CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

NET OPERATING INCOME AND RATE OF RETURN ON RATE BASE CALCULATION

	NET OPERATING INCOME DEVELOPMENT	Source	(1) Subject To Separations	(2) Total Interstate	(3) Total Intrastate
	OPERATING REVENUES				
1	Local Service	Net Operating Income, Ln 1	$3,567,245	$0	$3,567,245
2	Access Charges	Net Operating Income, Ln 2, 3	$6,202,982	$5,623,197	$579,785
3	LD Messages	Net Operating Income, Ln 5	$0	$0	$0
4	Billing & Collection	Net Operating Income, Ln 6, 7	$215,806	$81,862	$133,944
5	Other Miscellaneous Revenue	Net Operating Income, Ln 8	$218,532	$12,739	$205,793
6	Less: Uncollectibles	Net Operating Income, Ln 11	$40,344	$13,841	$26,503
7	**Total Regulated Operating Revenue**	**Ln 1+Ln 2+Ln 3+Ln 4+Ln 5-Ln 6**	$10,164,221	$5,703,957	$4,460,264
	OPERATING EXPENSES				
8	Plant Specific	Net Operating Income, Ln 20	$2,522,519	$1,420,935	$1,101,584
9	Plant Non-Specific	Net Operating Income, Ln 21,22,23	$2,063,896	$1,229,218	$834,678
10	Depreciation & Amortization	Net Operating Income, Ln 29	$4,191,687	$2,533,408	$1,658,279
11	Customer Operations	Net Operating Income, Ln 33	$1,001,917	$392,351	$609,566
12	Corporate Operations	Net Operating Income, Ln 36	$2,309,034	$1,201,852	$1,107,182
13	**Total Operating Expenses**	**Ln 8+Ln 9+Ln 10+Ln 11+Ln 12**	$12,089,053	$6,777,764	$5,311,289
	OPERATING TAXES				
14	Federal Income Tax -Booked	Net Operating Income, Ln 38,39,40	($855,669)	($690,515)	($165,154)
15	Adjustment to Booked FIT	If Taxes are Imputed, Ln 16-Ln 14	($156,408)	$134,934	($291,342)
16	Imputed FIT @ %	(Ln 7-Ln 13-Ln24-Ln21-(Op Inc Ln48))* Rate + Amortization of Excess ADFIT	($1,012,077)	($555,580)	($456,497)
17	Adjustment to Imputed FIT	If Taxes are per book, Ln 14-Ln 16	$0	$0	$0
18	Booked - Imputed FIT (Net of Adj)		$0	$0	$0
19	State Income Tax -Booked	Net Operating Income, Ln 41,42	($110,101)	($57,836)	($52,265)
20	Adjustment to Booked SIT	If Taxes are Imputed, Ln 21-Ln 19	($8,438)	($8,438)	$0
21	Imputed SIT @ %	(Ln 7-Ln 14-Ln24-(Op Inc. Ln48))* Rate	($118,539)	($66,274)	($52,265)
22	Adjustment to Imputed SIT	If Taxes are per book, Ln 14-Ln 16	$0	$0	$0
23	Booked - Imputed SIT (Net of Adj)		$0	$0	$0
24	Other Taxes	Net Operating Income, Ln 43,44,45	$136,721	$78,792	$57,929
25	Total Booked Operating Taxes	Ln 14+Ln 15+Ln 19+Ln 20+ Ln 24	($993,895)	($543,063)	($450,832)
26	Total Imputed Operating Taxes	Ln 14+Ln 15+Ln 19+Ln 20+ Ln 24	($993,895)	($543,063)	($450,832)
	NET OPERATING INCOME				
27	**Net Operating Income (NOI)**	**Ln 7 - Ln 13 - Ln 25**	**($930,937)**	**($530,744)**	**($400,193)**
28	**N.O.I. Adjustment**	**Net Operating Income, Ln 56,57**	**$237,790**	**$0**	**$237,790**
29	**Adjusted Net Operating Income (NOI)**	**Ln 27 + Ln 28**	**($693,147)**	**($530,744)**	**($162,403)**
	RATE OF RETURN ON RATE BASE CALCULATION		**As of End of Period**		
	RATE BASE				
30	Land & Support	Rate Base Development, Ln 3	$4,866,404	$2,638,078	$2,228,326
31	Central Office Equipment	Rate Base Development, Ln 14	$34,557,799	$23,371,439	$11,186,360
32	Info. Orig. & Term. Equip.	Rate Base Development, Ln 20	$0	$0	$0
33	Cable & Wire Facilities	Rate Base Development, Ln 31	$84,173,588	$40,925,198	$43,248,390
34	Other Investment	Rate Base Development, Ln 34, 35	($1,328)	($720)	($608)
35	Total Plant in Service	Ln 30 - Ln 34	$123,596,463	$66,933,995	$56,662,468
36	Accumulated Depreciation	Rate Base Development, Ln 46	$90,702,610	$49,716,071	$40,986,539
37	Net Plant in Service	Ln 35 - Ln 36	$32,893,853	$17,217,924	$15,675,929
38	Plant Held for Future Use	Rate Base Development, Ln 47	$0	$0	$0
39	Plant Under Construction	Rate Base Development, Ln 48	$1,251,458	$678,415	$573,043
40	RTB Class B Stock	Rate Base Development, Ln 49	$0	$0	$0
41	Prepayments	Rate Base Development, Ln 50	$24,210	$13,124	$11,086
42	Materials & Supplies	Rate Base Development, Ln 51	$569,108	$276,700	$292,408
43	Cash Working Capital	Cash Working Capital Develop Ln 3	$300,068	$152,108	$147,960
44	Deferred Income taxes	Rate Base Development, Ln 54	$7,542,247	$4,089,004	$3,453,243
45	Customer Deposits	Rate Base Development, Ln 55	$0	$0	$0
46	**Rate Base**	**Ln 37 + Ln 38-43, - Ln 44 - Ln 45**	**$27,496,450**	**$14,249,267**	**$13,247,183**
47	**Rate of Return on Rate Base**	**Ln 29 / Ln 46**	**-2.52%**	**-3.72%**	**-1.23%**

