\$31.830 - 0.318344 \times \text{Percent VD}$

If Percent VD between 50 and 65:  $\$25.865 - 0.198965 \times \text{Percent VD}$

If Percent VD greater than 65:  $\$12.93276$

**Baseline DSL TIC Shift:**

The special access DSL portion of the Baseline Special Access TIC shift from NECA's June 2011 tariff filing. This settlement is paid only to study areas participating in NECA's DSL Tariff.

**Current Special Access DSL Broadband-Only (BO) Second Mile Formula:**

*This formula is aimed to compensate for second mile costs if a study area is identified to have second mile based on its network configuration in Tariff 4.*

For average schedule study areas identified as not having 2<sup>nd</sup> mile costs:

Monthly BO Second Mile Settlement = 0

For study areas identified as having Second Mile transport costs:

Monthly BO Second Mile Settlement =  $\$2.78 \times \text{Broadband-Only Lines}$

**TRAFFIC SENSITIVE RATE OF RETURN FORMULA**

Monthly Traffic Sensitive settlements are adjusted to reflect the Rate of Return (ROR) achieved by the total NECA Traffic Sensitive pool.

$0.813607 + (1.733888 \times \text{ROR})$

### **Section 3**

#### **2018/2019 Proposed Formula Revisions – To be Effective July 1, 2018 – June 30, 2019**

##### **A. COMMON LINE FORMULAS**

###### **COMMON LINE BASIC FORMULA (Revised)**

Settlement = Settlement Access Lines × Common Line Settlement per Access Line

Common Line Settlement per Access Line

If LPE less than 300 then,  $\$37.653109 - (\$0.037944 \times \text{LPE})$

If LPE between 300 and 600 then,  $\$19.199634 + (\$2,121.079 / \text{LPE})$

If LPE between 600 and 3,000 then,  $\$23.799618 - (\$0.001775 \times \text{LPE})$

If LPE 3,000 or more then,  $0.9281 \times \{\$19.199634 + (\$2,121.079 / \text{LPE})\}$

$\text{LPE} = (\text{Access Lines} + \text{Broadband-Only Lines}) / \text{Exchange}$

###### **COMMON LINE FORMULA**

$0.990657 \times (\text{Common Line Access Line Formula}) + \text{Baseline Line Port Shift} + \text{Baseline CL TIC Shift}$

$0.990657 = \text{Adjustment due to Corporate Operations Expense and Opex limits}$

###### **Baseline Line Port Shift:**

Frozen Line Port amount from NECA's June 2011 tariff filing.

###### **Baseline CL TIC Shift:**

Frozen CL TIC amount from NECA's June 2011 tariff filing.

###### **CONSUMER BROADBAND-ONLY LOOP (CBOL) FORMULA**

CBOL Settlement =

$0.990657 \times (3.6928 \times \text{Common Line Settlement per Access Line}) \times \text{Broadband-Only Lines}$

$0.990657 = \text{Adjustment due to Corporate Operations Expense and Opex limits}$

###### **COMMON LINE RATE OF RETURN FORMULA**

Monthly Common Line settlements are adjusted to reflect the Rate of Return (ROR) achieved by the total NECA Common Line pool.

$$0.776483 + (2.128733 \times \text{ROR})$$

###### **UNIVERSAL SERVICE SUPPORT CONTRIBUTION FORMULA**

An amount equal to the study area's contribution to the Federal Universal Service program assigned to the interstate common line access category according to Commission rules.

## **B. TRAFFIC SENSITIVE FORMULAS**

### **SWITCHED ACCESS FORMULA**

Settlements = 95% of the Current Amount (equivalent to 69.83% of the Study Area's Baseline Switched Access Revenue Requirement, based on NECA's June 15, 2011 tariff filing)

### **SPECIAL ACCESS FORMULAS**

#### **Special Access Non-DSL Formula (Revised):**

Settlement = Rate Adjusted Special Access Revenues × Retention Ratio  
+ Baseline Non-DSL TIC Shift

Rate Adjusted Special Access Revenues = Non-DSL Revenues × Non-DSL TRI

#### **Retention Ratio**

If Rate Adjusted Revenues per Exchange less than 400:

8.825 – 0.011030 × Rate Adjusted Revenues per Exchange

If Rate Adjusted Revenues per Exchange between 400 and 800:

5.887 – 0.003677 × Rate Adjusted Revenues per Exchange

If Rate Adjusted Revenues per Exchange greater than 800:

0.344381 + 2,077.694 / Rate Adjusted Revenues per Exchange

Non-DSL TRI = 1 / [(Non-DSL 2018 Uniform Rate relative to December 2017 Uniform Rate)  
× (2018 Band Rate relative to Uniform Rate)]

#### **Baseline Non-DSL TIC Shift:**

The special access Non-DSL portion of the Baseline Special Access TIC shift from NECA's June 2011 tariff filing.

