

Universal Access Fund-Year 30

Tab 1 – Earnings Report

Schedule A

PUBLIC SERVICE TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/24

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		chk digit
	OPERATING REVENUES						
1	Local Service	Net Operating Income, Ln 1	$3,683,921		$3,683,921		$0
2	Access Charges	Net Operating Income, Ln 2, 3	$11,313,543	$10,587,263	$726,279		$0
3	LD Messages	Net Operating Income, Ln 5	($1,642)		($1,642)		$0
4	Billing & Collection	Net Operating Income, Ln 6, 7	$23,698	$6,471	$17,227		$0
5	Other Miscellaneous Revenue	Net Operating Income, Ln 8	$66,659		$66,659		$0
6	Less: Uncollectibles	Net Operating Income, Ln 11	$1,917	$0	$1,917		$0
7	**Total Regulated Operating Revenue**	**Ln 1+Ln 2+Ln 3+Ln 4+Ln 5-Ln 6**	$15,084,261	$10,593,735	$4,490,526		$0
	OPERATING EXPENSES						$0
8	Plant Specific	Net Operating Income, Ln 20	$5,140,119	$3,010,007	$2,130,112		$0
9	Plant Non-Specific	Net Operating Income, Ln 21,22,23	$2,312,729	$1,347,487	$965,242		$0
10	Depreciation & Amortization	Net Operating Income, Ln 29	$3,910,574	$2,140,801	$1,769,773		$0
11	Customer Operations	Net Operating Income, Ln 33	$1,110,725	$347,872	$762,853		$0
12	Corporate Operations	Net Operating Income, Ln 36	$2,205,500	$1,240,907	$964,593	YES	$0
13	**Total Operating Expenses**	**Ln 8+Ln 9+Ln 10+Ln 11+Ln 12**	$14,679,647	$8,087,074	$6,592,573	($281,601)	$0
	OPERATING TAXES						
14	Federal Income Tax -Booked	Net Operating Income, Ln 38,39,40	$905,482	$1,422,674	($517,192)		$0
15	Adjustment to Booked FIT	If Taxes are Imputed, Ln 16-Ln 14	($1,094,848)	($1,072,630)	($22,218)		($0)
16	Imputed FIT @ %	(Ln 7-Ln 13-Ln24-Ln21-(Op Inc Ln48))* Rate + Amortization of Excess ADFIT	($189,366)	$350,044	($539,410)		$0
17	Adjustment to Imputed FIT	If Taxes are per book, Ln 14-Ln 16	$0	$0	$0		$0
18	Booked - Imputed FIT (Net of Adj)		$0	$0	$0		$0
19	State Income Tax -Booked	Net Operating Income, Ln 41,42	$105,280	$255,532	($150,251)		$0
20	Adjustment to Booked SIT	If Taxes are Imputed, Ln 21-Ln 19	($126,893)	($136,003)	$9,110		($0)
21	Imputed SIT @ %	(Ln 7-Ln 14-Ln24-(Op Inc. Ln48))* Rate	($21,612)	$119,529	($141,141)		$0
22	Adjustment to Imputed SIT	If Taxes are per book, Ln 14-Ln 16	$0	$0	$0		$0
23	Booked - Imputed SIT (Net of Adj)		$0	$0	$0		$0
24	Other Taxes	Net Operating Income, Ln 43,44,45	$347,387	$192,681	$154,706		$0
25	Total Booked Operating Taxes	Ln 14+Ln 15+Ln 19+Ln 20+ Ln 24	$136,409	$662,254	($525,845)		$0
26	Total Imputed Operating Taxes	Ln 14+Ln 15+Ln 19+Ln 20+ Ln 24	$136,409	$662,254	($525,845)		$0
	NET OPERATING INCOME						
27	**Net Operating Income (NOI)**	**Ln 7 - Ln 13 - Ln 25**	**$268,205**	**$1,844,407**	**($1,576,202)**		$0
28	**N.O.I. Adjustment**	**Net Operating Income, Ln 56,57**	**$125,564**	**$125,564**	**$0**		$0
29	**Adjusted Net Operating Income (NOI)**	**Ln 27 + Ln 28**	**$393,769**	**$1,969,970**	**($1,576,202)**		$0

