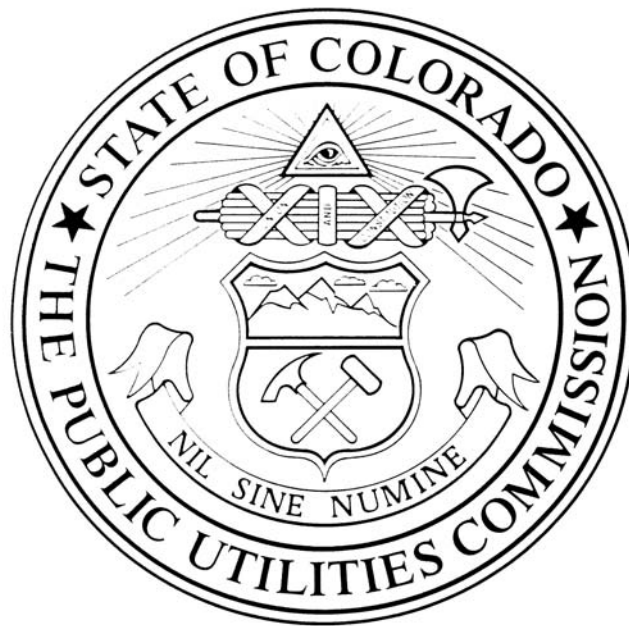


**Annual Report of the
Colorado High Cost Support Mechanism
For
the General Assembly**



Prepared by:

The Colorado Public Utilities Commission Staff

December 2, 2002

November 30, 2002

The General Assembly
State Capitol Building
Denver, Colorado 80203

Dear General Assembly Member:

This report provides information regarding the operation of the Colorado High Cost Support Mechanism during the calendar year 2002. Also, included are the proposed operations for the calendar year 2003.

As you recall, House Bill 95-1335 was enacted on May 4, 1995. This initiated a new era in Colorado telecommunications law. The act declared that the policy of the State is to encourage competition in the basic local exchange telecommunications market and to strive to ensure that all Colorado consumers benefit from such increased competition. The bill directed that the Commission should seek the furtherance of universal basic service, toward the ultimate goal that basic service be available and affordable to all citizens of the State of Colorado. In order to accomplish that goal of universal basic service, the Commission was to create a system of support mechanisms to assist in the provision of such services in high cost areas. The bill modified the high cost support mechanism portion of the law to ensure that all providers of basic local exchange service in high cost areas would be fully reimbursed for the difference between the costs incurred in making basic service available to customers within a rural, high cost geographic support area and the affordable price for such service.

Senate Bill 98-177, enacted on May 18, 1998, further modified the high cost support mechanism section and required, among other changes, that a report be prepared by the Colorado Public Utilities Commission accounting for the operation of the high cost support mechanism and that the report be submitted to the general assembly on or before December 1 of each year. Senate Bill 98-177 placed a cap of \$60 million on the high cost support mechanism for calendar years 1998 and 1999. The cap was repealed on December 31, 1999. Distributions from the high cost support mechanism for calendar year 2002 are estimated to be approximately \$59.5 million. Customers are currently paying a 2.3 percent rate element for telecommunications services to support the high cost support mechanism. Effective January 1, 2003 the rate element will be **decreased to 2.0 percent**.

If I can be of further assistance to you, please let me know.

Very truly yours,

Bruce N. Smith
Director

Enclosure

**Annual Report of the
Colorado High Cost Support Mechanism
To the Colorado General Assembly**

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Annual Report of the Colorado High Cost Support Mechanism To the General Assembly

I. Executive Summary

The Colorado High Cost Support Mechanism (CHCSM) is under the administration of the Colorado Public Utilities Commission (Commission) (§40-15-208,C.R.S.) and implemented by the Commission rules found at 4 CCR 723-41.

The goal of the CHCSM is to promote and support universal service by helping make basic local exchange service available and affordable within rural, high cost areas of the state. The CHCSM provides financial support to local exchange providers so that even though the cost to provide basic local exchange service may be very high in rural areas, the price charged to the customers is still affordable. The CHCSM amounts paid to providers are coordinated with the federal Universal Service Fund (USF) program.

During 2002 the administration of the CHCSM by the Commission has continued to develop as changes have occurred in the federal USF program, as new competitive carriers have begun to enter Colorado's rural areas, and as the economic conditions for telecommunications competition have changed dramatically.

Recently, the Colorado PUC adopted a High Cost Proxy Model. In 1998 Qwest Communications entered into a Stipulation and Settlement agreement with the Commission freezing the annual support for Qwest at \$57,974,812 annually until a sufficient proxy model could be developed. In 2002, in Docket 98M-147T, the high cost proxy model was adopted, reducing the high cost support for Qwest Corporation to \$45,305,324. The Colorado High Cost Proxy Model is based on the proxy model established by the Federal Communications Commission (FCC) Hybrid Cost Proxy Model (HCPM). The Colorado PUC modified the HCPM model to adapt to Colorado specific conditions for the provision of telecommunications services.

In 2001 the Colorado Commission was required to certify rural and non-rural eligible telecommunication providers for Federal Support under the FCC Docket No. 96-45. The FCC regulations require that to continue to receive USF, all state commissions must certify that rural incumbent local exchange carriers, as well as non-rural carriers, are using the support for the intended purposes. The Commission, after conducting an

investigation (Commission Docket No. 02M-394T) certified all 32 Colorado non-rural and rural incumbent local exchange carriers to continue to receive federal USF for the calendar year 2003. The Commission has now certified two wireless providers as Eligible Telecommunication Carriers (ETC), and one other wireless provider has filed an application with the Commission seeking to receive USF and CHCSM support.

The Commission has initiated a proposed rulemaking to extend high cost support to all access lines for non-rural carriers. Currently under Commission rules, non-rural carriers receive support for primary residential access lines, and the first business access lines. If the proposed rule change is adopted, then the support for the non-rural carriers will be extended to all access lines and the support will be increased by an estimated \$12 million.

In fulfilling its duties as administrator of the CHCSM, the Commission has commenced a number of enforcement actions (show-cause dockets) against certain delinquent telecommunications service providers, and continues to conduct audits of data submitted by providers. Due to the rapidly changing economic fortunes of telecommunications service providers, the Commission is forced to take these actions to ensure that each provider is contributing to the CHCSM the amounts that the provider has collected from its customers or should have collected. The Commission has currently issued a rulemaking proceeding to clarify the reporting requirements of all telecommunications providers providing services in Colorado.

The budget adopted by the Commission for the coming calendar year, as described in this report, will be subject to close ongoing scrutiny during 2003. The proposed rulemaking mentioned above, and the current difficulties that telecommunication providers are experiencing are two factors that will influence the budget. The rate element set by the Commission to generate contributions to the CHCSM will be reviewed at least quarterly to ensure that providers will be reimbursed fully while avoiding the generation of excessive reserves.

II. History

A commitment to promote universal service is a cornerstone of telecommunications policy. The expressed purpose of the Communications Act of 1934 is:

. . . to make available, so far as possible, to all the people of the United States, without discrimination on the basis of race, color, religion, national origin, or sex, a rapid, efficient, Nation-wide, and world-wide wire and radio communication service with adequate facilities at reasonable charges. . . .¹

The concept of universal service as a public policy goal means ubiquitous availability of a specified set of telecommunications services delivered at a specified level of quality and at an affordable price so that every household is able to connect to the telephone network if it chooses to do so.

The policy goal of universal telephone service is being supported through a number of explicit federal and state mandated mechanisms. Explicit mechanisms provide targeted support to specific geographic areas, companies, or households. These include:

- Lifeline Assistance and Link Up America - programs to assist qualifying low-income households by providing for reduced monthly rates and reduced initial charges;
- Telecommunications Relay Services - to enable speech or hearing impaired individuals to use the voice telephone network;
- Rural Utilities Service Loans - to support rural local exchange companies' construction budgets;
- Federal and State Universal Service Funds - to support high-cost local exchange companies.

The Commission adopted its first explicit support mechanism in 1990. The Commission adopted Rules Prescribing the Standard Procedures for Separating Telecommunications Property Costs, Revenues, Expenses, and Reserves for Access Charges for small Local Exchange Telecommunications Service Providers (LECs) and established the Colorado High Cost Fund (CHCF). Senate Bill 92-16 was enacted on April 16, 1992 amending Article 15 of Title 40, Colorado Revised Statutes, by the addition of a new section, § 40-

¹ Communications Act of 1934, Title I, Section 1 (47 U.S.C. 151).

15-208, C.R.S. The new section codified the creation of the CHCF and authorized Commission administration of the fund.

On May 24, 1995, House Bill 95-1335 was enacted. The Colorado Act, in part, modified the statutory definition of Basic Service, amended the section establishing the CHCF and added a new Part 5 to Article 15 of Title 40, providing for local exchange service competition.

The Colorado Act gave an expression of state policy that:

The Commission shall require the furtherance of universal basic service, toward the ultimate goal that basic service be available and affordable to all citizens of the state of Colorado. . . . The commission shall have the authority to regulate providers of telecommunications services to the extent necessary to assure that universal basic service is provided to all consumers in the state at fair, just, and reasonable rates. § 40-15-502(3), C.R.S.

The Commission was given further instruction by the expression of state policy that:

In order to accomplish the goals of universal basic service . . . the commission shall create a system of support mechanisms to assist in the provision of such services in high-cost areas. These support mechanisms shall be funded equitably and on a non-discriminatory, competitively neutral basis through assessments on all telecommunications service providers in Colorado§ 40-15-502(5), C.R.S.

