



OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Douglas M. Duncan  
*County Executive*

ORDER OF THE COUNTY EXECUTIVE -  
SETTING CABLE TELEVISION RATES FOR BASIC SERVICE AND EQUIPMENT  
PURSUANT TO FCC FORMS 1240 AND 1205 FILED MARCH 31, 2000

March 2001

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ATTACHMENT 1: REPORT OF ASHPAUGH & SCULCO, CPAs, PLC

ORDER OF THE COUNTY EXECUTIVE  
SETTING CABLE TELEVISION RATES FOR BASIC SERVICE AND EQUIPMENT  
PURSUANT TO FCC FORMS 1240 AND 1205 FILED MARCH 31, 2000

I. BACKGROUND

1. Under Section 623 of the Cable Communications Policy Act of 1984, 47 U.S.C. § 543, as amended ("Cable Act"), and Montgomery County Executive Regulation No. 50-93AM (Oct. 12, 1993) ("Executive Regulation" or "ER"), Montgomery County, Maryland ("County") is permitted to regulate rates for basic cable service and equipment (including installations).

2. The County initiated basic rate regulation on September 1, 1993.

3. On March 31, 2000, Prime Communications Potomac, L.L.C., d/b/a Cable TV Montgomery ("CTM") filed with the County FCC Form 1240, "Updating Maximum Permitted Rates for Regulated Cable Services," dated March 30, 2000, with an accompanying FCC Form 1205, "Determining Regulated Equipment and Installation Costs, 'Equipment Form'" ("Form 1240 Filing"), under a cover letter dated March 30, 2000, seeking the County's approval of an increase in the maximum permitted rates for basic service and equipment.

4. After CTM made the Form 1240 Filing, control of CTM was transferred to Comcast Cablevision of Potomac, LLC. In this Order, the cable operator will be referred to throughout as "CTM" for simplicity's sake.

5. The Office of Cable Communications (the "Office") received and preliminarily reviewed the Form 1240 Filing and published notice that such filing was available for public review and comment.

6. The County's financial consultant, Ashpaugh & Sculco, CPAs, PLC ("A&S"), reviewed CTM's Form 1240 Filing. In the course of A&S's review, the County submitted a request for information to CTM on April 18, 2000. CTM provided information in response to this request on May 8 and May 15, 2000.<sup>1</sup>

7. On September 18, 2000, with the County's approval, Garth T. Ashpaugh of A&S provided a courtesy copy of a draft of his analysis, including recalculated rate forms and supporting materials (the "Draft Report"), to CTM's financial personnel, Mr. Richard W. Sander, Jr., and Mr. Ernie Pighini, so that they could review the draft and discuss any issues with Mr. Ashpaugh and the County.

8. Subsequently, the County initiated a series of detailed discussions with CTM and its outside counsel regarding the issues raised by the Form 1240 Filing.

9. These discussions with CTM succeeded in resolving a number of issues regarding the Form 1240 Filing. Any remaining issues are addressed below.

10. A&S's conclusions as to the recalculation of CTM's rates are contained in a letter report from A&S dated March 16, 2001, appended as Attachment 1 ("A&S Report").

11. FCC rules place the burden on the cable operator to prove that its existing rates for basic service and equipment are reasonable under applicable federal law and regulations. 47 C.F.R. § 76.937(a). The County has provided CTM with ample opportunity to provide the necessary support for its rates. Hence, to the extent CTM has failed to carry its burden of

proof, the County may order CTM to reduce its rates and provide refunds based on the information submitted by CTM and conclusions reached thereon by the County.<sup>2</sup>

12. On March 26, 2001, the County provided CTM with a draft of this Order, and has taken into account CTM's comments on that draft.

13. The rates set herein will govern CTM's basic service rates until CTM lawfully implements a further rate change pursuant to applicable law.

## II. FINDINGS AND CONCLUSIONS

### A. Form 1240

14. With respect to CTM's calculation of its maximum permitted basic service rate, the A&S Report concludes that certain adjustments are necessary in CTM's Form 1240 pursuant to FCC regulations.

#### 1. Treatment of 1.5 Percent Access Charge Under Prior Franchise

15. In 1998, the County renewed CTM's cable franchise. The renewal occasioned a change in the way public, educational, and governmental access (PEG) support was provided. That change had to be reflected in CTM's rate calculations.

16. Under the prior franchise, CTM contributed periodic grants for PEG support consisting of 1.5 percent of gross revenues. Under the new 1998 franchise, instead of this 1.5

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<sup>1</sup> See A&S Report at 1.

<sup>2</sup> See, e.g., *Comcast Cablevision of Tallahassee, Inc., Appeal of Local Rate Order of City of Tallahassee, Fla.*, DA 95-1561 at ¶¶ 28-29, 37, 48-49, and 54 (July 17, 1995) ("Comcast of Tallahassee").

percent periodic payment, CTM makes a series of fixed capital grants - one-time payments of specified dollar amounts for PEG capital costs.<sup>3</sup>

17. Thus, the change from the old to the new franchise required that (a) the old 1.5 percent charge no longer be included in CTM's rates, and (b) the new fixed capital grants be incorporated in CTM's rates.

18. In 1994, the FCC issued an order governing the treatment of the 1.5 percent access charge under the prior franchise. Accordingly, in conjunction with CTM, the County adopted a methodology in 1994 that allowed CTM to recover the cost of the 1.5 percent access charge by incorporating that charge in CTM's basic service rate.<sup>4</sup>

19. Because the 1.5 percent access charge was incorporated in CTM's basic service rate, it was carried forward (and adjusted for inflation) as a part of CTM's basic rate in subsequent basic rate calculations.

20. Section 7(m) of the 1998 renewal franchise agreement provided that the 1.5 percent access charge would be removed at the inception of the new franchise, so that it would no longer be carried forward as part of CTM's basic service rate.<sup>5</sup> This removal was necessary to ensure that CTM did not continue recovering from subscribers the 1.5 percent access charge (which would no longer be paid to the County under the new franchise). Instead, CTM would recover its fixed capital grants under the new franchise as franchise-related costs via Worksheet 7.

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<sup>3</sup> See A&S Report, Appendix L.

<sup>4</sup> See Second Order of the County Executive Setting Cable Television Rates for Basic Service and Equipment Pursuant to FCC Form 393 at ¶¶ 32-37 (Dec. 5, 1994).

<sup>5</sup> See A&S Report at 3.

21. When CTM made its first rate filing under the new franchise – the 1999 Form 1240 filing – CTM and the County agreed that the amount of the 1.5 percent access charge that was then incorporated in CTM's base rate was \$0.248 per subscriber.<sup>6</sup>

22. The best way to back that amount out of CTM's base rate would have been to reduce the base rate itself (Line A1). At the time, however, CTM's management believed that this adjustment should be made on Worksheet 7, as an offset to franchise-related costs. That methodology was accepted in the County's October 1999 rate order. The result of this approach was that the 1.5 percent access charge was removed *only* for the 1999 rate filing, rather than being removed permanently, as would have been the case if the adjustment had been made in Line A1.

23. The Worksheet 7 adjustment described in ¶ 22 has created a certain amount of confusion. In reviewing this issue, the County has concluded that the original approach – removing the 1.5 percent access charge once and for all in Line A1 – is preferable. Thus, the A&S Report reduces Line A1 in the current (year 2000) filing by \$0.248, the amount of the 1.5 percent access charge as originally agreed with CTM.<sup>7</sup> Because the rate in Line A1 (unlike an adjustment in Worksheet 7) is carried forward into succeeding years' rates, this adjustment should have a permanent effect and should not need to be repeated in later years.

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<sup>6</sup> A&S Report at 3.

<sup>7</sup> A&S Report at 3.

## 2. Treatment of Interest on Franchise-Related Costs

24. As noted above, in place of the 1.5 percent access charge under the old franchise, CTM is now eligible to pass through its fixed capital grants under the new franchise, amortized over the life of the franchise term.

25. The County has agreed with CTM that CTM may also pass through interest on the cost of these fixed capital grants at seven percent.<sup>8</sup>

26. In order to ensure that this interest is not counted twice, A&S included the interest component in the rate calculations on line H12.<sup>9</sup>

## 3. Inflation Adjustment

27. Because it was necessary to recalculate CTM's rates, A&S used the most current inflation data as of the time of the recalculation, pursuant to FCC rules.<sup>10</sup>

28. The County finds the A&S Report's adjustments to the Form 1240 calculations to be reasonable and appropriate.

### B. Form 1205

29. With respect to CTM's maximum permissible equipment and installation rates, the A&S Report concludes that certain adjustments are necessary in CTM's Form 1205 pursuant to FCC regulations. These adjustments parallel the methodology applied in the County's 1999 rate order.

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<sup>8</sup> A&S Report at 3.

<sup>9</sup> A&S Report at 3.

<sup>10</sup> A&S Report at 2.



30. A&S corrected the allocation factors applied to Maintenance Facilities in CTM's original Form 1240 Filing by reference to the information supplied by CTM in its May 15, 2000, response.<sup>11</sup>

31. In addition, the original Form 1240 Filing did not appropriately categorize types of additional outlet activities. Each category has its own costs. The A&S Report breaks down the additional outlet costs in detail, based on information provided by CTM in its May 15, 2000, response.<sup>12</sup> CTM should make this adjustment in future rate filings rather than requiring correction by the County upon review.

32. To arrive at an accurate total of the costs to be recovered for customer premises equipment, the operator must distinguish between activities inside the demarcation point (which are allocated to customer premises equipment) and activities outside that point (which are allocated to the distribution system and are not recovered through customer equipment charges). A&S allocated those costs based on supporting information provided by CTM.<sup>13</sup>

33. Based on CTM's May 15 response, A&S concluded that some of the labor hours originally associated by CTM with equipment maintenance actually related to installation rather than to the "set-up" activities included in maintenance. Accordingly, A&S corrected these times based on supporting information provided by CTM.<sup>14</sup>

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<sup>11</sup> A&S Report at 4.

<sup>12</sup> A&S Report at 4.

<sup>13</sup> A&S Report at 4.

<sup>14</sup> A&S Report at 4-5.

34. As a result of the above changes, the Hourly Service Charge ("HSC") is increased from \$22.26 to \$22.61, and installation and equipment rates are adjusted accordingly.

35. The County finds A&S's adjustments to Form 1205 to be reasonable and appropriate.

C. Conclusions

36. The County finds A&S's recalculation of CTM's maximum permitted rates to be reasonable and appropriate.

III. ORDERING CLAUSES

IT IS THEREFORE ORDERED THAT:

37. CTM's maximum permitted rates for basic service and equipment, including any amount allocable to the FCC regulatory fee, are hereby set in accordance with the rates calculated in the A&S Report, as follows:

	Maximum Permitted Rates Filed by CTM	Maximum Permitted Rates Set By This Order
(a) Basic service tier	19.07	18.86
(b) Remote control	0.22	0.23
(c) Addressable converter	1.11	1.03
(d) Non-addressable converter	0.79	0.62
(e) Installation of unwired homes	41.85	42.64
(f) Installation of prewired homes	27.82	28.27
(g) Reconnection of service	26.48	26.88
(h) New outlet installation (unwired home)	18.47	18.77
(i) New outlet installation (prewired home)	12.68	12.88
(j) New outlet installation at time of reconnection	8.46	8.59
(k) New outlet installation (separate trip)	27.82	28.26

(l)	Tier change with service call	16.69	16.96
(m)	Tier change without service call	2.11	2.11
(n)	Hourly Service Charge	22.26	22.61

(All rates include five percent franchise fee)

38. As soon as possible, but in any event within ninety days from the effective date of this Order, CTM shall make any rate reductions and refunds that are necessary based on the rates shown above. CTM shall refund any amounts charged to subscribers for service or equipment that exceed the maximum permitted amounts specified herein. To the extent that any refunds may be necessary, they shall be made in accordance with 47 C.F.R. § 76.942(d), and shall include interest computed at applicable rates published by the Internal Revenue Service for tax refunds and additional tax payments, pursuant to 47 C.F.R. § 76.942(e).

39. Any charges for equipment, installation, or other services based on an hourly rate shall reflect an HSC no greater than the maximum permissible HSC shown above.

40. If any refunds are required pursuant based on ¶ 38 above, CTM shall file with the County within thirty days of the date of this Order materials sufficient to demonstrate its proposed methodology for making such refunds. Such materials shall include, without limitation, a narrative explanation in detail of the methods used to calculate all refunds, including how the refund amount was determined and how interest was calculated on a per-subscriber basis, both for any refunds previously made and for any refunds required by this Order; the aggregate amounts of any refunds to be made for each affected rate, including separate itemization of the amounts attributable to interest; and specific examples (from which any individual identifying information may be redacted) of sample calculations of all refunds for representative classes of subscribers. If no refunds are due because the actual costs charged are less than or equal to the maximum permitted rates set herein, CTM shall support

that conclusion by providing a rate card showing the actual costs charged during the period covered by the Form 1240 Filing. The materials provided should be sufficient to permit the County to verify whether CTM's refunds comply with the requirements of this Order and applicable law.

41. Pursuant to ER § 5.2, CTM shall file with the County within ninety days from the date of this Order a certification, signed by an authorized representative of CTM, stating whether CTM has complied fully with all provisions of this Order, describing in detail the precise measures taken to implement this Order, and showing how any refunds (including interest) were calculated and implemented.

42. CTM shall not charge any rate higher than the rate set herein, nor increase that rate, nor impose on subscribers any other charge for basic service or equipment not specified herein or in the County's previous rate orders, including but not limited to bulk and commercial rates (to the extent such limitation is permitted by applicable law), unless such charge is first filed with and approved by the County, in accordance with applicable law and regulations, including but not limited to the notice requirements imposed by 47 C.F.R. § 76.932, or as otherwise expressly permitted by applicable law and regulations.

43. CTM may charge rates less than the maximum rates indicated above for basic service and equipment, as long as such rates are consistent with applicable law and are applied and in a uniform and nondiscriminatory way, pursuant to applicable federal, state, and local laws and regulations.

44. Pursuant to ER § 4.3, the rates set herein are subject to further reduction and refund to the extent permitted under applicable law and regulations, as the same may be amended from time to time.

45. The findings herein are based on the representations of CTM. Should information come to the County's attention that these representations were inaccurate in any material way, the County reserves the right to take appropriate action. This Order is not to be construed as a finding that the County has accepted as correct any specific entry, explanation or argument made by CTM not specifically addressed herein.

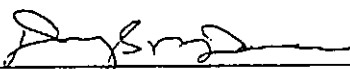
46. The County reserves all of its rights with respect to rate regulation, including, but not limited to, any right it may have to reopen this rate proceeding based on new information or rulings by governing authority, if it appears that such new information or rulings could alter the reasonable rates prescribed by FCC regulations, pursuant to ER § 4.3, and any right it may have to "true up" overcharges or undercharges in connection with future rate filings pursuant to 47 C.F.R. § 76.922(e)(3).

47. This Order constitutes the written decision required by 47 C.F.R. § 76.936(a).

48. To the extent that the Executive Regulation would impose deadlines or hearing requirements more stringent than those observed with respect to this process, and waiver of such requirements would be consistent with applicable FCC regulations and would not cause substantial harm to any party, the County Executive hereby waives such requirements, pursuant to ER § 6.1(c).

49. This Order shall be effective immediately upon its approval by the County Executive, pursuant to ER § 4.1.

50. This Order shall be released to the public and to CTM, and a public notice shall be published stating that this Order has been issued and is available for review, pursuant to ER § 4.1 and 47 C.F.R. § 76.936(b).

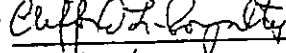


Douglas M. Duncan  
County Executive.

3/28/01  
Date

APPROVED AS TO FORM AND LEGALITY.