	RATE OF RETURN ON RATE BASE CALCULATION	Average of End of Period with End of Prior Period				
	RATE BASE					
30	Land & Support	Rate Base Development, Ln 3	$12,902,545	$7,156,500	$5,746,045	$0
31	Central Office Equipment	Rate Base Development, Ln 14	$15,979,548	$10,680,330	$5,299,218	$0
32	Info. Orig. & Term. Equip.	Rate Base Development, Ln 20	$14,044	$3,511	$10,533	$0
33	Cable & Wire Facilities	Rate Base Development, Ln 31	$114,436,383	$61,497,197	$52,939,186	$0
34	Other Investment	Rate Base Development, Ln 34, 35	$0	$0	$0	$0
35	Total Plant in Service	Ln 30 - Ln 34	$143,332,520	$79,337,538	$63,994,982	$0
36	Accumulated Depreciation	Rate Base Development, Ln 46	$103,386,404	$57,864,750	$45,521,654	$0
37	Net Plant in Service	Ln 35 - Ln 36	$39,946,116	$21,472,788	$18,473,328	$0
38	Plant Held for Future Use	Rate Base Development, Ln 47	$0	$0	$0	$0
39	Plant Under Construction	Rate Base Development, Ln 48	$5,267,197	$2,921,493	$2,345,704	$0
40	RTB Class B Stock	Rate Base Development, Ln 49	$0	$0	$0	$0
41	Prepayments	Rate Base Development, Ln 50	$174,434	$96,751	$77,683	$0
42	Materials & Supplies	Rate Base Development, Ln 51	$2,776,734	$1,492,195	$1,284,539	$0
43	Cash Working Capital	Cash Working Capital Develop Ln 3	$500,435	$316,333	$184,101	$0
44	Deferred Income taxes	Rate Base Development, Ln 54	$3,657,168	$1,953,008	$1,704,160	$0
45	Customer Deposits	Rate Base Development, Ln 55	$16,653	$9,237	$7,416	$0
46	**Rate Base**	**Ln 37 + Ln 38-43, - Ln 44 - Ln 45**	**$44,991,095**	**$24,337,315**	**$20,653,780**	$0
47	**Rate of Return on Rate Base**	**Ln 29 / Ln 46**	**0.87522%**	**8.09444%**	**-7.63154%**	$0

PUBLIC SERVICE TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/24

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	0.00000%	0.00000%	0.00000%
2	Long Term Debt	Rate Base, Ln 59	$11,397,631	19.22461%	4.97261%	0.95597%
3	Other	Rate Base, Ln 53	$16,653	0.02809%	7.00000%	0.00197%
4	Equity	Rate Base, Ln 64	$47,872,385	80.74730%	-0.10244%	-0.08272%
5	Total Capital		$59,286,669	100.00000%		0.87522%

ACTUAL COST OF CAPITAL - INTRASTATE ONLY

			Amount	% Total	Rate	Weighted Cost Rate
1	Short Term Debt	Rate Base, Ln 56	$0	0.00000%	0.00000%	0.00000%
2	Long Term Debt	Rate Base, Ln 59	$11,397,631	19.22461%	4.97261%	0.95597%
3	Other	Rate Base, Ln 53	$16,653	0.02809%	7.00000%	0.00197%
4	Equity	Rate Base, Ln 64	$47,872,385	80.74730%	-10.63747%	-8.58947%
5	Total Capital		$59,286,669	100.00000%		-7.63154%

ALLOWED CAPITAL STRUCTURE - INTRASTATE

			Amount	% Total	Rate	Weighted Cost Rate
1	Short Term Debt	Rate Base, Ln 56	$0	0.00000%	0.00000%	0.00000%
2	Long Term Debt	Rate Base, Ln 59	$11,397,631	19.22461%	4.97261%	0.95597%
3	Other	Rate Base, Ln 53	$16,653	0.02809%	7.00000%	0.00197%
4	Equity	Rate Base, Ln 64	$47,872,385	80.74730%	9.25000%	7.46913%
5	Total Capital		$59,286,669	100.00000%		8.42706%

REVENUE REQUIREMENT CALCULATION

1	Rate Base (Adjusted Rate Base)	Earnings Report, Ln 46		$20,653,780
2	Allowed Rate of Return on Rate Base	Per GA PSC	Capped	8.00000%
3	Net Operating Income Requirement	Line 1 x Ln 2		$1,652,302
4	Net Operating Income Available (Imputed Adjusted NC	Earnings Report, Ln 29		($1,576,202)
5	Operating Income Excess (Deficiency)	Ln 4 - Ln 3		($3,228,504)
6	Income Expansion Factor	1-SIT-FIT+FITxSIT		74.458%
7	Revenue Excess (Deficiency)	Ln 5 / Ln 6		($4,336,036)