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

COST OF CAPITAL STRUCTURE & RETURN ON EQUITY CALCULATION

ACTUAL COST OF CAPITAL - TOTAL COMPANY

			Amount	% Total	Rate	Weighted Cost Rate
1	Short Term Debt	Rate Base, Ln 56	$0	0.00%	0.000%	0.000%
2	Long Term Debt	Rate Base, Ln 59	$0	0.00%	0.000%	0.000%
3	Other	Rate Base, Ln 53	$0	0.00%	7.000%	0.000%
4	Equity	Rate Base, Ln 64	$33,906,047	100.00%	-2.521%	-2.521%
5	Total Capital		$33,906,047	100.00%		-2.521%

ACTUAL COST OF CAPITAL - INTRASTATE ONLY

			Amount	% Total	Rate	Weighted Cost Rate
1	Short Term Debt	Rate Base, Ln 56	$0	0.00%	0.000%	0.000%
2	Long Term Debt	Rate Base, Ln 59	$0	0.00%	0.000%	0.000%
3	Other	Rate Base, Ln 53	$0	0.00%	7.000%	0.000%
4	Equity	Rate Base, Ln 64	$33,906,047	100.00%	-1.226%	-1.226%
5	Total Capital		$33,906,047	100.00%		-1.226%

ALLOWED CAPITAL STRUCTURE - INTRASTATE

			Amount	% Total	Rate	Weighted Cost Rate
1	Short Term Debt	Rate Base, Ln 56	$0	0.00%	0.000%	0.000%
2	Long Term Debt	Rate Base, Ln 59	$0	0.00%	0.000%	0.000%
3	Other	Rate Base, Ln 53	$0	0.00%	7.000%	0.000%
4	Equity	Rate Base, Ln 64	$33,906,047	100.00%	9.250%	9.250%
5	Total Capital		$33,906,047	100.00%		9.250%

REVENUE REQUIREMENT CALCULATION

1	Rate Base (Adjusted Rate Base)	Earnings Report, Ln 46		$13,247,183
2	Allowed Rate of Return on Rate Base	Per GA PSC	Capped	8.00%
3	Net Operating Income Requirement	Line 1 x Ln 2		$1,059,775
4	Net Operating Income Available (Imputed Adjusted NOI)	Earnings Report, Ln 29		($162,403)
5	Operating Income Excess (Deficiency)	Ln 4 - Ln 3		($1,222,178)
6	Income Expansion Factor	1-SIT-FIT+FITxSIT		74.458%
7	Revenue Excess (Deficiency)	Ln 5 / Ln 6		($1,641,444)