OFFICE OF COUNTY ATTORNEY

BY 

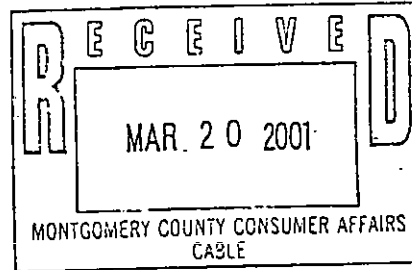
DATE 3/29/01

ATTACHMENT 1: REPORT OF ASHPAUGH & SCULCO, CPAs, PLC

**A&S** Ashpaugh & Sculco, CPAs, PLC  
Certified Public Accountants and Consultants

March 16, 2001

Frederick E. Ellrod III, Esquire  
Miller & Van Eaton, P.L.L.C.  
1155 Connecticut Avenue, N.W.  
Suite 1000  
Washington, DC 20036-4306



AS1011-03

**SUBJECT: Review of the FCC Forms 1240 and 1205 of Prime Communications Potomac, L.L.C., d/b/a Cable TV Montgomery Filed with Montgomery County, Maryland on March 31, 2000**

Dear Mr. Ellrod:

Ashpaugh & Sculco, CPAs, PLC ("A&S") were requested to assist Montgomery County ("County") with the review of the FCC Forms 1240 and 1205 filed by Prime Communications Potomac, L. L. C., d/b/a Cable TV Montgomery ("CTM") on March 31, 2000. This letter report will address the steps taken in the review and our findings. It should be noted that subsequent to this filing, Prime's transfer of the franchise became effective and the system is now known as Comcast of Montgomery. For simplicity and continuity, we will continue to identify the system as CTM in this report.

The County submitted a request for information to CTM April 18, 2000. CTM provided a partial response May 8 with additional information on May 15. A&S reviewed and analyzed CTM's supporting data and its responses and then recalculated CTM's FCC Forms 1240 and 1205. This report discusses our findings and our recommended changes based on the issues we have identified in the rate filings. Attached to this letter report are:

- Appendix A - identifies the rates determined and recommended by A&S from our review of these filings;
- Appendix B - a comparison of the current programming, equipment, and installation rates with those originally proposed by CTM and those recommended by A&S in this report;
- Appendix C - A&S's recalculation of CTM's FCC Form 1240;
- Appendix D - A&S's recalculation of CTM's FCC Form 1205;
- Appendix E - A&S's Analysis of Plant and Depreciation;
- Appendix F - A&S's recalculation of maintenance facilities costs;
- Appendix G - A&S's recalculation of materials and supplies expense;
- Appendix H - A&S's recalculation of installation and maintenance hours;
- Appendix I - A&S's determination of converter maintenance provision;

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- Appendix J - A&S's determination of contract labor units used in the computation of the average contractor labor rate and converter retrieval hours;
- Appendix K - A&S's determination of contract labor hours;
- Appendix L - A&S's determination of franchise-related costs;
- Appendix M - A&S's determination of interest on franchise-related costs; and,
- Appendix N - Copy of the FCC Inflation Updates as of March 16, 2001.

## SUMMARY

Our review of the 1240 identified 3 areas of concern. First we have verified the determination of franchise-related costs in Worksheet 7 for the Basic Service Tier and have corrected the determination of interest cost on these franchise-related costs. Second, we refreshed the inflation rates in Worksheet 1 and in Module C of the 1240. These changes, which will be discussed in detail below, impact the Maximum Permitted Rate ("MPR"), Line I9 of the 1240, in different directions. The correction to interest costs reduces the MPR, while the refreshing of the inflation rates increases the MPR. The net result is a decrease of \$.1941 to the filed rate, from CTM's filed amount of \$18.1139 to \$17.9198. Including the franchise fee, A&S's MPR is \$18.86.

We have identified several changes to CTM's 1205 filing and the resulting equipment and installation rates.

## FCC FORM 1240

The first step in our review was to input CTM's 1240 and 1205 filed with the County into the FCC spreadsheets to generate a copy of the FCC's forms. With these spreadsheet packages, we were able to duplicate CTM's filing and the resulting rates. We verified that the rates and other components of the previous 1240 approved by the County were carried over to this filing.

Since we were making other changes to the 1240, we refreshed and corrected the inflation factors for October 1999 through February 2000 in Worksheet 1. CTM's calculation showed 1.04% for this period. The FCC's published rates are 1.96% for October through December and 3.00% for January and February. [See Appendix N to this letter report.] Reflecting these amounts increases the Average Inflation Factor for the True-Up Period 1, Line C3 of the 1240, from 1.0121 to 1.0160 and increases the Average Inflation Factor for the True-Up Period 2, Line C4 of the 1240, from 1.0009 to 1.0025. Additionally, we refreshed the inflation rate on Line C5 of the 1240 to the current published rate of 1.0162. The FCC's rules state:

**Line C5 Current FCC Inflation Factor.** Enter the factor which will be used to calculate the inflation segment for the Projected Period. Multiply Line C2 by the quarterly inflation factor most recently released by the Commission. The quarterly inflation factor should be in the form of "1" plus the inflation figure. So, if the figure announced by the Commission is 3%, perform the multiplication with "1.03".  
(Emphasis added)

Since we are making other changes and corrections to the 1240, we need to update this factor using the FCC's most recently published factor of 1.62%. [See Appendix N to this letter report.]

Our review also noted a correction necessary in CTM's calculation of Franchise-Related Costs for the Projected Period. (Line 707 of Worksheet 7 – External Costs Projected Period) The recently approved renewal of CTM's franchise with the County included costs that are reflected in this component of the 1240. These components have been paid periodically over the first year of the new franchise as shown in Appendix L. Our analysis reflects the actual payment of these items in determining franchise-related costs. If the costs were annual amounts, then the schedule recovers them over the applicable 12-month period. If the costs were one time franchise costs, then the schedule amortizes such amounts ratably over the life of the franchise agreement or 15 years. It has been agreed between the County and CTM that CTM is allowed to include in basic tier rates the costs of financing these one-time costs. CTM has calculated an amount of interest at 7.00% and included that amount in franchise-related costs. Unfortunately, CTM's methodology results in a double-counting because the addition of interest in this manner causes additional interest generated by use of the FCC's forms on Line H4. We have corrected this by adding the interest into the determination of cable rates by including the interest component on Line H12.

CTM's calculation of franchise-related costs also incorrectly calculated what CTM labeled the "Exclusion". This refers to franchise-related costs of the prior franchise agreement embedded in the base rates. This amount was agreed to between CTM and the County to be \$.248 per subscriber as of the end of the prior franchise. The \$.248 is the amount of the PEG included in base rates at 1.5% of total gross subscriber revenue. Due to the FCC's methodology for determining rates, this item has been embedded in base rates since 1993 and has increased as gross subscriber revenues increased. In the prior rates approved by the County, this \$.248 was offset (or a decrease) to franchise-related costs. This treatment was incorrect. The franchise agreement states at 7. CHANNELS AND FACILITIES FOR PUBLIC, EDUCATIONAL AND GOVERNMENTAL USE:

(m) *Franchise-Related Costs:* The County agrees that the Franchisee may treat the costs to the Franchisee of complying with Sections 2(h)(5), (2)(i), 7(a)(3), 7(b), 7(c), 7(h), and 7(i) of this Franchise Agreement as costs arising from a condition of the Franchise in accordance with 47 C.F.R. ' 76.925. The Franchisee agrees that in the first year of this Franchise, it shall remove all franchise-related costs, including without limitation, all costs attributable to the annual grant of 1.5% of gross revenues required by the Prior Franchise, from its base rate and equipment rates before treating such costs as external costs under 47 C.F.R. ' 76.925. [emphasis added]

As such, A&S has reduced Line A1 Current Maximum Permitted Rate by the \$.248 from \$17.4741 to \$17.2261. Additionally, we have removed the "Exclusion" component from the calculation of franchise-related costs and from Worksheet 7.

Correcting these items changes the external costs per subscriber computed on Worksheet 7 for the True- Up Period 1 from \$2.8968 to \$2.9268, for the True- Up Period 2 from \$3.5955 to \$3.4886. We have also corrected the franchise-related costs determination for the Projected Period, which reduces the external costs per subscriber from \$3.0932 to \$3.0926.

As indicated above, the resulting MPR from our changes is \$17.9198, which rounds to \$17.92. We recommend the County: (i) reject the filing of CTM; (ii) adopt A&S's 1240 which is attached as

Frederick E. Ellrod III, Esquire

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Appendix C to this letter report; and (iii) approve the MPR of \$17.9198 as recalculated by A&S. In the order, the County should state that if any information should become known in the future which would impact these rates, the County can revisit this decision. The County should further state that this is the maximum rate allowed for the Basic Service Tier under the FCC's rules.

#### FCC FORM 1205

Regarding the 1205, we are recommending several changes to the amounts determined in the supporting documents of CTM. CTM's determination of the amounts in Schedule A have been adjusted in our analysis. The allocation factors applied to Maintenance Facilities has been corrected. CTM used a percentage of 8.01% for computer equipment, but corrected this to 7.60% in the May 15 response. Our analysis used this corrected percentage as shown on Appendix F. Making this correction reduces the Gross Book Value. Accumulated Depreciation and Depreciation Expense associated with Maintenance Facilities are allocated based on the relationship of Gross Book Value to 1205 Total Book Value, or 55.87%, which further allocated to 1205 regulated activity at 7.94%. Appendix E attached to this letter report supports our calculation of depreciation. Appendix F supports the reallocation of Maintenance Facilities.

CTM's May 15 response updated the determination of materials and supplies. A&S incorporated this updated information in our determination of materials and supplies in Schedule B. A&S and CTM differ on the split of additional outlet activities. CTM's data for contract labor activity for Additional Outlets ("A/Os") must be broken down into the different types of installs. Since each type of install of an additional outlet has its own costs, it is necessary to break down A/Os into the different types. This is consistent with the prior rate reviews and adopted by the County.

Contractors provide data to CTM on the total number of A/Os. A&S used the relationship of the types of installs to allocate the total into the different types for contractors. We used the same amounts by type as CTM for in-house installs. As in the prior reviews, A&S has utilized the numbers of tasks used in calculating hours (shown in Appendix H) to determine component costs for materials and supplies. As shown in Appendix G, the total of the above adjustments results in \$544,073 materials and supplies costs in Schedule B.

Reflecting the above changes results in an hourly service charge ("HSC") of \$21.48, as compared to CTM's filed amount of \$21.15. [It should be noted that CTM provided A&S corrected and updated information, which was used in our analysis. The amounts stated in this report are from CTM's original filing that has not been updated or corrected.] The labor hours used in this calculation are determined on Appendix H. As in prior rate reviews, our analysis allocated labor hours between the time incurred within the subscriber's premises and outside of the premises. The 1205 determines charges relative to activity only within the premises. Appendix H also reflects on Line 20 converter retrieval hours determined on Appendix J. Our analysis determines converter retrieval labor hours based on the average hourly rate of contractors. The labor hours are then reflected in the determination of the hourly service charge and in the maintenance component of the equipment rates. Our changes in the HSC are automatically flowed through to the installation charges and equipment rates in the 1205.

We have also reduced the maintenance hours associated with equipment. CTM's May 15 response identified the labor groups responsible for each of the set-up activities associated with remotes, addressable converters and non-addressable converters. This showed that some of the labor

Frederick E. Ellrod III, Esquire

March 16, 2001

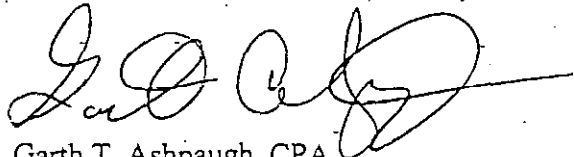
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activities were associated with installers and were not set-up. These components have been removed from the set-up times. This reduced the times as follows: remotes from 6.0 minutes to 5.5 since the installation department does the paperwork activity of .5 minutes; and, addressable and non-addressable converters from 14.0 minutes to 8 since the installation department does the paperwork activity of 1.0 minute and has significant responsibility for the install, activate and explain activity of 5.0 minutes. As shown on Appendix H, installation activities associated with converters are included in labor hours in the additional outlets and in the maintenance of equipment.

We recommend the County approve the proposed equipment rates and installation charges, as recalculated by A&S and set forth in Appendix A. As with the 1240 discussed above, the County should state that if any information should become known in the future which would impact these rates, the County can revisit this decision. The County should further state that these are the maximum rates allowed for equipment rates and installation charges under the FCC's rules. If you have any questions or require any further information, please let me know.

Very truly yours,

ASHPAUGH & SCULCO, CPAs, PLC



Garth T. Ashpaugh, CPA  
President and Member

Cc: Jane Lawton, Cable Communications Administrator, Montgomery County, Maryland

Enclosure

2000 1240 1205 Report

## APPENDIX A

MONTGOMERY COUNTY, MARYLAND  
PRIME COMMUNICATIONS POTOMAC, L.L.C. d/b/a CABLE TV MONTGOMERY

RECOMMENDED RATES

Line No.	Type of Service	Rates Recommended For Approval	Franchise Fees	Recommended Rates Including Franchise Fees of 5.00%
	<u>Monthly Rate</u>			
1	Basic Tier	\$17.92	\$0.94	\$18.86
2	Remote	\$0.22	\$0.01	\$0.23
3	Converter Type 1 - Addressable	\$0.98	\$0.05	\$1.03
4	Converter Type 2 - Non-addressable	\$0.59	\$0.03	\$0.62
	<u>Per Activity</u>			
5	Installation of Unwired Home	\$40.51	\$2.13	\$42.64
6	Installation of Prewired Home	\$26.86	\$1.41	\$28.27
7	Installation of Reconnect	\$25.54	\$1.34	\$26.88
8	Additional Connection @ Installation of Unwired Home	\$17.83	\$0.94	\$18.77
9	Additional Connection @ Installation of Prewired Home	\$12.24	\$0.64	\$12.88
10	Additional Connection @ Reconnect	\$8.16	\$0.43	\$8.59
11	Additional Connection Separate Trip	\$26.85	\$1.41	\$28.26
12	Tier Change with Service Call	\$16.11	\$0.85	\$16.96
13	Tier Change without Service Call	\$2.00	\$0.11	\$2.11

## APPENDIX B

**MONTGOMERY COUNTY, MARYLAND**  
**PRIME COMMUNICATIONS POTOMAC, L.L.C. d/b/a CABLE TV MONTGOMERY**  
**REVIEW OF 2000 FCC FORMS 1240 & 1205**  
**COMPARISON OF CURRENT & FILED RATES OF CTM & DRAFT & RECOMMENDED RATES**

APPENDIX B

Line No.	Type of Service	Rates Excluding Franchise Fees			Rates Including Franchise Fees of 5%		
		Current Rates	CTM Rates Filed 3/31/00	Recommended Rates	Current Rates	CTM Rates Filed 3/31/00	Recommended Rates
		(a)	(b)	(c)	(g)	(h)	(i)
	<u>Monthly Rate</u>						
1	Basic Tier	\$17.47	\$18.11	\$17.92	\$18.39	\$19.07	\$18.86
	Percentage Change						
2	Remote	\$0.22	\$0.21	\$0.22	\$0.23	\$0.22	\$0.23
	Percentage Change						
3	Converter Type 1 - Addressable	\$1.00	\$1.05	\$0.98	\$1.05	\$1.11	\$1.03
	Percentage Change						
4	Converter Type 2 - Non-addressable	\$0.10	\$0.75	\$0.59	\$0.11	\$0.79	\$0.62
	Percentage Change						
	<u>Per Activity</u>						
5	Unwired Home Installation	\$39.17	\$39.76	\$40.51	\$41.23	\$41.85	\$42.64
	Percentage Change						
6	Prewired Home Installation	\$25.99	\$26.43	\$26.86	\$27.36	\$27.82	\$28.27
	Percentage Change						
7	Reconnection of Service	\$24.68	\$25.16	\$25.54	\$25.98	\$26.48	\$26.88
	Percentage Change						
8	New Outlet Install / Unwired Home	\$17.25	\$17.55	\$17.83	\$18.16	\$18.47	\$18.77
	Percentage Change						
9	New Outlet Install / Prewired Home	\$11.85	\$12.05	\$12.24	\$12.47	\$12.68	\$12.88
	Percentage Change						
10	New Outlet Install / Reconnection	\$7.90	\$8.04	\$8.16	\$8.32	\$8.46	\$8.59
	Percentage Change						
11	Install New Outlet / Separate Trip	\$25.98	\$26.43	\$26.85	\$27.35	\$27.82	\$28.26
	Percentage Change						
12	Hourly Service Charge	\$20.79	\$21.15	\$21.48	\$21.88	\$22.26	\$22.61
	Percentage Change						
13	Tier Change with Service Call	\$15.59	\$15.86	\$16.11	\$16.41	\$16.69	\$16.96
	Percentage Change						
14	Tier Change without Service Call	\$2.00	\$2.00	\$2.00	\$2.11	\$2.11	\$2.11
	Percentage Change						