The bill modified the high cost support mechanism portion of the law, § 40-15-208, C.R.S., to ensure that all providers of basic local exchange service in high-cost areas are reimbursed for the difference between the costs incurred in making basic service available to customers within a rural, high-cost geographic support area and the affordable price for such service.

The Commission adopted specific Rules implementing these statutory guidelines. The Commission conducted rulemaking in Docket Nos. 95R-558T and 97R-043T regarding the CHCF. Non-rural incumbent telecom providers are currently regulated by Part I of the Commission's Rules, requiring cost estimates based on a proxy cost model estimate. These proxy cost estimates are then compared to a revenue benchmark with the resulting differential funded by the CHCSM for eligible providers. Rural incumbent telecom providers are currently regulated by Part II of the Commission's Rules, requiring cost estimates based on an actual embedded cost of service demonstration net of relevant revenues. The CHCSM is funded by a customer surcharge on intrastate retail revenues from telecommunication services. The Commission requires that all telecommunications service providers collect and remit receipts based upon a percent of its end-user intrastate telecommunications service revenues.

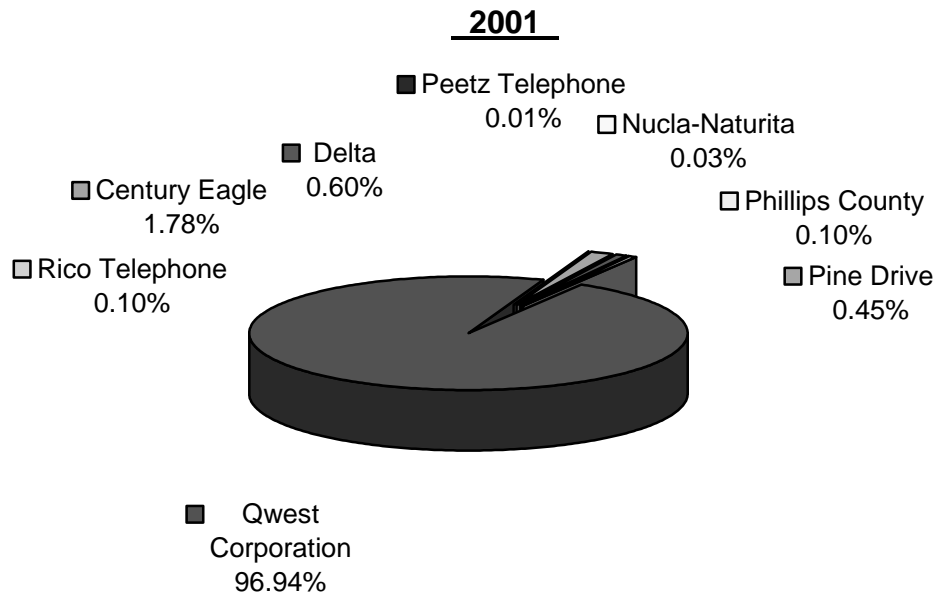
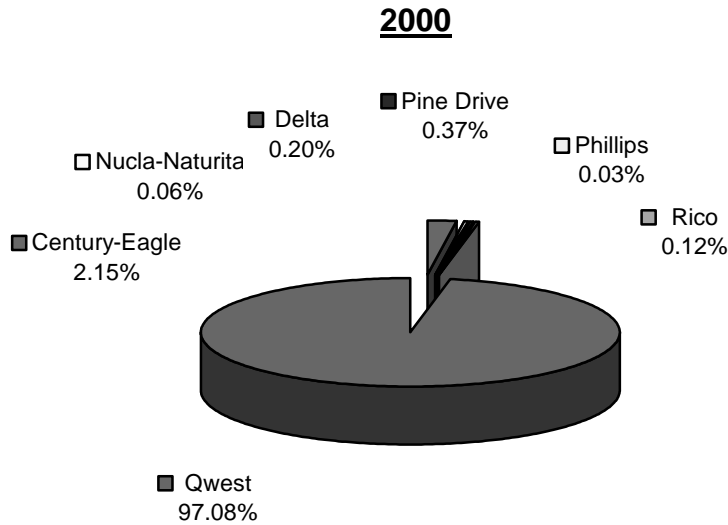
Senate Bill 98-177, enacted on May 18, 1998, further modified Section 40-15-208(2)(d)(I), C.R.S. by changing the name of the program to the "Colorado High Cost Support Mechanism", and required that the CHCSM should not exceed \$60 million during each of the calendar years 1998 and 1999. Further, SB 98-177 required that a report be prepared by the PUC accounting for the operation of the high-cost support mechanism and that the report be submitted to the general assembly on or before December 1 of each year. The Commission adopted interim Rules² and subsequently permanent Rules³ implementing SB 98-177.

During 1999, in conjunction with the proceeding conducted by the Commission to review the definition of Basic Local Exchange Service as required by § 40-15-502(2), C.R.S., the Commission further addressed CHCSM Rule issues. The Commission reiterated its decision to support only the primary residential line and the first business line in non-rural high cost areas, and on an interim basis to continue support to all access lines in rural high cost areas.

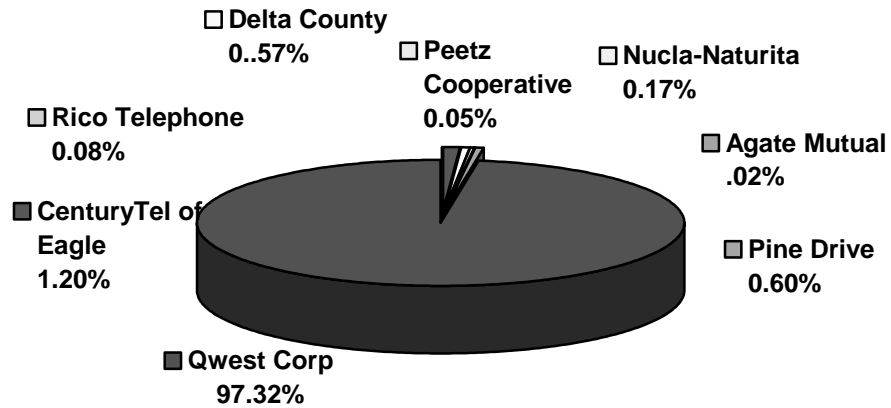
² See PUC Docket No. 98R-028T.

³ See PUC Docket No. 99R-028T.

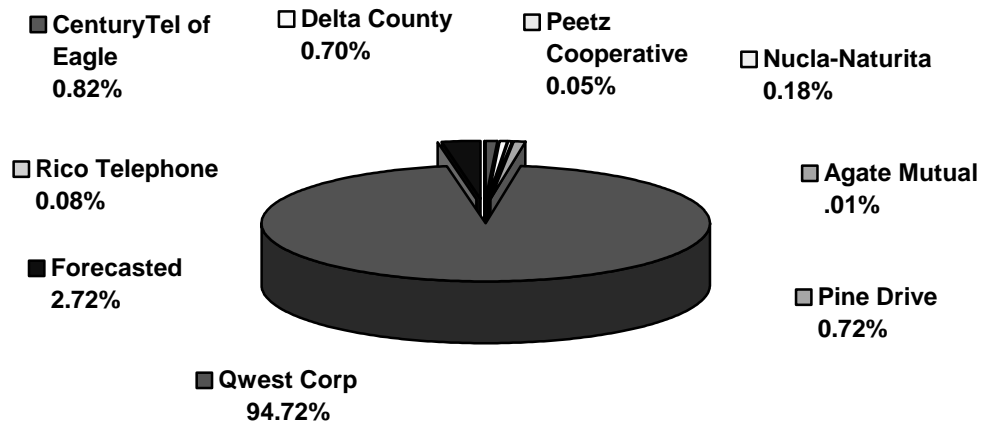
The following charts summarize the distributions and contributions, both actual and projected, for the Colorado High Cost Support Mechanism for the calendar years of 2000, 2001, 2002 and 2003.



