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November 19, 2007

VIA FEDERAL EXPRESS

Hon. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601



Re: *In the Matter of: Application of North Central Telephone Cooperative Corporation for a Certificate of Public Convenience and Necessity for the construction of Fiber Optic Cable in Allen County, Kentucky*
Case No. 2007-00432

Dear Ms. O'Donnell:

Enclosed for filing in the above-referenced case is the original and eleven (11) copies of North Central Telephone Cooperative Corporation's response to Commission staff's first data requests.

Please return a file-stamped copy of the response to me in the self-addressed, postage prepaid envelope furnished herewith.

Thank you, and if you have any questions with regard to this matter, please call me.

Very truly yours,

DINSMORE & SHOHL LLP

A handwritten signature in cursive script that reads "Holly C. Wallace".

Holly C. Wallace

HCW/rk
Enclosures
cc: All Parties of Record
 John E. Selent, Esq.
127130_1

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

The Application of North Central)
Telephone Cooperative Corporation for a)
Certificate of Public Convenience and)
Necessity for the Construction of Fiber)
Optic Cable in Allen County, Kentucky)

Case No. 2007-00432

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PUBLIC SERVICE
COMMISSION

RESPONSE TO COMMISSION STAFF'S FIRST DATA REQUESTS

North Central Telephone Cooperative Corporation ("North Central"), by counsel, hereby responds to the Commission Staff's First Data Requests.

DATA REQUEST NO. 1

Refer to the letter from the Rural Utilities Service ("RUS"), dated September 29, 2003, provided in Exhibit C of the application.

- a. Indicate whether all of the funds secured by loan from RUS and the Rural Telephone Bank have been disbursed to North Central.
- b. If there has not been a disbursement of funds, explain why and give the anticipated date for distribution.

Responsible Witness: Johnny McClanahan

RESPONSE:

- a. North Central has not drawn down any of the funds for the hybrid fiber-copper network construction project in Kentucky.
- b. North Central has not drawn down the funds for Kentucky because it has not yet begun the hybrid fiber-copper construction project in Kentucky. North Central anticipates

drawing down the funds as needed. See answer to data request number 2 for anticipated construction dates.

DATA REQUEST NO. 2

Provide a detailed explanation regarding the status of the fiber optic cable construction project within Kentucky and Tennessee. Specifically:

- a. Projected start date and projected completion date of the construction project in Kentucky.
- b. Projected start date and projected completion date of the construction project in Tennessee.

Responsible Witness: Johnny McClanahan

RESPONSE:

- a. The hybrid fiber-copper project in Kentucky is likely to begin in the third quarter of 2008, subject to the completion of preliminary engineering work including stakeout of facilities. North Central anticipates that the bulk of the project will be completed within three years; however, some construction may continue in isolated areas for an additional period.
- b. The first construction contract for Tennessee was awarded in November 2007. Construction of the first phase of the Tennessee project will begin no later than the first quarter of 2008. The completion of the majority of the construction is anticipated to occur sometime in 2018.

DATA REQUEST NO. 3

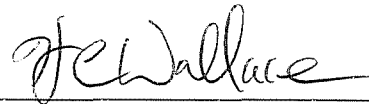
Provide an updated RUS Broadband Loan Analysis (as filed with the application) with historical dates from 2003 through 2006 and pro forma data for a 5-year projection, beginning with 2007.

Responsible Witness: Albert Bodamer

RESPONSE:

See Updated RUS Broadband Loan Financial Analysis attached as Exhibit A.

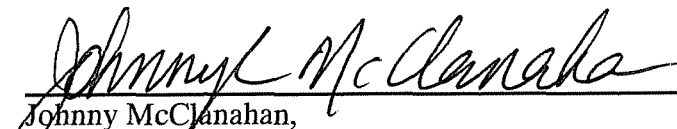
Respectfully submitted,



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**Counsel to North Central Telephone
Cooperative Corporation**

CERTIFICATION

I hereby certify that I have supervised the preparation of North Central Telephone Cooperative Corporation's responses to the First Data Requests of Commission Staff and that the responses contained herein are true and accurate to the best of my knowledge, information, and belief formed after reasonable inquiry.



Johnny McClanahan,
Vice President of Finance and Administrative
Service of North Central Telephone Cooperative
Corporation

Date: 11/13/07

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Updated RUS Broadband Loan Financial Analysis for KY PSC

North Central Telephone Cooperative Corporation

Confidential & Proprietary

	Historical Data				Pro-Forma Financial Data				CAGR	
	2004	2005	2006	2007	2008	2009	2010	2011	Historical	Pro-forma

Balance Sheet

ASSETS

CURRENT ASSETS

Cash - general	\$ 4,240,560	\$ 6,005,668	\$ 4,052,332	\$ 10,333,698	\$ 9,718,231	\$ 8,909,573	\$ 7,877,804	\$ 6,936,854	-2.2%	-9.5%
Cash - construction funds	89,845	1,320,073	1,205,493	-	-	-	-	-	266.3%	#DIV/0!
Temporary cash investments (1)	1,992,347	1,794,963	2,370,000	2,393,700	1,675,590	1,172,913	821,039	574,727	9.1%	-30.0%
Telecommunications accounts receivable	1,281,836	1,204,136	1,031,351	1,147,819	1,230,119	1,252,150	1,232,163	1,220,917	-10.3%	1.6%
Other accounts receivable	40,455	49,718	106,392	94,020	103,819	103,819	114,086	125,381	62.1%	7.5%
Advance to related company (2)	835,583	-	-	-	-	-	-	-	-100.0%	#DIV/0!
Materials and supplies	187,345	210,531	267,837	267,873	262,391	266,411	266,511	268,581	19.6%	0.1%
Other current assets	124,235	54,815	113,719	81,265	87,464	88,804	88,837	89,527	-4.3%	2.5%
TOTAL CURRENT ASSETS	\$ 8,792,246	\$ 10,640,094	\$ 9,147,124	\$ 14,318,375	\$ 13,077,613	\$ 11,793,669	\$ 10,400,440	\$ 9,215,987	2.0%	-10.4%

NONCURRENT ASSETS

Investment in subsidiary (3)	\$ 18,480,843	\$ 19,191,590	\$ 20,821,391	\$ 21,862,461	\$ 22,955,584	\$ 24,103,363	\$ 25,306,531	\$ 26,573,957	6.1%	5.0%
Investments (4)	494,783	530,574	565,376	593,645	623,327	654,493	687,218	721,579	6.9%	5.0%
Nonregulated investments (5)	228,103	187,298	1,531,258	1,531,258	1,531,258	1,531,258	1,531,258	1,531,258	159.1%	0.0%
Prepaid postretirement benefits	-	-	-	-	-	-	-	-	n/a	#DIV/0!
Organization costs	-	-	-	-	-	-	-	-	n/a	#DIV/0!
TOTAL NONCURRENT ASSETS	\$ 19,203,729	\$ 19,889,462	\$ 22,918,025	\$ 23,987,363	\$ 25,110,169	\$ 26,289,114	\$ 27,527,007	\$ 28,826,794	9.2%	4.7%

PROPERTY, PLANT AND EQUIPMENT

Telecommunications plant in service	\$ 79,068,884	\$ 85,498,609	\$ 91,087,262	\$ 99,404,100	\$ 115,267,196	\$ 123,014,497	\$ 128,230,242	\$ 130,914,742	7.3%	7.1%
Retirements	(4,804,116)	(9,655,055)	(11,230,686)	(11,230,686)	(11,230,686)	(11,230,686)	(11,230,686)	(11,230,686)	52.9%	0.0%
Telecommunications plant under construction	6,735,671	7,383,088	13,372,093	4,970,205	5,763,360	6,150,725	6,411,512	6,545,737	40.9%	7.1%
Less Accumulated provision for depreciation	\$ 81,000,439	\$ 83,216,642	\$ 93,228,669	\$ 93,143,619	\$ 109,799,870	\$ 117,934,536	\$ 123,411,068	\$ 126,229,793	7.3%	7.9%
	42,617,985	42,887,022	46,660,812	52,689,961	59,850,190	67,570,592	75,662,343	83,936,640	4.6%	12.3%
TOTAL PROPERTY, PLANT AND EQUIPMENT	\$ 38,382,454	\$ 40,329,620	\$ 46,567,857	\$ 40,453,659	\$ 49,949,680	\$ 50,363,944	\$ 47,748,725	\$ 42,293,152	10.1%	1.1%
TOTAL ASSETS	\$ 66,378,429	\$ 70,859,176	\$ 78,633,006	\$ 78,759,397	\$ 88,137,462	\$ 88,446,728	\$ 85,676,171	\$ 80,335,934	8.8%	0.5%