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

CALCULATION OF RATE BASE: 1=AVERAGE **2**
2= YEAR END

DEVELOPMENT OF TOTAL COMPANY RATE BASE

CURRENT YEAR - 06/30/22

PLANT IN SERVICE

		ACCT	BALANCE PER BOOK	LESS: NON-REG.	OTHER ADJUST	SUBJECT TO SEPARATIONS	INTERSTATE ALLOCATION %
1	LAND	2108	199,951	0	0	199,951	
2	OTHER SUPPORT	2109	4,889,441	(213,628)	(9,360)	4,666,453	
3	TOTAL LAND & OTHER SUPPORT	2110	5,089,392	(213,628)	(9,360)	4,866,404	54.21%
4	CENTRAL OFFICE - ANALOG SWITCH	2211	0	0	0	0	
5	- DIGITAL SWITCH	2212	929,723	0	79,167	1,008,890	
6	- ELECTROMECHANICAL SW	2215	0	0	0	0	
7	- OTHER SWITCH	2216	0	0	0	0	
8	- OTHER SWITCH	2217	0	0	0	0	
9	CENTRAL OFFICE - TOTAL SWITCH	2210	929,723	0	79,167	1,008,890	
10	CENTRAL OFFICE - OPERATOR SYS	2220	0	0	0	0	
11	- RADIO	2231	0	0	0	0	
12	- CIRCUIT	2232	33,825,082	0	(276,173)	33,548,909	
13	CENTRAL OFFICE - TOTAL TRANS.	2230	33,825,082	0	(276,173)	33,548,909	
14	TOTAL CENTRAL OFFICE EQUIP		34,754,805	0	(197,006)	34,557,799	67.63%
15	STATION APPARATUS	2311	0	0	0	0	
16	CUSTOMER PREMISE WIRING	2321	0	0	0	0	
17	LARGE PBX	2341	0	0	0	0	
18	PUBLIC TELEPHONE EQUIPMENT	2351	0	0	0	0	
19	OTHER TERMINAL EQUIPMENT	2362	5,014,198	(5,014,198)	0	0	
20	TOTAL ORIG/TERM EQUIP	2310	5,014,198	(5,014,198)	0	0	0.00%
21	POLES	2411	168,646	0	0	168,646	
22	TOWERS	2412	0	0	0	0	
23	AERIAL CABLE	2421	1,628,191	0	0	1,628,191	
24	UNDERGROUND CABLE	2422	8,556,660	0	0	8,556,660	
25	BURIED CABLE	2423	59,100,579	0	(406,780)	58,693,799	
26	SUBMARINE CABLE	2424	0	0	0	0	
27	DEEP SEA CABLE	2425	0	0	0	0	
28	INTRABUILDING CABLE	2426	0	0	0	0	
29	AERIAL WIRE	2431	0	0	0	0	
30	CONDUIT SYSTEM	2441	15,126,292	0	0	15,126,292	
31	TOTAL CABLE AND WIRE	2410	84,580,368	0	(406,780)	84,173,588	48.62%
32	CAPITAL LEASES	2681	0	0	0	0	
33	LEASE HOLD IMPROVEMENTS	2682	0	0	0	0	
34	TOTAL AMORTIZABLE ASSETS	2680	0	0	0	0	54.21%
35	INTANGIBLES	2690	17,664	(18,992)	0	(1,328)	54.21%
36	TOTAL PLANT IN SERVICE	2001	129,456,427	(5,246,818)	(613,146)	123,596,463	54.21%

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

CALCULATION OF RATE BASE: 1=AVERAGE **2**
2= YEAR END

DEVELOPMENT OF TOTAL COMPANY RATE BASE

CURRENT YEAR - 06/30/22

	ACCUMULATED DEPRECIATION AND AMORT	ACCT	BALANCE PER BOOK	LESS: NON-REG.	OTHER ADJUST	SUBJECT TO SEPARATIONS	INTERSTATE ALLOCATION %
37	OTHER SUPPORT	3100-2109	4,222,914	(186,085)	(9,037)	4,027,792	
38	CENTRAL OFFICE - TOTAL SWITCH	2210	884,157	0	64,384	948,541	
39	CENTRAL OFFICE - OPERATOR SYS	2220	0	0	0	0	
40	CENTRAL OFFICE - TOTAL TRANS.	2230	28,506,360	0	(209,820)	28,296,540	
41	TOTAL ORIG/TERM EQUIP	2310	3,904,332	(3,904,332)	0	0	
42	TOTAL CABLE AND WIRE	2410	57,723,647	0	(293,910)	57,429,737	
43	CAPITAL LEASES	2681	0	0	0	0	
44	LEASE HOLD IMPROVEMENTS	2682	0	0	0	0	
45	INTANGIBLES	2690	0	0	0	0	
46	TOTAL ACCUMULATED DEP. And AMORT	3100	95,241,410	(4,090,417)	(448,383)	90,702,610	54.81%
47	PROPERTY HELD FOR FUTURE USE	2002	0	0	0	0	54.21%
48	PLANT UNDER CONSTRUCTION	2003	1,905,592	(654,134)	0	1,251,458	54.21%
49	RTB CLASS B STOCK	1402	0	0	0	0	54.21%
50	PREPAYMENTS	1280-1330	24,210	0	0	24,210	54.21%
51	MATERIALS & SUPPLIES	1220	569,108	0	0	569,108	48.62%
52	CASH WORKING CAPITAL				300,068	300,068	Calculated
53	CUSTOMER DEPOSITS	4040	0	0	0	0	54.21%
55	DEFERRED INCOME TAXES	4340	8,221,851	(746,689)	67,085	7,542,247	54.21%
56	TOTAL RATE BASE		28,492,076	(1,063,846)	68,220	27,496,450	
	Other Balance Sheet Accounts:						
57	SHORT TERM DEBT	4020	0	0	0	0	
58	CURRENT MATURITIES - LTD	4050	0	0	0	0	
59	LONG TERM DEBT	4200	0	0	0	0	
60	TOTAL LONG TERM DEBT	4500	0	0	0	0	
61	COMMON STOCK	4510	95,000	0	0	95,000	
62	ADDITIONAL PAID-IN CAPITAL	4520	28,925,389	0	0	28,925,389	
63	OTHER CAPITAL	4540	353,922	0	0	353,922	
64	RETAINED EARNINGS	4550	4,531,736	0	0	4,531,736	
65	TOTAL COMMON EQUITY	4500	33,906,047	0	0	33,906,047	