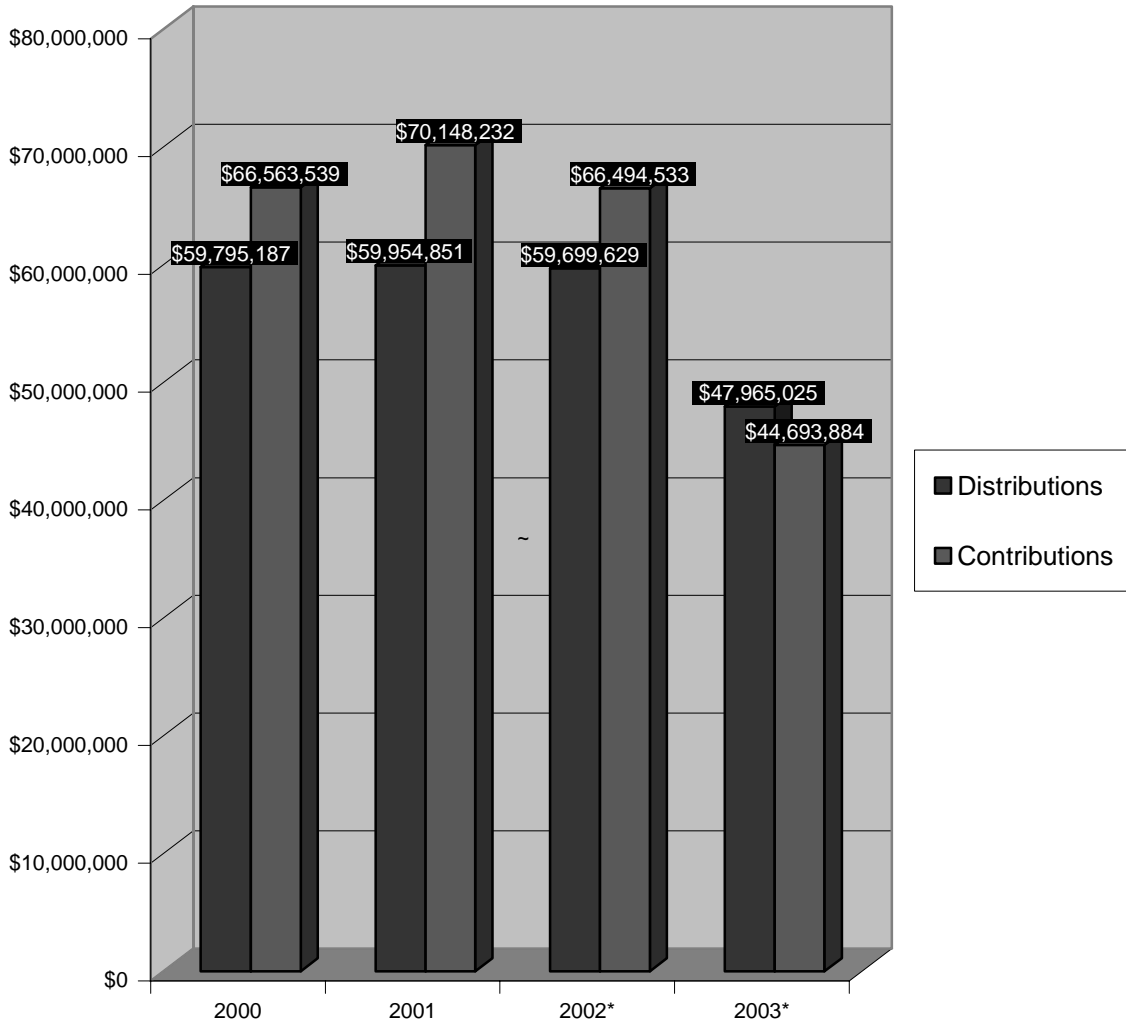
2002



Budgeted 2003



Summary of Contributions and Distributions



2000 Rate Element = 3.1% 2001 - Jan 2002 Rate Element 2.9% **Feb-Sept 2002 2.8%**
Oct-Dec 2002 2.3% **2003 2.0%**

III. Operations - 2002

Projected for Calendar Year 2002. Support was provided to both rural and non-rural incumbent eligible telecommunications service providers who served customers in rural high-cost geographic areas in calendar year 2002. The 2002 budget for the CHCSM was estimated at \$59,699,629. Actual distributions to incumbent eligible telecommunications service providers for the first six months were \$29,849,926 and are estimated at \$29,722,684 for the remaining six months of 2002. A total of \$59,572,610 is estimated to be distributed, which is a slight decrease from 2001, and the amount of \$127,019 is estimated to be expensed to the administrative budget which is based on the fiscal year 2001/2002 expenses. The Distributions are identified in Table A following:

Table A
**2002 Colorado High Cost Support Mechanism
Budgeted Disbursements**

Local Exchange Provider	Supported Access Lines for Year 2002	Gross Disbursements Calendar Year 2002	Annual Disbursements per Line
Agate Mutual Telephone	145	\$11,220	\$77.38
Century Tel of Eagle	84,962	\$717,688	\$8.45
Delta County Telephone	10,723	\$337,845	\$31.51
Nucla-Naturita	1,712	\$99,167	\$57.92
Peetz Cooperative	245	\$27,452	\$112.05
Pine Drive Telephone	916	\$354,931	\$387.48
Qwest Corporation	296,890	\$57,974,812	\$195.27
Rico Telephone Company	165	\$49,494	\$299.96
Total	395,758	\$59,572,610	
Average Per Line for Companies Receiving Support			\$150.53

In 1999 there was a statutory limit with respect to the amount of the permitted distributions. In the calendar year of 2000 the statutory limit no longer applied. The

relative constancy in the size of the budgeted calendar year 2002 disbursements is the result of the Commission's decision to freeze the support provided to non-rural providers pending the completion of the proxy cost model. A Stipulation and Settlement Agreement capped Qwest Corporation's⁴ draw from the CHCSM until the Commission Approved a new proxy cost model. Expenditures for administering the CHCSM are estimated to increase slightly over actual amounts from fiscal year 2000/2001 due to the normal increases in personnel service costs and some expert consulting expenditures related to the proxy cost model. The published revenue benchmarks for calendar year 2002 are the result of adjusting the actual benchmarks upward per the CHCSM Rule to limit the amount of the support disbursements to non-rural providers. The residential benchmark was \$20.16 per month for 2002. The business revenue benchmark was \$44.53 per month for 2002.

In 2002, budgeted contributions to the CHCSM were made via an assessment on end-user telecommunications service revenues as billed by each telecommunications service provider. The rate element was reduced from 2.9 percent to 2.8 percent effective February 1, 2002. For the first six months of 2002 the rate assessment generated \$35,077,066 in contributions. Do to the unforeseeable increase in certain telecommunication provider revenues; the rate element was reduced again from 2.8 percent to 2.3 percent effective October 1, 2002. The rate assessment for the remainder of the calendar year of 2002 is estimated to generate \$31,417,467 in contributions for a total estimated in contributions for 2002 of \$66,494,533.

Section 40-15-208(2)(c) C.R.S. provides that if the Commission, by this report, proposes an increase above the amount contained in the previous calendar year's report in any of the following: (1) the proposed benchmark; (2), the contributions to be collected through a rate element; or (3) in the total amount of the distributions to be made for support in high cost areas, that such increase shall be suspended until March 31 of the budget year. Accordingly, the Commission used the 2001 calendar year revenue benchmarks for the

⁴ Qwest Corporation is currently the sole provider drawing form Part I of the CHCSM.

first quarter of 2002, adjusting as necessary throughout the year to match receipts and disbursements.

In calendar year 2002, seven rural companies received support based on Part II of the Commission's Rules governing incumbent rural providers. The support per line varies greatly, ranging from \$8.45 per line for CenturyTel of Eagle to \$387.48 per line for Pine Drive Telephone Company.

In 2001 the FCC adopted new regulations for the USF implementing proposals made by the Rural Task Force order in CC Docket No. 96-45. The new FCC regulations require that to continue to receive USF, all state commissions must annually certify that rural incumbent local exchange carriers, as well as non-rural carriers, are using the support for the purposes intended. In 2002, the Commission, after conducting an investigation (Commission Docket No. 02M-394T) certified all 32 Colorado rural and non-rural incumbent local exchange carriers to continue to receive federal USF for the calendar year 2003. During 2002 the Commission reviewed the same criteria established in 2001 and in addition reviewed all incumbent local exchange carriers line extension policies. The Commission has certified two wireless providers as Eligible Telecommunication Carriers (ETC), and one other wireless provider has filed an application with the Commission seeking to receive USF and CHCSM support for areas. Currently there are no wireless providers receiving support from the CHCSM, however Commission Staff believes that will change in 2003.

A total of 100 Telecommunication providers contributed to the CHCSM on a quarterly basis. (See Appendix for Supporting Schedules)

During 2002, the Commission concluded the investigation into the adoption of the high cost proxy model. (Docket 98M-147T) The Commission has established a new high cost proxy model based on the FCC's HPCM model with modifications made to accommodate the specific needs of Colorado Telecommunication Providers.

As the Administrator, the Commission continues to take enforcement actions (show-cause dockets) against certain delinquent telecommunications service providers and continues to conduct audits of data submitted by providers. Due to the rapidly changing fortunes of telecommunications service providers, the Commission is forced to take these actions to ensure that each provider is contributing to the CHCSM the amounts that the provider has collected from its customers or should have collected.

During the year 2002 the Commission has opened an investigation into expanding the definition of Basic Local Exchange/Basic Service (Docket No. 02I-251T). The investigation is ongoing into 2003. The determination of the expansion of basic service may have a significant effect on the Colorado High Cost Fund.

VI. Budgeted Operations - 2003

Budget for Calendar Year 2003. Support is projected to be provided to both rural and non-rural incumbent eligible telecommunications service providers who serve customers in rural high-cost geographic areas in calendar year 2003. The 2003 budget for the CHCSM total disbursements are estimated at \$47,965,025. Administrative Expenses are estimated to be \$134,086, and distributions to incumbent eligible telecommunications service providers are budgeted at \$47,830,939, which is a significant change from previous years, as identified in Table B following:

Table B
**2003 Colorado High Cost Support Mechanism
Budgeted Disbursements**

Local Exchange Provider	Estimated Supported Access Lines for Year 2003	Estimated Gross Disbursements Calendar Year 2003	Estimated Annual Disbursements per Line for 2003
Agate Mutual Telephone	153	\$3,262	\$21.32
Century Tel of Eagle	84,382	\$390,044	\$4.62
Delta County	10,816	\$335,219	\$30.99
Nucla-Naturita	1,708	\$88,188	\$51.63
Peetz Cooperative	247	\$26,126	\$105.77
Pine Drive Telephone	932	\$346,774	\$372.08
Qwest Corporation	295,110	\$45,305,324	\$144.63
Rico Telephone	167	\$36,000	\$215.57
Forecasted (Undesignated)		\$1,300,000	
Total	393,515	\$47,830,939	
Average Per Line for Companies Receiving Support			\$121.55

As stated above, the disbursements have decreased from the previous years. This is a direct result of the adoption of the Colorado High Cost proxy model in Docket 98M-147T in 2002. Effective January 1, 2003 the support for the non-rural providers will be decreased by an estimated \$12,000,000. In previous years the support for non-rural providers was frozen by Commission's decision as discussed in the operations of 2000. Expenditures for administering the CHCSM are estimated to increase slightly over actual amounts from fiscal year 2001/2002 due to the normal increases in personnel service costs.