PUBLIC SERVICE TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT **DEVELOPMENT OF TOTAL COMPANY RATE BASE**
YEAR ENDING 06/30/24

CALCULATION OF RATE BASE: 1=AVERAGE, 2= YEAI 1

CURRENT YEAR - 06/30/24

	PLANT IN SERVICE	ACCT	BALANCE PER BOOK	LESS: NON-REG.	OTHER ADJUST	SUBJECT TO SEPARATIONS	INTERSTATE ALLOCATION %
1	LAND	2108	728,060	(42,480)	0	685,580	
2	OTHER SUPPORT	2109	13,990,972	(1,558,905)	0	12,432,067	
3	TOTAL LAND & OTHER SUPPORT	2110	14,719,032	(1,601,385)	0	13,117,647	55.46580%
4	CENTRAL OFFICE - ANALOG SWITCH	2211	0	0	0	0	
5	- DIGITAL SWITCH	2212	2,476,001	(60,510)	0	2,415,491	
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	2,476,001	(60,510)	0	2,415,491	
10	CENTRAL OFFICE - OPERATOR SYS	2220	0	0	0	0	
11	- RADIO	2231	1,113,421	0	0	1,113,421	
12	- CIRCUIT	2232	12,483,822	0	0	12,483,822	
13	CENTRAL OFFICE - TOTAL TRANS.	2230	13,597,243	0	0	13,597,243	
14	TOTAL CENTRAL OFFICE EQUIP		16,073,244	(60,510)	0	16,012,734	66.83750%
15	STATION APPARATUS	2311	197,896	(197,896)	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	14,044	0	0	14,044	
20	TOTAL ORIG/TERM EQUIP	2310	211,940	(197,896)	0	14,044	25.00000%
21	POLES	2411	2,189,078	(26,966)	0	2,162,112	
22	TOWERS	2412	0	0	0	0	
23	AERIAL CABLE	2421	4,906,705	(62,788)	0	4,843,917	
24	UNDERGROUND CABLE	2422	6,151,751	(278,680)	0	5,873,071	
25	BURIED CABLE	2423	96,114,493	(680,466)	0	95,434,027	
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	140,456	0	0	140,456	
30	CONDUIT SYSTEM	2441	11,794,700	(534,312)	0	11,260,388	
31	TOTAL CABLE AND WIRE	2410	121,297,184	(1,583,212)	0	119,713,972	53.73920%
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	
35	INTANGIBLES	2690	0	0	0	0	
36	TOTAL PLANT IN SERVICE	2001	152,301,401	(3,443,004)	0	148,858,397	55.46580%

PUBLIC SERVICE TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT **DEVELOPMENT OF TOTAL COMPANY RATE BASE**
YEAR ENDING 06/30/24

CALCULATION OF RATE BASE: 1=AVERAGE, 2= YEAI 1

CURRENT YEAR - 06/30/24

	ACCUMULATED DEPRECIATION AND AMORT	ACCT	BALANCE PER BOOK	LESS: NON-REG.	OTHER ADJUST	SUBJECT TO SEPARATIONS	INTERSTATE ALLOCATION %
37	OTHER SUPPORT	3100-2109	13,955,294	(1,552,585)	0	12,402,710	
38	CENTRAL OFFICE - TOTAL SWITCH	2210	2,476,001	(60,510)	0	2,415,491	
39	CENTRAL OFFICE - OPERATOR SYS	2220	0	0	0	0	
40	CENTRAL OFFICE - TOTAL TRANS.	2230	13,597,243	0	0	13,597,243	
41	TOTAL ORIG/TERM EQUIP	2310	211,940	(197,896)	0	14,044	
42	TOTAL CABLE AND WIRE	2410	77,873,247	(786,520)	0	77,086,727	
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	108,113,726	(2,597,511)	0	105,516,215	55.96940%
47	PROPERTY HELD FOR FUTURE USE	2002	0	0	0	0	55.46580%
48	PLANT UNDER CONSTRUCTION	2003	7,694,019	0	0	7,694,019	55.46580%
49	RTB CLASS B STOCK	1402	0	0	0	0	55.46580%
50	PREPAYMENTS	1280-1330	196,262	0	0	196,262	55.46580%
51	MATERIALS & SUPPLIES	1220	3,216,012	(72,038)	0	3,143,974	53.73920%
52	CASH WORKING CAPITAL		500,435			500,435	Calculated
53	CUSTOMER DEPOSITS	4040	14,135		0	14,135	55.46580%
55	DEFERRED INCOME TAXES	4340	4,161,599	0	(114,973)	4,046,626	53.40220%
56	TOTAL RATE BASE		51,618,670	(917,531)	114,973	50,816,112	
	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	15,494,493	0	0	15,494,493	
60	TOTAL LONG TERM DEBT	4500	15,494,493	0	0	15,494,493	
61	COMMON STOCK	4510	100,000	0	0	100,000	
62	ADDITIONAL PAID-IN CAPITAL	4520	15,554,865	0	0	15,554,865	
63	OTHER CAPITAL	4540	0	0	0	0	
64	RETAINED EARNINGS	4550	31,823,191	0	0	31,823,191	
65	TOTAL COMMON EQUITY	4500	47,478,056	0	0	47,478,056	