Updated RUS Broadband Loan Financial Analysis for KY PSC

North Central Telephone Cooperative Corporation

Confidential & Proprietary

	Historical Data			Pro-Forma Financial Data			CAGR		
	2004	2005	2006	2007	2008	2009	2010	2011	Historical

Balance Sheet

	2004	2005	2006	2007	2008	2009	2010	2011	Historical	Pro-forma
CURRENT LIABILITIES										
Accounts payable	\$ 572,771	\$ 982,728	\$ 1,828,903	\$ 1,062,788	\$ 1,034,031	\$ 1,018,567	\$ 1,051,524	\$ 1,059,279	78.7%	-0.1%
Advance billings and payments	120,100	121,496	120,242	113,771	122,449	124,325	124,372	125,338	0.1%	2.5%
Advance to Related Company	-	362,833	1,256,958	1,256,958	1,256,958	1,256,958	1,256,958	1,256,958	n/a	0.0%
Customer deposits	478,501	444,353	447,803	447,802	445,875	443,958	442,083	440,258	-3.3%	-0.4%
Current maturities of existing long-term debt	2,037,652	2,082,456	2,814,472	3,265,942	3,409,531	3,575,294	3,557,584	2,105,724	17.5%	-10.4%
Current maturities of broadband long-term debt	-	-	-	398,554	1,556,237	2,161,491	2,580,505	2,131,734	n/a	52.1%
Accrued taxes	405,343	362,314	473,620	428,627	529,242	529,242	716,231	634,397	8.1%	10.3%
Accrued interest	131,210	119,144	104,540	104,540	104,540	104,540	104,540	104,540	-10.7%	0.0%
Accrued rent	354,521	462,884	465,127	465,127	465,127	465,127	465,127	465,127	14.5%	0.0%
Accrued salaries and wages	212,067	204,070	206,577	161,379	155,329	152,888	155,287	157,739	-1.3%	-0.6%
Accrued vacation and sick leave benefits	1,939,283	1,965,591	2,028,305	2,018,326	1,942,662	1,912,125	1,942,127	1,972,794	2.3%	-0.6%
Other current liabilities	500,964	387,165	338,365	253,896	190,513	142,953	107,266	80,488	-25.0%	-25.0%
Advance from related company	-	-	-	-	-	-	-	-	n/a	#DIV/0!
TOTAL CURRENT LIABILITIES	\$ 6,852,412	\$ 7,505,035	\$ 10,084,913	\$ 9,977,710	\$ 11,212,494	\$ 11,887,468	\$ 12,503,602	\$ 10,534,377	21.3%	1.4%
LONG TERM DEBT										
Rural Utilities Service--Existing (6)	\$ 18,841,718	\$ 21,968,211	\$ 26,673,460	\$ 23,058,294	\$ 19,648,763	\$ 16,073,469	\$ 12,515,886	\$ 10,410,162	19.0%	-18.0%
Rural Utilities Service--Broadband	-	-	-	\$ 4,641,684	\$ 15,686,043	\$ 18,564,791	\$ 18,504,406	\$ 16,372,671	n/a	37.0%
Other long-term debt	-	-	-	-	-	-	-	-	n/a	#DIV/0!
OTHER LIABILITIES										
Postretirement benefits other than pension	395,160	623,391	1,217,242	1,217,242	1,217,242	1,217,242	1,217,242	1,217,242	75.5%	0.0%
Deferred taxes - net	-	-	-	-	-	-	-	-	n/a	#DIV/0!
TOTAL LIABILITIES	\$ 26,089,290	\$ 30,086,637	\$ 37,975,615	\$ 38,894,930	\$ 47,764,543	\$ 47,742,971	\$ 44,741,135	\$ 38,534,451	20.6%	-0.2%
MEMBERS' EQUITY										
Memberships	\$ 5,580	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-100.0%	#DIV/0!
Capital stock	-	-	-	-	-	-	-	-	n/a	#DIV/0!
Patronage capital	40,282,559	40,772,539	40,657,391	39,864,467	40,372,919	40,703,757	40,935,036	41,801,482	0.5%	1.2%
Retained earnings	-	-	-	-	-	-	-	-	n/a	#DIV/0!
TOTAL MEMBERS' EQUITY	\$ 40,289,139	\$ 40,772,539	\$ 40,657,391	\$ 39,864,467	\$ 40,372,919	\$ 40,703,757	\$ 40,935,036	\$ 41,801,482	0.5%	1.2%
TOTAL LIABILITIES & EQUITY	\$ 66,378,429	\$ 70,859,176	\$ 78,633,006	\$ 78,759,397	\$ 88,137,462	\$ 88,446,728	\$ 85,676,171	\$ 80,335,934	8.8%	0.5%



Updated RUS Broadband Loan Financial Analysis for KY PSC

North Central Telephone Cooperative Corporation

Confidential & Proprietary

	Historical Data		Pro-Forma Financial Data			CAGR			
	2004	2005	2006	2007	2008	2009	2010	2011	Historical

Income Statement

Operating Revenues													
Local network services revenue*	\$ 4,337,505	\$ 4,345,690	\$ 4,346,782	\$ 4,325,397	\$ 5,670,892	\$ 5,670,892	\$ 5,646,933	\$ 5,623,627				0.1%	6.8%
Network access service revenue	6,397,587	6,441,514	6,165,193	6,134,867	6,165,479	6,434,519	6,338,485	6,244,498				-1.6%	0.4%
Long distance network services revenue	3,601,109	3,748,145	3,550,205	3,532,739	3,159,075	3,159,075	3,140,159	3,121,665				-0.7%	-3.0%
Miscellaneous revenue	1,908,177	2,243,490	2,299,130	2,287,819	2,526,263	2,526,263	2,776,095	3,050,933				9.8%	7.5%
Uncollectible revenue	-	-	(110,567)	(27,874)	(30,000)	(30,000)	(134,263)	(135,305)				n/a	48.4%
Total Operating Revenues	\$ 16,214,378	\$ 16,778,842	\$ 16,250,749	\$ 16,252,947	\$ 17,492,710	\$ 17,760,749	\$ 17,767,408	\$ 17,905,417				0.1%	2.5%

Operating Expenses

Plant specific operations expense	\$ 3,616,058	\$ 3,527,732	\$ 3,592,504	\$ 3,574,830	\$ 3,294,223	\$ 3,294,223	\$ 3,345,911	\$ 3,398,744				-0.3%	-1.3%
Plant non-specific operations expense	1,895,792	2,038,798	2,235,698	2,225,694	2,195,525	2,195,525	2,231,091	2,266,321				8.6%	0.5%
Provision for depreciation	4,835,626	5,129,976	5,339,421	6,029,149	7,160,229	7,720,402	8,091,751	8,274,297				5.1%	8.2%
Customer operations expense	2,202,548	2,328,210	2,263,632	2,252,694	2,190,923	2,130,923	2,164,358	2,198,534				1.4%	-0.6%
Corporate operations expense	2,222,665	2,463,873	2,718,772	2,705,396	2,673,520	2,570,743	2,611,079	2,652,309				10.6%	-0.5%
Operating taxes	413,563	371,463	402,608	428,627	529,242	529,242	716,231	634,397				-1.3%	10.3%
Total Operating Expenses	\$ 15,186,252	\$ 15,860,052	\$ 16,554,035	\$ 17,216,390	\$ 18,044,762	\$ 18,442,158	\$ 19,160,420	\$ 19,424,602				4.4%	3.1%

Other Income (Loss)