## APPENDIX C

FCC FORM 1240.  
UPDATING MAXIMUM PERMITTED RATES FOR REGULATED CABLE SERVICES

Cable Operator:

Name of Cable Operator PRIME COMMUNICATIONS POTOMAC, L.L.C., d/b/a CABLE TV MONTGOMERY		
Mailing Address of Cable Operator 20 WEST GUDE		
City ROCKVILLE	State MD	ZIP Code 20850

1. Does this filing involve a single franchise authority and a single community unit? YES NO  

	- X
--	-----

If yes, complete the franchise authority information below and enter the associated CUID number here:

2. Does this filing involve a single franchise authority but multiple community units? YES NO  

X	
---	--

If yes, enter the associated CUIDs below and complete the franchise authority information at the bottom of this page:

--

3. Does this filing involve multiple franchise authorities?

If yes, attach a separate sheet for each franchise authority and include the following franchise authority information with its associated CUID(s):

Franchise Authority Information:

Name of Local Franchising Authority MONTGOMERY COUNTY CABLE OFFICE		
Mailing Address of Local Franchising Authority 100 MARYLAND AVENUE, 3RD FLOOR		
City ROCKVILLE	State MD	ZIP Code 20850
Telephone number (301) 217-1296	Fax Number (301) 217-7367	

4. For what purpose is this Form 1240 being filed? Please put an "X" in the appropriate box.

a. Original Form 1240 for Basic Tier	X
b. Amended Form 1240 for Basic Tier	
c. Original Form 1240 for CPS Tier	
d. Amended Form 1240 for CPS Tier	

5. Indicate the one year time period for which you are setting rates (the Projected Period). TO  

07/01/00	06/30/01	(mm/yy)
----------	----------	---------

6. Indicate the time period for which you are performing a true-up. TO  

02/01/99	02/29/00	(mm/yy)
----------	----------	---------

7. Status of Previous Filing of FCC Form 1240 (enter an "x" in the appropriate box)

a. Is this the first FCC Form 1240 filed in any jurisdiction?	YES NO
	X
b. Has an FCC Form 1240 been filed previously with the FCC?	X

If yes, enter the date of the most recent filing:  (mm/dd/yy)

c. Has an FCC Form 1240 been filed previously with the Franchising Authority?	YES NO
	X

If yes, enter the date of the most recent filing:  (mm/dd/yy)

8. Status of Previous Filing of FCC Form 1210 (enter an "x" in the appropriate box)

a. Has an FCC Form 1210 been previously filed with the FCC? YES NO  
 YES  NO  
 If yes, enter the date of the most recent filing: 10/02/95 (mm/dd/yy)

b. Has an FCC Form 1210 been previously filed with the Franchising Authority? YES NO  
 YES  NO  
 If yes, enter the date of the most recent filing: 10/02/95 (mm/dd/yy)

9. Status of FCC Form 1200 Filing (enter an "x" in the appropriate box)

a. Has an FCC Form 1200 been previously filed with the FCC? YES NO  
 YES  NO  
 If yes, enter the date filed: 09/06/94 (mm/dd/yy)

b. Has an FCC Form 1200 been previously filed with the Franchising Authority? YES NO  
 YES  NO  
 If yes, enter the date filed: 09/06/94 (mm/dd/yy)

10. Cable Programming Services Complaint Status (enter an "x" in the appropriate box)

a. Is this form being filed in response to an FCC Form 329 complaint? YES NO  
 YES  NO  
 If yes, enter the date of the complaint: (mm/dd/yy)

11. Is FCC Form 1205 Being Included With This Filing

YES NO  
 YES  NO

12. Selection of "Going Forward" Channel Addition Methodology (enter an "x" in the appropriate box)

- Check here if you are using the original rules [MARKUP METHOD].
- Check here if you are using the new, alternative rules [CAPS METHOD].

If using the CAPS METHOD, have you elected to revise recovery for channels added during the period May 15, 1994 to Dec. 31, 1994? YES NO  
 YES  NO

13. Headend Upgrade Methodology

\*NOTE: Operators must certify to the Commission their eligibility to use this upgrade methodology and attach an equipment list and depreciation schedule.

Check here if you are a qualifying small system using the streamlined headend upgrade methodology.

**Part I: Preliminary Information**

**Module A: Maximum Permitted Rate From Previous Filing**

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
A1	Current Maximum Permitted Rate	\$17,2261				

**Module B: Subscribership**

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
B1	Average Subscribership For True-Up Period 1	218,355				
B2	Average Subscribership For True-Up Period 2	218,798				
B3	Estimated Average Subscribership For Projected Period	220,584				

**Module C: Inflation Information**

Line	Line Description		
C1	Unclaimed Inflation: Operator Switching From 1210 To 1240		1.0000
C2	Unclaimed Inflation: Unregulated Operator Responding to Rate Complaint		1.0000
C3	Inflation Factor For True-Up Period 1 [Wks 1]		1.0160
C4	Inflation Factor For True-Up Period 2 [Wks 1]		1.0025
C5	Current FCC Inflation Factor		1.0162

**Module D: Calculating the Base Rate**

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
D1	Current Headend Upgrade Segment					
D2	Current External Costs Segment	\$2.9236				
D3	Current Caps Method Segment	\$0.0000				
D4	Current Markup Method Segment	\$0.0300				
D5	Current Channel Movement and Deletion Segment					
D6	Current True-Up Segment	\$0.2659				
D7	Current Inflation Segment	\$0.2250				
D8	Base Rate (A1-D1-D2-D3-D4-D5-D6-D7)	\$13.7815				

**Part II: True-Up Period  
Module E: Timing Information**

Line	Line Description	
E1	What Type of True-Up Is Being Performed? (Answer "1", "2", or "3". See Instructions for a description of these types.) If "1", go to Module I. If "2", answer E2 and E3. If "3", answer E2, E3, E4, and E5.	3
E2	Number of Months in the True-Up Period 1	12
E3	Number of Months between the end of True-Up Period 1 and the end of the most recent Projected Period	5
E4	Number of Months in True-Up Period 2 Eligible for Interest	1
E5	Number of Months True-Up Period 2 Ineligible for Interest	0

**Module F: Maximum Permitted Rate For True-Up Period 1**

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
F1	Caps Method Segment For True-Up Period 1 (Wks 3)	\$0.0000				
F2	Markup Method Segment For True-Up Period 1 (Wks 3)	\$0.0300				
F3	Chan Mvmnt Deletn Segment For True-Up Period 1 (Wks' 4/5)					
F4	True-Up Period 1 Rate Eligible For Inflation [D8+F1+F2+F3]	\$13.8115				
F5	Inflation Segment for True-Up Period 1 [(F4*C3)-F4]	\$0.2216				
F6	Headend Upgrade Segment For True-Up Period 1 (Wks 6)					
F7	External Costs Segment For True-Up Period 1 (Wks 7)	\$2.9268				
F8	True-Up Segment For True-Up Period 1	\$0.2725				
F9	Max Perm Rate for True-Up Period 1 [F4+F5+F6+F7+F8]	\$17.2324				

**Module G: Maximum Permitted Rate For True-Up Period 2**

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
G1	Caps Method Segment For True-Up Period 2 (Wks 2)					
G2	Markup Method Segment For True-Up Period 2 (Wks 3)	\$0.0300				
G3	Chan Mvmnt Deletn Segment For True-Up Period 2 (Wks' 4/5)					
G4	TU Period 2 Rate Eligible For Inflation [D8+F5+G1+G2+G3]	\$14.0331				
G5	Inflation Segment for True-Up Period 2 [(G4*C4)-G4]	\$0.0351				
G6	Headend Upgrade Segment For True-Up Period 2 (Wks 6)					
G7	External Costs Segment For True-Up Period 2 (Wks 7)	\$3.4886				
G8	True-Up Segment For True-Up Period 2	\$0.2730				
G9	Max Perm Rate for True-Up Period 2 [G4+G5+G6+G7+G8]	\$17.8288				

**Module H: True-Up Adjustment Calculation**

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
<b>Adjustment For True-Up Period 1</b>						
H1	Revenue From Period 1	\$44,149,197.45				
H2	Revenue From Max Permitted Rate for Period 1	\$45,153,383.89				
H3	True-Up Period 1 Adjustment (H2-H1)	\$1,004,186.44				
H4	Interest on Period 1 Adjustment	\$106,204.48				
<b>Adjustment For True-Up Period 2</b>						
H5	Revenue From Period 2 Eligible for Interest	\$3,822,401.06				
H6	Revenue From Max Perm Rate for Period 2 Eligible For Interest	\$3,900,903.44				
H7	Period 2 Adjustment Eligible For Interest (H6-H5)	\$78,502.38				
H8	Interest on Period 2 Adjustment (See instructions for formula)	\$367.98				
H9	Revenue From Period 2 Ineligible for Interest	\$0.00				
H10	Revenue From Max Perm Rate for Period 2 Ineligible for Interest	\$0.00				
H11	Period 2 Adjustment Ineligible For Interest (H10-H9)					
<b>Total True-Up Adjustment:</b>						
H12	Previous Remaining True-Up Adjustment + Interest	\$216,607.98				
H13	Total True-Up Adjustment (H3+H4+H7+H8+H11+H12)	\$1,405,869.26				
H14	Amount of True-Up Claimed For This Projected Period	\$1,405,869.26				
H15	Remaining True-Up Adjustment (H13-H14)	\$0.00				

**Part III: Projected Period**

**Module I: New Maximum Permitted Rate**

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
11	Caps Method Segment For Projected Period [Wks 2]	\$0.0000				
12	Markup Method Segment For Projected Period [Wks 3]	\$0.0300				
13	Chan Mvmnt Deletn Segment For Projected Period [Wks 4/5]					
14	Proj. Period Rate Eligible For Inflation [D8+F5+G5+I1+I2+I3]	\$14.0682				
15	Inflation Segment for Projected Period [(I4*C5)-I4]	\$0.2279				
16	Headend Upgrade Segment For Projected Period [Wks 6]					
17	External Costs Segment For Projected Period [Wks 7]	\$3.0926				
17	External Costs Segment For Projected Period [Wks 7]					
18	True-Up Segment For Projected Period	\$0.5311				
19	Max Permitted Rate for Projected Period [I4+I5+I6+I7+I8]	\$17.9198				
110	Operator Selected Rate For Projected Period	\$18.1139	(50.1941)			

*Note: The maximum permitted rate figures do not take into account any refund liability you may have. If you have previously been ordered by the Commission or your local franchising authority to make refunds, you are not relieved of your obligation to make such refunds even if the permitted rate is higher than the contested rate or your current rate.*

**Certification Statement**

WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE TITLE 18, SECTION 1001), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

I certify that the statements made in this form are true and correct to the best of my knowledge and belief, and are made in good faith.

Signature	Date
Filing Signed By Dorothy Bryant	3/31/99
Name and Title of Person Completing this Form: Dorothy Bryant, Director of Regulatory Accounting	
Telephone number (512) 476-7888	Fax Number (512) 320-4059

## Worksheet 1 - True-Up Period Inflation

For instructions, see Appendix A of Instructions For FCC Form 1240

Line	Period	FCC Inflation Factor
101	Month 1	1.60%
102	Month 2	1.60%
103	Month 3	1.35%
104	Month 4	1.35%
105	Month 5	1.35%
106	Month 6	1.04%
107	Month 7	1.04%
108	Month 8	1.04%
109	Month 9	1.96%
110	Month 10	1.96%
111	Month 11	1.96%
112	Month 12	3.00%
113	Average Inflation Factor for True-Up Period 1	1.0160
114	Month 13	3.00%
115	Month 14	
116	Month 15	
117	Month 16	
118	Month 17	
119	Month 18	
120	Month 19	
121	Month 20	
122	Month 21	
123	Month 22	
124	Month 23	
125	Month 24	
126	Average Inflation Factor for True-Up Period 2	1.0025

## Worksheet 3 - Markup Method True-Up Period; Basic Tier

For instructions, see Appendix A of Instructions For FCC Form 1240

True-Up Period	Projected Period
X	

Question 1. Indicate the period for which this worksheet is being used. (Put an "X" in the appropriate box.)

Question 2. Indicate the tier for which this worksheet is being used. (Put an "X" in the appropriate box.)

Basic	Tier 2	Tier 3	Tier 4	Tier 5
X				

Question 3. How long is the first period, in months, for which rates are being set with this worksheet?

12
----

Question 4. How long is the second period, in months, for which rates are being set with this worksheet?

1
---

Line	Period	1 Sum of Previous Regulated Channels	2 Sum of Current Regulated Channel	3 Average Channels	4 Per Channel Adjustment	5 Channels Added	6 Total Adjustment	7 Cumulative Adjustment
301	Previous Month							0.0300
302	Month 1	35	35	35.0	\$0.03	0	\$0.00	0.0300
303	Month 2	35	35	35.0	\$0.03	0	\$0.00	0.0300
304	Month 3	35	35	35.0	\$0.03	0	\$0.00	0.0300
305	Month 4	35	35	35.0	\$0.03	0	\$0.00	0.0300
306	Month 5	35	35	35.0	\$0.03	0	\$0.00	0.0300
307	Month 6	35	35	35.0	\$0.03	0	\$0.00	0.0300
308	Month 7	35	35	35.0	\$0.03	0	\$0.00	0.0300
309	Month 8	35	35	35.0	\$0.03	0	\$0.00	0.0300
310	Month 9	35	35	35.0	\$0.03	0	\$0.00	0.0300
311	Month 10	35	35	35.0	\$0.03	0	\$0.00	0.0300
312	Month 11	35	35	35.0	\$0.03	0	\$0.00	0.0300
313	Month 12	35	35	35.0	\$0.03	0	\$0.00	0.0300
314	Average Period 1 Markup Method Adjustment							0.0300
315	Month 13	35	35	35	\$0.03	0	\$0.00	\$0.03
316	Month 14							
317	Month 15							
318	Month 16							
319	Month 17							
320	Month 18							
321	Month 19							
322	Month 20							
323	Month 21							
324	Month 22							
325	Month 23							
326	Month 24							
327	Average Period 2 Caps Method Adjustment							\$0.0300

## Worksheet 3 - Markup Method Projected Period, Basic Tier

For instructions, see Appendix A of Instructions For FCC Form 1240

True-Up Period	Projected Period
	X

Question 1. Indicate the period for which this worksheet is being used. (Put an "X" in the appropriate box.)

Question 2. Indicate the tier for which this worksheet is being used. (Put an "X" in the appropriate box.)

Basic	Tier 2	Tier 3	Tier 4	Tier 5
X				

Question 3. How long is the first period, in months, for which rates are being set with this worksheet?

12
----

Question 4. How long is the second period, in months, for which rates are being set with this worksheet?