PUBLIC SERVICE TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT **DEVELOPMENT OF TOTAL COMPANY RATE BASE**
YEAR ENDING 06/30/24

USED IN DEVELOPMENT OF AVG. RATE BASE

PRIOR YEAR - 6/30/23

	PLANT IN SERVICE	ACCT	BALANCE PER BOOK	LESS: NON-REG.	OTHER ADJUST	SUBJECT TO SEPARATIONS
1	LAND	2108	728,060	(51,222)	0	676,838
2	OTHER SUPPORT	2109	13,890,150	(1,879,545)	0	12,010,604
3	TOTAL LAND & OTHER SUPPORT	2110	14,618,210	(1,930,767)	0	12,687,442
4	CENTRAL OFFICE - ANALOG SWITCH	2211	0	0	0	0
5	- DIGITAL SWITCH	2212	2,476,001	(60,666)	0	2,415,335
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	2,476,001	(60,666)	0	2,415,335
10	CENTRAL OFFICE - OPERATOR SYS	2220	0	0	0	0
11	- RADIO	2231	1,113,421	0	0	1,113,421
12	- CIRCUIT	2232	12,417,606	0	0	12,417,606
13	CENTRAL OFFICE - TOTAL TRANS.	2230	13,531,027	0	0	13,531,027
14	TOTAL CENTRAL OFFICE EQUIP		16,007,028	(60,666)	0	15,946,362
15	STATION APPARATUS	2311	197,896	(197,896)	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	14,044	0	0	14,044
20	TOTAL ORIG/TERM EQUIP	2310	211,940	(197,896)	0	14,044
21	POLES	2411	2,166,688	(27,708)	0	2,138,980
22	TOWERS	2412	0	0	0	0
23	AERIAL CABLE	2421	4,759,229	(64,154)	0	4,695,075
24	UNDERGROUND CABLE	2422	6,151,751	(278,196)	0	5,873,555
25	BURIED CABLE	2423	85,893,572	(834,522)	0	85,059,050
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	140,456	0	0	140,456
30	CONDUIT SYSTEM	2441	11,784,721	(533,044)	0	11,251,677
31	TOTAL CABLE AND WIRE	2410	110,896,417	(1,737,624)	0	109,158,793
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
35	INTANGIBLES	2690	0	0	0	0
36	TOTAL PLANT IN SERVICE	2001	141,733,595	(3,926,954)	0	137,806,641

PUBLIC SERVICE TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT **DEVELOPMENT OF TOTAL COMPANY RATE BASE**
YEAR ENDING 06/30/24