**Special Access DSL Settlements =**

**DSL Voice Data Settlements paid to VD Lines + Second Mile Settlement paid to Broadband-Only Lines**

#### **Special Access DSL Voice Data (VD) Formula (Revised):**

Settlement = VD Lines × Settlement per VD Line + \$917.966 + Baseline DSL TIC Shift

Lines = Average Base Period 2016/2017 Access Lines + DSL Broadband-Only Lines

Percent VD = (VD Lines / Lines) × 100

Settlement per VD Line =

If Percent VD less than 45: \$33.634 – 0.373689 × Percent VD

If Percent VD between 45 and 55: \$28.462 – 0.258708 × Percent VD

If Percent VD greater than 55: \$14.228928

Baseline DSL TIC Shift:

The special access DSL portion of the Baseline Special Access TIC shift from NECA's June 2011 tariff filing. This settlement is paid only to study areas participating in NECA's DSL Tariff.

**Special Access DSL Broadband-Only (BO) Second Mile Formula:**

*This formula is aimed to compensate for second mile costs if a study area is identified to have second mile based on its network configuration in Tariff 4.*

For average schedule study areas identified as not having 2<sup>nd</sup> mile costs:

$$\text{Monthly BO Second Mile Settlement} = 0$$

For study areas identified as having Second Mile transport costs:

$$\text{Monthly BO Second Mile Settlement} = \$2.76 \times \text{Broadband-Only Lines}$$

**TRAFFIC SENSITIVE RATE OF RETURN FORMULA**

Monthly Traffic Sensitive settlements are adjusted to reflect the Rate of Return (ROR) achieved by the total NECA Traffic Sensitive pool.

Proposed:       $0.849983 + (1.428733 \times \text{ROR})$

Appendix A  
 2018 Modification of Average Schedules  
 Taxable Sample Cost Company Revenue Requirements(RRQs) Data - 2016 Cost Study

SEQ	Sample Weight	<u>Common Line</u>		<u>Special Access</u>	
		Original 2016 RRQ	Tax Adjusted RRQ	Original 2016 RRQ	Tax Adjusted RRQ
1001	2	1,834,518	1,808,953	142,762	140,612
1002	2.5	4,201,586	4,144,646	3,910,999	3,855,798
1003	1	4,800,673	4,757,330	4,974,031	4,928,383
1004	3.76	-	-	1,000,387	992,167
1005	5.5	-	-	102,519	99,150
1006	6.05	-	-	365,037	365,131
1007	1	-	-	590,451	569,145
1008	7.78	272,792	272,285	9,395	9,368
1009	3.08	-	-	173,566	167,273
1010	19.46	-	-	275,300	271,889
1011	7.05	-	-	72,272	72,272
1012	1	-	-	733,173	728,980
1014	5.19	-	-	102,465	99,571
1015	4.16	-	-	416,219	399,110
1016	2	1,227,258	1,223,489	965,930	972,172
1017	2.5	-	-	1,490,541	1,433,872
1018	2.5	2,253,040	2,221,363	1,317,888	1,307,468
1020	10.58	1,876,724	1,855,078	986,644	974,408
1021	2	256,335	256,335	110,256	110,256
1022	2	1,704,900	1,693,226	973,810	963,982
1023	2	-	-	1,066,264	1,057,574
1024	2	2,813,674	2,769,186	-	-
1025	1	2,575,633	2,497,753	-	-
1028	1	3,952,704	3,893,732	1,352,109	1,327,248
1029	2	-	-	85,400	84,783
1032	2	906,604	899,391	537,859	533,886
1033	2	497,416	491,948	292,624	292,336
1034	2	-	-	193,974	192,841
1040	6.72	-	-	41,929	41,673
1041	5.24	359,963	358,111	392,834	392,734
1043	3.43	-	-	74,161	73,269
1044	1.5	4,016,739	4,030,067	333,547	335,382
1045	2	-	-	174,082	171,968
1047	2	-	-	44,556	42,611
1048	5.76	434,101	428,564	330,128	322,649
1049	5	-	-	115,382	113,504
1050	1.5	-	-	472,508	465,179
1053	1	2,300,837	2,284,998	240,422	237,386
1054	1	1,293,892	1,270,489	197,160	194,345
1058	4.54	729,536	713,175	163,863	159,477
1059	2	694,840	671,811	40,039	38,303
1061	1	4,311,900	4,268,944	872,576	859,802
1062	1.5	-	-	67,347	65,449

Appendix A  
2018 Modification of Average Schedules  
Taxable Sample Cost Company Revenue Requirements(RRQs) Data - 2016 Cost Study