0
---

Line	Period	1 Sum of Previous Regulated Channels	2 Sum of Current Regulated Channel	3 Average Channels	4 Per Channel Adjustment	5 Channels Added	6 Total Adjustment	7 Cumulative Adjustment
301	Previous Month							\$0.03
302	Month 1	35	35	35.0	\$0.03	0	\$0.00	\$0.03
303	Month 2	35	35	35.0	\$0.03	0	\$0.00	\$0.03
304	Month 3	35	35	35.0	\$0.03	0	\$0.00	\$0.03
305	Month 4	35	35	35.0	\$0.03	0	\$0.00	\$0.03
306	Month 5	35	35	35.0	\$0.03	0	\$0.00	\$0.03
307	Month 6	35	35	35.0	\$0.03	0	\$0.00	\$0.03
308	Month 7	35	35	35.0	\$0.03	0	\$0.00	\$0.03
309	Month 8	35	35	35.0	\$0.03	0	\$0.00	\$0.03
310	Month 9	35	35	35.0	\$0.03	0	\$0.00	\$0.03
311	Month 10	35	35	35.0	\$0.03	0	\$0.00	\$0.03
312	Month 11	35	35	35.0	\$0.03	0	\$0.00	\$0.03
313	Month 12	35	35	35.0	\$0.03	0	\$0.00	\$0.03
314	Average Period 1 Markup Method Adjustment							\$0.0300



TABLE A.

NON-EXTERNAL COST ADJUSTMENT FOR  
 CHANGES IN CHANNELS

Average Channels		Adjustment per channel
From:	To:	
7	7	\$0.52
7.5	7.5	\$0.45
8	8	\$0.40
8.5	8.5	\$0.36
9	9	\$0.33
9.5	9.5	\$0.29
10	10	\$0.27
10.5	10.5	\$0.24
11	11	\$0.22
11.5	11.5	\$0.20
12	12	\$0.19
12.5	12.5	\$0.17
13	13	\$0.16
13.5	13.5	\$0.15
14	14	\$0.14
14.5	14.5	\$0.13
15	15.5	\$0.12
16	16	\$0.11
16.5	17	\$0.10
17.5	18	\$0.09
18.5	19	\$0.08
19.5	21.5	\$0.07
22	23.5	\$0.06
24	26	\$0.05
26.5	29.5	\$0.04
30	35.5	\$0.03
36	46	\$0.02
46.5	99	\$0.01

## Worksheet 7 - External Costs True-Up Period

For instructions, see Appendix A of Instructions For FCC Form 1240

True-Up Period	Projected Period
X	

Question 1. For which time period are you filling out this worksheet? [Put an "X" in the appropriate box.]

Question 2. How long is the first period, in months, for which rates are being set with this worksheet?

Question 3. How long is the second period, in months, for which rates are being set with this worksheet?

12
1

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
------	------------------	------------	-------------	-------------	-------------	-------------

**Period 1**

External Costs Eligible for Markup						
701	Cost of Programming For Channels Added Prior to 5/15/94 or After 5/15/94 Using Markup Method For Period.	\$3,143,752.21				
702	Retransmission Consent Fees For Period					
703	Copyright Fees For Period	\$393,180.00				
704	External Costs Eligible For 7.5% Markup	\$3,536,932.21				
705	Marked Up External Costs	\$3,802,202.13				
External Costs Not Eligible for Markup						
706	Cable Specific Taxes For Period					
707	Franchise Related Costs For Period	\$3,761,901.88				
708	Commission Regulatory Fees For Period	\$104,810.40				
709	Total External Costs For Period	\$7,668,914.41				
710	Monthly, Per-Subscriber External Costs For Period 1	\$2.9268				

**Period 2**

External Costs Eligible for Markup						
711	Cost of Programming For Channels Added Prior to 5/15/94 or After 5/15/94 Using Markup Method For Period	\$280,520.92				
712	Retransmission Consent Fees For Period					
713	Copyright Fees For Period	\$34,120.00				
714	External Costs Eligible For 7.5% Markup	\$314,640.92				
715	Marked Up External Costs	\$338,238.9845				
External Costs Not Eligible for Markup						
716	Cable Specific Taxes For Period					
717	Franchise Related Costs For Period	\$416,314.05				
718	Commission Regulatory Fees For Period	\$8,751.92				
719	Total External Costs For Period	\$763,304.9499				
720	Monthly, Per-Subscriber External Costs For Period 2	\$3.4886				

## Worksheet 7 - External Costs Projected Period

For instructions, see Appendix A of Instructions For FCC Form 1240

True-Up Period	Projected Period
	X
12	
0	

Question 1. For which time period are you filling out this worksheet? [Put an "X" in the appropriate box.]

Question 2. How long is the first period, in months, for which rates are being set with this worksheet?

Question 3. How long is the second period, in months, for which rates are being set with this worksheet?

Line	Line Description	a Basic	b Tier 2	c Tier 3	d Tier 4	e Tier 5
<b>Period 1</b>						
<b>External Costs Eligible for Markup:</b>						
701	Cost of Programming For Channels Added Prior to 5/15/94 or After 5/15/94 Using Markup Method For Period	\$3,680,624.57				
702	Retransmission Consent Fees For Period					
703	Copyright Fees For Period	\$409,069.00				
704	External Costs Eligible For 7.5% Markup	\$4,089,693.57				
705	Marked Up External Costs	\$4,396,420.58				
<b>External Costs Not Eligible for Markup</b>						
706	Cable Specific Taxes For Period					
707	Franchise Related Costs For Period	\$3,683,859.16				
708	Commission Regulatory Fees For Period	\$105,880.32				
709	Total External Costs For Period	\$8,186,160.06				
710	Monthly, Per-Subscriber External Costs For Period 1	\$3.0926				

### Worksheet 8 - True-Up Rate Charged

For instructions, see Appendix A of Instructions For FCC Form 1240

Question 1. How long is the True-Up Period 1, in months?

12

Question 2. How long is the True-Up Period 2, in months?

1

Line	Line Description	a Basic	-b Tier 2	c Tier 3	d Tier 4	e Tier 5
801	Month 1	\$16.4000				
802	Month 2	\$16.3100				
803	Month 3	\$16.3100				
804	Month 4	\$16.3100				
805	Month 5	\$16.3100				
806	Month 6	\$16.3100				
807	Month 7	\$16.8900				
808	Month 8	\$17.4700				
809	Month 9	\$17.4700				
810	Month 10	\$17.4700				
811	Month 11	\$17.4700				
812	Month 12	\$17.4700				
813	Period 1 Average Rate	\$16.8492				

814	Month 13	\$17.4700				
815	Month 14					
816	Month 15					
817	Month 16					
818	Month 17					
819	Month 18					
820	Month 19					
821	Month 20					
822	Month 21					
823	Month 22					
824	Month 23					
825	Month 24					
826	Period 2 Average Rate	\$17.4700				

**APPENDIX D**

FORM 1205  
DETERMINING REGULATED EQUIPMENT AND INSTALLATION COSTS  
"EQUIPMENT FORM"

Community Unit Identifier (CUI) of cable system		Date of Form Submission	
MD 0236		04/01/00	
Name of Cable Operator			
PRIME COMMUNICATIONS, L.L.C., d/b/a CABLE TV MONTGOMERY			
Mailing Address of Cable Operator			
20 WEST GUDE			
City	State	ZIP Code	
ROCKVILLE	MD	20850	
Name and Title of person completing this form:			
DOROTHY BRYANT, DIRECTOR OF REGULATORY ACCOUNTING			
Telephone number		Fax Number	
(512) 476-1888		(512) 320-059	

Name of Local Franchising Authority		
MONTGOMERY COUNTY CABLE OFFICE		
Mailing Address of Local Franchising Authority		
100 MARYLAND AVENUE, 3RD FLOOR		
City	State	ZIP Code
ROCKVILLE	MD	20850

1. This form is being filed: [Enter an "x" in the appropriate box]

- In conjunction with FCC Form 1200, FCC Form 1220, or FCC Form 1225.  
Attach the completed FCC Form 1200, FCC Form 1220, or FCC Form 1225 to the front of this form.  
OR

In order to fulfill FCC rules requiring an annual filing of this form  
Enter the date on which you last filed this form:  (mm/dd/yyyy)

Note: This should be the date on which the rates last justified, by using either FCC Form 193 or the prior filing of this form, were in effect.

2. Enter the date on which you closed your books for the fiscal year reflected in this form:

(mm/dd/yyyy)

Note: This will indicate the end of the 12-month fiscal year for which you are filing this form.

3. Indicate the corporate status of your cable system [Enter an "x" in the correct box]

- C-Corporation  
 Subchapter S corporation  
 Partnership  
 Sole Proprietorship  
 Other (Please explain below)

Limited Liability Company

SCHEDULE A: CAPITAL COSTS OF SERVICE INSTALLATION AND MAINTENANCE OF EQUIPMENT AND PLANT						
A	Equipment and Plant	Vehicles	Tools	Maintenance, Facilities	Other 1. (Specify below)	Other 2. (Specify below)
B	Gross Book Value	\$420,138,2624	\$90,975,2901	\$375,083,349		
C	Accumulated Depreciation	\$327,554,133	\$63,250,3418	\$297,461,88		
D	Deferred Taxes					
E	Net Book Value (B-C+D)	\$92,784,1294	\$27,744,9483	\$77,621,50	\$0.00	\$0.00
F	Rate of Return	0.1125				
<i>Calculation of Gross-up Rate</i>						
G1	Federal Income Tax Rate	0.35				
G2	State Income Tax Rate	0.07				
G3	Net Total Income Tax Rate [(G1+G2)/(1+G2)]	0.3955				
G4	Adjustment to Reflect Interest Deductibility					
G4a	Actual Interest Amount	\$2,382,784.00				
G4b	Total Net Assets	\$76,564,438.00				
G4c	Base Return on Investment Amount (G4a x F)	\$8,613,499.275				
G4d	Interest Deductibility Factor (G4a/G4c)	0.2766				
G5	Effective Tax Rate (G3 x (1-G4d)) [C-Corps skip to G7]	0.2861				
G6	Adjustments for Non-C Corporations					
G6a	Base Return on Investment Amount (G4c)	\$8,613,499.275				
G6b	Distributions	\$0.00				
G6c	Contributions (may not exceed G6b)	\$0.00				
G6d	Returns Subject to Income Tax (G6a-G6b-G6c)	\$8,613,499.275				
G6e	Returns Percentage Subject to Income Tax (G6d/G6a)	1.				
G7	Gross-Up Rate (C-Corps: 1/(1-G5) Other: 1/(1-G5 + G6e))	1.4007				
H	Grossed-Up Rate of Return [F x G7]	0.1576				
I	Return on Investment Grossed-Up for Taxes (E x H)	\$14,621,2194	\$4,372,1375	\$12,231.84	\$0.00	\$0.00
J	Current Provision for Depreciation	\$49,846,5914	\$6,617,6682	\$34,467.96		
K	Annual Capital Costs (I+J)	\$64,467,8108	\$10,989,8054	\$46,699.80	\$0.00	\$0.00
L	GRAND TOTAL (sum of Line K entries)	122,157.42				

Box 1.

Specify: Other 1. \_\_\_\_\_

Specify: Other 2. \_\_\_\_\_

SCHEDULE B: ANNUAL OPERATING EXPENSES FOR SERVICE INSTALLATION AND MAINTENANCE OF EQUIPMENT							
A		Salaries & Benefits	Supplies	Utilities	Other Taxes	Other 1. (Specify below)	Other 2. (Specify below)
A	Annual Op. Expenses for Svc. Install. and Maint. of Equip.	\$702,365.26	\$555,874.26	\$0.00	\$97,399.63	\$34,435.75	\$2,012,859.11
B	GRAND TOTAL (sum of Line A entries)	\$3,402,934.12					

Box 2.

Specify: Other 1. Vehicle Maintenance, Gas & Oil

Specify: Other 2. Costs for Contract Labor

SCHEDULE C: CAPITAL COSTS OF LEASED CUSTOMER EQUIPMENT								
A	Equipment	Remote 1	Remote 2	Remote 3	Converter 1	Converter 2	Converter 3	Other Equip.
B	Total Maintenance Service Hours (Attach Explanation)	7,333			30,956	49		
C	Total # of Units in Service	191,314			243,508	293		
D	Gross Book Value	\$2,154,073.00			\$32,908,926.00	\$1,943,144.00		
E	Accumulated Depreciation	\$2,104,529.67			\$29,627,031.33	\$1,943,144.00		
F	Deferred Taxes							
G	Net Book Value (D+E-F)	\$249,543.33	\$0.00	\$0.00	\$3,281,894.67	\$0.00	\$0.00	\$0.00
H	Grossed-Up Rate of Return (From Sched. A, Line H)	0.1576						
I	Return on Investment Grossed-Up for Taxes (G x H)	\$39,323.84	\$0.00	\$0.00	\$517,171.44	\$0.00	\$0.00	\$0.00
J	Current Provision for Depreciation	\$113,975.63			\$1,648,730.92	\$1,018.83		
K	Annual Capital Costs (I + J)	\$153,299.47	\$0.00	\$0.00	\$2,205,902.37	\$1,018.83	\$0.00	\$0.00
L	GRAND TOTAL (sum of Line K entries)	\$2,560,220.66						

Box 3.

SCHEDULE D: AVERAGE HOURS PER INSTALLATION		
A.	Average Hours per Unwired Home Installation (attach an explanation)	1.89
B.	Average Hours per Pre-Wired Home Installation (attach an explanation)	1.25
C.	Average Hours per Reconnect Home Installation (attach an explanation)	1.19
D.	Average Hours per Additional Connection @ Initial Installation Unwired (attach an explanation)	0.83
E. Other Installation (by Item Type):		
Item 1. (Specify):	Additional Connection at Time of Initial Installation Prewired	
	Average Hours per Installation (attach an explanation)	0.57
Item 2. (Specify):	Additional Connection at Reconnection	
	Average Hours per Installation (attach an explanation)	0.38
Item 3. (Specify):	Additional Connection Requiring Separate Trip	
	Average Hours per Installation (attach an explanation)	1.25



WORKSHEET FOR CALCULATING PERMITTED EQUIPMENT AND INSTALLATION CHARGES	
<b>STEP A. Hourly Service Charge</b>	
1. Total Capital Costs of Installation and Maintenance (Schedule A, Box 1)	\$122,157.42
2. Total Annual Operating Expenses for Installation and Maintenance (Schedule B, Box 2)	\$1,402,974.12
3. Total Capital Costs and Operating Expenses for Installation and Maintenance (Line 1 + Line 2)	\$1,525,091.54
4. Customer Equipment and Installation Percentage (attach an explanation)	1
5. Annual Customer Equipment Maintenance and Installation Costs, Excluding Costs of Leased Equipment (Line 3 x Line 4)	\$1,525,091.54
6. Total Labor Hours for Maintenance and Installation of Customer Equipment and Services (attach explanation)	164,110.57
7. Hourly Service Charge (HSC) (Line 5/Line 6)	\$21.4800

**METHOD OF BILLING FOR INSTALLATIONS (place an "x" in the appropriate box)**

Installations billed by the hour based on the HSC calculated in Line 7.

Installations billed as a standard charge.