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

		RATE BASE ADJUSTMENTS DEBIT	CREDIT
Non-Regulated Adjustments			
1	Nonreg		324,222
	3100-2109	186,085	
	4340	370,757	
	2109		213,628
	2690		18,992
	Part 64 Adjustment to remove non-regulated portion of GSA (#1).		
2	4340	375,932	
	Exclude		375,932
	Exclude non-regulated asset portion of deferred income taxes (#7).		
3	2232		206,366
	2423		406,780
	3100-2230	154,473	
	3100-2410	293,910	
	Exclude	164,763	
	Adjust Leased, Multi Gig and IPCP Piece of Multi Gig (#10 & 11).		
4	2362		5,014,198
	Exclude	5,014,198	
	3100-2310	3,904,332	
	Exclude		3,904,332
	Exclude non-regulated investment and reserve.		
5	2003		654,134
	Exclude	654,134	
	Exclude nonregulated plant under construction.		
Other Adjustments			
6	4340		
	Exclude		-
	Remove non-plant related deferred income taxes (#6).		
7	2212	79,167	
	2232		79,167
	3100-2210		64,384
	3100-2230	64,384	
	Transfer investment and reserve to match asset from detail provided on CPR (#9).		
8	2232	9,360	
	2109		9,360
	3100-2230		9,037
	3100-2109	9,037	
	Transfer IPCP router from GSA to COE Transmission (#12).		
9	4340		67,085
	Exclude	67,085	
	Record Interstate Excess ADFIT not in SAP as of 6/30/21.		

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

NOT USED IN RATE BASE CALCULATION

DEVELOPMENT OF TOTAL COMPANY RATE BASE

PRIOR YEAR - 06/30/21

	PLANT IN SERVICE	ACCT	BALANCE PER BOOK	LESS: NON-REG.	OTHER ADJUST	SUBJECT TO SEPARATIONS	INTERSTATE ALLOCATION %
1	LAND	2108	199,951	0	0	199,951	
2	OTHER SUPPORT	2109	4,815,855	(221,994)	(9,360)	4,584,501	
3	TOTAL LAND & OTHER SUPPORT	2110	5,015,806	(221,994)	(9,360)	4,784,452	51.15%
4	CENTRAL OFFICE - ANALOG SWITCH	2211	0	0	0	0	
5	- DIGITAL SWITCH	2212	929,723	0	83,386	1,013,109	
6	- ELECTROMECHANICAL SW	2215	0	0	0	0	
7	- OTHER SWITCH	2216	0	0	0	0	
8	- OTHER SWITCH	2217	0	0	0	0	
9	CENTRAL OFFICE - TOTAL SWITCH	2210	929,723	0	83,386	1,013,109	
10	CENTRAL OFFICE - OPERATOR SYS	2220	0	0	0	0	
11	- RADIO	2231	0	0	0	0	
12	- CIRCUIT	2232	33,285,608	0	(301,469)	32,984,139	
13	CENTRAL OFFICE - TOTAL TRANS.	2230	33,285,608	0	(301,469)	32,984,139	
14	TOTAL CENTRAL OFFICE EQUIP		34,215,331	0	(218,083)	33,997,248	67.21%
15	STATION APPARATUS	2311	0	0	0	0	
16	CUSTOMER PREMISE WIRING	2321	0	0	0	0	
17	LARGE PBX	2341	0	0	0	0	
18	PUBLIC TELEPHONE EQUIPMENT	2351	0	0	0	0	
19	OTHER TERMINAL EQUIPMENT	2362	5,241,734	(5,241,734)	0	0	
20	TOTAL ORIG/TERM EQUIP	2310	5,241,734	(5,241,734)	0	0	0.00%
21	POLES	2411	168,646	0	0	168,646	
22	TOWERS	2412	0	0	0	0	
23	AERIAL CABLE	2421	658,471	0	0	658,471	
24	UNDERGROUND CABLE	2422	8,342,466	0	0	8,342,466	
25	BURIED CABLE	2423	58,186,070	0	(406,780)	57,779,290	
26	SUBMARINE CABLE	2424	0	0	0	0	
27	DEEP SEA CABLE	2425	0	0	0	0	
28	INTRABUILDING CABLE	2426	0	0	0	0	
29	AERIAL WIRE	2431	0	0	0	0	
30	CONDUIT SYSTEM	2441	14,419,409	0	0	14,419,409	
31	TOTAL CABLE AND WIRE	2410	81,775,062	0	(406,780)	81,368,282	44.42%
32	CAPITAL LEASES	2681	0	0	0	0	
33	LEASE HOLD IMPROVEMENTS	2682	0	0	0	0	
34	TOTAL AMORTIZABLE ASSETS	2680	0	0	0	0	51.15%
35	INTANGIBLES	2690	130,931	(61,614)	0	69,317	51.15%
36	TOTAL PLANT IN SERVICE	2001	126,378,864	(5,525,342)	(634,223)	120,219,299	51.15%