In 2003, budgeted contributions to the CHCSM will again be made via an assessment on end-user telecommunications service revenues as billed by each telecommunications service provider. **The rate element will be reduced from 2.3 percent to 2.0 percent effective January 1, 2003.** This reduction in the rate element is a direct result of the reduction of support to non-rural providers, and the growing contributions of wireless providers. The projected assessment rate of 2.0 percent will produce an estimated \$44,693,884 in contributions specific amount of the assessment will continue to be reviewed by the Commission on a quarterly basis during the year to meet fluctuations in support and billed revenue.

The Commission estimates that the CHCSM will distribute \$47,830,939 in support to eligible incumbent telecommunications service providers in calendar year 2003. The Commission is authorized to expend \$134,086 during fiscal year 2002-2003 in administering the CHCSM. This includes amounts for personal services, data entry, auditing and compliance activities, legal services, expenditures for the acquisition of computer hardware and software, proxy cost model development and review thereof, and the training of technical personnel.

Currently the Commission has initiated a proposed rulemaking in which support will be provided to non-rural providers for all access lines. Currently non-rural providers receive support for only primary residential access lines and the first business access lines.

(Docket 02R-278T) This will have a dramatic effect on the Colorado High Cost Fund. With the supported being extended to all access lines the support for non-rural providers will be increased by an estimated \$12 million. The Commission has not yet adopted the proposed changes to Commission rules.

IV. Summary Schedules

**Colorado High Cost Support Mechanism
Summary Contribution & Distributions**

	2000	2001	2002*	2003*
Disbursements	\$ 59,721,596	\$ 59,804,710	\$ 59,572,610	\$ 47,830,939
Administrative Expenses Based on Fiscal Year	\$ 73,591	\$ 150,141	\$ 127,019	\$ 134,086
Total Disbursements & Expenditures	\$59,795,187	\$59,954,851	\$59,699,629	\$ 47,965,025

Contributions:

	2000	2001	2002*	2003*
Jan 1 through March 31	\$ 16,156,333	\$ 17,241,744	\$ 17,193,902	\$ 11,173,471
April 1 through June 30	\$ 15,879,646	\$ 17,370,696	\$ 17,883,164	\$ 11,173,471
July 1 through Sept 30	\$ 16,583,228	\$ 17,376,289	\$ 17,120,869	\$ 11,173,471
Oct 1 through Dec 31	\$ 17,944,332	\$ 18,159,502	\$ 14,296,598	\$ 11,173,471
Total	\$66,563,539	\$70,148,232	\$66,494,533	\$44,693,884

**Colorado High Cost Support Mechanism
Rate Element Assessment Percentage Summary**

Rate Element:	2000	2001	2002	2003*
1st Qtr	3.10%	2.90%	2.9% & 2.8%	2.00%
2nd Qtr	3.10%	2.90%	2.80%	2.00%
3rd Qtr	3.10%	2.90%	2.80%	2.00%
4th Qtr	3.10%	2.90%	2.30%	2.00%

In 2002 the rate element was reduced from 2.9% to 2.8% effective February 1, 2002

* Contributions and Disbursements for the year 2002 and 2003 are estimated. The Year 2002 contains actual information for the first six months.

**Colorado High Cost Support Mechanism
Summary of Disbursements**

Eligible Local Exchange Service Provider	Gross Disbursements Calendar Year 2000	Gross Disbursements Calendar Year 2001	Gross Disbursements Calendar Year 2002*	Gross Disbursements Calendar Year 2003*
1 Agate Mutual Telephone Company	\$ -	\$ -	\$ 11,220.00	\$ 3,262.00
2 CenturyTel of Eagle	\$ 1,283,777.10	\$ 1,062,744.93	\$ 717,688.00	\$ 390,044.00
3 Delta County Tele-Comm	\$ 120,928.23	\$ 360,283.98	\$ 337,845.00	\$ 335,221.00
4 Nucla-Naturita	\$ 34,590.24	\$ 16,294.00	\$ 99,167.00	\$ 88,188.00
5 Phillips County Telephone Company	\$ 17,603.04	\$ 57,303.44	\$ -	\$ -
6 Peetz Cooperative Telephone Co.	\$ -	\$ 6,830.25	\$ 27,452.00	\$ 26,126.00
7 Pine Drive	\$ 219,120.92	\$ 266,424.08	\$ 354,931.00	\$ 346,774.00
8 Qwest Corp.	\$ 57,974,812.00	\$ 57,974,812.00	\$ 57,974,812.00	\$ 45,305,324.00
9 Rico Telephone Company	\$ 70,764.34	\$ 60,017.54	\$ 49,493.52	\$ 36,000.00
Forecasted (Undesignated)		\$ -	\$ -	\$ 1,300,000.00
Totals	\$ 59,721,595.87	\$ 59,804,710.22	\$ 59,572,608.52	\$ 47,830,939.00

* The Disbursements for 2002 and 2003 are estimated. The disbursements for 2002 are actual information for January - June 2002 and estimated figures for July - December 2002.

**Colorado High Cost Support Mechanism
Summary of Disbursements
Per Access Line**

	Eligible Local Exchange Service Provider	Disbursements Per Access Line 2000	Disbursements Per Access Line 2001	Disbursements Per Access Line 2002*	Disbursements Per Access Line 2003*
1	Agate Mutual Telephone Company	\$ -	\$ -	\$ 77.38	\$ 21.32
2	CenturyTel of Eagle	\$ 15.40	\$ 12.51	\$ 8.45	\$ 4.62
3	Delta County Tele-Comm	\$ 11.73	\$ 33.90	\$ 31.51	\$ 30.99
4	Nucla-Naturita Telephone Co.	\$ 21.47	\$ -	\$ 57.92	\$ 51.63
5	Phillips County Telephone Company	\$ 7.93	\$ 26.60	\$ -	\$ -
6	Peetz Cooperative Telephone Co.	\$ -	\$ 28.58	\$ 112.05	\$ 105.77
7	Pine Drive	\$ 245.65	\$ 286.79	\$ 387.48	\$ 372.08
8	Qwest Corp.	\$ 159.86	\$ 193.90	\$ 188.86	\$ 144.63
9	Rico Telephone Company	\$ 413.83	\$ 368.21	\$ 299.96	\$ 215.57
	Forecasted (Undesignated)	\$ -	\$ -	\$ -	\$ -
Totals		\$ 129.49	\$ 149.61	\$ 146.79	\$ 116.19

* The Disbursements per access line for 2002 and 2003 are estimated.

Colorado High Cost Supportper Primary Access Line per Month
Residential Primary Support

	CITY	EXCHANGE	Primary 2000 Support	Primary 2001 Support	Primary 2002 Support
1	AGUILAR	AGUILAR	\$ 127.37	\$ 127.91	\$ 128.55
2	ALAMOSA	ALAMOSA	\$ 3.19	\$ 3.87	\$ 2.93
3	ALLENSPARK	ALLENS PARK	\$ 38.48	\$ 39.67	\$ 39.69
4	ARVADA ZONE	ARVADA			
5	ARVADA ZONE	WESTMINSTER			
6	ASPEN	ASPEN			
7	ASPEN	SNOWMASS			
8	AURORA ZONE	AURORA			
9	AURORA ZONE	DENVER	\$ -	\$ -	\$ -
10	AURORA ZONE	AURORA	\$ 53.64	\$ 54.36	\$ 55.30
11	AURORA ZONE	DENVER			
12	BAILEY	BAILEY	\$ 12.31	\$ 14.56	\$ 14.77
13	BASALT	BASALT	\$ 21.08	\$ 22.26	\$ 21.96
14	BAYFIELD	BAYFIELD	\$ 26.34	\$ 26.92	\$ 27.48
15	BERTHOUD	BERTHOUD	\$ 9.69	\$ 10.24	\$ 10.39
16	BOULDER	BOULDER			
17	BOULDER	BOULDER			
18	BOULDER	BOULDER			
19	BRECKENRIDGE	BRECKENRIDGE	\$ 1.08	\$ 2.08	\$ 1.80
20	BRIGHTON	BRIGHTON			
21	BROOMFIELD	BROOMFIELD			
22	BROOMFIELD	NORTHGLENN			
23	BRUSH	BRUSH	\$ 13.42	\$ 13.36	\$ 12.60
24	BUENA VISTA	BUENA VISTA	\$ 32.35	\$ 33.68	\$ 33.78
25	CALHAN	CALHAN	\$ 93.35	\$ 93.72	\$ 93.80
26	CANON CITY	CANON CITY	\$ 1.39	\$ 2.12	\$ 1.54
27	CARBONDALE	CARBONDALE	\$ 7.10	\$ 8.13	\$ 8.30
28	CASTLE ROCK	CASTLE ROCK	\$ 5.00	\$ 5.26	\$ 4.72
29	CASTLE ROCK	LARKSPUR	\$ 31.93	\$ 32.39	\$ 32.16
30	CENTRAL CITY	CENTRAL CITY	\$ 16.68	\$ 18.11	\$ 17.50
31	COAL CREEK	COAL CREEK	\$ 11.97	\$ 12.53	\$ 12.43
32	COLORADO SPRINGS	AIR FORCE ACADEMY	\$ 1.64	\$ 2.23	
33	COLORADO SPRINGS	BLACKFOREST	\$ 9.30	\$ 9.32	\$ 8.98
34	COLORADO SPRINGS	COLORADO SPRINGS			
35	COLORADO SPRINGS	COLORADO SPRINGS			
36	COLORADO SPRINGS	FOUNTAIN			
37	COLORADO SPRINGS	COLORADO SPRINGS	\$ 3.82	\$ 4.09	\$ 1.82
38	COLORADO SPRINGS	GREEN MOUNTAIN FALLS	\$ 13.16	\$ 13.72	\$ 12.89
39	COLORADO SPRINGS	MANITOU SPRINGS			
40	COLORADO SPRINGS	MONUMENT			