STEP B. Installation Charge	
8. Uniform HSC for all installations (From Step A, line 7)	\$21.48
OR	
9. Average Charge for Installation Types	
a. Unwired Home Installation	
a1. HSC (Line 7)	\$21.48
a2. Average Hours per Unwired Home Installation (Schedule D, Line A)	1.89
a3. Charge per Unwired Home Installation (a1 x a2)	\$40.5108
b. Pre-wired Home Installation	
b1. HSC (Line 7)	\$21.48
b2. Average Hours per Pre-wired Home Installation (Schedule D, Line B)	1.25
b3. Charge per Pre-wired Home Installation (b1 x b2)	\$26.8553
c. Reconnect Installation	
c1. HSC (Line 7)	\$21.48
c2. Average Hours per Additional Connection Installation at Time of Init. Install. (Schedule D, Line C)	1.19
c3. Charge per Additional Connection Installation at Time of Initial Installation (c1 x c2)	\$25.5557
d. Additional Connection @ Initial Installation Unwired	
d1. HSC (Line 7)	\$21.48
d2. Avg. Hours per Additional Connection Installation Req. Sep. Install. (Schedule D, Line D)	0.83
d3. Charge per Additional Connection Installation Requiring Separate Installation (d1 x d2)	\$17.8284
e. Other Installations (As specified in Schedule D, Line E):	
e1. HSC (Line 7)	\$21.48
e2. Average Hours per Installation of Item 1 (Schedule D, Line E, Item 1)	0.57
e3. Charge per Installation of Item 1 (e1 x e2)	\$12.2416
e4. HSC (Line 7)	\$21.48
e5. Average Hours per Installation of Item 2 (Schedule D, Line E, Item 2)	0.38
e6. Charge per Installation of Item 2 (e4 x e5)	\$8.1624
e7. HSC (Line 7)	\$21.48
e8. Average Hours per Installation of Item 3 (Schedule D, Line E, Item 3)	1.25
e9. Charge per Installation of Item 3 (e7 x e8)	\$26.85

STEP C. Charges for leased Remotes (Calculate separately for each significantly different type)			
	a Remote 1	b Remote 2	c Remote 3
10. Total Maintenance/Service Hours (Corresponding column from Schedule C, Line B)	7,333.1632	0.	0.
11. HSC (Line 7)	\$21.48	\$21.48	\$21.48
12. Total Maintenance/Service Cost (Line 10 x Line 11)	\$157,520.38	\$0.00	\$0.00
13. Annual Capital Costs (Corresponding column from Schedule C, Line K)	\$351,299.47	\$0.00	\$0.00
14. Total Cost of Remote (Line 12 + Line 13)	\$510,820.05	\$0.00	\$0.00
15. Number of Units in Service (Corresponding column from Schedule C, Line C)	191,314.	0.	0.
16. Unit Cost (Line 14/Line 15)	\$2,6701	\$0.00	\$0.00
17. Rate per Month (Line 16/(12))	\$0,2225	\$0.00	\$0.00

STEP D. Charges for leased Converter Boxes (Calculate separately for each significantly different type)			
	a Converter 1	b Converter 2	c Converter 3
18. Total Maintenance/Service Hours (Corresponding column from Schedule C, Line B)	10,956.0296	49,3425	0.
19. HSC (Line 7)	\$21.48	\$21.48	\$21.48
20. Total Maintenance/Service Cost (Line 18 x 19)	\$664,935.08	\$1,059.88	\$0.00
21. Annual Capital Costs (Corresponding column from Schedule C, Line K)	\$2,305,902.37	\$1,018.83	\$0.00
22. Total Cost of Converter (Line 20+ Line 21)	\$2,970,837.45	\$2,078.70	\$0.00
23. Number of Units in Service (Corresponding column from Schedule C, Line C)	24,508.	29.3	0.
24. Unit Cost (Line 22/Line 23)	\$11,7895	\$7,0945	\$0.00
25. Rate per Month (Line 24/(12))	\$0,9825	\$0,5912	\$0.00

STEP E. Charges for Other Leased Equipment	
26. Total Maintenance/Service Hours (Corresponding column from Schedule C, Line B)	0.
27. HSC (Line 7)	\$21.48
28. Total Maintenance/Service Cost (Line 26 x Line 27)	\$0.00
29. Annual Capital Costs (Corresponding column from Schedule C, Line K)	\$0.00
30. Total Cost of Equipment (Line 28+Line 29)	\$0.00
31. Number of Units in Service (Corresponding column from Schedule C, Line C)	0.
32. Unit Cost (Line 30/Line 31)	\$0.00
33. Rate per Month (Line 32/(12))	\$0.00

METHOD OF BILLING FOR CHANGING SERVICE TIERS OR EQUIPMENT (place an "x" in the appropriate box)

as a Nominal Charge (Enter the nominal charge in Line 34)

as a Uniform Hourly Service Charge

as an Average Charge (Enter the Average Hours for Changing Service Tiers in Line 36b.)

STEP F. Charges for Changing Service Tiers or Equipment	
34. Nominal Charge for Changing Service Tiers	
If you use an escalating scale of charges, place an "x" in the box at the right.	
OR	
35. Uniform Hourly Service Charge	na
OR	
36. Average Charge for Changing Service Tiers	
36a. HSC (Line 7)	\$21.48
36b. Average Hours to Change Service Tiers	0.75
36c. Average Charge for Changing Service Tiers (Line 36a x Line 36b)	\$16.11

WORKSHEET FOR CALCULATING TOTAL EQUIPMENT AND INSTALLATION COSTS	
1. Total Capital Costs of Installation and Maintenance (Schedule A, Box 1)	\$122,157.42
2. Total Annual Operating Expenses for Installation and Maintenance (Schedule B, Box 2)	\$3,402,934.12
3. Total Annual Capital Costs of Installation and Maintenance (Line 1 + Line 2)	\$3,525,091.54
4. Customer Equipment and Installation Percentage (attach explanation)	1.
5. Annual Customer Equipment Maintenance and Installation Costs, Excluding Costs of Leased Equipment (Line 3 x Line 4)	\$3,525,091.54
6. Total Capital Costs of Leased Customer Equipment (Schedule C, Box 3)	\$2,560,220.66
7. Annual Customer Equipment and Installation Costs (Line 5 + Line 6)	\$6,085,312.19
8. Percentage Allocation to Franchise Area (see instructions)	1.
9. Allocated Annual Equipment and Installation Cost (Line 7 x Line 8)	\$6,085,312.19
10. Monthly Equipment and Installation Cost (Line 9 / 12)	\$507,109,349.3
11. Number of Basic Subscribers in Franchise	218,355
12. Monthly Equipment and Installation Cost per Subscriber (Line 10 / Line 11)	\$2,324
13. Inflation Adjustment Factor (See instructions)	1.
14. Adjusted Monthly Equipment and Installation Cost per Subscriber (Line 12 x Line 13)	\$2,324

SUMMARY SCHEDULE

Current Equipment and Installation Rates	Permitted	Actual	CTM Proposed
<b>I. Charges for Cable Service Installations</b>			
a. Hourly Rate (Step A, Line 7)	na		
<b>b. Average Installation Charges:</b>			
1. Installation of Unwired Homes (Step B, Line 9a)	\$40.51	\$39.17	\$39.76
2. Installation of Prewired Homes (Step B, Line 9b)	\$26.86	\$25.99	\$26.41
3. Installation of Reconnect Homes (Step B, Line 9c)	\$25.54	\$24.68	\$25.16
4. Installation of Additional Connections (Initial Install Unwired (Step B, Line 9d))	\$17.83	\$17.25	\$17.55
5. Other Installations (specify) (Step B, Lines 9e, 9e)			
a. Additional Connection at Time of Initial Installation Prewired	\$12.24	\$11.85	\$12.05
b. Additional Connection at Reconnection	\$8.16	\$7.90	\$8.04
c. Additional Connection Requiring Separate Trip	\$26.85	\$25.98	\$26.43
<b>2. Monthly Charge for Lease of Remote Controls (Step C, Line 17, columns a-c)</b>			
Remote Control Type 1:	\$0.22	\$0.22	\$0.21
Remote Control Type 2:	\$0.00		
Remote Control Type 3:	\$0.00		
<b>3. Monthly Charge for Lease of Converter Boxes (Step D, Line 25, columns a-c)</b>			
Converter Box Type 1:	\$0.98	\$1.00	\$1.05
Converter Box Type 2:	\$0.59	\$0.10	\$0.75
Converter Box Type 3:	\$0.00		
<b>4. Monthly Charge for Lease of Other Equipment (Step E, Line 33)</b>			
Other Equipment (Specify)	\$0.00		
5. Charge for Changing Tiers (if any) (Step F, Line 34, 35 or 36c)	\$16.11	\$15.59	\$15.86

LABOR COST AND POLICY CHANGES

Indicate your answer to the following three questions by placing an "x" in the appropriate box.

1. Have you included the labor costs associated with subscriber cable drops in your charges for initial installation?

YES  
 NO

2. Have you capitalized the labor costs associated with subscriber cable drops?

YES  
 NO

3. If you have filed this form before, have you changed any policy, e.g., cost accounting or cost allocation that causes an increase in the costs included in the computation of equipment and installations charges?

YES (You must attach a full explanation)  
 NO

CERTIFICATION STATEMENT

WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. CODE TITLE 18, SECTION 1001), AND/OR FORFEITURE (U.S. CODE, TITLE 47, SECTION 503).

I certify that the statements made in this form are true and correct to the best of my knowledge and belief, and are made in good faith.

Name of the Cable Operator	Signature
PRIME COMMUNICATIONS - POTOMAC, L.L.C. 464 CABLE TV MONTGOMERY	FILING SIGNED BY DOROTHY BRYANT
Date	Title
03/31/99	DIRECTOR OF REGULATORY ACCOUNTING

**APPENDIX E**

MONTGOMERY COUNTY, MARYLAND  
 ANALYSIS OF THE CABLE RATES OF CABLE TV MONTGOMERY  
 Analysis of Plant & Depreciation of the 2000 FCC Form 1205

Line No.	Items/Vintage	As of December 31, 1999					Depreciation Expense	Depreciable Life in Years
		Plant/ Adds	Retirements	Gross Plant Net of Retirements	Accumulated Depreciation Net of Retirements	Net Plant		
<b>Vehicles</b>								
1	Bal. @ 12/31/92	2,282,519		2,282,519	2,282,519	0	0	4
2	1993	547,737	(521,275)	2,308,981	26,462	521,275	0	4
3	1994	567,050	(30,653)	2,845,378	536,397	30,653	0	4
4	1995	747,711	(327,532)	3,265,557	420,179	327,532	0	4
5	1996	658,027	(38,381)	3,885,203	537,393	120,634	164,507	4
6	1997	1,011,688	(73,024)	4,823,867	559,281	452,407	252,922	4
7	1998	651,319	(23,000)	5,452,186	221,245	430,074	162,830	4
7	1999	329,086	(541,275)	5,239,997	(500,139)	829,225	41,136	4
<b>Total</b>				5,239,997	4,083,337	2,711,800	621,395	
Allocation to Sch. A				420,338	327,554	217,533	49,347	
<b>Tools</b>								
8	Bal. @ 12/31/92	430,558		430,558	430,558	0	0	5
9	1993	62,749	0	493,307	62,749	0	0	5
10	1994	104,559	0	597,866	104,559	0	0	5
11	1995	91,953	0	689,819	82,758	9,195	18,391	5
12	1996	28,441	0	718,260	19,909	8,532	5,688	5
13	1997	62,277	0	780,537	31,139	31,139	12,455	5
14	1998	106,051	0	886,588	31,815	74,236	21,210	5
15	1999	247,523	0	1,134,111	24,752	222,771	24,752	5
<b>Total</b>				1,134,111	788,339	345,873	82,497	
Allocation to Sch. A				90,975	63,230	27,745	6,618	
<b>Maintenance Facilities</b>								
16	Bal. @ 12/31/92	2,240,544		2,240,544	2,240,544	0	0	5
17	1993	67,688	0	2,308,232	67,688	0	0	5
18	1994	2,205,292	0	4,513,524	2,205,292	0	0	5
19	1995	627,924	0	5,141,448	565,132	62,792	125,585	5
20	1996	833,113	0	5,974,561	583,179	249,934	166,623	5
21	1997	1,616,309	0	7,590,870	808,155	808,155	323,262	5
22	1998	750,679	0	8,341,549	225,204	525,475	150,136	5
23	1999	115,262	0	8,456,811	11,326	103,736	11,526	5
<b>Total</b>				8,456,811	6,706,719	1,750,092	777,131	
Allocation to Sch. A				375,083	297,462	77,622	34,468	
Total to Sch. A				886,397	688,246	322,900	90,932	
<b>Remotes</b>								
24	Bal. @ 12/31/92	1,027,317		1,027,317	1,027,317	0	0	5
25	1993	162,626	0	1,189,943	162,626	0	0	5
26	1994	280,456	0	1,470,399	280,456	0	0	3
27	1995	149,827	0	1,620,226	149,827	0	0	3
28	1996	206,753	0	1,826,979	206,753	0	0	3
29	1997	202,846	0	2,029,825	169,038	33,808	67,615	3
30	1998	163,413	0	2,193,238	81,707	81,707	54,471	3
31	1999	160,835	0	2,354,073	26,506	134,029	26,806	3
<b>Total</b>				2,354,073	2,104,530	249,543	148,892	
Allocation to Sch. C				2,354,073	2,104,530	249,543	148,892	
<b>Addressable Converters</b>								
32	Bal. @ 12/31/92	20,501,985		20,501,985	20,501,985	0	0	5
33	1993	971,955	0	21,473,940	971,955	0	0	5
34	1994	3,044,346	0	24,518,286	3,044,346	0	0	3
35	1995	1,821,636	0	26,339,922	1,821,636	0	0	3
36	1996	1,467,304	0	27,807,226	1,467,304	0	0	3
37	1997	1,216,239	0	29,023,465	1,013,533	202,707	405,413	3
38	1998	476,088	0	29,499,553	238,044	238,044	158,696	3
39	1999	3,409,373	0	32,908,926	568,229	2,841,144	568,229	3
<b>Total</b>				32,908,926	29,627,031	3,281,895	1,132,338	
Allocation to Sch. C				32,908,926	29,627,031	3,281,895	1,132,338	
<b>Non-addressable Converters</b>								
40	Bal. @ 12/31/92	1,943,144		1,943,144	1,943,144	0	0	5
41	1993	0	0	1,943,144	0	0	0	5
42	1994	0	0	1,943,144	0	0	0	3
43	1995	0	0	1,943,144	0	0	0	3
44	1996	0	0	1,943,144	0	0	0	3
45	1997	0	0	1,943,144	0	0	0	3
46	1998	0	0	1,943,144	0	0	0	3
47	1999	0	0	1,943,144	0	0	0	3
<b>Total</b>				1,943,144	1,943,144	0	0	
Allocation to Sch. C				1,943,144	1,943,144	0	0	

Allocation of Vehicles & Tools in Vehicles

Total Vehicles in Fleet	158
Installation Department Vehicles	32
Percentage of Total Vehicles (a) x (b)	20.25%
Percentage of use for Install/Maintenance Regulated Services	39.61%
Percentage Allocated to Vehicles Relating to Install/Maintenance	8.02%

## APPENDIX F

**MONTGOMERY COUNTY, MARYLAND**  
 Review of 2000 FCC 1205 Filed by Cable TV Montgomery  
 Schedule A Maintenance Facilities