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

NOT USED IN RATE BASE CALCULATION

DEVELOPMENT OF TOTAL COMPANY RATE BASE

PRIOR YEAR - 06/30/21

	ACCUMULATED DEPRECIATION AND AMORT	ACCT	BALANCE PER BOOK	LESS: NON-REG.	OTHER ADJUST	SUBJECT TO SEPARATIONS	INTERSTATE ALLOCATION %
37	OTHER SUPPORT	3100-2109	4,167,623	(189,850)	(8,709)	3,969,064	
38	CENTRAL OFFICE - TOTAL SWITCH	2210	876,093	0	65,060	941,153	
39	CENTRAL OFFICE - OPERATOR SYS	2220	0	0	0	0	
40	CENTRAL OFFICE - TOTAL TRANS.	2230	26,751,444	0	(217,803)	26,533,641	
41	TOTAL ORIG/TERM EQUIP	2310	3,821,340	(3,821,340)	0	0	
42	TOTAL CABLE AND WIRE	2410	56,431,262	0	(291,086)	56,140,176	
43	CAPITAL LEASES	2681	0	0	0	0	
44	LEASE HOLD IMPROVEMENTS	2682	0	0	0	0	
45	INTANGIBLES	2690	0	0	0	0	
46	TOTAL ACCUMULATED DEP. And AMORT	3100	92,047,762	(4,011,190)	(452,538)	87,584,034	51.52%
47	PROPERTY HELD FOR FUTURE USE	2002	0	0	0	0	51.15%
48	PLANT UNDER CONSTRUCTION	2003	1,605,882	(3,147)	0	1,602,735	51.15%
49	RTB CLASS B STOCK	1402	0	0	0	0	51.15%
50	PREPAYMENTS	1280-1330	23,057	0	0	23,057	51.15%
51	MATERIALS & SUPPLIES	1220	655,451	0	0	655,451	44.42%
52	CASH WORKING CAPITAL				243,011	243,011	Calculated
53	CUSTOMER DEPOSITS	4040	0	0	0	0	51.15%
55	DEFERRED INCOME TAXES	4340	8,356,519	(685,843)	268,340	7,939,016	51.21%
56	TOTAL RATE BASE		28,258,973	(831,456)	(207,014)	27,220,503	
	Other Balance Sheet Accounts:						
57	SHORT TERM DEBT	4020	0	0	0	0	
58	CURRENT MATURITIES - LTD	4050	0	0	0	0	
59	LONG TERM DEBT	4200	0	0	0	0	
60	TOTAL LONG TERM DEBT	4500	0	0	0	0	
61	COMMON STOCK	4510	95,000	0	0	95,000	
62	ADDITIONAL PAID-IN CAPITAL	4520	28,925,389	0	0	28,925,389	
63	OTHER CAPITAL	4540	305,313	0	0	305,313	
64	RETAINED EARNINGS	4550	4,899,059	0	0	4,899,059	
65	TOTAL COMMON EQUITY	4500	34,224,761	0	0	34,224,761	

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

CALCULATION OF CASH WORKING CAPITAL (CWC)

