

**All Reporting LECs' Plant Related Rates**

(Dollars in Millions)

	Telecommunications Plant in Service												
	<u>BOY</u> (a)	<u>EOY</u> (b)	<u>Average</u> (c)=(a+b)/2	<u>Increase</u> (d) = b-a	<u>Add</u> (e)	<u>Ret</u> (f)	<u>Deprec</u> (g)	<u>EOY Reserve</u> (h)	<u>AVG Reserve</u> (i)	<u>Add Rate</u> (j) = e/a	<u>Retire Rate</u> (k) = f/a	<u>Deprec Rate</u> (l) = g/c	<u>Reserve Percent</u> (m) = h/b
1946		6,500						2,300					35.4
1947	6,500	7,400	6,950	900			2,500	2,400					33.8
1948	7,400	8,700	8,050	1,300			2,600	2,550					29.9
1949	8,700	9,800	9,250	1,100			2,800	2,700					28.6
1950	9,800	10,500	10,150	700			3,000	2,900					28.6
1951	10,500	11,300	10,900	800			3,200	3,100					28.3
1952	11,300	12,300	11,800	1,000			3,400	3,300					27.6
1953	12,300	13,400	12,850	1,100			3,600	3,500					26.9
1954	13,400	14,600	14,000	1,200			3,800	3,700					26.0
1955	14,600	15,800	15,200	1,200			4,100	3,950					25.9
1956	15,800	17,400	16,600	1,600			4,300	4,200					24.7
1957	17,400	19,600	18,500	2,200			4,600	4,450					23.5
1958	19,600	22,000	20,800	2,400			4,900	4,750					22.3
1959	22,000	23,000	22,500	1,000			5,200	5,050					22.6
1960	23,000	25,000	24,000	2,000	2,700	700	5,600	5,400	11.7	3.0	4.6	22.4	22.2
1961	25,000	27,000	26,000	2,000	2,800	800	6,000	5,800	11.2	3.2	4.6	22.2	22.1
1962	27,000	29,000	28,000	2,000	2,900	900	6,400	6,200	10.7	3.3	4.6	22.1	21.3
1963	29,000	32,000	30,500	3,000	4,000	1,000	6,800	6,600	13.8	3.4	4.6	21.3	22.1
1964	32,000	34,000	33,000	2,000	2,900	900	7,500	7,150	9.1	2.8	4.8	22.1	21.9
1965	34,000	37,000	35,500	3,000	4,100	1,100	8,100	7,800	12.1	3.2	4.8	21.9	22.3
1966	37,000	40,000	38,500	3,000	4,100	1,100	8,900	8,500	11.1	3.0	4.9	22.3	22.5
1967	40,000	44,000	42,000	4,000	5,100	1,100	9,900	9,400	12.8	2.8	5.0	22.5	

**All Reporting LECs' Plant Related Rates**

(Dollars in Millions)

	Telecommunications Plant in Service												
	BOY (a)	EOY (b)	Average (c)=(a+b)/2	Increase (d) = b-a	Add (e)	Ret (f)	Deprec (g)	EOY Reserve (h)	AVG Reserve (i)	Add Rate (j) = e/a	Retire Rate (k) = f/a	Deprec Rate (l) = g/c	Reserve Percent (m) = h/b
1968	43,249	47,123	45,186	3,874	5,104	1,230	2,304	10,979	10,440	11.8	2.8	5.1	23.3
1969	47,175	51,724	49,450	4,549	6,022	1,473	2,507	12,072	11,526	12.8	3.1	5.1	23.3
1970	51,723	56,951	54,337	5,228	6,880	1,651	2,751	13,213	12,643	13.3	3.2	5.1	23.2
1971	56,972	63,090	60,031	6,118	8,052	1,933	3,016	14,447	13,830	14.1	3.4	5.0	22.9
1972	63,068	69,870	66,469	6,802	9,044	2,242	3,330	15,643	15,045	14.3	3.6	5.0	22.4
1973	69,951	77,442	73,697	7,491	10,085	2,595	3,659	16,769	16,206	14.4	3.7	5.0	21.7
1974	77,107	84,888	80,998	7,781	11,024	3,243	4,047	17,685	17,227	14.3	4.2	5.0	20.8
1975	84,799	92,284	88,542	7,485	10,881	3,396	4,486	18,809	18,247	12.8	4.0	5.1	20.4
1976	92,591	99,879	96,235	7,288	11,139	3,856	4,934	20,163	19,486	12.0	4.2	5.1	20.2
1977	101,237	109,496	105,367	8,259	12,438	4,136	5,630	21,903	21,033	12.3	4.1	5.3	20.0
1978	109,502	119,336	114,419	9,834	14,549	4,681	6,199	23,474	22,689	13.3	4.3	5.4	19.7
1979	118,612	129,972	124,292	11,360	16,843	5,452	6,820	24,881	24,178	14.2	4.6	5.5	19.1
1980	129,767	142,096	135,932	12,329	18,694	6,378	7,804	26,512	25,697	14.4	4.9	5.7	18.7
1981	142,121	155,845	148,983	13,724	19,482	5,749	8,664	29,932	28,222	13.7	4.0	5.8	19.2
1982	155,907	168,075	161,991	12,168	18,466	6,409	9,757	33,957	31,945	11.8	4.1	6.0	20.2
1983	169,162	178,482	173,822	9,320	16,076	6,664	11,340	39,571	36,764	9.5	3.9	6.5	22.2
1984	152,315	159,798	156,057	7,483	14,994	4,994	10,048	37,996	38,784	9.8	3.3	6.4	23.8
1985	174,218	186,294	180,256	12,076	18,972	6,687	11,469	43,837	40,917	10.9	3.8	6.9	25.7
1986	186,972	198,758	192,865	11,786	18,907	6,954	13,142	51,543	47,690	10.1	3.7	7.5	28.4
1987	199,063	209,687	204,375	10,624	18,535	7,886	15,263	61,471	56,507	9.3	4.0	8.1	31.6
1988	210,720	220,395	215,558	9,675	17,947	8,949	16,627	74,123	67,797	8.5	4.2	7.7	33.6