APPENDIX F

Line No.	G/L Account	Description	Balance 12/31/99	1205 Percentage	Balance 12/31/99	Allocation Percentage	Allocated Balance
1	1605-0000	Telephone Equipment	313,353	34.00% (A)	106,540	17.39% (A)	18,523
2	1605-0100	Telephone Equipment	8,767	34.00% (A)	2,981	17.39% (A)	518
3	1605-0200	Telephone Equipment	42,688	50.00% (A)	21,344	17.39% (A)	3,711
4	1605-0300	Telephone Equipment	1,964	0.00% (A)	0	17.39% (A)	0
5	1605-0400	Telephone Equipment	488,274	0.00% (A)	0	17.39% (A)	0
6	1605-0403	Telephone Equipment	170,057	20.00% (A)	34,011	17.39% (A)	5,913
7	1605-0500	Telephone Equipment	1,144	20.00% (A)	229	17.39% (A)	40
8	1609-0000	Computer Equipment	792,190	33.33% (B)	264,037	7.60% (B)	20,058
9	1609-0100	Computer Equipment	285,991	33.33% (B)	95,321	7.60% (B)	7,241
10	1609-0200	Computer Equipment	20,842	33.33% (B)	6,947	7.60% (B)	528
11	1609-0205	Computer Equipment	518	90.00% (B)	466	7.60% (B)	35
12	1609-0300	Computer Equipment	108,750	0.00% (B)	0	7.60% (B)	0
13	1609-0400	Computer Equipment	147,658	0.00% (B)	0	7.60% (B)	0
14	1609-0403	Computer Equipment	88,204	60.00% (B)	52,922	7.60% (B)	4,020
15	1609-0408	Computer Equipment	112,975	50.00% (B)	56,488	7.60% (B)	4,291
16	1609-0500	Computer Equipment	75,769	60.00% (B)	45,461	7.60% (B)	3,454
17	1610-0000	Computer Equipment	344,633	75.00% (B)	258,475	7.60% (B)	19,635
18	1610-0100	Computer Equipment	26,537	33.33% (B)	8,845	7.60% (B)	672
19	1610-0300	Computer Equipment	12,633	0.00% (B)	0	7.60% (B)	0
20	1610-0400	Computer Equipment	45,558	0.00% (B)	0	7.60% (B)	0
21	1610-0500	Computer Equipment	496	60.00% (B)	298	7.60% (B)	23
22	1621-0100	Computer Equipment	1,412,214	75.00% (B)	1,059,161	7.60% (B)	80,461
23	1611-0100	Computer Equipment	1,113,247	75.00% (B)	834,935	7.60% (B)	63,427
24	1623-0103	Computer Equipment	2,326,610	75.00% (B)	1,744,958	7.60% (B)	132,559
25	1624-0100	Computer Equipment	63,198	0.00% (B)	0	7.60% (B)	0
26	1624-0103	Computer Equipment	41,839	0.00% (B)	0	7.60% (B)	0
		<b>Total SBC Entires</b>	<b>8,046,109</b>		<b>4,593,417</b>		<b>365,109</b>
27	14300-0310	Furniture & Fixtures (Telephone Equip.)	0	7.60%	0	7.60%	0
28	14320-0310	Computer Hardware	190,176	44.72%	85,055	7.60%	6,461
29	14330-0310	Computer Software	115,475	33.13%	38,259	7.60%	2,906
30	14360-0310	Capital Leased Equipment - Comp. HW	105,052	7.60%	7,980	7.60%	606
31		<b>Total Prime Entires</b>	<b>410,703</b>		<b>131,295</b>		<b>9,974</b>
32		<b>Gross Book Maintenance Facilities</b>	<b>8,456,812</b>		<b>4,724,712</b>		<b>375,083</b>
33		<b>Accumulated Depreciation Equipment/Tool</b>	<b>6,706,719</b>	<b>55.87% (C)</b>	<b>3,746,958</b>	<b>7.94% (C)</b>	<b>297,462</b>
34		<b>Net Book Value</b>	<b>1,750,093</b>		<b>977,754</b>		<b>77,622</b>
35		<b>Depreciation Expense</b>	<b>777,131</b>	<b>55.87% (C)</b>	<b>434,173</b>	<b>7.94% (C)</b>	<b>34,468</b>
<b>(A) Allocation of Telephone Equipment for installation/maintenance of customer equipment &amp; plant</b>							
	(a)	Incoming phone stats:					
	(a)	Total Equipment & Installation Phone Calls					305,481
	(b)	Total Phone Calls					1,757,053
	(c)	Allocation percentage [(a) / (b)]					17.39%
<b>(B) Allocation of Computer Equipment for installation/maintenance</b>							
	(a)	Computer generated work orders per day					254
	(b)	Computer time required for printing in minutes					60
	(c)	Minutes per day of computer operation					1440
	(d)	Percentage of time for work order printouts [(b) / (c)]					4.17%
	(e)	Installation workorders per day					254
	(f)	Percentage of installations requiring converter					58.93%
	(g)	Converters prepared for installations [(e) x (f)]					150
	(h)	Time required to process box prep. in minutes					0.33
	(i)	Minutes required to process box prep. [(g) / (h)]					49.39
	(j)	Minutes per day of computer operation					1440
	(k)	Percentage of computer for box preparation [(i) / (j)]					3.43%
	(l)	Allocation percentage [(d) + (k)]					7.60%
<b>(C) Allocation factor based on ratio of allocated gross plant to gross plant</b>							
	(a)	Allocated Plant			4,724,712		375,083
	(b)	Gross Plant			8,456,812		4,724,712
	(c)	Allocation percentage [(a) / (b)]			55.87%		7.94%



**APPENDIX G**

**MONTGOMERY COUNTY, MARYLAND**  
 Review of 2000 FCC 1205 Filed by Cable TV Montgomery  
 Schedule B Installation Materials/Supplies

Line No.	Description	Unit Cost	Aerial	S/F U/G	Townhouse	Apartment	Reconnects		A/Os Initial Install	A/Os Rewired	A/Os Reconnect	A/Os Separate Trip
							Reconnect	Re-Install				
1	Interior RG-6	0.0637	\$4.78	\$4.78	\$3.19	\$1.91	\$1.27	\$1.27	\$1.59	\$0.32	\$0.32	\$1.59
2	PPC Interconnections	0.2200	1.32	1.32	1.32	1.32	1.10	1.10	1.10	1.10	0.66	1.10
3	Ground Block	0.4100	0.41	0.41	0.41	0.41	0.00	0.00	0.00	0.00	0.00	0.00
4	Ground Strap	0.3000	0.30	0.30	0.30	0.30	0.00	0.00	0.00	0.00	0.00	0.00
5	Ground Wire	0.0269	0.27	0.27	0.27	0.27	0.00	0.00	0.00	0.00	0.00	0.00
6	Ground Wire Clip	0.5800	1.16	1.16	1.16	1.16	0.00	0.00	0.00	0.00	1.16	0.00
7	Sealant	1.4000	0.21	0.21	0.21	0.21	0.00	0.00	0.21	0.00	0.00	0.21
8	Matching Transformer	0.2400	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24
9	F-81 Splice Barrel	0.1000	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
10	Feed thru Dushing	0.3000	0.30	0.30	0.30	0.30	0.00	0.00	0.30	0.00	0.00	0.30
11	Wall Plate	0.2800	0.28	0.28	0.28	0.28	0.00	0.00	0.28	0.28	0.00	0.28
12	1.25 Drive Pin	0.0400	0.04	0.04	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	A/B Switch	2.3500	1.18	1.18	1.18	2.35	0.00	0.00	0.00	0.00	0.00	0.00
14	Anchor & Screws	0.0544	0.22	0.22	0.22	0.11	0.00	0.00	0.11	0.00	0.00	0.11
15	Rock Clips	0.0149	0.30	0.30	0.30	0.30	0.30	0.30	0.49	0.30	0.30	0.49
16	Splitter	1.5700	0.00	0.00	0.00	0.00	0.00	0.00	1.57	1.57	1.57	1.57
17	Install Booklet	1.3500	1.35	1.35	1.35	1.35	1.35	1.35	0.00	0.00	0.00	0.00
18	Total Material Cost per Type		\$12.45	\$12.45	\$10.85	\$10.61	\$4.36	\$4.36	\$5.99	\$3.91	\$3.19	\$5.99

M&S Allocated to Indoors

Line No.	Description	1205 %	Aerial	S/F U/G	Townhouse	Apartment	Reconnects		A/Os Initial Install	A/Os Rewired	A/Os Reconnect	A/Os Separate Trip
							Reconnect	Re-Install				
1	Interior RG-6	90.00%	\$4.30	\$4.30	\$2.87	\$1.72	\$1.15	\$1.15	\$1.59	\$0.32	\$0.32	\$1.59
2	PPC Interconnections	50.00%	\$0.66	\$0.66	\$0.66	\$0.66	\$0.55	\$0.55	\$1.10	\$1.10	\$0.66	\$1.10
3	Ground Block	5.00%	\$0.02	\$0.02	\$0.02	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	Ground Strap	10.00%	\$0.03	\$0.03	\$0.03	\$0.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5	Ground Wire	5.00%	\$0.01	\$0.01	\$0.01	\$0.01	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	Ground Wire Clip	5.00%	\$0.06	\$0.06	\$0.06	\$0.06	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7	Sealant	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.21	\$0.00	\$0.00	\$0.21
8	Matching Transformer	100.00%	\$0.24	\$0.24	\$0.24	\$0.24	\$0.24	\$0.24	\$0.24	\$0.24	\$0.24	\$0.24
9	F-81 Splice Barrel	50.00%	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.10	\$0.10	\$0.10	\$0.10
10	Feed thru Dushing	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.30	\$0.00	\$0.00	\$0.30
11	Wall Plate	100.00%	\$0.28	\$0.28	\$0.28	\$0.28	\$0.00	\$0.00	\$0.28	\$0.28	\$0.00	\$0.28
12	1.25 Drive Pin	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
13	A/B Switch	100.00%	\$1.18	\$1.18	\$1.18	\$2.35	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
14	Anchor & Screws	50.00%	\$0.11	\$0.11	\$0.11	\$0.05	\$0.00	\$0.00	\$0.11	\$0.00	\$0.00	\$0.11
15	Rock Clips	50.00%	\$0.15	\$0.15	\$0.15	\$0.15	\$0.15	\$0.15	\$0.49	\$0.30	\$0.30	\$0.49
16	Splitter	50.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.57	\$1.57	\$1.57	\$1.57
17	Install Booklet	100.00%	\$1.35	\$1.35	\$1.35	\$1.35	\$1.35	\$1.35	\$0.00	\$0.00	\$0.00	\$0.00
18	Total Material Cost per Type		\$8.4345	\$8.4345	\$7.0013	\$6.9753	\$3.4856	\$3.4856	\$5.9930	\$3.9065	\$3.1865	\$5.9930
19	Installs in 1996		3,017	2,529	1,525	6,144	26,664	23,205	8,519	9,046	38,758	10,019
20	Supplies for Installations		\$25,447	\$21,331	\$10,677	\$42,856	\$92,940	\$80,883	\$51,053	\$35,338	\$123,504	\$60,044
21	Total Supplies		\$544,073									
22	Total Supplies per CTM		\$537,535									
23	Change in Supplies on Sch. B		\$6,538									

## APPENDIX H

RELEASE UNDER E.O. 14176 FROM THE NATIONAL ARCHIVES AT COLLEGE PARK, MARYLAND



## APPENDIX I

**MONTGOMERY COUNTY, MARYLAND**  
Review of 2000 FCC 1205 Filed by Cable TV Montgomery  
Schedule C Converter Maintenance Provision

Line No.	G/L Account	Description	Balance 12/31/98	Allocation Percentage	Allocated Balance	
1	5010-0109	Wages Converter Control	0	100.00% (A)	0	
2	5010-0202	Wages Converter Processing	272,818	100.00% (A)	272,818	
3	5020-0109	Overtime Converter Repair	0	100.00% (A)	0	
4	5020-0202	Overtime Converter Processing	42,545	100.00% (A)	42,545	
5	5010-0100	Payroll Taxes Converter Control	27,075	100.00% (A)	27,075	
6	5060-0100	Group Ins.-Converter Control	21,440	100.00% (A)	21,440	
7	6000-0100	Converter Maintenance	20,295	100.00% (A)	20,295	
8	7060-0100	Equipment Rent	13,299	6.81% (B)	906	
9	7110-0100	Training	8,191	7.05% (B)	577	
10	7040-0300	Rent - 20 W. Gude Bldg.	969,385	8.23% (B)	79,788	
11	7000-0300	Utilities	158,583	8.23% (B)	13,053	
12	7170-0100	Vacation	0	7.05% (B)	0	
13	7160-0100	Employee Benefits	131	7.05% (B)	9	
14	5030-0100	Contract Labor Converter Retrieval	243,989	100.00% (B)	243,989	
15		<b>Total</b>	<b>1,777,751</b>		<b>722,495</b>	
<b>Allocation of Converter Maintenance</b>			<b>Mtce. Hrs</b>	<b>%</b>		
		Remotes	7,256	22.85%	165,084	
		Addressable Converters	24,454	77.01%	556,393	
		Standard Converters	45	0.14%	1,019	
		<b>Total</b>	<b>31,755</b>	<b>100.00%</b>	<b>722,495</b>	
<b>Allocation of Converter Control Costs</b>						
Line No.	G/L Account	Operations Department	Wages Plus OT	Percentage	Wages Ex. OT	Percentage
16	5010-0109	Converter Repair:				
		Wages Converter Control	0		0	
17	5010-0202	Wages Converter Processing	272,818		272,818	
18	5020-0109	Overtime Converter Repair	0		0	
19	5020-0202	Overtime Converter Processing	42,545		0	
20		<b>Total Converter Repair</b>	<b>315,363</b>	<b>6.81%</b>	<b>272,818</b>	<b>7.05%</b>
21		Dispatch	317,443	6.86%	279,560	7.22%
22		Installers	1,319,046	28.50%	1,157,231	29.90%
23		Service Techs	2,302,096	49.75%	1,789,543	46.24%
24		Engineering	179,842	3.89%	179,842	4.65%
25		HE Techs	74,056	1.60%	74,056	1.91%
26		Warehouse	119,899	2.59%	116,972	3.02%
27		<b>Total Operations Department Wages</b>	<b>4,627,745</b>	<b>100.00%</b>	<b>3,870,022</b>	<b>100.00%</b>
<b>Allocation of Office Rent and Utilities</b>						
28		Space Occupied by Converter Control - Square Feet		5,350		
29		Total Building Square Footage		65,000		
30		Accumulated Depreciation Equipment/Tool		8.23%		

## APPENDIX J

APPENDIX J

MONTGOMERY COUNTY 1205 REVIEW

Cable TV Montgomery

Contract Labor Units

APPENDIX J

Code	Description	Vitek	Undergrd. Systems	Lucas	Silver Bullet	Boxco	Total Units	Percentage By Type	Percentage Of Installs
500	Aerial Install - Unwired	407	0	0	242	0	649	10.19%	1.33%
	Aerial Install - Rewired	406	0	0	242	0	648	10.17%	1.33%
520	Underground Install - Unwired	658	0	0	304	0	962	15.10%	1.98%
	Underground Install - Rewired	658	0	0	304	0	962	15.10%	1.98%
540	Townhouse Install - Unwired	205	0	0	105	0	310	4.87%	0.64%
	Townhouse Install - Rewired	478	0	0	246	0	724	11.37%	1.49%
560	Apartment Install - Unwired	137	0	0	75	0	212	3.33%	0.44%
	Apartment Install - Rewired	1,232	0	0	671	0	1,903	29.87%	3.91%
<b>TOTAL INSTALLS:</b>							<b>6,370</b>	<b>100.00%</b>	
750	Reinstall Aerial	1,903	0	0	1,975	0	3,878	17.90%	
751	Reinstall Underground	938	0	0	1,024	0	1,962	9.06%	
752	Reinstall Townhouse	1,907	0	0	2,158	0	4,065	18.77%	
753	Reinstall Apartment	7,034	0	0	4,720	0	11,754	54.27%	
<b>TOTAL REINSTALLS:</b>							<b>21,659</b>	<b>100.00%</b>	<b>44.47%</b>
700	Reconnect	12,929	0	0	3,118	4,629	20,676	100.00%	42.45%
580	Additional Outlets	32,066	0	0	15,163	0	47,229	68.62%	
581	A/O - Separate Trip	4,734	0	0	2,963	0	7,697	11.18%	
582	Change of Service	6,755	0	0	3,480	0	10,235	14.87%	
640	Relocate Outlet	733	0	0	330	0	1,063	1.54%	
710	Reconnect A/O	2,108	0	0	497	0	2,605	3.78%	
<b>TOTAL ADDITIONAL OUTLETS:</b>							<b>68,829</b>	<b>100.00%</b>	<b>100.00%</b>