1. CASH OPERATING EXPENSES	SOURCE	Total Company	Interstate	Intrastate
A. Total Operating Expenses	Net Income Development, Ln 37	$12,089,053	$6,777,764	$5,311,289
B. Depreciation & Amortization	Net Income Development, Ln 29	$4,191,687	$2,533,408	$1,658,279
C. Fixed Charges	Net Income Development, Ln 48	$0	$0	$0
D. Cash Operating Federal Income Taxes	Net Income Development, Ln 38, Ln 39	($468,956)	($480,878)	$11,922
E. Cash Operating State & Local Taxes	Net Income Development, Ln 41	($263,497)	($140,992)	($122,505)
F. Other Operating Taxes	Net Income Development, Ln 43, Ln 44, Ln 45	$136,721	$78,792	$57,929
G. Total Cash Operating Expenses	(a-b+c+d+e+f)	$7,301,634	$3,701,278	$3,600,356
2. % LAG	FCC Default	4.1096%	4.1096%	4.1096%
3. TOTAL CASH WORKING CAPITAL		$300,068	$152,108	$147,960

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

DEVELOPMENT OF NET OPERATING INCOME

	OPERATING REVENUES	ACCOUNT	BALANCE PER BOOK	NON REG ADJUST	OTHER ADJUST	ADJUST FED HCL REVENUE	SUBJECT TO SEPARATIONS
1	LOCAL REVENUE	5000	2,241,151	0	1,326,094	0	3,567,245
2	INTERSTATE ACCESS REVENUE *(INCLUDING USF HCL REVENUES)*	5081-5083	6,089,018	0	(465,821)	0	5,623,197
3	INTRASTATE ACCESS REVENUE	5084	2,414,750	0	(1,834,965)		579,785
4	FEDERAL USF HIGH COST LOOP REV.		0	0	0		0
5	LONG DISTANCE NETWORK SERVICES	5100	0	0	0		0
6	INTERSTATE MISCELLEANOUS	5200	81,862	0	0		81,862
7	INTRASTATE MISCELLANEOUS	5200	133,944	0	0		133,944
8	OTHER MISC REVENUES (Interstate)	5200	12,739	0	0		12,739
8a	OTHER MISC REVENUES (Intrastate)	5200	665,345	0	(459,552)		205,793
9	TOTAL MISCELLANEOUS REVENUES	5200	893,890	0	(459,552)		434,338
10	NON REGULATED REVENUES	5280	16,230,695	(16,230,695)	0		0
11	UNCOLLECTIBLES - Total	5300	40,344	0	0		40,344
	Uncollectibles - Interstate (included in Ln 11)		13,841	0	0		13,841
12	**TOTAL OPERATING REVENUES**		**27,829,160**	**(16,230,695)**	**(1,434,244)**	**0**	**10,164,221**

	OPERATING EXPENSES AND TAXES	ACCOUNT	BALANCE PER BOOK	NON REG ADJUST	OTHER ADJUST	SUBJECT TO SEPARATIONS	INTERSTATE ALLOCATION %
13	NETWORK SUPPORT EXPENSE	6110	13,683	0	17,176	30,859	
14	GENERAL SUPPORT EXPENSE	6120	306,356	0	189,144	495,500	
15	C.O. SWITCHING EXPENSE	6210	206,871	0	(434)	206,437	
16	C.O. OPERATOR EXPENSE	6220	0	0	0		
17	C.O. TRANSMISSION EXPENSE	6230	487,233	0	216,886	704,119	
18	INFOR. ORIG. & TERM. EXPENSE	6310/7990	13,330,048	(13,330,048)	0	0	
19	CABLE & WIRE FACILITIES EXPENSE	6410	943,277	0	142,327	1,085,604	
20	**TOTAL PLANT SPECIFIC EXPENSE**	**6999**	**15,287,468**	**(13,330,048)**	**565,099**	**2,522,519**	56.33%
21	OTHER PROPERTY & EQPT EXPENSE	6510	0	0	1,029	1,029	54.21%
22	NETWORK OPERATIONS EXPENSE	6530	1,152,846	0	499,803	1,652,649	54.21%
23	ACCESS EXPENSE	6540	406,788	0	3,430	410,218	81.12%
24	DEPRECIATION EXPENSE	6561	2,809,412	0	1,295,847	4,105,259	60.57%
25	DEP. EXPENSE OTHER PROPERTY	6562	0	0	0	0	54.21%
26	AMORTIZATION EXP - TANGIBLE	6563	0	0	0	0	54.21%
27	AMORTIZATION EXP - INTANGIBLE	6564	55,895	0	30,533	86,428	54.21%
28	FIXED ASSET DISPOSAL	6569	0	0	0	0	54.21%
29	**DEPRECIATION & AMORTIZATION EXP**	**6560**	**2,865,307**	**0**	**1,326,380**	**4,191,687**	
30	**TOTAL PLANT NON-SPFC OPER EXP**	**6599**	**4,424,941**	**0**	**1,830,642**	**6,255,583**	

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
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DEVELOPMENT OF NET OPERATING INCOME