SEQ	Sample Weight	<u>Common Line</u>		<u>Special Access</u>	
		Original 2016 RRQ	Tax Adjusted RRQ	Original 2016 RRQ	Tax Adjusted RRQ
1063	7.96	-	-	78,410	78,139
1065	5.21	383,189	379,817	13,046	12,966
1068	1.5	381,993	372,182	93,279	90,986
1069	4.63	678,702	657,798	119,417	114,557
1070	4.03	989,757	947,303	537,322	522,686
1072	5.95	250,564	262,580	25,090	25,443
1073	5.5	357,976	351,044	44,005	43,330
1075	2.88	1,140,305	1,123,411	438,667	431,785
1077	3.4	2,530,558	2,641,367	-	-
1078	4.04	1,337,993	1,436,168	142,974	154,607
1079	1.5	-	-	60,587	60,289
1080	1.5	3,572,449	3,572,449	374,345	374,345
1081	2	728,407	714,268	83,255	81,757
1082	1.5	629,259	619,008	14,705	14,645
1083	2.96	-	-	833,176	827,217
1084	1.5	3,675,985	3,892,265	509,219	528,754
1085	4.06	633,883	625,661	244,469	241,211
1087	11.7	694,536	696,449	58,752	58,979
1090	4.83	734,192	719,455	32,677	31,923
1091	5.71	382,756	377,765	25,149	24,682
1092	1	4,508,832	4,395,908	5,139,650	5,107,460
1094	1.5	2,288,471	2,361,025	2,216,559	2,271,919
1096	3.5	-	-	58,587	58,121
1097	1.5	1,784,579	1,898,478	851,243	900,705
1098	1	4,054,318	4,065,667	2,889,710	2,930,002
1099	1	3,157,608	3,104,033	-	-
1106	2.5	2,112,317	2,084,097	140,511	138,102
1108	2.5	-	-	677,653	669,070
1109	2.72	-	-	176,030	172,987
1110	3.84	961,765	966,690	116,193	116,978
1111	3.21	515,318	512,977	906,018	899,772
1112	3.24	-	-	134,913	131,193
1113	4.74	431,775	403,506	72,608	68,407
1116	1.5	1,571,422	1,556,967	226,936	224,365
1118	1.5	3,204,814	3,164,420	3,681,440	3,651,118
1119	2.91	2,106,492	1,986,250	681,572	669,187
1120	1.5	1,493,965	1,475,393	747,184	742,452
1123	3.97	500,848	500,848	-	-
1125	5.72	640,312	610,807	211,055	203,859
1126	15.96	286,847	285,005	204,404	204,205
1127	2	1,951,120	1,903,038	307,244	308,444
1129	3.09	388,716	386,058	715,231	707,446
1130	2	4,058,854	3,950,144	891,434	866,586

Appendix A  
 2018 Modification of Average Schedules  
 Taxable Sample Cost Company Revenue Requirements(RRQs) Data - 2016 Cost Study

SEQ	Sample Weight	<u>Common Line</u>		<u>Special Access</u>	
		Original 2016 RRQ	Tax Adjusted RRQ	Original 2016 RRQ	Tax Adjusted RRQ
1131	2.5	752,419	727,581	1,944,158	1,887,013
1132	1.5	856,597	859,585	172,499	172,900
1133	2.75	-	-	993,817	978,437
1134	2	3,015,326	2,984,813	-	-
1136	3.99	620,844	628,042	500,437	505,771
1137	6.56	-	-	12,212	12,212
1138	3.68	426,268	422,024	337,448	335,570
1139	2	733,830	710,875	368,974	364,259
1142	3.98	-	-	190,017	189,930
1145	2	230,262	229,613	106,245	105,517
1146	2	-	-	1,227,472	1,219,284
1149	2.58	-	-	1,428,118	1,424,685
1155	1	3,029,155	3,122,922	1,128,437	1,172,830
1156	2.58	-	-	477,279	458,563
1157	2.5	2,441,581	2,376,843	2,597,069	2,512,835
1160	8.72	1,073,027	1,069,335	131,015	130,403
1161	1.5	-	-	201,407	195,578
1163	2.61	869,704	862,893	1,145,660	1,132,739
1164	1	2,436,529	2,381,009	1,105,301	1,074,938
1171	1.5	774,584	778,586	467,579	474,605
1175	2.5	-	-	3,558,628	3,505,584
1176	2.5	1,363,588	1,325,457	695,573	677,205
1177	2.81	2,585,778	2,464,256	1,597,301	1,549,548
1178	4.6	-	-	268,842	267,018
1179	1	5,932,384	5,949,215	2,853,076	2,861,775
1180	2	1,065,400	1,044,511	346,551	341,434
1181	2.72	1,632,055	1,574,523	775,301	760,069
1182	2.5	2,453,049	2,412,105	1,778,561	1,744,708
1184	2	430,386	429,766	687,266	686,553
1188	9.72	111,133	111,133	124,117	124,117
1189	1	7,022,689	6,930,499	4,969,208	4,941,888
1190	1	4,077,730	3,848,220	3,437,393	3,251,416
1191	2.59	3,638,954	3,540,209	540,826	526,921
1192	4.28	-	-	100,980	98,047
1194	2.54	-	-	988,580	976,248
1195	2	-	-	765,653	737,806
1196	3.46	658,813	651,457	745,152	736,252
1198	4.33	-	-	654,336	643,148
1199	2	-	-	1,693,355	1,671,790