Income from subsidiaries (9)	\$ 3,147,164	\$ 710,744	\$ 1,629,803	\$ 1,323,735	\$ 2,161,032	\$ 3,140,236	\$ 3,765,751	\$ 4,387,708				-28.0%	34.9%
Income from investments (10)	-	-	-	-	-	-	-	-				n/a	#DIV/0!
Interest and dividends	94,683	120,591	166,898	139,577	232,891	208,489	184,494	159,175				32.8%	3.3%
Nonregulated income (11)	(24,744)	(52,352)	(160,135)	(50,000)	(15,000)	-	-	-				154.4%	-100.0%
Gain on sale of equipment	-	109,365	-	-	-	-	-	-				n/a	#DIV/0!
Total Other Income	\$ 3,217,103	\$ 888,318	\$ 1,636,566	\$ 1,413,312	\$ 2,378,924	\$ 3,348,725	\$ 3,950,245	\$ 4,546,883				-28.7%	33.9%

Fixed Charges

Interest expense	\$ 1,009,048	\$ 927,182	\$ 996,478	\$ 1,338,198	\$ 1,429,686	\$ 1,855,493	\$ 1,850,184	\$ 1,688,166				-0.6%	6.0%
Interest charged to construction - credit (12)	(187,219)	(292,559)	(120,300)	(99,404)	(115,267)	(123,014)	(128,230)	(130,915)				-19.8%	7.1%
Total Fixed Charges	\$ 821,829	\$ 724,623	\$ 876,178	\$ 1,238,794	\$ 1,314,418	\$ 1,732,479	\$ 1,721,954	\$ 1,557,251				3.3%	5.9%

Income Before Taxes on Income Taxes on Income

Income Before Taxes on Income	\$ 3,423,400	\$ 1,082,485	\$ 457,102	\$ (788,924)	\$ 512,453	\$ 934,838	\$ 835,279	\$ 1,470,446				-63.5%	#NUM!
Taxes on Income	2,000	5,044	5,336	4,000	4,000	4,000	4,000	4,000				63.3%	0.0%

Net Income

Net Income	\$ 3,421,400	\$ 1,076,441	\$ 451,766	\$ (792,924)	\$ 508,453	\$ 930,838	\$ 831,279	\$ 1,466,446				-63.7%	#NUM!
Patronage capital at beginning of year	\$ 37,453,905	\$ 40,282,559	\$ 40,772,539	\$ 40,657,391	\$ 39,864,467	\$ 40,372,919	\$ 40,703,757	\$ 40,935,036				4.3%	0.2%
Capital credits paid and applied (13)	(605,972)	(597,864)	(556,914)	-	-	(600,000)	(600,000)	(600,000)				-3.3%	#DIV/0!
Excise tax refundable on capital credits	13,226	11,403	-	-	-	-	-	-				-100.0%	#DIV/0!
Patronage capital at end of year	\$ 40,282,559	\$ 40,772,539	\$ 40,657,391	\$ 39,864,467	\$ 40,372,919	\$ 40,703,757	\$ 40,935,036	\$ 41,801,482				0.5%	1.2%

* Assumes local service rate increase is in effect beginning in 2008.



Updated RUS Broadband Loan Financial Analysis for KY PSC

North Central Telephone Cooperative Corporation

Confidential & Proprietary

	Historical Data			Pro-Forma Financial Data			CAGR		
	2004	2005	2006	2007	2008	2009	2010	2011	Historical

Cash Flow Statement

Net Income	\$ 3,421,400	\$ 1,076,441	\$ 451,766	\$ (792,924)	\$ 508,453	\$ 930,838	\$ 831,279	\$ 1,466,446	-63.7%	#NUM!
Less: Nonregulated income										
Income from investments	(3,122,420)	(658,362)	(1,469,668)	(1,273,735)	(2,146,032)	(3,140,236)	(3,765,751)	(4,387,708)	-31.4%	36.2%
Gain on sale of equipment	-	-	-	-	-	-	-	-	n/a	#DIV/0!
Net Income from regulated operations	\$ 298,980	\$ 527,444	\$ (1,017,902)	\$ (2,066,660)	\$ (1,637,579)	\$ (2,209,398)	\$ (2,934,472)	\$ (2,921,261)	#NUM!	9.0%

Adjustments to reconcile net income to net cash provided by operating activities:

Depreciation and amortization	\$ 4,835,626	\$ 5,129,976	\$ 5,339,421	\$ 6,029,149	\$ 7,160,229	\$ 7,720,402	\$ 8,091,751	\$ 8,274,297	5.1%	8.2%
Loss on sale of equipment	-	(109,365)	-	-	-	-	-	-	n/a	#DIV/0!
Deferred taxes	-	-	-	-	-	-	-	-	n/a	#DIV/0!
Decrease (Increase) in:										
Customer and accounts receivable	76,998	68,477	116,111	(104,096)	(92,099)	(22,031)	9,720	(48)	22.8%	-85.3%
Current and accrued assets - other	(42,232)	69,420	(68,904)	32,454	(6,199)	(1,340)	(33)	(690)	18.1%	#NUM!
Increase (Decrease) in:										
Accounts payable	\$ (349,128)	\$ 409,957	\$ 846,175	\$ (766,115)	\$ (28,757)	\$ (15,464)	\$ 32,957	\$ 7,755	#NUM!	#NUM!
Advance billings and payments	371	1,396	(1,254)	(6,471)	8,678	1,876	47	966	#NUM!	#NUM!
Advance to related company	-	362,833	894,125	-	-	-	-	-	n/a	#DIV/0!
Accrued taxes	(31,664)	(43,029)	111,306	(44,993)	100,615	-	186,989	(81,834)	#NUM!	16.1%
Accrued interest	(59,282)	(12,066)	(14,604)	-	-	-	-	-	-50.4%	#DIV/0!
Accrued rents	61,838	108,363	2,243	-	-	-	-	-	-81.0%	#DIV/0!
Accrued salaries and employee benefits	242,126	18,311	65,221	(55,177)	(81,714)	(32,979)	32,401	33,119	-48.1%	#NUM!
Other current liabilities	234,876	(203,799)	(58,800)	(84,470)	(63,383)	(47,560)	(35,687)	(26,778)	#NUM!	-25.0%
TOTAL ADJUSTMENTS	\$ 4,969,529	\$ 5,800,475	\$ 7,241,040	\$ 5,000,281	\$ 6,997,371	\$ 7,602,905	\$ 8,318,143	\$ 8,206,787	20.7%	13.2%
Net cash provided by Operating Activities	\$ 5,268,509	\$ 6,327,919	\$ 6,223,138	\$ 2,933,622	\$ 5,359,791	\$ 5,393,507	\$ 5,383,671	\$ 5,285,526	8.7%	15.9%

Cash flows from investing activities:

Construction and acquisition of plant	\$ (6,126,897)	\$ (7,077,142)	\$ (11,577,658)	\$ 85,050	\$ (16,656,251)	\$ (8,134,666)	\$ (5,476,531)	\$ (2,818,725)	37.5%	#NUM!
Investment in nonregulated CPE	20,861	60,805	(1,363,960)	-	-	-	-	-	#NUM!	#DIV/0!
Decrease (Increase) in:										
Materials and supplies	25,887	(23,186)	(57,306)	(36)	5,483	(4,021)	(100)	(2,070)	#NUM!	174.9%
Temporary investments	873,464	197,384	(575,037)	(23,700)	718,110	502,677	351,874	246,312	#NUM!	#NUM!
Other investments	(3,201,417)	(746,538)	(1,664,603)	(1,069,338)	(1,122,805)	(1,178,946)	(1,237,893)	(1,299,787)	-27.9%	5.0%
Nonregulated income	3,122,420	658,362	1,469,668	1,273,735	2,146,032	3,140,236	3,765,751	4,387,708	-31.4%	36.2%
Net cash used by investing activities	\$ (5,285,682)	\$ (6,930,315)	\$ (13,768,896)	\$ 263,710	\$ (14,909,431)	\$ (5,674,719)	\$ (2,596,899)	\$ 513,437	61.4%	17.9%