Colorado High Cost Supportper Primary Access Line per Month
Residential Primary Support

CITY	EXCHANGE	Primary 2000 Support	Primary 2001 Support	Primary 2002 Support
41 COLORADO SPRINGS	COLORADO SPRINGS			
42 COLORADO SPRINGS	SECURITY			
43 COLORADO SPRINGS	COLORADO SPRINGS			
44 COLORADO SPRINGS	WOODLAND PARK	\$ 12.68	\$ 12.95	\$ 12.26
45 CORTEZ	CORTEZ	\$ 10.39	\$ 10.76	\$ 9.75
46 CORTEZ	MESA VERDE	\$ 22.17	\$ 24.18	\$ 23.49
47 CRAIG	CRAIG	\$ 17.82	\$ 18.58	\$ 17.67
48 CRESTED BUTTE	CRESTED BUTTE	\$ 5.47	\$ 6.47	\$ 7.30
49 CRIPPLE CREEK	CRIPPLE CREEK	\$ 40.88	\$ 41.77	\$ 42.05
50 DEBEQUE	DEBEQUE	\$ 182.43	\$ 183.00	\$ 182.70
51 DECKERS	DECKERS	\$ 175.82	\$ 176.73	\$ 177.96
52 DEL NORTE	DEL NORTE	\$ 43.58	\$ 43.53	\$ 43.64
53 DEL NORTE	SOUTH FORK	\$ 46.85	\$ 47.76	\$ 47.31
54 DELTA	DELTA	\$ 12.09	\$ 12.58	\$ 12.10
55 DENVER ZONE	DENVER			
56 DENVER ZONE	DENVER			
57 DENVER ZONE	DENVER			
58 DENVER ZONE	DENVER			
59 DENVER ZONE	DENVER			
60 DENVER ZONE	DENVER			
61 DENVER ZONE	DENVER			
62 DENVER ZONE	DENVER			
63 DILLON	COPPER MOUNTAIN	\$ 10.14	\$ 11.43	\$ 11.66
64 DILLON	DILLON	\$ 3.98	\$ 5.11	\$ 4.63
65 DILLON	FRISCO			
66 DURANGO	DURANGO	\$ 1.63	\$ 2.46	\$ 2.20
67 EATON-AULT	AULT	\$ 31.83	\$ 32.55	\$ 31.93
68 EATON-AULT	EATON	\$ 8.56	\$ 9.19	\$ 9.04
69 ELBERT	ELBERT	\$ 58.76	\$ 61.36	\$ 60.81
70 ELIZABETH	ELIZABETH	\$ 12.67	\$ 14.30	\$ 14.74
71 ENGLEWOOD ZONE	ENGLEWOOD			
72 ERIE	ERIE	\$ 14.92	\$ 17.38	\$ 16.16
73 ESTES PARK	ESTES PARK	\$ 6.54	\$ 7.50	\$ 7.15
74 EVERGREEN	EVERGREEN			
75 FAIRPLAY	FAIRPLAY	\$ 60.52	\$ 60.94	\$ 63.50
76 FLORENCE	FLORENCE	\$ 20.85	\$ 21.58	\$ 21.11
77 FLORENCE	PENROSE	\$ 22.03	\$ 22.80	\$ 22.40
78 FRASER	FRASER	\$ 7.24	\$ 8.15	\$ 8.42
79 FREDRICK	FREDRICK			
80 FRUITA	FRUITA	\$ 16.95	\$ 17.72	\$ 17.43

Colorado High Cost Supportper Primary Access Line per Month
Residential Primary Support

CITY		EXCHANGE	Primary 2000 Support	Primary 2001 Support	Primary 2002 Support
81	FT COLLINS	FT COLLINS			
82	FT COLLINS	FT COLLINS			
83	FT COLLINS	WELLINGTON	\$ 43.56	\$ 44.30	\$ 43.72
84	FT LUPTON	FT LUPTON	\$ 6.56	\$ 8.15	\$ 6.39
85	FT MORGAN	FT MORGAN	\$ 3.60	\$ 3.61	\$ 2.17
86	GEORGETOWN	GEORGETOWN	\$ 24.73	\$ 26.96	\$ 26.19
87	GILCREST	GILCREST	\$ 31.52	\$ 32.24	\$ 30.72
88	GLENWOOD SPRINGS	GLENWOOD SPRINGS		\$ 1.07	\$ 0.24
89	GOLDEN ZONE	GOLDEN			
90	GRANBY	GRANBY	\$ 25.01	\$ 25.85	\$ 26.95
91	GRAND JUNCTION	CLIFTON			
92	GRAND JUNCTION	GRAND JUNCTION			
93	GRAND LAKE	GRAND LAKE	\$ 14.50	\$ 15.47	\$ 16.05
94	GREELEY	GREELEY			
95	GREELEY	GREELEY			
96	GUNNISON	GUNNISON	\$ 41.60	\$ 42.75	\$ 42.14
97	HAYDEN	HAYDEN	\$ 65.97	\$ 67.08	\$ 66.93
98	HILLROSE	HILLROSE	\$ 134.88	\$ 135.21	\$ 134.00
99	HOT SULPHUR SPRING	HOT SULPHUR SPRINGS	\$ 120.80	\$ 121.95	\$ 122.39
100	HUDSON	HUDSON	\$ 36.98	\$ 39.08	\$ 38.19
101	IDAHO SPRINGS	IDAHO SPRINGS	\$ 27.96	\$ 29.77	\$ 29.40
102	JOHNSTON MILLIKEN	JOHNSTON MILLIKEN	\$ 3.87	\$ 4.50	\$ 3.92
103	JULESBURG	JULESBURG	\$ 37.12	\$ 37.52	\$ 37.14
104	JULESBURG	OVID	\$ 124.24	\$ 124.31	\$ 125.14
105	KEENESBURG	KEENESBURG	\$ 70.40	\$ 71.86	\$ 71.73
106	KIOWA	KIOWA	\$ 93.67	\$ 96.61	\$ 95.17
107	KREMMLING	KREMMLING	\$ 57.62	\$ 58.50	\$ 58.63
108	LA SALLE	LA SALLE	\$ 21.20	\$ 21.91	\$ 21.71
109	LAFAYETTE-LOUISVILLE	LAFAYETTE			
110	LAKESWOOD ZONE	LAKESWOOD			
111	LEADVILLE	LEADVILLE	\$ 13.30	\$ 14.10	\$ 13.05
112	LIMON	LIMON	\$ 31.54	\$ 32.67	\$ 32.70
113	LITTLETON ZONE	Douglas County			
114	LITTLETON ZONE	KEN CARYL RANCH			
115	LITTLETON ZONE	GREENWOOD VILLAGE			
116	LITTLETON ZONE	LITTLETON			
117	LITTLETON ZONE	LITTLETON			
118	LONGMONT	LONGMONT			
119	LONGMONT	NIWOT		\$ 0.73	\$ 0.35
120	LOOKOUT MOUNTAIN	JEFFERSON COUNTY	\$ 1.26	\$ 1.56	\$ 1.20

Colorado High Cost Supportper Primary Access Line per Month
Residential Primary Support

CITY	EXCHANGE	Primary 2000 Support	Primary 2001 Support	Primary 2002 Support
121 LOVELAND	LOVELAND			
122 LYONS	LYONS	\$ 14.67	\$ 16.18	\$ 16.56
123 MANCOS	MANCOS	\$ 68.73	\$ 69.11	\$ 68.65
124 MEAD	MEAD	\$ 19.40	\$ 20.27	\$ 20.51
125 MEEKER	MEEKER	\$ 94.07	\$ 94.93	\$ 94.96
126 MONTE VISTA	MONTE VISTA	\$ 8.41	\$ 8.86	\$ 8.33
127 MONTROSE	MONTROSE	\$ 4.07	\$ 5.06	\$ 4.48
128 MORRISON	MORRISON	\$ 3.01	\$ 3.33	\$ 3.45
129 NEDERLAND	NEDERLAND	\$ 17.46	\$ 19.91	\$ 19.45
130 NEW CASTLE	NEW CASTLE	\$ 33.27	\$ 34.17	\$ 33.57
131 NORTHEAST ZONE	COMMERCE CITY			
132 OAK CREEK	OAK CREEK	\$ 72.85	\$ 73.71	\$ 73.81
133 OLATHE	OLATHE	\$ 22.09	\$ 22.83	\$ 22.39
134 OURAY	OURAY	\$ 23.69	\$ 24.72	\$ 24.56
135 PALISADE	PALISADE	\$ 4.57	\$ 5.32	\$ 5.00
136 PARACHUTE	PARACHUTE	\$ 33.35	\$ 34.50	\$ 33.20
137 PARKER	PARKER	\$ 8.09	\$ 8.40	\$ 7.64
138 PEYTON	PEYTON	\$ 40.95	\$ 41.16	\$ 41.39
139 PLATTEVILLE	PLATTEVILLE	\$ 18.97	\$ 19.93	\$ 19.04
140 PUEBLO	AVONDALE	\$ 76.11	\$ 76.75	\$ 76.05
141 PUEBLO	PUEBLO			
142 PUEBLO	PUEBLO	\$ 6.32	\$ 6.54	\$ 5.49
143 PUEBLO	PUEBLO			
144 PUEBLO	VINELAND	\$ 7.62	\$ 7.82	\$ 6.59
145 RIDGEWAY	RIDGEWAY	\$ 57.39	\$ 58.58	\$ 58.89
146 RIFLE	RIFLE	\$ 12.39	\$ 13.30	\$ 12.39
147 SALIDA	SALIDA	\$ 17.20	\$ 18.29	\$ 18.30
148 SILT	SILT	\$ 44.62	\$ 45.51	\$ 45.35
149 SILVERTON	SILVERTON	\$ 76.29	\$ 77.52	\$ 76.72
150 SOUTHWEST ZONE	LAKESWOOD			
151 STEAMBOAT SPRINGS	STEAMBOAT SPRINGS	\$ 3.59	\$ 4.87	\$ 5.02
152 STERLING	STERLING	\$ 12.87	\$ 13.47	\$ 12.14
153 SULLIVAN ZONE	AURORA			
154 SULLIVAN ZONE	AURORA			
155 TELLURIDE	TELLURIDE	\$ 8.24	\$ 9.54	\$ 9.62
156 TRINIDAD	TRINIDAD	\$ 21.89	\$ 22.53	\$ 21.69
157 VAIL	AVON			
158 VAIL	MINTURN	\$ 31.87	\$ 32.77	\$ 31.42
159 VAIL	VAIL			
160 WALSENBURG	WALSENBURG	\$ 29.89	\$ 30.43	\$ 30.41