**All Reporting LECs' Plant Related Rates**

(Dollars in Millions)

BOY		Telecommunications Plant in Service											
(a)	(b)	EOY	Average	Increase	Add	Ret	Deprec	EOY	AVG	Add	Retire	Deprec	Reserve
		(b)	(c)=(a+b)/2	(d) = b-a	(e)	(f)	(g)	(h)	(i)	(j) = e/a	(k) = f/a	(l) = g/c	(m) = h/b
1989	220,126	229,326	224,726	9,200	16,868	8,145	16,839	83,115	78,619	7.7	3.7	7.5	36.2
1990	229,103	235,247	232,175	6,144	18,473	12,380	16,955	88,146	85,631	8.1	5.4	7.3	37.5
1991	236,093	241,620	238,857	5,527	18,322	12,896	16,607	91,427	89,787	7.8	5.5	7.0	37.8
1992	242,599	249,508	246,054	6,909	18,877	12,138	17,036	98,053	94,740	7.8	5.0	6.9	39.3
1993	250,570	258,782	254,676	8,212	18,864	11,217	17,676	106,079	102,066	7.5	4.5	6.9	41.0
1994	259,216	267,443	263,330	8,227	18,781	10,990	18,656	114,598	110,339	7.2	4.2	7.1	42.8
1995	268,555	278,946	273,751	10,391	19,482	9,411	19,393	125,789	120,194	7.3	3.5	7.1	45.1
1996	278,974	291,569	285,272	12,595	22,401	10,271	20,527	137,278	131,534	8.0	3.7	7.2	47.1
1997	291,569	303,809	297,689	12,240	23,171	11,627	21,156	148,163	142,721	7.9	4.0	7.1	48.8
1998	303,689	319,767	311,728	16,078	24,218	9,337	21,947	162,102	155,133	8.0	3.1	7.0	50.7
1999	319,809	335,486	327,648	15,677	26,304	11,641	23,455	174,922	168,512	8.2	3.6	7.2	52.1
2000	335,486	354,759	345,123	19,273	28,789	13,755	24,939	187,922	181,422	8.6	4.1	7.2	53.0
2001	332,576	355,421	343,999	22,845	30,402	8,855	23,560	191,177	189,550	9.1	2.7	6.8	53.8
2002	354,220	364,037	359,129	9,817	19,788	12,263	24,181	205,918	198,548	5.6	3.5	6.7	56.6
2003	360,335	366,155	363,245	5,820	16,308	10,182	24,185	221,701	213,810	4.5	2.8	6.7	60.5
Avg.	'60-'83									12.6	3.6	5.2	
	'84-'03									8.1	3.9	7.1	

Source: 1946 -1967 Report on Telephone Industry Depreciation, Tax and Capital/Expense Policy, Accounting and Audits Division, FCC, April 15, 1987, pp.6, 9  
 1968 - 1983 FCC Statistics of Common Carriers, Tables 12 and 16  
 1984 - 1987 FCC Statistics of Common Carriers, Tables 10 and 14  
 1988 - 2000 FCC Statistics of Common Carriers, Tables 2.7 and 2.9  
 2001 - 2003 FCC Statistics of Common Carriers, Tables 2.7 and 2.8

Note 1: 1946 - 1983 Includes AT&T

Note 2: Col s l and m for 1985-1987 from Table 14 data as follows:

Col l = 1985 Col g/165,076  
 1986 Col g/175,926  
 1987 Col g/187,920  
 Col m = 1985 Col h/170,355  
 1986 Col h/181,496  
 1987 Col h/194,343

10/25/04 - Snavelly King Majoros O'Connor & Lee, Inc.