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

	Historical Data		Pro-Forma Financial Data				CAGR			
	2004	2005	2006	2007	2008	2009	2010	2011	Historical	Pro-forma
Cash flows from financing activities:										
Decrease in memberships	\$ -	\$ (6,580)	\$ -	(3,163,696)	(3,265,942)	(3,409,531)	(3,575,294)	(3,557,584)	#NUM!	3.0%
Net Payments on existing RUS debt	(599,005)	3,161,297	5,447,265	5,040,238	12,202,042	3,484,001	368,629	(2,580,505)	n/a	#NUM!
Net Payments on RUS Broadband Debt	-	-	-	-	-	-	-	-	-100.0%	#DIV/0!
Excise credit applied to capital	13,226	11,403	-	-	-	(600,000)	(600,000)	(600,000)	-3.3%	#DIV/0!
Capital credits paid and applied	(605,972)	(597,864)	(566,914)	-	-	-	-	-	182.2%	#DIV/0!
Postretirement benefits other than pension	74,590	228,231	593,851	-	-	-	-	-	-100.0%	#DIV/0!
Advances to subsidiary	(143,205)	835,583	-	-	-	-	-	-	#NUM!	553.6%
Increase in customer deposits	(112,258)	(34,148)	3,450	(1)	(1,927)	(1,917)	(1,876)	(1,825)	#NUM!	#NUM!
Net cash used by financing activities	\$ (1,372,624)	\$ 3,597,922	\$ 5,477,652	\$ 1,876,541	\$ 8,934,173	\$ (527,446)	\$ (3,818,541)	\$ (6,739,913)	#NUM!	#NUM!
Net Increase (Decrease) in Cash and Cash Equivalents	\$ (1,389,797)	\$ 2,995,526	\$ (2,068,106)	\$ 5,075,873	\$ (615,467)	\$ (808,658)	\$ (1,031,769)	\$ (940,950)	22.0%	#NUM!
Cash & Cash Equiv. at beginning of year	\$ 5,720,202	\$ 4,330,405	\$ 7,325,931	\$ 5,257,825	\$ 10,333,698	\$ 9,718,231	\$ 8,909,573	\$ 7,877,804	13.2%	10.6%
Cash & Cash Equiv. at end of year	\$ 4,330,405	\$ 7,325,931	\$ 5,257,825	\$ 10,333,698	\$ 9,718,231	\$ 8,909,573	\$ 7,877,804	\$ 6,936,854	10.2%	-9.5%



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North Central Telephone Cooperative Corporation

Confidential & Proprietary

	Historical Data		Pro-Forma Financial Data				CAGR		
	2004	2005	2006	2007	2008	2009	2010	2011	Historical

Key RUS Metrics

TIER (Includes Deregulated earnings)	5.16	2.49	1.52	0.36	1.39	1.54	1.48	1.94	-45.8%	52.4%
Net Income (after taxes)	\$ 3,421,400	\$ 1,076,441	\$ 451,766	\$ (792,924)	\$ 508,453	\$ 930,838	\$ 831,279	\$ 1,466,446	-63.7%	#NUM!
Interest expense	\$ 821,829	\$ 724,623	\$ 876,178	\$ 1,238,794	\$ 1,314,418	\$ 1,732,479	\$ 1,721,954	\$ 1,557,251	3.3%	5.9%
DSCR	4.87	3.40	3.20	2.30	2.45	2.09	1.86	1.84	-18.9%	-5.4%
Net Income (after taxes)	\$ 3,421,400	\$ 1,076,441	\$ 451,766	\$ (792,924)	\$ 508,453	\$ 930,838	\$ 831,279	\$ 1,466,446	-63.7%	#NUM!
Fixed Charges	\$ 821,829	\$ 724,623	\$ 876,178	\$ 1,238,794	\$ 1,314,418	\$ 1,732,479	\$ 1,721,954	\$ 1,557,251	3.3%	5.9%
Depreciation & Amortization	\$ 4,835,626	\$ 5,129,976	\$ 5,339,421	\$ 6,029,149	\$ 7,160,229	\$ 7,720,402	\$ 8,091,751	\$ 8,274,297	5.1%	8.2%
Annual Debt Service Payments	\$ 1,862,789	\$ 2,037,652	\$ 2,082,456	\$ 2,814,472	\$ 3,664,496	\$ 4,965,768	\$ 5,736,785	\$ 6,138,088	5.7%	21.5%
Net Worth	61%	58%	52%	51%	46%	46%	48%	52%	-7.7%	0.7%
Total Equity	\$ 40,289,139	\$ 40,772,539	\$ 40,657,391	\$ 39,864,467	\$ 40,372,919	\$ 40,703,757	\$ 40,935,036	\$ 41,801,482	0.5%	1.2%
Total Assets	\$ 66,378,429	\$ 70,859,176	\$ 78,633,006	\$ 78,759,397	\$ 88,137,462	\$ 88,446,728	\$ 85,676,171	\$ 80,335,934	8.8%	0.5%

Key Definitions:

Please refer to 7 CFR Part 1735 and 7 CFR Part 1737 for all defined terms.

Times Interest Earned Ratio (TIER)

the ratio of a borrower's net income (after taxes) plus interest expense, all divided by interest expense. Interest expense should only include interest on debt with a maturity greater than one year.

Debt Service Coverage Ratio (DSCR)

the ratio of a borrower's net income (after taxes) plus fixed charges, depreciation expense, and amortization expense, all divided by annual debt service payments.

Net Worth

the ratio of a borrower's total equity divided by total assets.

Note: For the purposes of the above calculations, all amounts will be annual figures.



Updated RUS Broadband Loan Financial Analysis for KY PSC

North Central Telephone Cooperative Corporation

Confidential & Proprietary

	Historical Data		Pro-Forma Financial Data					CAGR	
	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical

Average Access Lines	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma
Business	22,188	22,082	21,952	21,844	21,750	21,657	21,565	21,476	-0.5%	-0.4%
Residential	2,819	2,820	2,797	2,766	2,747	2,728	2,709	2,691	-0.4%	-0.7%
	19,369	19,263	19,155	19,079	19,004	18,929	18,856	18,785	-0.6%	-0.4%

Revenue Drivers

Local network svcs/Access Line/Mo	\$ 16.29	\$ 16.40	\$ 16.50	\$ 16.50	\$ 21.73	\$ 21.82	\$ 21.82	\$ 21.82	\$ 21.82	0.6%	7.2%
Network access services/Access Line/Mo	\$ 23.92	\$ 24.31	\$ 23.40	\$ 23.40	\$ 23.63	\$ 24.76	\$ 24.49	\$ 24.23	\$ 24.23	-1.1%	0.9%
Long distance services/Access Line/Mo	\$ 13.52	\$ 14.14	\$ 13.48	\$ 13.48	\$ 12.10	\$ 12.16	\$ 12.13	\$ 12.11	\$ 12.11	-0.2%	-2.6%
Miscellaneous/Access Line/Mo	\$ 7.17	\$ 8.47	\$ 8.73	\$ 8.73	\$ 9.68	\$ 9.72	\$ 10.73	\$ 11.84	\$ 11.84	10.4%	7.9%
uncollectible revenue %	0.00%	0.00%	-0.68%	-0.17%	-0.17%	-0.17%	-0.75%	-0.75%	n/a	n/a	44.7%

Expense Drivers

Plant specific operations/Access Line/Mo	\$ 13.58	\$ 13.31	\$ 13.64	\$ 13.64	\$ 12.62	\$ 12.68	\$ 12.93	\$ 13.19	\$ 13.19	0.2%	-0.8%
Plant non-specific operations/Access Line/Mo	\$ 7.12	\$ 7.69	\$ 8.49	\$ 8.49	\$ 8.42	\$ 8.45	\$ 8.62	\$ 8.79	\$ 8.79	9.2%	0.9%
Customer operations/Access Line/Mo	\$ 8.27	\$ 8.79	\$ 8.99	\$ 8.99	\$ 8.39	\$ 8.20	\$ 8.36	\$ 8.53	\$ 8.53	1.9%	-0.2%
Corporate operations as a % of Revenue	\$ 8.35	\$ 9.30	\$ 10.32	\$ 10.32	\$ 10.24	\$ 9.89	\$ 10.09	\$ 10.29	\$ 10.29	11.2%	-0.1%
Operating taxes as a % of PP&E	1.08%	0.92%	0.86%	1.06%	1.06%	1.05%	1.50%	1.50%	1.50%	-10.4%	9.1%