Code	Description	Vitek	Undergrd. Systems	Lucas	Silver Bullet	Boxco	Total Charges	1205 %	1205 Charges
500	Aerial Install - Unwired	\$18,653	\$0	\$0	\$9,179	\$0	\$27,832	70.00%	19,482
	Aerial Install - Rewired	18,607	0	0	9,179	0	27,786	62.50%	17,366
520	Underground Install - Unwired	25,261	0	0	9,661	0	34,922	91.90%	32,125
	Underground Install - Rewired	25,261	0	0	9,661	0	34,922	88.05%	30,749
540	Townhouse Install - Unwired	7,107	0	0	3,014	0	10,121	91.98%	9,309
	Townhouse Install - Rewired	16,572	0	0	7,060	0	23,632	88.05%	20,808
560	Apartment Install - Unwired	3,563	0	0	1,615	0	5,178	91.98%	4,763
	Apartment Install - Rewired	32,044	0	0	14,447	0	46,491	88.05%	40,935
<b>TOTAL INSTALLS:</b>							<b>210,884</b>		<b>175,537</b>
750	Reinstall Aerial	47,137	0	0	40,488	0	87,625	88.24%	77,320
751	Reinstall Underground	23,234	0	0	20,992	0	44,226	88.24%	39,025
752	Reinstall Townhouse	47,236	0	0	44,239	0	91,475	88.24%	80,718
753	Reinstall Apartment	174,232	0	0	96,760	0	270,992	88.24%	239,123
<b>TOTAL REINSTALLS:</b>							<b>494,319</b>		<b>436,187</b>
700	Reconnect	232,076	0	0	46,333	81,008	359,417	87.15%	313,232
580	Additional Outlets	575,585	0	0	225,322	0	800,907	100.00%	800,907
581	A/O - Separate Trip	105,521	0	0	54,667	0	160,188	100.00%	160,188
582	Change of Service	66,942	0	0	28,536	0	95,478	75.00%	71,609
640	Relocate Outlet	16,339	0	0	6,089	0	22,427	100.00%	22,427
710	Reconnect A/O	27,425	0	0	5,348	0	32,773	100.00%	32,773
<b>TOTAL ADDITIONAL OUTLETS:</b>							<b>1,111,773</b>		<b>1,087,903</b>
<b>TOTAL CONTRACT LABOR CHARGES</b>							<b>\$2,176,391.95</b>		<b>\$2,012,859.11</b>
<b>TOTAL CONTRACT LABOR HOURS</b>									<b>100,536</b>
<b>CONTRACT LABOR HOURLY RATE</b>									<b>\$20.0213</b>
<b>CONTRACT LABOR CONVERTER RETRIEVAL</b>									<b>\$243,989</b>
<b>CONTRACT LABOR CONVERTER RETRIEVAL LABOR HOURS</b>									<b>12,186</b>



## APPENDIX K

MONTGOMERY COUNTY 1205 REVIEW

Cable TV Montgomery

Contract Labor Hours

Code	Description	Vrtek	Undergrd Systems	Lucas	Silver-Bullet	Boxco	Total	1205 %	1205 Hours
500	Aerial Install - Unwired	1,018	0	0	605	0	1,623	70.00%	1,136
	Aerial Install - Prewired	812	0	0	484	0	1,296	62.50%	810
520	Underground Install - Unwired	1,395	0	0	644	0	2,039	91.99%	1,876
	Underground Install - Prewired	934	0	0	432	0	1,366	88.05%	1,203
540	Townhouse Install - Unwired	435	0	0	223	0	657	91.98%	604
	Townhouse Install - Prewired	679	0	0	349	0	1,028	88.05%	905
560	Apartment Install - Unwired	290	0	0	159	0	449	91.98%	413
	Apartment Install - Prewired	1,749	0	0	953	0	2,702	88.05%	2,379
	<b>TOTAL INSTALS</b>	<b>7,312</b>	<b>0</b>	<b>0</b>	<b>3,849</b>	<b>0</b>	<b>11,161</b>		<b>9,327</b>
750	Reinstall Aerial	2,702	0	0	2,805	0	5,507	88.24%	4,859
751	Reinstall Underground	1,332	0	0	1,454	0	2,786	88.24%	2,458
752	Reinstall Townhouse	2,708	0	0	3,064	0	5,772	88.24%	5,093
753	Reinstall Apartment	9,988	0	0	6,702	0	16,691	88.24%	14,728
	<b>TOTAL REINSTALLS</b>	<b>16,730</b>	<b>0</b>	<b>0</b>	<b>14,025</b>	<b>0</b>	<b>30,756</b>		<b>27,139</b>
77000	Reconnect	16,808	0	0	4,053	6,018	26,879	87.15%	23,425
580	Additional Outlets	14,278	0	0	6,751	0	21,029	100.00%	
581	A/O Separate Trip	5,918	0	0	3,704	0	9,621	100.00%	
582	Change of Service	6,755	0	0	3,480	0	10,235	75.00%	
640	Relocate Outlet	916	0	0	413	0	1,329	100.00%	
710	Reconnect A/O	801	0	0	189	0	990	100.00%	
	<b>TOTAL ADDITIONAL OUTLETS</b>	<b>28,667</b>	<b>0</b>	<b>0</b>	<b>14,537</b>	<b>0</b>	<b>43,204</b>		<b>40,645</b>
	<b>TOTAL LABOR HOURS</b>	<b>69,518</b>	<b>0</b>	<b>0</b>	<b>36,464</b>	<b>6,018</b>	<b>111,999</b>		<b>100,536</b>

## APPENDIX L

Group: [illegible] Date: [illegible]

ONTGOMERY COUNTY, MARYLAND  
view of Franchise-Related Costs of CTM

Date Paid	Description/Date	Payments	Months of Amort.	Jul-98	Aug-98	Sep-98	Oct-98	Nov-98	Dec-98	Jan-99	Feb-99	Mar-99	Apr-99	May-99	Jun-99	Jul-99
17-Feb-99	Reimburse County for Expenses	\$200,000.00	7	\$28,571.43	\$28,571.43	\$28,571.43	\$28,571.43	\$28,571.43	\$28,571.43	\$28,571.43	\$28,571.43	\$28,571.43	\$28,571.43	\$28,571.43	\$28,571.43	\$28,571.43
Year 1	PEG Capital Support Fund	\$1,500,000.00	12	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00
Year 2	PEG Capital Support Fund	\$1,525,500.00	12													\$127,125.00
Year 3	PEG Capital Support Fund	\$1,551,433.50	12													
Year 1	Capital Grant for Access Equipment	\$1,800,000.00	180	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
Year 2	Capital Grant for Access Equipment	\$1,000,000.00	168													\$5,952.38
Year 1	Capital Grant for Access Equip. - Maint.	\$200,000.00	12	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67
Year 2	Capital Grant for Access Equip. - Maint.	\$200,000.00	12													\$16,666.67
Year 3	Capital Grant for Access Equip. - Maint.	\$203,400.00	12													
Year 1	I-Net Separate Grant	\$1,250,000.00	180	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44
Year 2	I-Net Separate Grant	\$1,250,000.00	168													\$7,440.48
Year 2	I-Net Capital Grant	\$1,200,000.00	12													\$100,000.00
Year 3	I-Net Capital Grant	\$1,220,400.00	12													
17-May-99	LOC Fees	\$163,135.96	3											\$24,558.10	\$54,378.65	\$54,378.65
16-Aug-99	LOC Fees	\$498,543.91	3													
15-Nov-99	LOC Fees	\$465,916.41	3													
16-Feb-00	LOC Fees	\$431,870.29	3													
	<b>TOTAL</b>			\$187,182.54	\$187,182.54	\$187,182.54	\$187,182.54	\$187,182.54	\$187,182.54	\$187,182.54	\$158,611.11	\$158,611.11	\$158,611.11	\$183,169.21	\$212,989.76	\$328,507.62
	TOTAL 2/1/98 - 1/31/99 - True Up									\$1,310,277.78						
	TOTAL 7/1/99 - 6/30/2000 - Projected															
	<b>TOTAL WITH INTEREST</b>															
	TOTAL 2/1/99 - 1/31/2000 - True Up 1															
	TOTAL 2/1/2000 - 2/29/2000 True Up 2															
	TOTAL 7/1/2000 - 6/30/2001 Projected															
	<b>TOTAL WITH INTEREST</b>															

Line 707 - True-Up  
Total Franchise-Related Costs w/o Interest  
Less: Franchise-Related Costs in Base Rate @: \$248 per sub  
Total Shown on Line 707 - True-Up

Line 707 - Projected Period  
Total Franchise-Related Costs including Interest  
Less: Franchise-Related Costs in Base Rate @: \$248 per sub  
Total Shown on Line 707 - True-Up

ONTGOMERY COUNTY, MARYLAND  
 Review of Franchise-Related Costs of CTM

Line No.	Date Paid	Description/Date	Payments	Months of Amort.	Aug-99	Sep-99	Oct-99	Nov-99	Dec-99	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00
1	17-Feb-99	Reimburse County for Expenses	\$200,000.00	7													
2	Year 1	PEG Capital Support Fund	\$1,500,000.00	12													
3	Year 2	PEG Capital Support Fund	\$1,525,500.00	12	\$127,125.00	\$127,125.00	\$127,125.00	\$127,125.00	\$127,125.00	\$127,125.00	\$127,125.00	\$127,125.00	\$127,125.00	\$127,125.00	\$127,125.00		
4	Year 3	PEG Capital Support Fund	\$1,551,433.50	12												\$129,286.13	\$129,286.13
5	Year 1	Capital Grant for Access Equipment	\$1,800,000.00	180	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
6	Year 2	Capital Grant for Access Equipment	\$1,000,000.00	168	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38
7	Year 1	Capital Grant for Access Equip. - Maint.	\$200,000.00	12													
8	Year 2	Capital Grant for Access Equip. - Maint.	\$200,000.00	12	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67
9	Year 3	Capital Grant for Access Equip. - Maint.	\$203,400.00	12												\$16,950.00	\$16,950.00
10	Year 1	I-Net Separate Grant	\$1,250,000.00	180	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44
11	Year 2	I-Net Separate Grant	\$1,250,000.00	168	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48
12	Year 2	I-Net Capital Grant	\$1,200,000.00	12	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
13	Year 3	I-Net Capital Grant	\$1,220,400.00	12												\$101,700.00	\$101,700.00
14	17-May-99	LOC Fees	\$163,135.96	3	\$29,820.55												
15	16-Aug-99	LOC Fees	\$498,543.91	3	\$80,410.31	\$166,181.30	\$166,181.30	\$85,771.00									
16	15-Nov-99	LOC Fees	\$465,916.41	3				\$77,652.74	\$155,305.47	\$155,305.47	\$77,652.74						
17	16-Feb-00	LOC Fees	\$431,870.29	3							\$143,956.76	\$143,956.76	\$79,424.42				
18		TOTAL			\$384,359.83	\$440,310.27	\$440,310.27	\$437,552.70	\$429,434.44	\$429,434.44	\$416,314.05	\$418,085.73	\$418,085.73	\$353,553.39	\$274,128.97	\$278,273.43	\$278,273.43
19		TOTAL 7/1/98 - 1/31/99 - True Up															
20		TOTAL 7/1/99 - 6/30/2000 - Projected															
21		TOTAL WITH INTEREST															
22		TOTAL 7/1/99 - 1/31/2000 - True Up 1							\$3,761,901.88								
23		TOTAL 2/1/2000 - 2/29/2000 True Up 2									\$416,314.05						
24		TOTAL 7/1/2000 - 6/30/2001 Projected															
25		TOTAL WITH INTEREST							\$3,955,134.38	\$439,689.52							

Line 707 - True-Up  
 Total Franchise-Related Costs w/o Interest  
 Less: Franchise-Related Costs in Base Rate @ \$248 per sub  
 Total Shown on Line 707 - True-Up

	Period 1	Period 2
	\$3,761,901.88	\$416,314.05
	(\$649,824.48)	(\$54,261.90)
	<u>\$3,112,077.40</u>	<u>\$362,052.14</u>

Line 707 - Projected Period  
 Total Franchise-Related Costs including Interest  
 Less: Franchise-Related Costs in Base Rate @ \$248 per sub  
 Total Shown on Line 707 - True-Up

MONTGOMERY COUNTY, MARYLAND  
Review of Franchise-Related Costs of CTM

Line No.	Date Paid	Description/Date	Payments	Months of Amort.	Sep-00	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01
1	17-Feb-99	Reimburse County for Expenses	\$200,000.00	7										
2	Year 1	PEG Capital Support Fund	\$1,500,000.00	12										
3	Year 2	PEG Capital Support Fund	\$1,525,500.00	12										
4	Year 3	PEG Capital Support Fund	\$1,551,433.30	12	\$129,286.13	\$129,286.13	\$129,286.13	\$129,286.13	\$129,286.13	\$129,286.13	\$129,286.13	\$129,286.13	\$129,286.13	\$129,286.13
5	Year 1	Capital Grant for Access Equipment	\$1,800,000.00	180	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
6	Year 2	Capital Grant for Access Equipment	\$1,000,000.00	168	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38	\$5,952.38
7	Year 1	Capital Grant for Access Equip. - Maint.	\$200,000.00	12										
8	Year 2	Capital Grant for Access Equip. - Maint.	\$200,000.00	12										
9	Year 3	Capital Grant for Access Equip. - Maint.	\$201,400.00	12	\$16,950.00	\$16,950.00	\$16,950.00	\$16,950.00	\$16,950.00	\$16,950.00	\$16,950.00	\$16,950.00	\$16,950.00	\$16,950.00
10	Year 1	I-Net Separate Grant	\$1,250,000.00	180	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44	\$6,944.44
11	Year 2	I-Net Separate Grant	\$1,250,000.00	168	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48	\$7,440.48
12	Year 2	I-Net Capital Grant	\$1,200,000.00	12										
13	Year 3	I-Net Capital Grant	\$1,220,400.00	12	\$101,700.00	\$101,700.00	\$101,700.00	\$101,700.00	\$101,700.00	\$101,700.00	\$101,700.00	\$101,700.00	\$101,700.00	\$101,700.00
14	17-May-99	LOC Fees	\$163,135.96	3										
15	16-Aug-99	LOC Fees	\$498,543.91	3										
16	15-Nov-99	LOC Fees	\$465,916.41	3										
17	16-Feb-00	LOC Fees	\$431,870.29	3										
18		TOTAL			\$278,273.43	\$278,273.43	\$278,273.43	\$278,273.43	\$278,273.43	\$278,273.43	\$278,273.43	\$278,273.43	\$278,273.43	\$278,273.43
19		TOTAL 2/1/98 - 1/31/99 - True Up												
20		TOTAL 7/1/99 - 6/30/2000 - Projected												
21		TOTAL WITH INTEREST												
22		TOTAL 2/1/99 - 1/31/2000 - True Up 1												
23		TOTAL 2/1/2000 - 2/29/2000 True Up 2												
24		TOTAL 7/1/2000 - 6/30/2001 Projected												\$3,339,281.12
25		TOTAL WITH INTEREST												\$3,683,859.16

Line 707 - True - Up  
Total Franchise-Related Costs w/o Interest  
Less: Franchise-Related Costs in Base Rate @: \$248 per sub  
Total Shown on Line 707 - True-Up

Line 707 - Projected Period  
Total Franchise-Related Costs including Interest  
Less: Franchise-Related Costs in Base Rate @: \$248 per sub  
Total Shown on Line 707 - True-Up