<p>Colorado High Cost Support per Primary Access Line per Month Residential Primary Support</p>
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CITY	EXCHANGE	Primary 2000 Support	Primary 2001 Support	Primary 2002 Support
161 WARD	WARD	\$ 38.47	\$ 40.50	\$ 39.86
162 WELDONA	WELDONA	\$ 29.60	\$ 30.23	\$ 30.63
163 WINDSOR	WINDSOR	\$ 2.94	\$ 3.74	\$ 3.34
164 YAMPA	YAMPA	\$ 128.24	\$ 129.56	\$ 129.48
Statewide Average		\$ 15.53	\$ 15.95	\$ 15.51

Residential Revenue Benchmarks	\$23.48	\$20.16	\$20.16
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Colorado High Cost Support

per Primary Access Line per Month
for Business Lines

<u>CITY</u>	<u>EXCHANGE</u>	Business Support 2000	Business Support 2001	Business Support 2002
1 AGUILAR	AGUILAR	\$ 75.58	\$ 104.35	\$ 104.85
2 ALAMOSA	ALAMOSA			
3 ALLENSPARK	ALLENS PARK	\$ 12.44	\$ 14.36	\$ 8.93
4 ARVADA ZONE	ARVADA			
5 ARVADA ZONE	WESTMINSTER			
6 ASPEN	ASPEN			
7 ASPEN	SNOWMASS			
8 AURORA ZONE	AURORA			
9 AURORA ZONE	DENVER			
10 AURORA ZONE	AURORA	\$ 36.59	\$ 32.46	\$ 30.65
11 AURORA ZONE	DENVER			
12 BAILEY	BAILEY			
13 BASALT	BASALT			
14 BAYFIELD	BAYFIELD	\$ 6.33	\$ 4.63	\$ 2.71
15 BERTHOUD	BERTHOUD			
16 BOULDER	BOULDER			
17 BOULDER	BOULDER			
18 BOULDER	BOULDER			
19 BRECKENRIDGE	BRECKENRIDGE			
20 BRIGHTON	BRIGHTON			
21 BROOMFIELD	BROOMFIELD			
22 BROOMFIELD	NORTHGLENN			
23 BRUSH	BRUSH			
24 BUENA VISTA	BUENA VISTA	\$ 3.32	\$ 10.21	\$ 9.08
25 CALHAN	CALHAN	\$ 76.86	\$ 75.17	\$ 74.42
26 CANON CITY	CANON CITY			
27 CARBONDALE	CARBONDALE			
28 CASTLE ROCK	CASTLE ROCK			
29 CASTLE ROCK	LARKSPUR	\$ 5.70	\$ 5.80	\$ 3.75
30 CENTRAL CITY	CENTRAL CITY			
31 COAL CREEK	COAL CREEK			
32 COLORADO SPRINGS	AIR FORCE ACADEMY			
33 COLORADO SPRINGS	BLACKFOREST			
34 COLORADO SPRINGS	COLORADO SPRINGS			
35 COLORADO SPRINGS	COLORADO SPRINGS			
36 COLORADO SPRINGS	FOUNTAIN			
37 COLORADO SPRINGS	COLORADO SPRINGS			
38 COLORADO SPRINGS	GREEN MOUNTAIN FAL			
39 COLORADO SPRINGS	MANITOU SPRINGS			
40 COLORADO SPRINGS	MONUMENT			
41 COLORADO SPRINGS	COLORADO SPRINGS			

Colorado High Cost Supportper Primary Access Line per Month
for Business Lines

<u>CITY</u>	<u>EXCHANGE</u>	Business Support 2000	Business Support 2001	Business Support 2002
42 COLORADO SPRINGS	SECURITY			
43 COLORADO SPRINGS	COLORADO SPRINGS			
44 COLORADO SPRINGS	WOODLAND PARK			
45 CORTEZ	CORTEZ			
46 CORTEZ	MESA VERDE	\$ 0.17		
47 CRAIG	CRAIG			
48 CRESTED BUTTE	CRESTED BUTTE			
49 CRIPPLE CREEK	CRIPPLE CREEK	\$ 22.41	\$ 21.64	\$ 20.47
50 DEBEQUE	DEBEQUE	\$ 158.68	\$ 162.18	\$ 161.45
51 DECKERS	DECKERS	\$ 156.25	\$ 152.77	\$ 149.86
52 DEL NORTE	DEL NORTE	\$ 19.30	\$ 23.76	\$ 21.74
53 DEL NORTE	SOUTH FORK	\$ 20.98	\$ 22.87	\$ 19.78
54 DELTA	DELTA			
55 DENVER ZONE	DENVER			
56 DENVER ZONE	DENVER			
57 DENVER ZONE	DENVER			
58 DENVER ZONE	DENVER			
59 DENVER ZONE	DENVER			
60 DENVER ZONE	DENVER			
61 DENVER ZONE	DENVER			
62 DENVER ZONE	DENVER	\$ 10.38		
63 DILLON	COPPER MOUNTAIN			
64 DILLON	DILLON			
65 DILLON	FRISCO			
66 DURANGO	DURANGO			
67 EATON-AULT	AULT	\$ 13.24	\$ 10.04	\$ 8.71
68 EATON-AULT	EATON			
69 ELBERT	ELBERT	\$ 44.75	\$ 36.42	\$ 35.79
70 ELIZABETH	ELIZABETH			
71 ENGLEWOOD ZONE	ENGLEWOOD			
72 ERIE	ERIE			
73 ESTES PARK	ESTES PARK			
74 EVERGREEN	EVERGREEN			
75 FAIRPLAY	FAIRPLAY	\$ 44.30	\$ 37.36	\$ 37.20
76 FLORENCE	FLORENCE			
77 FLORENCE	PENROSE	\$ 0.28		
78 FRASER	FRASER			
79 FREDRICK	FREDRICK			
80 FRUITA	FRUITA			
81 FT COLLINS	FT COLLINS			
82 FT COLLINS	FT COLLINS			

Colorado High Cost Supportper Primary Access Line per Month
for Business Lines

<u>CITY</u>	<u>EXCHANGE</u>	Business Support 2000	Business Support 2001	Business Support 2002
83 FT COLLINS	WELLINGTON	\$ 22.27	\$ 19.91	\$ 19.09
84 FT LUPTON	FT LUPTON			
85 FT MORGAN	FT MORGAN			
86 GEORGETOWN	GEORGETOWN	\$ 11.49	\$ 9.45	\$ 9.59
87 GILCREST	GILCREST			
88 GLENWOOD SPRINGS	GLENWOOD SPRINGS			
89 GOLDEN ZONE	GOLDEN		\$ 3.59	\$ 2.24
90 GRANBY	GRANBY			
91 GRAND JUNCTION	CLIFTON			
92 GRAND JUNCTION	GRAND JUNCTION			
93 GRAND LAKE	GRAND LAKE			
94 GREELEY	GREELEY			
95 GREELEY	GREELEY			
96 GUNNISON	GUNNISON	\$ 20.67	\$ 19.96	\$ 18.64
97 HAYDEN	HAYDEN	\$ 40.27	\$ 44.34	\$ 42.04
98 HILLROSE	HILLROSE	\$ 113.09	\$ 113.04	\$ 113.16
99 HOT SULPHUR SPRING	HOT SULPHUR SPRING	\$ 100.37	\$ 100.24	\$ 97.99
100 HUDSON	HUDSON	\$ 12.67	\$ 16.82	\$ 12.18
101 IDAHO SPRINGS	IDAHO SPRINGS	\$ 7.90	\$ 8.56	\$ 5.86
102 JOHNSTON MILLIKEN	JOHNSTON MILLIKEN			
103 JULESBURG	JULESBURG	\$ 11.90	\$ 13.57	\$ 13.15
104 JULESBURG	OVID	\$ 106.92	\$ 102.31	\$ 102.44
105 KEENESBURG	KEENESBURG	\$ 47.03	\$ 48.03	\$ 47.13
106 KIOWA	KIOWA	\$ 79.54	\$ 71.63	\$ 73.62
107 KREMMLING	KREMMLING	\$ 34.78	\$ 39.32	\$ 37.14
108 LA SALLE	LA SALLE	\$ 0.66	\$ 1.07	\$ 0.45
109 LAFAYETTE-LOUISVIL	LAFAYETTE			
110 LAKEWOOD ZONE	LAKEWOOD			
111 LEADVILLE	LEADVILLE			
112 LIMON	LIMON	\$ 7.14	\$ 11.25	\$ 10.31
113 LITTLETON ZONE	Douglas County			
114 LITTLETON ZONE	KEN CARYL RANCH			
115 LITTLETON ZONE	GREENWOOD VILLAGE			
116 LITTLETON ZONE	LITTLETON			
117 LITTLETON ZONE	LITTLETON			
118 LONGMONT	LONGMONT	\$ 16.14		
119 LONGMONT	NIWOT			
120 LOOKOUT MOUNTAIN	JEFFERSON COUNTY			
121 LOVELAND	LOVELAND			
122 LYONS	LYONS			
123 MANCOS	MANCOS	\$ 41.37	\$ 46.31	\$ 45.37