Other Income

Baseline Income from subsidiaries	\$ 3,147,164	\$ 710,744	\$ 1,629,803	\$ 1,045,851	\$ 1,045,851	\$ 1,045,851	\$ 1,045,851	\$ 1,045,851	\$ 1,045,851	-28.0%	0.0%
Net Effect of Broadband Income	\$ -	\$ -	\$ -	\$ 277,884	\$ 1,115,181	\$ 2,094,385	\$ 2,719,900	\$ 3,341,857	\$ 3,341,857	n/a	86.2%
Net Income From Subsidiaries	\$ -	\$ -	\$ -	\$ 1,323,735	\$ 2,161,032	\$ 3,140,236	\$ 3,765,751	\$ 4,387,708	\$ 4,387,708	n/a	34.9%
Income from investments	\$ 1.10%	\$ 1.91%	\$ 1.83%	\$ 1.83%	\$ 1.83%	\$ 1.83%	\$ 1.83%	\$ 1.83%	\$ 1.83%	28.8%	0.0%
Int. & dividends as a % of cash & temp cash	\$ (24,744)	\$ (52,382)	\$ (160,135)	\$ (50,000)	\$ (15,000)	\$ -	\$ -	\$ -	\$ -	154.4%	-100.0%
Nonregulated income	\$ -	\$ 109,365	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	#DIV/0!
Gain on sale of equipment	\$ 2.8%	\$ 2.7%	\$ 0.9%	\$ 2.0%	\$ 2.0%	\$ 2.0%	\$ 2.0%	\$ 2.0%	\$ 2.0%	-43.1%	0.0%
Interest charged to construction - credit	\$ 2,000	\$ 6,044	\$ 5,336	\$ 4,900	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	63.3%	0.0%
Taxes on income	\$ 605,972	\$ 597,864	\$ 566,914	\$ -	\$ -	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	-3.3%	#DIV/0!
Capital credits paid and applied	0.4%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-100.0%	#DIV/0!
Excise tax refundable on capital credits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-3.3%	#DIV/0!

Balance Sheet Drivers

Temporary cash investments	\$ 1,992,347	\$ 1,794,963	\$ 2,370,000	\$ 2,393,700	\$ 1,675,590	\$ 1,172,913	\$ 821,039	\$ 574,727	\$ 574,727	9.1%	-30.0%
Telecommunications A/R DSO	33	30	27	30	30	30	30	30	30	-9.2%	0.0%

Current Assets

Other accounts receivable	\$ 835,583	\$ -	\$ -	\$ -	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	47.7%	0.0%
Advance to related company	1.2%	1.3%	1.6%	1.6%	1.5%	1.5%	1.5%	1.5%	1.5%	-100.0%	#DIV/0!
Materials and supplies as a % of Revenue	0.8%	0.3%	0.7%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	19.4%	-2.3%
Other current assets as a % of Revenue										-4.4%	0.0%

Noncurrent Assets

Investment in subsidiary	\$ 18,480,843	\$ 19,191,590	\$ 20,821,391	\$ 21,862,461	\$ 22,955,564	\$ 24,103,363	\$ 25,308,531	\$ 26,573,957	\$ 26,573,957	6.1%	5.0%
Investments	\$ 494,783	\$ 530,574	\$ 565,376	\$ 593,645	\$ 623,327	\$ 654,493	\$ 687,218	\$ 721,579	\$ 721,579	6.9%	5.0%
Nonregulated investments	\$ 228,703	\$ 167,298	\$ 1,531,258	\$ 1,531,258	\$ 1,531,258	\$ 1,531,258	\$ 1,531,258	\$ 1,531,258	\$ 1,531,258	159.1%	0.0%
Prepaid postretirement benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	#DIV/0!

Baseline Assumptions

11/9/2007



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Historical Data		Pro-Forma Financial Data					Confidential & Proprietary	
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Historical Pro-forma
								n/a #DIV/0!

Organization costs



Updated RUS Broadband Loan Financial Analysis for KY PSC

North Central Telephone Cooperative Corporation

Confidential & Proprietary

	Historical Data			Pro-Forma Financial Data					CAGR	
	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma
CapEx										
Baseline CapEx/Avg. Access Line	\$ 276,114	\$ 320,49	\$ 527,41	\$ 150	\$ 150	\$ 125	\$ 125	\$ 125	38.2%	-4.5%
Baseline CapEx	\$ 6,126,897	\$ 7,077,142	\$ 11,577,658	\$ 3,276,600	\$ 3,262,500	\$ 2,707,063	\$ 2,695,625	\$ 2,684,500	37.5%	-4.9%
Baseline telecommunications plant in service	\$ 79,068,884	\$ 85,498,609	\$ 91,087,262	\$ 94,363,862	\$ 97,626,362	\$ 100,333,425	\$ 103,029,050	\$ 105,713,550	7.3%	2.9%
Broadband CapEx				\$ 5,040,238	\$ 12,600,596	\$ 5,040,238	\$ 2,520,119	-	n/a	-100.0%
Total Telecommunications plant in service	\$ 79,068,884	\$ 85,498,609	\$ 91,087,262	\$ 99,404,100	\$ 115,267,196	\$ 123,014,497	\$ 128,230,242	\$ 130,914,742	7.3%	7.1%
Retirements	\$ (4,804,116)	\$ (9,665,055)	\$ (11,230,686)	\$ (11,230,686)	\$ (11,230,686)	\$ (11,230,686)	\$ (11,230,686)	\$ (11,230,686)	52.9%	0.0%
Telecommunications plant under construction as a % of plant in service	8.5%	8.6%	14.7%	5.0%	5.0%	5.0%	5.0%	5.0%	31.3%	0.0%
Depreciation										
Baseline Depr. as a % of avg PP&E in svc.	6.7%	6.8%	6.9%	5.8%	5.8%	6.8%	6.8%	6.8%	1.2%	0.0%
Baseline Depreciation	\$ 4,835,626	\$ 5,129,976	\$ 5,339,421	\$ 5,653,056	\$ 5,874,906	\$ 6,058,986	\$ 6,242,289	\$ 6,424,835	5.1%	3.3%
Broadband Depreciation				\$ 376,093	\$ 1,285,323	\$ 1,661,416	\$ 1,849,462	\$ 1,849,462	n/a	48.9%
Total Depreciation	\$ 4,835,626	\$ 5,129,976	\$ 5,339,421	\$ 6,029,149	\$ 7,160,229	\$ 7,720,402	\$ 8,091,751	\$ 8,274,297	5.1%	8.2%
Current Liabilities										
A/P as a % of expenses minus depreciation	5.5%	9.2%	16.3%	9.5%	9.5%	9.5%	9.5%	9.5%	71.7%	0.0%
Advance billings and pmts as a % of revenue	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	-0.1%	0.0%
Advance to related company	\$ -	\$ 362,833	\$ 1,256,958	\$ 1,256,958	\$ 1,256,958	\$ 1,256,958	\$ 1,256,958	\$ 1,256,958	n/a	0.0%
Customer deposits per avg. access line	\$ 21.57	\$ 20.12	\$ 20.40	\$ 20.50	\$ 20.50	\$ 20.50	\$ 20.50	\$ 20.50	-2.7%	0.0%
Current maturities of existing long-term debt										
Current maturities of broadband long-term debt	\$ 98.0%	\$ 97.5%	\$ 117.6%	\$ 100.0%	\$ 100.0%	\$ 100.0%	\$ 100.0%	\$ 100.0%	9.5%	0.0%
Accrued taxes as a % of operating taxes	\$ 131,210	\$ 119,144	\$ 104,540	\$ 104,540	\$ 104,540	\$ 104,540	\$ 104,540	\$ 104,540	-10.7%	0.0%
Accrued interest	\$ 354,521	\$ 462,884	\$ 465,127	\$ 465,127	\$ 465,127	\$ 465,127	\$ 465,127	\$ 465,127	14.5%	0.0%
Accrued rent	\$ 2.1%	\$ 2.0%	\$ 1.9%	\$ 1.5%	\$ 1.5%	\$ 1.5%	\$ 1.5%	\$ 1.5%	-5.4%	0.0%
Accrued salaries and wages as a % of op exp	\$ 19.5%	\$ 19.0%	\$ 18.8%	\$ 18.8%	\$ 18.8%	\$ 18.8%	\$ 18.8%	\$ 18.8%	-2.0%	0.0%
Accrued vac and sick benefits as a % of op exp	\$ 600,964	\$ 397,166	\$ 338,366	\$ 253,896	\$ 190,513	\$ 142,953	\$ 107,266	\$ 80,488	-25.0%	-25.0%
Other current liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	#DIV/0!
Advance from related company	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	#DIV/0!
Long Term Debt										
Rural Utilities Service	\$ 395,160	\$ 623,391	\$ 1,217,242	\$ 1,217,242	\$ 1,217,242	\$ 1,217,242	\$ 1,217,242	\$ 1,217,242	75.5%	0.0%
Other long-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	#DIV/0!
Postretirement benefits other than pension	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	#DIV/0!
Deferred taxes - net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	#DIV/0!
Equity										
Memberships	\$ 6,580	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-100.0%	#DIV/0!
Capital stock	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	#DIV/0!