	OPERATING EXPENSES (CON'T)	ACCOUNT	BALANCE PER BOOK	NON REG ADJUST	OTHER ADJUST	SUBJECT TO SEPARATIONS	INTERSTATE ALLOCATION %
31	MARKETING EXPENSE	6610	570,010	0	129,250	699,260	
32	SERVICE EXPENSE	6620	458,114	0	(155,457)	302,657	
33	**TOTAL CUSTOMER OPERATIONS EXP**	**6699**	**1,028,124**	**0**	**(26,207)**	**1,001,917**	39.16%
34	EXECUTIVE EXPENSE	6710	394,162	0	(2,919)	391,243	
35	GENERAL & ADMINISTRATION EXPENSE	6720	1,404,565	0	513,226	1,917,791	
36	**TOTAL CORPORATE OPERATIONS EXP**	**6799**	**1,798,727**	**0**	**510,307**	**2,309,034**	52.05%
37	**TOTAL OPERATING EXPENSES**		**22,539,260**	**(13,330,048)**	**2,879,841**	**12,089,053**	
38	INVESTMENT TAX CREDIT (ENTER AS NEG)	7210	0	0	0	0	
39	FEDERAL INCOME TAX	7220	913,986	(568,610)	(814,332)	(468,956)	
40	FEDERAL INCOME TAX (DEFERRED)	7250	(156,957)	(7,889)	(221,867)	(386,713)	
41	STATE INCOME TAX	7230	324,176	(234,838)	(352,835)	(263,497)	
42	STATE INCOME TAX (DEFERRED)	7250	(68,158)	79,210	142,344	153,396	
43	AD VALOREM TAX	7240	161,106		(24,385)	136,721	57.63%
44	GROSS RECEIPTS TAX	7240		0	0	0	0.00%
45	PSC FEES	7240		0	0	0	0.00%
46	TOTAL OPERATING TAXES	**7200**	**1,174,153**	**(732,127)**	**(1,271,075)**	**(829,049)**	
47	**NET OPERATING INCOME**		**4,115,747**	**(2,168,520)**	**(3,043,010)**	**(1,095,783)**	

Additional Items:

48	FIXED CHARGES	7500	0	0	0	0	0.00%

49	FIT / SIT Methodology (1=Imputed, 2=Per Book)	1		
50	FIT IMPUTED AT:	21.00%		
51	SIT IMPUTED AT:	5.75%		
52	SHORT TERM DEBT RATE:	0.00%	Comments	
53	LONG TERM DEBT RATE:	0.00%	Comments	
54	CUSTOMER DEPOSIT RATE:	7.00%	Comments	Per GA PSC
55	AUTHORIZED ROE:	9.250%	Source:	Per GA PSC
56	Net Operating Income (NOI) Adjustment - Interstate	$0	Note: Must be computed after Tax if taxes apply.	
57	Net Operating Income (NOI) Adjustment - Intrastate	$237,790	Note: Must be computed after Tax if taxes apply.	
			GDPCPI (USF Growth Factor):	1.230568
58	Access Lines at 12/31/21	10,880		
59	Allowed Executive Expense: ($200,000 + Ln 58 x $78)	$1,048,640	Calculation of USF Corporate Cap:	FCC Formula:
60	Base Executive Expense Per Study	$391,243		
61	Is Cap Exceeded ?	NO	Jnder 6,000 Lps (42.337 - (.00328 x Ln 70)) x Ln70 x 12 mo x GDPCPI	(1,611,822)
62	Amount Removed from UAF Application:	$0	(63,000 / Ln 70) x Ln 70 x 12 (mo) x GDPCPI	930,309
63	Executive Expense for UAF Application:	$391,243	(Use Higher of Above)	930,309
64	Overall Corporate Operations Expense	$2,309,034	5,000 to 17,886 ((117,990 / Ln70) + 3.007)) x Ln 70 x 12 (mo) x GDPCPI	2,413,278
65	Total Annual Maximum Corp Ops (cap)	$2,413,278		
66	Is Cap Exceeded ?	NO	Over 17,886 (9.562 x Ln 70 x 12)*GDPCPI	2,133,537
67	Amount Removed from UAF Application:	$0		
68	Corporate Expense for UAF Application:	$2,309,034	Value Selected Based on Access Line Size:	2,413,278
69	USF 1.3 Loops at 12/31/21	10,467	Base Corporate Expense Per Filing:	2,309,034
70	Total Loops at 12/31/21	15,110	Reduction Based on USF Corporate Cap	0

(Ln 69 and Ln 70 include CBOL Lines Per 2018 FCC Order)