USED IN DEVELOPMENT OF AVG. RATE BASE

PRIOR YEAR - 6/30/23

	ACCUMULATED DEPRECIATION AND AMORT	ACCT	BALANCE PER BOOK	LESS: NON-REG.	OTHER ADJUST	SUBJECT TO SEPARATIONS
37	OTHER SUPPORT	3100-2109	13,733,652	(1,845,092)	0	11,888,560
38	CENTRAL OFFICE - TOTAL SWITCH	2210	2,277,082	(55,793)	0	2,221,289
39	CENTRAL OFFICE - OPERATOR SYS	2220	0	0	0	0
40	CENTRAL OFFICE - TOTAL TRANS.	2230	13,472,975	0	0	13,472,975
41	TOTAL ORIG/TERM EQUIP	2310	211,940	(197,896)	0	14,044
42	TOTAL CABLE AND WIRE	2410	74,491,881	(832,155)	0	73,659,726
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	104,187,530	(2,930,936)	0	101,256,594
47	PROPERTY HELD FOR FUTURE USE	2002	0	0	0	0
48	PLANT UNDER CONSTRUCTION	2003	2,840,376	0	0	2,840,376
49	RTB CLASS B STOCK	1402	0	0	0	0
50	PREPAYMENTS	1280-1330	152,606	0	0	152,606
51	MATERIALS & SUPPLIES	1220	2,479,146	(69,652)	0	2,409,495
52	CASH WORKING CAPITAL		404,444			404,444
53	CUSTOMER DEPOSITS	4040	19,172		0	19,172
54	DEFERRED INCOME TAXES	4340	3,382,684	0	(114,973)	3,267,711
55	TOTAL RATE BASE		40,020,780	(1,065,670)	114,973	39,070,084
	Other Balance Sheet Accounts:					
56	SHORT TERM DEBT	4020	0	0	0	0
57	CURRENT MATURITIES - LTD	4050	0	0	0	0
58	LONG TERM DEBT	4200	7,300,768	0	0	7,300,768
59	TOTAL LONG TERM DEBT	4500	7,300,768	0	0	7,300,768
60	COMMON STOCK	4510	100,000	0	0	100,000
61	ADDITIONAL PAID-IN CAPITAL	4520	15,554,865	0	0	15,554,865
62	OTHER CAPITAL	4540	0	0	0	0
63	RETAINED EARNINGS	4550	32,611,849	0	0	32,611,849
64	TOTAL COMMON EQUITY	4500	48,266,714	0	0	48,266,714

PUBLIC SERVICE TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/24

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	1,122,870	180,910	152,133	2,228,007	3,683,921
2	INTERSTATE ACCESS REVENUE *(INCLUDING USF HCL REVENUES)*	5081-5083	12,972,351	0	(157,081)	(2,228,007)	10,587,263
3	INTRASTATE ACCESS REVENUE	5084	3,773,171	0	(3,046,892)		726,279
4	FEDERAL USF HIGH COST LOOP REV.		2,228,007	0	0		2,228,007
5	LONG DISTANCE NETWORK SERVICES	5100	(1,642)	0	0		(1,642)
6	INTERSTATE BILLING AND COLLECTION	5271	6,471	0	0		6,471
7	INTRASTATE BILLING AND COLLECTION	5272	17,227	0	0		17,227
8	OTHER MISC REVENUES	5200	66,659	0	0		66,659
9	TOTAL MISCELLANEOUS REVENUES	5200	90,357	0	0		90,357
10	NON REGULATED REVENUES	5280	584,259	(584,259)			0
11	UNCOLLECTIBLES - Total	5300	2,591	(674)	0		1,917
	Uncollectibles - Interstate (included in Ln 11)		0	0	0		0
12	TOTAL OPERATING REVENUES		**18,538,776**	**(402,675)**	**(3,051,840)**	**0**	**15,084,261**

	OPERATING EXPENSES AND TAXES	ACCOUNT	BALANCE PER BOOK	NON REG ADJUST	OTHER ADJUST	SUBJECT TO SEPARATIONS	INTERSTATE ALLOCATION %
							PER 2023 TCS
13	NETWORK SUPPORT EXPENSE	6110	46,082	(7,037)	0	39,045	
14	GENERAL SUPPORT EXPENSE	6120	1,946,772	(103,488)	(11,848)	1,831,436	
15	C.O. SWITCHING EXPENSE	6210	384,066	(7,076)	(157)	376,834	
16	C.O. OPERATOR EXPENSE	6220	0				
17	C.O. TRANSMISSION EXPENSE	6230	1,370,371	0	0	1,370,371	
18	INFOR. ORIG. & TERM. EXPENSE	6310	300,250	(300,250)	0	0	
19	CABLE & WIRE FACILITIES EXPENSE	6410	1,530,959	(8,525)	0	1,522,434	
20	**TOTAL PLANT SPECIFIC EXPENSE**	**6999**	**5,578,499**	**(426,375)**	**(12,005)**	**5,140,119**	58.559100%
21	OTHER PROPERTY & EQPT EXPENSE	6510	(4,856)	0	0	(4,856)	55.465800%
22	NETWORK OPERATIONS EXPENSE	6530	2,198,729	(43,790)	(3,462)	2,151,478	55.465800%
23	ACCESS EXPENSE	6540	166,108	0	0	166,108	94.4242%
24	DEPRECIATION EXPENSE	6561	4,029,862	(119,288)	0	3,910,574	54.743900%
25	DEP. EXPENSE OTHER PROPERTY	6562	1,000	(1,000)	0	(0)	55.465800%
26	AMORTIZATION EXP - TANGIBLE	6563	0	0	0	0	55.465800%
27	AMORTIZATION EXP - INTANGIBLE	6564	0	0	0	0	55.465800%
28	AMORTIZATION EXP - ACQUISITION	6565	0	0	0	0	55.465800%
29	**DEPRECIATION & AMORTIZATION EXP**	**6560**	**4,030,862**	**(120,288)**	**0**	**3,910,574**	
30	**TOTAL PLANT NON-SPFC OPER EXP**	**6599**	**6,390,843**	**(164,078)**	**(3,462)**	**6,223,303**	