Updated RUS Broadband Loan Financial Analysis for KY PSC

North Central Telephone Cooperative Corporation

Confidential & Proprietary

Historical Data	
2004	2006

Pro-Forma Financial Data				
Year 1	Year 2	Year 3	Year 4	Year 5

CAGR	
Historical	Pro-forma

Access Line Counts

Total Company	22,151	22,013	21,891	21,797	21,703	21,610	21,520	21,432	-0.6%	-0.4%
Business	2,820	2,819	2,775	2,756	2,737	2,718	2,700	2,682	-0.8%	-0.7%
Residential	19,331	19,194	19,116	19,041	18,966	18,892	18,820	18,750	-0.6%	-0.4%
Total: RUS Broadband Qualifying Exchanges	17,226	17,174	17,077	17,005	16,933	16,862	16,794	16,727	-0.4%	-0.4%
Business	2,382	2,378	2,337	2,320	2,303	2,286	2,270	2,254	-0.9%	-0.7%
Residential	14,844	14,796	14,740	14,685	14,630	14,576	14,524	14,473	-0.4%	-0.4%
Total: All Other Exchanges	4,925	4,839	4,814	4,792	4,770	4,748	4,726	4,705	-1.1%	-0.5%
Business	438	441	438	436	434	432	430	428	0.0%	-0.5%
Residential	4,487	4,398	4,376	4,356	4,336	4,316	4,296	4,277	-1.2%	-0.5%

Access Line Growth Rates

Total Company	-0.33%	-0.62%	-0.55%	-0.43%	-0.43%	-0.43%	-0.42%	-0.42%	-0.41%
Business	0.07%	-0.04%	-1.56%	-0.68%	-0.69%	-0.69%	-0.66%	-0.67%	-0.67%
Residential	-0.39%	-0.71%	-0.41%	-0.39%	-0.39%	-0.39%	-0.38%	-0.37%	-0.37%
Total: RUS Broadband Qualifying Exchanges	-0.19%	-0.30%	-0.56%	-0.42%	-0.42%	-0.42%	-0.40%	-0.40%	-0.40%
Business	0.04%	-0.17%	-1.72%	-0.73%	-0.73%	-0.74%	-0.70%	-0.70%	-0.70%
Residential	-0.22%	-0.32%	-0.38%	-0.37%	-0.37%	-0.37%	-0.36%	-0.35%	-0.35%
Total: All Other Exchanges	-0.85%	-1.75%	-0.52%	-0.46%	-0.46%	-0.46%	-0.46%	-0.46%	-0.44%
Business	0.23%	0.68%	-0.68%	-0.46%	-0.46%	-0.46%	-0.46%	-0.47%	-0.47%
Residential	-0.95%	-1.98%	-0.50%	-0.46%	-0.46%	-0.46%	-0.46%	-0.44%	-0.44%



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North Central Telephone Cooperative Corporation

Confidential & Proprietary

Historical Data		Pro-Forma Financial Data					CAGR		
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma

Access Line Counts--Detail

RUS Broadband Qualifying Exchanges

Defeated	725	720	711	705	699	693	687	681	-1.0%	-0.9%
Business Residential	43	44	44	44	44	44	44	44	1.2%	0.0%
Green Grove	388	372	378	383	388	393	398	403	-1.3%	1.3%
Business Residential	18	17	19	20	21	22	23	24	2.7%	4.7%
Hillsdale	487	482	480	478	476	474	472	470	-0.7%	-0.4%
Business Residential	26	25	25	25	25	25	25	25	-1.9%	0.0%
Lafayette	6,815	6,806	6,794	6,781	6,768	6,755	6,742	6,729	-0.2%	-0.2%
Business Residential	1,384	1,385	1,353	1,340	1,327	1,314	1,301	1,288	-1.1%	-1.0%
Pleasant Shade	344	339	336	333	330	328	326	324	-1.2%	-0.7%
Business Residential	29	32	31	31	31	31	31	31	3.4%	0.0%
Red Boiling Springs	2,202	2,199	2,147	2,126	2,105	2,084	2,065	2,046	-1.3%	-1.0%
Business Residential	326	316	308	305	302	299	297	295	-2.8%	-0.8%
Scottsville	5,761	5,758	5,739	5,711	5,683	5,655	5,628	5,601	-0.2%	-0.5%
Business Residential	476	479	478	476	474	472	470	468	0.2%	-0.4%
Westmoreland (Macon)	504	498	492	488	484	480	476	473	-1.2%	-0.8%
Business Residential	80	80	79	79	79	79	79	79	-0.6%	0.0%
All Other Exchanges	424	418	413	409	405	401	397	394	-1.3%	-0.9%
Bethpage	886	853	828	821	814	807	800	793	-3.3%	-0.9%
Business Residential	57	63	58	58	58	58	58	58	0.9%	0.0%
Oak Grove	1,489	1,471	1,495	1,504	1,513	1,522	1,531	1,540	0.2%	0.6%
Business Residential	57	58	62	63	64	65	66	67	4.3%	1.6%
Westmoreland (Summer)	2,550	2,515	2,491	2,467	2,443	2,419	2,395	2,372	-1.2%	-1.0%
Business Residential	324	320	318	315	312	309	306	303	-0.9%	-1.0%
	2,226	2,195	2,173	2,152	2,131	2,110	2,089	2,069	-1.2%	-1.0%



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data		Pro-Forma Financial Data					CAGR		
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma

Access Line Growth Rates--Detail

RUS Broadband Qualifying Exchanges

Defeated	-0.68%	-0.69%	-1.25%	-0.84%	-0.85%	-0.86%	-0.87%	-0.87%	-0.87%
Business	0.00%	2.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Residential	-0.73%	-0.88%	-1.33%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Green Grove	-2.02%	-4.12%	1.61%	1.32%	1.31%	1.29%	1.27%	1.27%	1.26%
Business	-10.00%	-5.56%	11.76%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Residential	-1.60%	-4.05%	1.13%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Hillsdale	-1.22%	-1.03%	-0.41%	-0.42%	-0.42%	-0.42%	-0.42%	-0.42%	-0.42%
Business	-16.13%	-3.85%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Residential	-0.22%	-0.87%	-0.44%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Lafayette	-0.15%	-0.13%	-0.18%	-0.19%	-0.19%	-0.19%	-0.19%	-0.19%	-0.19%
Business	-0.29%	0.07%	-2.31%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Residential	-0.11%	-0.18%	0.37%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Pleasant Shade	1.47%	-1.45%	-0.88%	-0.89%	-0.90%	-0.61%	-0.61%	-0.61%	-0.61%
Business	0.00%	10.34%	-3.13%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Residential	1.61%	-2.54%	-0.65%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Red Boiling Springs	0.69%	-0.14%	-2.36%	-0.98%	-0.99%	-1.00%	-0.91%	-0.92%	-0.92%
Business	5.84%	-3.07%	-2.53%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Residential	-0.16%	0.37%	-2.34%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Scottsville	-0.31%	-0.05%	-0.33%	-0.49%	-0.49%	-0.49%	-0.48%	-0.48%	-0.48%
Business	-1.24%	0.63%	-0.21%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Residential	-0.23%	-0.11%	-0.34%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%	-0.50%
Westmoreland (Macon)	-0.98%	-1.19%	-1.20%	-0.81%	-0.82%	-0.83%	-0.83%	-0.83%	-0.83%
Business	0.00%	0.00%	-1.25%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Residential	-1.17%	-1.42%	-1.20%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
All Other Exchanges									
Bethpage	0.80%	-3.72%	-2.93%	-0.85%	-0.85%	-0.86%	-0.87%	-0.88%	-0.88%
Business	7.55%	10.53%	-7.94%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Residential	0.36%	-4.70%	-2.53%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Oak Grove	-1.65%	-1.21%	1.63%	0.60%	0.60%	0.59%	0.59%	0.59%	0.59%
Business	-6.52%	1.75%	6.90%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Residential	-1.31%	-1.33%	1.42%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Westmoreland (Summer)	-0.93%	-1.37%	-0.95%	-0.97%	-0.98%	-0.98%	-0.99%	-0.99%	-0.96%
Business	0.93%	-1.23%	-0.63%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%
Residential	-1.20%	-1.39%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%