Projected Period  
\$3,683,859.16  
(656,457.98)  
\$3,027,401.18

## APPENDIX M

MONTGOMERY COUNTY, MARYLAND  
Review of Franchise-Related Costs of CTM

Annual Interest Rate

7.00%

Line No.	Month	Description/Date	Balance	Payments	Principal	Interest	Cumulative Principal	Cumulative Interest	Ending Balance
		<u>Capital Grant (Sec. 7(b))</u>							
1	22-Sep-98	10/98 Payment	\$450,000	\$4,083.60	\$1,458.60	\$2,625.00	\$1,458.60	\$2,625.00	\$448,541.40
2	31-Oct-98		\$450,000	\$4,083.60	\$1,467.11	\$2,616.49	\$2,925.72	\$5,241.49	\$447,074.28
3	30-Nov-98		\$450,000	\$4,083.60	\$1,475.67	\$2,607.93	\$4,401.39	\$7,849.42	\$445,598.61
4	31-Dec-98	01/99 Payment	\$900,000	\$8,207.54	\$5,608.22	\$2,599.33	\$10,009.60	\$10,448.75	\$889,990.40
5	31-Jan-99		\$900,000	\$8,207.54	\$3,015.93	\$5,191.61	\$13,025.54	\$15,640.36	\$886,974.46
6	28-Feb-99		\$900,000	\$8,207.54	\$3,033.53	\$5,174.02	\$16,059.06	\$20,814.38	\$883,940.94
7	31-Mar-99	04/99 Payment	\$1,350,000	\$12,373.35	\$7,217.03	\$5,156.32	\$23,276.10	\$25,970.70	\$1,326,723.90
8	30-Apr-99		\$1,350,000	\$12,373.35	\$4,634.13	\$7,739.22	\$27,910.23	\$33,709.92	\$1,322,089.77
9	31-May-99		\$1,350,000	\$12,373.35	\$4,661.16	\$7,712.19	\$32,571.39	\$41,422.11	\$1,317,428.61
10	30-Jun-99	07/99 Payment	\$1,800,000	\$16,582.66	\$8,897.66	\$7,685.00	\$41,469.05	\$49,107.11	\$1,758,530.95
11	31-Jul-99		\$1,800,000	\$16,582.66	\$6,324.56	\$10,258.10	\$47,793.61	\$59,365.21	\$1,752,206.39
12	31-Aug-99		\$1,800,000	\$16,582.66	\$6,361.45	\$10,221.20	\$54,155.06	\$69,586.42	\$1,745,844.94
13	30-Sep-99	10/99 Payment	\$2,050,000	\$18,946.27	\$8,762.17	\$10,184.10	\$62,917.24	\$79,770.51	\$1,987,082.76
14	31-Oct-99		\$2,050,000	\$18,946.27	\$7,354.95	\$11,591.32	\$70,272.19	\$91,361.83	\$1,979,727.81
15	30-Nov-99		\$2,050,000	\$18,946.27	\$7,397.86	\$11,548.41	\$77,670.05	\$102,910.24	\$1,972,329.95
16	31-Dec-99	01/00 Payment	\$2,300,000	\$21,335.99	\$9,830.73	\$11,505.26	\$87,500.78	\$114,415.50	\$2,212,499.22
17	31-Jan-00		\$2,300,000	\$21,335.99	\$8,429.75	\$12,906.25	\$95,930.53	\$127,321.74	\$2,204,069.47
18	29-Feb-00		\$2,300,000	\$21,335.99	\$8,478.92	\$12,857.07	\$104,409.45	\$140,178.81	\$2,195,590.55
19	31-Mar-00	04/00 Payment	\$2,550,000	\$23,752.89	\$10,945.28	\$12,807.61	\$115,354.72	\$152,986.43	\$2,434,645.28
20	30-Apr-00		\$2,550,000	\$23,752.89	\$9,550.79	\$14,202.10	\$124,905.51	\$167,188.52	\$2,425,094.49
21	31-May-00		\$2,550,000	\$23,752.89	\$9,606.50	\$14,146.38	\$134,512.02	\$181,334.91	\$2,415,487.98
22	30-Jun-00	07/00 Payment	\$2,800,000	\$26,198.07	\$12,107.73	\$14,090.35	\$146,619.74	\$195,425.25	\$2,653,380.26
23	31-Jul-00		\$2,800,000	\$26,198.07	\$10,720.02	\$15,478.05	\$157,339.76	\$210,903.31	\$2,642,660.24
24	31-Aug-00		\$2,800,000	\$26,198.07	\$10,782.55	\$15,415.52	\$168,122.32	\$226,318.82	\$2,631,877.68
25	30-Sep-00		\$2,800,000	\$26,198.07	\$10,845.45	\$15,352.62	\$178,967.77	\$241,671.44	\$2,621,032.23
26	31-Oct-00		\$2,800,000	\$26,198.07	\$10,908.72	\$15,289.35	\$189,876.49	\$256,960.80	\$2,610,123.51
27	30-Nov-00		\$2,800,000	\$26,198.07	\$10,972.35	\$15,225.72	\$200,848.84	\$272,186.52	\$2,599,151.16
28	31-Dec-00		\$2,800,000	\$26,198.07	\$11,036.36	\$15,161.72	\$211,885.20	\$287,348.23	\$2,588,114.80
29	31-Jan-01		\$2,800,000	\$26,198.07	\$11,100.74	\$15,097.34	\$222,985.94	\$302,445.57	\$2,577,014.06
30	28-Feb-01		\$2,800,000	\$26,198.07	\$11,165.49	\$15,032.58	\$234,151.43	\$317,478.15	\$2,565,848.57
31	31-Mar-01		\$2,800,000	\$26,198.07	\$11,230.62	\$14,967.45	\$245,382.05	\$332,445.60	\$2,554,617.95
32	30-Apr-01		\$2,800,000	\$26,198.07	\$11,296.13	\$14,901.94	\$256,678.19	\$347,347.54	\$2,543,321.81
33	31-May-01		\$2,800,000	\$26,198.07	\$11,362.03	\$14,836.04	\$268,040.21	\$362,183.58	\$2,531,959.79
34	30-Jun-01		\$2,800,000	\$26,198.07	\$11,428.31	\$14,769.77	\$279,468.52	\$376,953.35	\$2,520,531.48
35	31-Jul-01		\$2,800,000	\$26,198.07	\$11,494.97	\$14,703.10	\$290,963.49	\$391,656.45	\$2,509,036.51
36		Interest 07/1/98 - 01/31/99				\$15,640.36			
37		Interest 02/1/99 - 01/31/2000				\$111,681.38			
38		Interest 02/1/2000 - 02/29/2000				\$12,857.07			
39		Interest 07/1/2000 - 06/30/2001				\$181,528.10			



MONTGOMERY COUNTY, MARYLAND  
Review of Franchise-Related Costs of CTM


Annual Interest Rate

7.00%

Line No.	Month	Description/Date	Balance	Payments	Principal	Interest	Cumulative Principal	Cumulative Interest	Ending Balance
<u>Institutional Network Capital Grant (Sec. 7(h)(3))</u>									
40	30-Sep-98	09/98 Payment	\$312,500	\$2,835.84	\$1,012.92	\$1,822.92	\$1,012.92	\$1,822.92	\$311,487.08
41	31-Oct-98		\$312,500	\$2,835.84	\$1,018.83	\$1,817.01	\$2,031.75	\$3,639.92	\$310,468.25
42	30-Nov-98		\$312,500	\$2,835.84	\$1,024.77	\$1,811.06	\$3,056.52	\$5,450.99	\$309,443.48
43	31-Dec-98	12/98 Payment	\$625,000	\$5,699.68	\$3,894.60	\$1,805.09	\$6,951.11	\$7,256.08	\$618,048.89
44	31-Jan-99		\$625,000	\$5,699.68	\$2,094.40	\$3,605.29	\$9,045.51	\$10,861.36	\$615,954.49
45	28-Feb-99		\$625,000	\$5,699.68	\$2,106.61	\$3,593.07	\$11,152.13	\$14,454.43	\$613,847.87
46	31-Mar-99	03/99 Payment	\$937,500	\$8,592.61	\$5,011.83	\$3,580.78	\$16,163.96	\$18,035.21	\$921,336.04
47	30-Apr-99		\$937,500	\$8,592.61	\$3,218.15	\$5,374.46	\$19,382.10	\$23,409.67	\$918,117.90
48	31-May-99		\$937,500	\$8,592.61	\$3,236.92	\$5,355.69	\$22,619.02	\$28,765.36	\$914,880.98
49	30-Jun-99	06/99 Payment	\$1,250,000	\$11,515.73	\$6,178.93	\$5,336.81	\$28,797.95	\$34,102.16	\$1,221,202.05
50	31-Jul-99		\$1,250,000	\$11,515.73	\$4,392.06	\$7,123.68	\$33,190.01	\$41,225.84	\$1,216,809.99
51	31-Aug-99		\$1,250,000	\$11,515.73	\$4,417.68	\$7,098.06	\$37,607.68	\$48,323.90	\$1,212,392.32
52	30-Sep-99	09/99 Payment	\$1,562,500	\$14,470.25	\$7,397.96	\$7,072.29	\$45,005.64	\$55,396.19	\$1,517,494.36
53	31-Oct-99		\$1,562,500	\$14,470.25	\$5,618.20	\$8,852.05	\$50,623.84	\$64,248.24	\$1,511,876.16
54	30-Nov-99		\$1,562,500	\$14,470.25	\$5,650.97	\$8,819.28	\$56,274.81	\$73,067.52	\$1,506,225.19
55	31-Dec-99	12/99 Payment	\$1,875,000	\$17,457.40	\$8,671.09	\$8,786.31	\$64,945.90	\$81,853.83	\$1,810,054.10
56	31-Jan-00		\$1,875,000	\$17,457.40	\$6,898.75	\$10,558.65	\$71,844.66	\$92,412.48	\$1,803,155.34
57	29-Feb-00		\$1,875,000	\$17,457.40	\$6,939.00	\$10,518.41	\$78,783.65	\$102,930.88	\$1,796,216.35
58	31-Mar-00	03/00 Payment	\$2,187,500	\$20,478.52	\$10,000.59	\$10,477.93	\$88,784.25	\$113,408.81	\$2,098,715.75
59	30-Apr-00		\$2,187,500	\$20,478.52	\$8,236.01	\$12,242.51	\$97,020.26	\$125,651.32	\$2,090,479.74
60	31-May-00		\$2,187,500	\$20,478.52	\$8,284.06	\$12,194.47	\$105,304.32	\$137,845.79	\$2,082,195.68
61	30-Jun-00	06/00 Payment	\$2,500,000	\$23,535.00	\$11,388.86	\$12,146.14	\$116,693.18	\$149,991.93	\$2,383,306.82
62	31-Jul-00		\$2,500,000	\$23,535.00	\$9,632.38	\$13,902.62	\$126,325.56	\$163,894.55	\$2,373,674.44
63	31-Aug-00		\$2,500,000	\$23,535.00	\$9,688.57	\$13,846.43	\$136,014.13	\$177,740.99	\$2,363,985.87
64	30-Sep-00		\$2,500,000	\$23,535.00	\$9,745.09	\$13,789.92	\$145,759.22	\$191,530.90	\$2,354,240.78
65	31-Oct-00		\$2,500,000	\$23,535.00	\$9,801.93	\$13,733.07	\$155,561.15	\$205,263.97	\$2,344,438.85
66	30-Nov-00		\$2,500,000	\$23,535.00	\$9,859.11	\$13,675.89	\$165,420.26	\$218,939.87	\$2,334,579.74
67	31-Dec-00		\$2,500,000	\$23,535.00	\$9,916.62	\$13,618.38	\$175,336.88	\$232,558.25	\$2,324,663.12
68	31-Jan-01		\$2,500,000	\$23,535.00	\$9,974.47	\$13,560.53	\$185,311.35	\$246,118.78	\$2,314,688.65
69	28-Feb-01		\$2,500,000	\$23,535.00	\$10,032.65	\$13,502.35	\$195,344.00	\$259,621.13	\$2,304,656.00
70	31-Mar-01		\$2,500,000	\$23,535.00	\$10,091.18	\$13,443.83	\$205,435.18	\$273,064.96	\$2,294,564.82
71	30-Apr-01		\$2,500,000	\$23,535.00	\$10,150.04	\$13,384.96	\$215,585.22	\$286,449.92	\$2,284,414.78
72	31-May-01		\$2,500,000	\$23,535.00	\$10,209.25	\$13,325.75	\$225,794.47	\$299,775.68	\$2,274,205.53
73	30-Jun-01		\$2,500,000	\$23,535.00	\$10,268.80	\$13,266.20	\$236,063.28	\$313,041.87	\$2,263,936.72
74	31-Jul-01		\$2,500,000	\$23,535.00	\$10,328.71	\$13,206.30	\$246,391.98	\$326,248.17	\$2,253,608.02
75		Interest 07/1/98 - 01/31/99				\$10,861.36			
76		Interest 02/1/99 - 01/31/2000				\$81,551.12			
77		Interest 02/1/2000 - 02/29/2000				\$10,518.41			
78		Interest 07/1/2000 - 06/30/2001				\$163,049.95			

Total Interest 07/1/98 - 01/31/99	\$26,501.72
Total Interest 02/1/99 - 01/31/2000	\$193,232.50
Total Interest 02/1/2000 - 02/29/2000	\$23,375.48
Total Interest 07/1/2000 - 06/30/2001	\$344,578.04

**APPENDIX N**



**Cable Services Bureau**  
 445 12th St., S.W., Room 3-C830  
 Washington, D.C. 20554  
 (202) 418-7200 csbinfo@fcc.gov

**Inflation Updates for Forms 1210 and 1240**

The following figures come from the Department of Commerce's Gross National Product Price Index. The instructions for the respective forms contain directions on how to use the figures. Clicking on the file name in the third column allows you to view the Press Release or Order which announced the inflation number.

1210 Inflation Adjustments		
Period	Inflation Adjustment	Press Release
October 1, 1992 - September 30, 1993	3.00%	Not Available
October 1, 1993 - June 30, 1994	2.15%	fcc95043.txt (para. 12)
July 1, 1994 - June 30, 1995	2.96%	da952086.txt
July 1, 1995 - June 30, 1996	2.14%	da961986.txt
July 1, 1996 - June 30, 1997	2.18%	da972180.txt
July 1, 1997 - June 30, 1998	1.01%	da981974.txt
July 1, 1998 - June 30, 1999	1.18%	da992072.txt
July 1, 1999 - June 30, 2000	2.08%	da002261.txt
1240 Inflation Adjustments		
Period	Inflation Adjustment	Press Release
July 1, 1995 - September 30, 1995	2.22%	da960311.txt
October 1, 1995 - December 31, 1995	2.22%	da961217.txt
January 1, 1996 - March 31, 1996	2.39%	da961217.txt
April 1, 1996 - June 30, 1996	2.22%	da961986.txt
July 1, 1996 to September 30, 1996	2.21%	da970130.txt
October 1, 1996 to December 31, 1996	1.83%	da970692.txt
January 1, 1997 to March 31, 1997	2.70%	nrcb7011.txt
April 1, 1997 - June 30, 1997	1.77%	da972180.txt
July 1, 1997 - September 30, 1997	1.43%	da980013.txt
October 1, 1997 - December 31, 1997	1.43%	da980663.txt
January 1, 1998 - March 31, 1998	1.14%	da981292.txt
April 1, 1998 - June 30, 1998	0.82%	da981974.txt
July 1, 1998 - September 30, 1998	1.00%	da982634.txt
October 1, 1998 - December 31, 1998	0.78%	da990640.txt
January 1, 1999 - March 31, 1999	1.60%	da991272.txt
April 1, 1999 - June 30, 1999	1.35%	da992072.txt
July 1, 1999 - September 30, 1999	1.04%	da993032.txt
October 1, 1999 - December 31, 1999	1.96%	da000767.txt
January 1, 2000 - March 31, 2000	3.00%	da001492.txt
April 1, 2000 - June 30, 2000	2.40%	da002261.txt
July 1, 2000 - September 30, 2000	1.62%	da010052.txt

Note: Prior to February 1995, transition systems were not allowed to take inflation adjustments. The inflation adjustment for transition systems for the period from October 1, 1992 to June 30, 1994 is 5.21%.

Please send comments via "snail-mail" to the Federal Communications Commission, Cable Services Bureau, Office of Government and Public Outreach, Room 3-C830, 12th Street, S.W., Washington, D.C., 20554. Send e-mail to the Webmaster at [awise@fcc.gov](mailto:awise@fcc.gov)