PUBLIC SERVICE TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/24

	OPERATING EXPENSES (CON'T)	ACCOUNT	BALANCE PER BOOK	NON REG ADJUST	OTHER ADJUST	ADJUST FED HCL REVENUE	SUBJECT TO SEPARATIONS	
31	MARKETING EXPENSE	6610	280,978	(1,913)	(60,119)	218,946		
32	SERVICE EXPENSE	6620	892,543	0	(763)	891,779		
33	**TOTAL CUSTOMER OPERATIONS EXP**	**6699**	**1,173,520**	**(1,913)**	**(60,882)**	**1,110,725**		31.319400%
34	EXECUTIVE EXPENSE	6710	331,924	(1,115)	(5,793)	325,016		
35	GENERAL & ADMINISTRATION EXPENSE	6720	2,287,194	(50,884)	(74,226)	2,162,085		
36	**TOTAL CORPORATE OPERATIONS EXP**	**6799**	**2,619,118**	**(51,999)**	**(80,019)**	**2,487,101**		56.264200%
37	**TOTAL OPERATING EXPENSES**		**15,761,980**	**(644,365)**	**(156,367)**	**14,961,248**		
38	INVESTMENT TAX CREDIT (ENTER AS NEG)	7210	0	0	0	0		
39	FEDERAL INCOME TAX	7220	209,195	31,588	0	240,783		
40	FEDERAL INCOME TAX (DEFERRED)	7250	779,673	0	(114,973)	664,700		
41	STATE INCOME TAX	7230	96,631	8,649	0	105,280		
42	STATE INCOME TAX (DEFERRED)	7250	0	0	0	0		
43	AD VALOREM TAX	7240	354,678	(7,291)	0	347,387		55.465800%
44	GROSS RECEIPTS TAX	7240	0	0	0	0		0.000000%
45	PSC FEES	7240	0	0	0	0		0.000000%
46	TOTAL OPERATING TAXES	**7200**	**1,440,177**	**32,946**	**(114,973)**	**1,358,150**		
47	**NET OPERATING INCOME**		**1,336,618**	**208,745**	**(2,780,499)**	**(1,235,137)**		$0
	Additional Items:							
48	FIXED CHARGES	7500	582,156	(149,065)	0	433,091		54.310800%