Access Lines

11/9/2007



Updated RUS Broadband Loan Financial Analysis for KY PSC

North Central Telephone Cooperative Corporation

Confidential & Proprietary

Historical Data	Pro-Forma Financial Data					CAGR	
	2004	2005	2006	Year 1	Year 2		Year 3

Video

Product: Basic V

Beginning of Year Subscribers

	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Total	-	-	-	95	120	183	202	218	n/a
Business	-	-	-	28	35	36	37	38	n/a
Residential	-	-	-	67	85	147	165	180	n/a
By Exchange									
Defeated									
Business	-	-	-	-	-	-	-	-	n/a
Residential	-	-	-	2	3	6	7	8	n/a
Green Grove									
Business	-	-	-	-	-	-	-	-	n/a
Residential	-	-	-	1	1	2	2	2	n/a
Hillsdale									
Business	-	-	-	-	-	-	-	-	n/a
Residential	-	-	-	1	1	3	4	5	n/a
Lafayette									
Business	-	-	-	40	52	76	84	91	n/a
Residential	-	-	-	13	18	19	20	21	n/a
Pleasant Shade									
Business	-	-	-	1	1	2	2	2	n/a
Residential	-	-	-	-	-	-	-	-	n/a
Red Boiling Springs									
Business	-	-	-	9	13	21	23	25	n/a
Residential	-	-	-	3	4	4	4	4	n/a
Scottsville									
Business	-	-	-	40	48	70	76	81	n/a
Residential	-	-	-	13	14	14	14	14	n/a
Westmoreland (Macon)									
Business	-	-	-	28	35	57	63	68	n/a
Residential	-	-	-	1	1	3	4	4	n/a
Summary									
Business	-	-	-	1	1	3	4	4	n/a
Residential	-	-	-	-	-	-	-	-	n/a



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data		Pro-Forma Financial Data					CAGR		
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma

Video

Product: Basic V

Incremental Penetration Percentages

Total	0.19%	0.44%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Business	0.39%	0.17%	0.17%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%
Residential	0.16%	0.49%	0.22%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
By Exchange									
Defeated	0.14%	0.43%	0.14%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%
Business	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Residential	0.20%	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Green Grove	0.00%	0.26%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Business	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Residential	0.20%	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Hillsdale	0.00%	0.42%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Business	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Residential	0.20%	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Lafayette	0.24%	0.44%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
Business	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Residential	0.20%	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Pleasant Shade	0.00%	0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Business	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Residential	0.20%	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Red Boiling Springs	0.19%	0.43%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.20%
Business	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Residential	0.20%	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Scottsville	0.21%	0.48%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%
Business	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Residential	0.20%	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Westmoreland (Macon)	0.00%	0.41%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%
Business	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Residential	0.20%	0.50%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data	
2004	2006

Pro-Forma Financial Data				
Year 1	Year 2	Year 3	Year 4	Year 5

CAGR	
Historical	Pro-forma

Video

Product: Basic V

Gross Adds

	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Total				33	75	36	35	35	n/a
Business				9	4	4	4	4	n/a
Residential				24	71	32	31	31	n/a
									1.5%
									-18.4%
									6.6%
By Exchange									
Defeated				1	3	1	1	1	n/a
Business				-	-	-	-	-	n/a
Residential				1	3	1	1	1	#DIV/0!
									0.0%
Green Grove				-	1	-	-	-	n/a
Business				-	-	-	-	-	#DIV/0!
Residential				-	1	-	-	-	#DIV/0!
									0.0%
Hillsdale				-	2	1	1	1	n/a
Business				-	-	-	-	-	#DIV/0!
Residential				-	2	1	1	1	#DIV/0!
									0.0%
Lafayette				16	30	16	16	16	n/a
Business				6	3	3	3	3	n/a
Residential				10	27	13	13	13	n/a
									-15.9%
									6.8%
Pleasant Shade				-	1	-	-	-	n/a
Business				-	-	-	-	-	#DIV/0!
Residential				-	1	-	-	-	#DIV/0!
									0.0%
Red Boiling Springs				4	9	4	4	4	n/a
Business				1	-	-	-	-	n/a
Residential				3	9	4	4	4	n/a
									-100.0%
									7.5%
Scottsville				12	27	13	13	13	n/a
Business				2	1	1	1	1	n/a
Residential				10	26	12	12	12	n/a
									-15.9%
									4.7%
Westmoreland (Macon)				-	2	1	-	-	n/a
Business				-	-	-	-	-	#DIV/0!
Residential				-	2	1	-	-	#DIV/0!
									0.0%



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data		Pro-Forma Financial Data					CAGR		
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma

Video

Product: Basic V

Churn %

Total			8.42%	10.00%	9.29%	9.41%	9.63%		
Business			7.14%	8.57%	8.33%	8.11%	7.89%		
Residential			8.96%	10.59%	9.52%	9.70%	10.00%		
By Exchange									
Defeated			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Business			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Green Grove			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Business			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Hillsdale			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Business			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Lafayette			10.00%	11.54%	10.53%	10.71%	10.99%		
Business			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Pleasant Shade			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Business			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Red Boiling Springs			0.00%	7.69%	9.52%	8.70%	8.00%		
Business			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Scottsville			10.00%	10.42%	10.00%	10.53%	11.11%		
Business			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Westmoreland (Macon)			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Business			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential			12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data		Pro-Forma Financial Data					CAGR	
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical Pro-forma

Video

Product: Basic V

Churn

	8	12	17	19	21	n/a	27.3%
Total	2	3	3	3	3	n/a	10.7%
Business	6	9	14	16	18	n/a	31.6%
Residential							
<u>By Exchange</u>							
<u>Defeated</u>							
Business	-	-	-	-	-	n/a	#DIV/0!
Residential	-	-	-	-	-	n/a	#DIV/0!
<u>Green Grove</u>							
Business	-	-	-	-	-	n/a	#DIV/0!
Residential	-	-	-	-	-	n/a	#DIV/0!
<u>Hillsdale</u>							
Business	-	-	-	-	-	n/a	#DIV/0!
Residential	-	-	-	-	-	n/a	#DIV/0!
<u>Lafayette</u>							
Business	4	6	8	9	10	n/a	25.7%
Residential	1	2	2	2	2	n/a	18.9%
<u>Pleasant Shade</u>							
Business	3	4	6	7	8	n/a	27.8%
Residential	-	-	-	-	-	n/a	#DIV/0!
<u>Red Boiling Springs</u>							
Business	-	-	-	-	-	n/a	#DIV/0!
Residential	-	-	-	-	-	n/a	#DIV/0!
<u>Scottsville</u>							
Business	-	1	2	2	2	n/a	#DIV/0!
Residential	-	-	-	-	-	n/a	#DIV/0!
<u>Westmoreland (Macon)</u>							
Business	4	5	7	8	9	n/a	22.5%
Residential	1	1	1	1	1	n/a	0.0%
<u>Westmoreland (Macon)</u>							
Business	3	4	6	7	8	n/a	27.8%
Residential	-	-	-	-	-	n/a	#DIV/0!
<u>Westmoreland (Macon)</u>							
Business	-	-	-	-	-	n/a	#DIV/0!
Residential	-	-	-	-	-	n/a	#DIV/0!