Colorado High Cost Supportper Primary Access Line per Month
for Business Lines

<u>CITY</u>	<u>EXCHANGE</u>	Business Support 2000	Business Support 2001	Business Support 2002
124 MEAD	MEAD			
125 MEEKER	MEEKER	\$ 69.65	\$ 68.96	\$ 68.44
126 MONTE VISTA	MONTE VISTA			
127 MONTROSE	MONTROSE			
128 MORRISON	MORRISON			
129 NEDERLAND	NEDERLAND			
130 NEW CASTLE	NEW CASTLE	\$ 8.55	\$ 11.52	\$ 9.16
131 NORTHEAST ZONE	COMMERCE CITY			
132 OAK CREEK	OAK CREEK	\$ 53.01	\$ 53.41	\$ 52.12
133 OLATHE	OLATHE	\$ 0.77	\$ 1.24	
134 OURAY	OURAY		\$ 1.22	
135 PALISADE	PALISADE			
136 PARACHUTE	PARACHUTE	\$ 7.58	\$ 9.62	\$ 7.82
137 PARKER	PARKER			
138 PEYTON	PEYTON	\$ 30.96	\$ 17.32	\$ 15.81
139 PLATTEVILLE	PLATTEVILLE			
140 PUEBLO	AVONDALE	\$ 50.97	\$ 58.89	\$ 54.17
141 PUEBLO	PUEBLO			
142 PUEBLO	PUEBLO			
143 PUEBLO	PUEBLO			
144 PUEBLO	VINELAND			
145 RIDGEWAY	RIDGEWAY	\$ 31.34	\$ 36.18	\$ 34.76
146 RIFLE	RIFLE			
147 SALIDA	SALIDA			
148 SILT	SILT	\$ 25.54	\$ 21.84	\$ 19.31
149 SILVERTON	SILVERTON	\$ 45.98	\$ 53.09	\$ 49.96
150 SOUTHWEST ZONE	LAKEWOOD			
151 STEAMBOAT SPRINGS	STEAMBOAT SPRINGS			
152 STERLING	STERLING			
153 SULLIVAN ZONE	AURORA			
154 SULLIVAN ZONE	AURORA			
155 TELLURIDE	TELLURIDE			
156 TRINIDAD	TRINIDAD		\$ 0.22	
157 VAIL	AVON			
158 VAIL	MINTURN	\$ 11.85	\$ 11.29	\$ 8.53
159 VAIL	VAIL			
160 WALSENBURG	WALSENBURG	\$ 6.05	\$ 6.83	\$ 5.74
161 WARD	WARD	\$ 17.01	\$ 8.41	\$ 4.37
162 WELDONA	WELDONA	\$ 11.33	\$ 4.85	\$ 3.54
163 WINDSOR	WINDSOR			
164 YAMPA	YAMPA	\$ 105.32	\$ 106.90	\$ 107.90

<p>Colorado High Cost Support per Primary Access Line per Month for Business Lines</p>

<u>CITY</u>	<u>EXCHANGE</u>	Business Support 2000	Business Support 2001	Business Support 2002
				\$ -
Statewide Average		\$ 19.15	\$ 23.85	\$ 23.85
Business Revenue Benchmarks		\$ 46.68	\$ 44.53	\$ 44.53

V. Supporting Schedules

2000
COLORADO HIGH COST SUPPORT MECHANISM

Eligible Local Exchange Provider	Effective Date of HCSM Funding	AMOUNT FROM THE HCSM Effective First Quarter 2000	AMOUNT FROM THE HCSM Effective Second Quarter 2000	AMOUNT FROM THE HCSM Effective Third Quarter 2000	AMOUNT FROM THE HCSM Effective Fourth Quarter 2000	CALENDAR YEAR 2000
1 AGATE	01/01/93	\$0	\$0	\$0	\$0	\$0
2 BIG SANDY	07/01/95	\$0	\$0	\$0	\$0	\$0
3 BIJOU	06/01/94	\$0	\$0	\$0	\$0	\$0
4 BLANCA	11/01/97	\$0	\$0	\$0	\$0	\$0
5 CenturyTel of Colorado	01/01/94	\$0	\$0	\$0	\$0	\$0
9 CenturyTel of Eagle	06/01/98	\$344,157	\$344,157	\$283,930	\$311,533	\$1,283,777
6 COLUMBINE	07/01/97	\$0	\$0	\$0	\$0	\$0
7 DELTA	10/18/00	\$24,831	\$22,756	\$36,408	\$36,933	\$120,928
8 DUBOIS		\$0	\$0	\$0	\$0	\$0
10 EASTERN	01/01/93	\$0	\$0	\$0	\$0	\$0
11 EL PASO	08/30/96	\$0	\$0	\$0	\$0	\$0
12 FARMERS	01/01/93	\$0	\$0	\$0	\$0	\$0
13 GREAT PLAINS		\$0	\$0	\$0	\$0	\$0
14 HAXTUN	09/01/94	\$0	\$0	\$0	\$0	\$0
15 KINGS DEER		\$0	\$0	\$0	\$0	\$0
16 NUCLA-NATURITA	01/01/95	\$7,412	\$11,231	\$11,449	\$4,499	\$34,590
17 NUNN	01/01/95	\$0	\$0	\$0	\$0	\$0
18 PEETZ	07/01/93	\$0	\$0	\$0	\$0	\$0
19 PHILLIPS	01/01/93	\$0	\$0	\$0	\$17,603	\$17,603
20 PINE DRIVE	10/01/98	\$58,078	\$58,112	\$59,871	\$43,060	\$219,121
21 PLAINS	07/01/93	\$0	\$0	\$0	\$0	\$0
22 RICO	06/05/96	\$6,658	\$6,683	\$7,148	\$50,276	\$70,764
23 ROGGEN	07/01/93	\$0	\$0	\$0	\$0	\$0
24 RYE	07/01/95	\$0	\$0	\$0	\$0	\$0
25 SOUTH PARK		\$0	\$0	\$0	\$0	\$0
26 STONEHAM	07/01/93	\$0	\$0	\$0	\$0	\$0
27 STRASBURG	01/01/98	\$0	\$0	\$0	\$0	\$0
28 SUNFLOWER	01/01/93	\$0	\$0	\$0	\$0	\$0
29 U S WEST	07/01/99	\$14,493,703	\$14,493,703	\$14,493,703	\$14,493,703	\$57,974,812
30 UNION		\$0	\$0	\$0	\$0	\$0
31 WIGGINS	07/01/93	\$0	\$0	\$0	\$0	\$0
32 WILLARD	07/01/93	\$0	\$0	\$0	\$0	\$0

Total	\$14,934,839	\$14,936,641	\$14,892,509	\$14,957,607	\$59,721,596
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2001
COLORADO HIGH COST SUPPORT MECHANISM