49	FIT / SIT Methodology (1=Imputed, 2=Per Book)	1			
50	FIT IMPUTED AT:	21.00%			
51	SIT IMPUTED AT:	5.75%	15,396	(non funded debt)	
52	SHORT TERM DEBT RATE:	0.0%	Comments	Imputed per Weighted Average Cost of Debt	
53	LONG TERM DEBT RATE:	4.97%	Comments	Imputed per Weighted Average Cost of Debt	
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	$125,564	Note: Must be computed after Tax if taxes apply.		
57	Net Operating Income (NOI) Adjustment - Intrastate	$0	Note: Must be computed after Tax if taxes apply.		
				USF Growth Factor	1.364109
58.	Access Lines at 12/31/23	3,256			
59.	Allowed Executive Expense: ($200,000 + Ln 58 x $7	$453,968		Calculation of USF Corporate Cap:	FCC Formula:
60.	Base Executive Expense Per Study	$325,016			
61.	Is Executive Cap Exceeded ?	NO	Under 6,000 Lps	(42.337 - (.00328 x Ln 65)) x Ln65 x 12 mo x GDPCPI	2,205,500
62	Amount Removed from UAF Application:	$0		(63,000 / Ln 65) x Ln 65 x 12 (mo) x GDPCPI	1,031,266
63	Executive Expense for UAF Application:	$325,016		(Use Higher of Above)	2,205,500
64	USF 1.3 Loops @ 12/31/23	5,627			
65	Total USF Loops @ 12/31/23	5,696	6,000 to 17,886	((117,990 / Ln65) + 3.007)) x Ln 65 x 12 (mo) x 1.364109	2,211,785
	(Ln 64 and Ln 65 Includes CBOL Lines Per 2018 FCC Order)				
			Over 17,886	(9.562 x Ln 65 x 12) x 1.364109	891,557
				Value Selected Based on Access Line Size:	2,205,500
	Total Removal Under Exec Cap:	$0		Base Corporate Expense Per Filing:	2,487,101
	Total Removal Under FCC Cap:	($281,601)			
	Greatest Reduction: FCC vs. Exec:	($281,601)		Reduction Based on USF Corporate Cap	(281,601)
	Is Corporate or Executive Cap Exceeded ?	YES			

PUBLIC SERVICE TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/24

CALCULATION OF CASH WORKING CAPITAL (CWC)

			Total Company	Interstate	Intrastate
1.	CASH OPERATING EXPENSES	SOURCE			
	A. Total Operating Expenses	Net Income Development, Ln 37	$14,961,248	$8,087,074	$6,874,174
	B. Depreciation & Amortization	Net Income Development, Ln 29	$3,910,574	$2,140,801	$1,769,773
	C. Fixed Charges	Net Income Development, Ln 48	$433,091	$235,215	$197,876
	D. Cash Operating Federal Income Taxes	Net Income Development, Ln 38, Ln 39	$240,783	$1,067,724	($826,942)
	E. Cash Operating State & Local Taxes	Net Income Development, Ln 41	$105,280	$255,532	($150,251)
	F. Other Operating Taxes	Net Income Development, Ln 43, Ln 44, Ln 45	$347,387	$192,681	$154,706
	G. Total Cash Operating Expenses	(a-b+c+d+e+f)	$12,177,215	$7,697,425	$4,479,790
2.	% LAG	Per LAG Study	4.1096%	4.1096%	4.1096%
3.	TOTAL CASH WORKING CAPITAL		$500,435	$316,333	$184,101

PUBLIC SERVICE TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/24

Calculation of Prior Period Interstate NOI Adjustment

1. Revenue Booked in YE 06/30/24 for Prior Periods:

a	2022 Cost Study (7/2022)	$215,990
b		
c		
d	Total	$215,990

'2. YE 06/30/24 Revenue Booked in Other Periods:

a	2023 Cost Study (7/2023)	July- September 2023	$387,408
b			
c			
d	Total		$387,408

3. NOI Adjustment Calculation:

a	Remove Revenue From YE 06/30/24 Associated w/ Other p	(Ln 1 d)	($215,990)
b	Add Revenue to YE 06/30/24 Booked in other Periods	(Ln 2 c)	$387,408
c	Gross Addition (reduction) of YE 06/30/24 Revenues	(3a + 3b)	$171,418
d	Income Tax Effect of Add' Rev. @ FIT + SIT	(3c-3b)*FIT & SIT	$45,854
e	Net Operating Income Adjustment - Net of Tax	(3c - 3d)	$125,564

PUBLIC SERVICE TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/24

RATE BASE ADJUSTMENTS

			DEBIT	CREDIT
Current Year				
1	**Disallow**		**917,531**	
	3100-2109		**1,552,585**	
	3100-2210		**60,510**	
	3100-2230		**-**	
	3100-2310		**197,896**	
	3100-2410		**786,520**	
	4340		**-**	
	2108			**42,480**
	2109			**1,558,905**
	2212			**60,510**
	2231			**-**
	2232			**-**
	2311			**197,896**
	2411			**26,966**
	2421			**62,788**
	2422			**278,680**
	2423			**680,466**
	2441			**534,312**
	1220			**72,038**
	To Remove Nonregulated Investment and Reserve per Form M.			
2	**4340**		**114,973**	
	7250 (Fed)			**114,973**
	Amortize Excess ADFIT for July 2023 - June 2024			
Prior Year				
1	**Disallow**		**1,065,670**	
	3100-2109		**1,845,092**	
	3100-2210		**55,793**	
	3100-2230		**-**	
	3100-2310		**197,896**	
	3100-2410		**832,155**	
	4340		**-**	
	2108			**51,222**
	2109			**1,879,545**
	2212			**60,666**
	2231			**-**
	2232			**-**
	2311			**197,896**
	2411			**27,708**
	2421			**64,154**
	2422			**278,196**
	2423			**834,522**
	2441			**533,044**
	1220			**69,652**
	To Remove Nonregulated Investment and Reserve per Form M.			
2	**4340**		**114,973**	
	7250 (Fed)			**114,973**