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

Revenue and Expense Adjustments

		DEBIT	CREDIT
	Non-Regulated Revenue Adjustments		
1	5280	16,230,695	
	Exclude		16,230,695
	To remove non-regulated operating revenue.		
	Other Revenue Adjustments		
2	5082	4,664	
	5083	-	
	5084	3,579	
	PPA		8,243
	To remove CAF 2019-2020 true-up.		
2a	5082	432,800	
	5000		432,800
	To attribute A-CAM revenues to Safety Net/local Revenue (2020-21).		
3	6410		
	7160	-	
	Transfer Other Operating Gain(Loss) to Plant Specific Expense.		
4	Discount	352	
	5084		352
	To impute revenue to offset reductions associated with the allocation of end user bundle discounts.		
5	Exclude	893,294	
	5000		893,294
	To impute local revenues - impact of HB 168. See Tab 7.6.		
6	5084	1,860,095	
	Exclude		1,860,095
	To remove state high cost UAF support.		
7	5200	460,335	
	6120		-
	6210		403
	6230		-
	6410		-
	6620		175,848
	6720		27,000
	7240		49,606
	Exclude		207,478
	To net miscellaneous revenue items against expense for jurisdictional separations, exclude Multi Gig revenue related to excluded net investment and expenses and nonregulated late fees (#4).		
8	5081	-	
	5082	28,357	
	5084		28,357
	Jurisdictional transfer to intrastate for ICC-CAF revenue recording.		

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

Revenue and Expense Adjustments

		DEBIT	CREDIT
9	5264		783
	5240	-	
	PPA	783	
	To remove out of period adjustments		
	Non-Regulated Expense Adjustments		
10	Exclude	13,330,048	
	6310/7990		13,330,048
	To exclude non-regulated operating expenses from test period.		
11	Exclude	732,127	
	7220		568,610
	7230		234,838
	7250 (Fed)		7,889
	7250 (State)	79,210	
	To exclude nonregulated taxes from test period.		
	Other Expense Adjustments		
12	Exclude		106,666
	6110	-	
	6120	9,902	
	6530	6,489	
	6561	9,464	
	6564	30,533	
	6610	5,574	
	6620		15,164
	6710	121	
	6720	61,071	
	7240		1,324
	To adjust Part 64 allocations (#10 & 11).		
13	Exclude	51,540	
	6561		37,825
	6410		9,365
	6230		2,709
	7240		1,641
	Remove IPCP Router/Multi Gig expenses (#17,18,19,20, & 24).		
14	6110	15,906	
	6120	164,983	
	6230	163,438	
	6410	142,600	
	6530	454,630	
	6561	1,195,546	
	6610	124,159	
	6620	35,754	
	6720	448,166	
	7240	30,086	
	Exclude		2,775,268
	Reverse WBI Adjustment for Part 36 calculation.		

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

Revenue and Expense Adjustments

			DEBIT	CREDIT
15	7220			826,742
	7230			246,658
	7220		12,410	
	7230			106,177
	72501			20,615
	72502		142,344	
	PPA		1,045,438	
	To remove PPA for income taxes and reflect income tax effect of test year revenue and expense adjustments.			
16	6110		1,364	
	6120		14,259	
	6230		31,212	
	6410		9,092	
	6530		39,370	
	6540		-	
	6561		128,662	
	6720		42,176	
	7240		2,272	
	Exclude			268,407
	Reverse Managed IP Adjustment for Part 36 calculation.			
17	6110			1,364
	6120			14,259
	6230			31,212
	6410			9,092
	6530			39,370
	6561			128,662
	6720			42,176
	7100			50,956
	7240			2,272
	7220		63,210	
	7230		18,363	
	Intrastate NOI Adjustment		237,790	
	Move Managed IP Adjustment to nonreg in Net Income Dev. Cell C117.			

CAMDEN TELEPHONE AND TELEGRAPH COMPANY, INC.
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/22

Revenue and Expense Adjustments

			DEBIT	CREDIT
18	**6110**			**-**
	6120			**-**
	6210			**31**
	6230		**24,945**	
	6410			**-**
	6510		**1,029**	**-**
	6530			**-**
	6540		**3,430**	
	6610			
	6620			
	6720			**9,695**
	7240			**4,172**
	Exclude			**15,506**
	To remove prior period adjustments, service awards, meals, travel and entertainment.			
19	**6110**			**94**
	6230			
	6530			**686**
	6610			**483**
	6620			**199**
	6710			**3,040**
	6720			**1,492**
	Exclude		**5,994**	
	To remove non-allowable expenses per FCC USF order (#26).			
20	**Exclude**		**201,252**	
	7250 (Fed)			**201,252**
	Add amortization of interstate other than SPA for Jul 2019-Jun 2020 not recorded in SAP.			
21	**For federal income tax calulation only to subtract the amortization of Excess ADFIT**			
	applicable to test year.			**604,044**
	This amount should not be included as an adjustment in the Net Income Dev.			
	Included in Earnings Tab formula in row 108.			