Eligible Local Exchange Provider	Initial Authorized Gross Amount From The HCSM per Quarer	Effective Date of HCSM Funding	AMOUNT FROM THE HCSM Effective First Quarter 2001	AMOUNT FROM THE HCSM Effective Second Quarter 2001	AMOUNT FROM THE HCSM Effective Third Quarter 2001	AMOUNT FROM THE HCSM Effective Fourth Quarter 2001	CALENDAR YEAR 2001
1 AGATE		01/01/93	\$0	\$0	\$0	\$0	\$0
2 BIG SANDY		07/01/95	\$0	\$0	\$0	\$0	\$0
3 BIJOU		06/01/94	\$0	\$0	\$0	\$0	\$0
4 BLANCA		11/01/97	\$0	\$0	\$0	\$0	\$0
5 CenturyTel of Colorado	\$48,954	01/01/94	\$0	\$0	\$0	\$0	\$0
6 CenturyTel of Eagle	\$344,157	06/01/98	\$327,428	\$293,675	\$223,541	\$218,101	\$1,062,745
7 COLUMBINE		07/01/97	\$0	\$0	\$0	\$0	\$0
8 Delta County Tele-Com	\$91,839	10/18/00	\$90,903	\$91,839	\$88,939	\$88,603	\$360,284
9 DUBOIS			\$0	\$0	\$0	\$0	\$0
10 EASTERN	\$16,125	01/01/93	\$0	\$0	\$0	\$0	\$0
11 EL PASO		08/30/96	\$0	\$0	\$0	\$0	\$0
12 FARMERS	\$8,703	01/01/93	\$0	\$0	\$0	\$0	\$0
13 GREAT PLAINS			\$0	\$0	\$0	\$0	\$0
14 HAXTUN		09/01/94	\$0	\$0	\$0	\$0	\$0
15 KINGS DEER			\$0	\$0	\$0	\$0	\$0
16 NUCLA-NATURITA	\$34,749	11/01/01	\$0	\$0	\$0	\$16,294	\$16,294
17 NUNN		01/01/95	\$0	\$0	\$0	\$0	\$0
18 PEETZ	\$6,830	10/01/01	\$0	\$0	\$0	\$6,830	\$6,830
19 Phillips County Telepho	\$17,603	10/01/00	\$19,592	\$19,592	\$18,120	\$0	\$57,303
20 PINE DRIVE	\$91,504	10/01/01	\$2,080	\$99,484	\$73,356	\$91,504	\$266,424
21 PLAINS	\$32,502	07/01/93	\$0	\$0	\$0	\$0	\$0
22 Qwest Corp.	\$14,493,703	07/01/99	\$14,493,703	\$14,493,703	\$14,493,703	\$14,493,703	\$57,974,812
23 Rico Telephone Compa	\$15,000	01/01/00	\$15,000	\$15,005	\$15,006	\$15,006	\$60,017
24 ROGGEN		07/01/93	\$0	\$0	\$0	\$0	\$0
25 RYE		07/01/95	\$0	\$0	\$0	\$0	\$0
26 SOUTH PARK			\$0	\$0	\$0	\$0	\$0
27 STONEHAM		07/01/93	\$0	\$0	\$0	\$0	\$0
28 STRASBURG		01/01/98	\$0	\$0	\$0	\$0	\$0
29 SUNFLOWER	\$11,610	01/01/93	\$0	\$0	\$0	\$0	\$0
30 UNION			\$0	\$0	\$0	\$0	\$0
31 WIGGINS	\$31,035	07/01/93	\$0	\$0	\$0	\$0	\$0
32 WILLARD	\$5,061	07/01/93	\$0	\$0	\$0	\$0	\$0
Total			\$14,948,706	\$15,013,297	\$14,912,666	\$14,930,041	\$59,804,710

2002
COLORADO HIGH COST SUPPORT MECHANISM

Eligible Local Exchange Provider	Initial Authorized Gross Amount From The HCSM per Quarer	Effective Date of HCSM Funding	AMOUNT FROM THE HCSM Effective First Quarter 2002	AMOUNT FROM THE HCSM Effective Second Quarter 2002	AMOUNT FROM THE HCSM Effective Third Quarter 2002	AMOUNT FROM THE HCSM Effective Fourth Quarter 2002	CALENDAR YEAR 2002
1 AGATE		01/01/93	\$2,928	\$2,764	\$2,764	\$2,764	\$11,220
2 BIG SANDY		07/01/95	\$0	\$0	\$0	\$0	\$0
3 BIJOU		06/01/94	\$0	\$0	\$0	\$0	\$0
4 BLANCA		11/01/97	\$0	\$0	\$0	\$0	\$0
5 CenturyTel of Colorado	\$48,954	01/01/94	\$0	\$0	\$0	\$0	\$0
6 CenturyTel of Eagle	\$344,157	06/01/98	\$245,471	\$196,891	\$137,663	\$137,663	\$717,688
7 COLUMBINE		07/01/97	\$0	\$0	\$0	\$0	\$0
8 Delta County Tele-Com	\$86,693	10/18/00	\$66,327	\$87,393	\$108,984	\$75,141	\$337,845
9 DUBOIS			\$0	\$0	\$0	\$0	\$0
10 EASTERN	\$16,125	01/01/93	\$0	\$0	\$0	\$0	\$0
11 EL PASO		08/30/96	\$0	\$0	\$0	\$0	\$0
12 FARMERS	\$8,703	01/01/93	\$0	\$0	\$0	\$0	\$0
13 GREAT PLAINS			\$0	\$0	\$0	\$0	\$0
14 HAXTUN		09/01/94	\$0	\$0	\$0	\$0	\$0
15 KINGS DEER			\$0	\$0	\$0	\$0	\$0
16 NUCLA-NATURITA	\$34,749	01/01/95	\$24,659	\$25,628	\$24,440	\$24,440	\$99,168
17 NUNN		01/01/95	\$0	\$0	\$0	\$0	\$0
18 PEETZ	\$6,830	10/01/01	\$6,904	\$6,887	\$6,831	\$6,830	\$27,452
19 Phillips County Telepho	\$17,603	11/01/00	\$0	\$0	\$0	\$0	\$0
20 PINE DRIVE	\$91,504	10/01/98	\$79,879	\$92,044	\$91,504	\$91,504	\$354,931
21 PLAINS	\$32,502	07/01/93	\$0	\$0	\$0	\$0	\$0
22 Qwest Corp.	\$14,493,703	07/01/99	\$14,493,703	\$14,493,703	\$14,493,703	\$14,493,703	\$57,974,812
23 Rico Telephone Compa	\$15,000	01/01/00	\$12,372	\$12,372	\$12,375	\$12,375	\$49,494
24 ROGGEN		07/01/93	\$0	\$0	\$0	\$0	\$0
25 RYE		07/01/95	\$0	\$0	\$0	\$0	\$0
26 SOUTH PARK			\$0	\$0	\$0	\$0	\$0
27 STONEHAM		07/01/93	\$0	\$0	\$0	\$0	\$0
28 STRASBURG		01/01/98	\$0	\$0	\$0	\$0	\$0
29 SUNFLOWER	\$11,610	01/01/93	\$0	\$0	\$0	\$0	\$0
30 UNION			\$0	\$0	\$0	\$0	\$0
31 WIGGINS	\$31,035	07/01/93	\$0	\$0	\$0	\$0	\$0
32 WILLARD	\$5,061	07/01/93	\$0	\$0	\$0	\$0	\$0
Total			\$14,932,243	\$14,917,683	\$14,878,264	\$14,844,420	\$59,572,610

2003
COLORADO HIGH COST SUPPORT MECHANISM

Eligible Local Exchange Provider	Initial Authorized Gross Amount From The HCSM per Year	Effective Date of HCSM Funding	AMOUNT FROM THE HCSM Effective First Quarter 2003	AMOUNT FROM THE HCSM Effective Second Quarter 2003	AMOUNT FROM THE HCSM Effective Third Quarter 2003	AMOUNT FROM THE HCSM Effective Fourth Quarter 2003	CALENDAR YEAR 2003
1 AGATE	\$3,262	01/01/02	\$815	\$815	\$816	\$816	\$3,262
2 BIG SANDY			\$0	\$0	\$0	\$0	\$0
3 BIJOU			\$0	\$0	\$0	\$0	\$0
4 BLANCA			\$0	\$0	\$0	\$0	\$0
5 CenturyTel of Colorado			\$0	\$0	\$0	\$0	\$0
6 CenturyTel of Eagle	\$344,157	06/01/98	\$137,663	\$114,719	\$68,831	\$68,831	\$390,044
7 COLUMBINE			\$0	\$0	\$0	\$0	\$0
8 Delta County Tele-Comm	\$346,770	10/18/00	\$86,693	\$86,693	\$86,693	\$75,142	\$335,221
9 DUBOIS			\$0	\$0	\$0	\$0	\$0
10 EASTERN			\$0	\$0	\$0	\$0	\$0
11 EL PASO			\$0	\$0	\$0	\$0	\$0
12 FARMERS			\$0	\$0	\$0	\$0	\$0
13 GREAT PLAINS			\$0	\$0	\$0	\$0	\$0
14 HAXTUN			\$0	\$0	\$0	\$0	\$0
15 KINGS DEER			\$0	\$0	\$0	\$0	\$0
16 NUCLA-NATURITA	\$97,760	11/01/01	\$24,440	\$24,440	\$24,440	\$14,868	\$88,188
17 NUNN			\$0	\$0	\$0	\$0	\$0
18 PEETZ	\$27,321	10/01/01	\$6,830	\$6,830	\$6,831	\$5,635	\$26,126
19 Phillips County Telephone Company			\$0	\$0	\$0	\$0	\$0
20 PINE DRIVE	\$366,017	10/01/01	\$91,504	\$91,504	\$91,504	\$72,262	\$346,774
21 PLAINS			\$0	\$0	\$0	\$0	\$0
22 Qwest Corp.	\$45,305,324	01/01/03	\$11,326,331	\$11,326,331	\$11,326,331	\$11,326,331	\$45,305,324
23 Rico Telephone Company	\$60,000	01/01/00	\$9,000	\$9,000	\$9,000	\$9,000	\$36,000
24 ROGGEN			\$0	\$0	\$0	\$0	\$0
25 RYE			\$0	\$0	\$0	\$0	\$0
26 SOUTH PARK			\$0	\$0	\$0	\$0	\$0
27 STONEHAM			\$0	\$0	\$0	\$0	\$0
28 STRASBURG			\$0	\$0	\$0	\$0	\$0
29 SUNFLOWER			\$0	\$0	\$0	\$0	\$0
30 UNION			\$0	\$0	\$0	\$0	\$0
31 WIGGINS			\$0	\$0	\$0	\$0	\$0
32 WILLARD			\$0	\$0	\$0	\$0	\$0
33 Forecasted (Undesignated)			\$325,000	\$325,000	\$325,000	\$325,000	\$1,300,000
Total			\$12,008,276	\$11,985,332	\$11,939,446	\$11,897,885	\$47,830,939