PUBLIC SERVICE TELEPHONE COMPANY
ADJUSTMENT FOR INTRASTATE PORTION OF ARC/CAF REVENUES
YEAR ENDING 06/30/24

1. Adjustment Per UAF Filing:

5.	**5082**		**346,558**	
	5084			**346,558**
	To reclassify NECA revenues pertaining to Intrastate Revenue Requirements.			
	(net of Rev Req and billed revenues per NECA EC 2060-L)			

2. Intrastate Revenue Requirements received from NECA during the Test Period:
(Per NECA EC-2060-L, Page 7 of 16, Attached)

Date	SW Intrastate Terminating Acc + Recip Comp Revenue Requirement (Ln 30)
June	$49,878
May	$49,878
April	$49,878
Mar	$49,878
Feb	$49,878
Jan	$49,878
Dec 23	$49,878
Nov 23	$49,878
Oct 23	$49,878
Sep 23	$49,878
Aug 23	$49,878
July 23	$49,878
Total	$598,536

This revenue is Intrastate in nature, but is not being booked by the company to Interstate due to it being a component of their NECA settlements (Account 5082). However, the company also "reports" billed access and reciprocal compensation revenue to NECA, which is booked in Intrastate (Account 5084). So the revenue requirement shown above needs to be reduced by the reported revenues. The result is that only the amount received above billed revenues is shifted to Intrastate.

3. Billed Intrastate Terminating Access and Recip Comp Revenue (Per NECA EC-2060-L, Page 6 of 16, Attached)

Date	Intra Term Acc + Recip Comp Revenue (Ln 26)	(Ln 2 - Ln 3) Net
June	$21,231	$28,647
May	$20,844	$29,034
April	$20,979	$28,899
Mar	$21,126	$28,752
Feb	$21,313	$28,565
Jan	$21,857	$28,021
Dec 23	$21,079	$28,799
Nov 23	$20,728	$29,150
Oct 23	$20,839	$29,039
Sep 23	$20,667	$29,211
Aug 23	$20,724	$29,154
July 23	$20,591	$29,287
Total	$251,978	$346,558

PUBLIC SERVICE TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/24 **Revenue and Expense Adjustments**

				DEBIT	CREDIT
Non-Regulated Adjustments					
1	5000			(180,910)	
	5280			584,259	
	5300			674	
	Disallow				404,023
	To Remove Deregulated Revenues Per Form M.				
2	Disallow			760,485	
	7250	FIT		-	
	7250	SIT		-	
	7220			31,588	
	7230			8,649	
	6110				7,037
	6120				103,488
	6210				7,076
	6230				-
	6310				300,250
	6410				8,525
	6530				43,790
	6561				119,288
	6562				1,000
	6610				1,913
	6620				-
	6710				1,115
	6720				50,884
	7240				7,291
	7500				149,065
	To Remove Deregulated Expenses per Form M.				
Other Adjustments:					
			Sep Factor		
1	5000	341,610	0.4453420		152,133
	5081	341,610	0.5546580		189,477
	7340		1.0000000	341,610	
	To reflect AFUDC using Revenue Offset Method.				
2	5084			3,393,450	
	Record Only				3,393,450
	To remove UAF Revenues received during test period.				
3	Disallow			156,367	
	6120				11,848
	6210				157
	6530				3,462
	6610				60,119
	6620				763
	6710				5,793
	6720				74,226
	To Remove Dues, Donations and Miscellaneous expenses.				
4.	5082			346,558	
	5084				346,558
	To Transfer Intrastate Switched Access Settlement from NECA for Earnings Report purposes.				
5	4340			114,973	
	7250 (Fed)				114,973
	Amortize Excess ADFIT for 2024 test period. Also subtracted from imputed income taxes in Earnings Report tab to reduce UAF revenue requirement.				