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data	
2004	2005
	2006

Pro-Forma Financial Data				
Year 1	Year 2	Year 3	Year 4	Year 5

CAGR	
Historical	Pro-forma

Video

Product: Basic V

Net Adds

	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Total				25	63	19	16	14	n/a
Business				7	1	1	1	1	n/a
Residential				18	62	18	15	13	n/a
									-13.5%
									-38.5%
									-7.8%
By Exchange									
Defeated				1	3	1	1	1	n/a
Business				-	-	-	-	-	n/a
Residential				1	3	1	1	1	#DIV/0!
									0.0%
Green Grove				-	1	-	-	-	n/a
Business				-	-	-	-	-	#DIV/0!
Residential				-	1	-	-	-	#DIV/0!
									#DIV/0!
Hillsdale				-	2	1	1	1	n/a
Business				-	-	-	-	-	n/a
Residential				-	2	1	1	1	#DIV/0!
									#DIV/0!
Lafayette				12	24	8	7	6	n/a
Business				5	1	1	1	1	n/a
Residential				7	23	7	6	5	n/a
									-15.9%
									-33.1%
									-8.1%
Pleasant Shade				-	1	-	-	-	n/a
Business				-	-	-	-	-	#DIV/0!
Residential				-	1	-	-	-	#DIV/0!
									#DIV/0!
Red Boiling Springs				4	8	2	2	2	n/a
Business				1	-	-	-	-	n/a
Residential				3	8	2	2	2	-100.0%
									-9.6%
Scottsville				8	22	6	5	4	n/a
Business				1	-	-	-	-	n/a
Residential				7	22	6	5	4	-15.9%
									-100.0%
									-13.1%
Westmoreland (Macon)				-	2	1	-	-	n/a
Business				-	-	-	-	-	#DIV/0!
Residential				-	2	1	-	-	#DIV/0!
									#DIV/0!



Video

Product: Basic V

End of Year Subscribers

	2004	2005	2006
Total	120	183	202
Business	35	36	37
Residential	85	147	165
Total	232	218	218
Business	39	38	38
Residential	193	180	180
	n/a	n/a	n/a
	17.9%	2.7%	22.8%

Cumulative Penetration

	2004	2005	2006
Total	0.71%	1.08%	1.20%
Business	1.51%	1.56%	1.62%
Residential	1.73%	1.67%	1.24%
	1.33%		

By Exchange

	2004	2005	2006	2007	2008	2009
Defeated	3	6	7	8	9	9
Business	-	-	-	-	-	-
Residential	3	6	7	8	9	9
	n/a	n/a	n/a	n/a	n/a	n/a
	31.6%	31.6%	31.6%	31.6%	31.6%	31.6%
Green Grove	1	2	2	2	2	2
Business	-	-	-	-	-	-
Residential	1	2	2	2	2	2
	n/a	n/a	n/a	n/a	n/a	n/a
	18.9%	18.9%	18.9%	18.9%	18.9%	18.9%
Hillsdale	1	3	4	5	6	6
Business	-	-	-	-	-	-
Residential	1	3	4	5	6	6
	n/a	n/a	n/a	n/a	n/a	n/a
	56.5%	56.5%	56.5%	56.5%	56.5%	56.5%
Lafayette	52	76	84	91	97	97
Business	18	19	20	21	22	22
Residential	35	58	65	71	76	76
	n/a	n/a	n/a	n/a	n/a	n/a
	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
Pleasant Shade	1	2	2	2	2	2
Business	-	-	-	-	-	-
Residential	1	2	2	2	2	2
	n/a	n/a	n/a	n/a	n/a	n/a
	18.9%	18.9%	18.9%	18.9%	18.9%	18.9%
Red Bolling Springs	13	21	23	25	27	27
Business	4	4	4	4	4	4
Residential	9	17	19	21	23	23
	n/a	n/a	n/a	n/a	n/a	n/a
	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Scottsville	48	70	76	81	85	85
Business	14	14	14	14	14	14
Residential	35	57	63	68	72	72
	n/a	n/a	n/a	n/a	n/a	n/a
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Westmoreland (Macon)	1	3	4	4	4	4
Business	-	-	-	-	-	-
Residential	1	3	4	4	4	4
	n/a	n/a	n/a	n/a	n/a	n/a
	41.4%	41.4%	41.4%	41.4%	41.4%	41.4%



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

	Historical Data		Pro-Forma Financial Data					CAGR	
	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical

Video

Product: Basic V

Average Subscribers

	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma
Total				108	152	193	210	225	n/a	20.3%
Business				32	36	37	38	39	n/a	5.1%
Residential				76	116	156	173	187	n/a	25.2%
By Exchange				3	5	7	8	9	n/a	35.8%
Defeated				-	-	-	-	-	n/a	#DIV/0!
Business				3	5	7	8	9	n/a	35.8%
Residential				1	2	2	2	2	n/a	18.9%
Green Grove				-	-	-	-	-	n/a	#DIV/0!
Business				1	2	2	2	2	n/a	18.9%
Residential				1	2	4	5	6	n/a	53.1%
Hillsdale				-	-	-	-	-	n/a	#DIV/0!
Business				1	2	4	5	6	n/a	53.1%
Residential				46	64	80	88	94	n/a	19.6%
Lafayette				15	18	19	20	21	n/a	8.8%
Business				31	46	61	68	73	n/a	23.9%
Residential				1	2	2	2	2	n/a	18.9%
Pleasant Shade				-	-	-	-	-	n/a	#DIV/0!
Business				1	2	2	2	2	n/a	18.9%
Residential				11	17	22	24	26	n/a	24.0%
Red Boiling Springs				4	4	4	4	4	n/a	3.4%
Business				8	13	18	20	22	n/a	30.9%
Residential				44	59	73	79	83	n/a	17.2%
Scottsville				13	14	14	14	14	n/a	0.9%
Business				31	46	60	65	70	n/a	22.4%
Residential				1	2	4	4	4	n/a	41.4%
Westmoreland (Macon)				-	-	-	-	-	n/a	#DIV/0!
Business				1	2	4	4	4	n/a	41.4%
Residential				-	-	-	-	-	n/a	41.4%



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data	Pro-Forma Financial Data					CAGR			
	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical

Video

Product: Deluxe V

Beginning of Year Subscribers

	1,623	2,259	4,188	5,148	5,989	n/a	38.6%
Total							
Business	65	79	75	71	68	n/a	1.1%
Residential	1,558	2,180	4,113	5,077	5,921	n/a	39.6%
By Exchange							
Defeated	55	85	173	217	256	n/a	46.9%
Business	1	1	1	1	1	n/a	0.0%
Residential	54	84	172	216	255	n/a	47.4%
Green Grove	29	45	95	121	144	n/a	49.3%
Business	-	-	-	-	-	n/a	#DIV/0!
Residential	29	45	95	121	144	n/a	49.3%
Hillsdale	37	57	118	148	175	n/a	47.5%
Business	-	-	-	-	-	n/a	#DIV/0!
Residential	37	57	118	148	175	n/a	47.5%
Lafayette	644	880	1,594	1,951	2,265	n/a	36.9%
Business	28	38	37	36	35	n/a	5.7%
Residential	616	842	1,557	1,915	2,230	n/a	37.9%
Pleasant Shade	24	38	78	98	116	n/a	48.3%
Business	-	-	-	-	-	n/a	#DIV/0!
Residential	24	38	78	98	116	n/a	48.3%
Red Boiling Springs	156	242	484	604	709	n/a	46.0%
Business	7	10	9	8	8	n/a	3.4%
Residential	149	232	475	596	701	n/a	47.3%
Scottsville	644	859	1,539	1,874	2,166	n/a	35.4%
Business	25	29	27	25	23	n/a	-4.8%
Residential	615	830	1,512	1,849	2,143	n/a	36.6%
Westmoreland (Macon)	34	53	107	135	158	n/a	46.8%
Business	1	1	1	1	1	n/a	0.0%
Residential	33	52	106	134	157	n/a	47.7%



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR	
Historical Data			Pro-Forma Financial Data					Historical	Pro-forma

Video

Product: Deluxe V

Incremental Penetration Percentages

	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Total									
Business				4.84%	12.96%	8.65%	8.65%	8.65%	8.66%
Residential				0.86%	0.17%	0.17%	0.18%	0.18%	0.18%
				5.47%	14.98%	9.98%	9.97%	9.97%	9.98%
BY Exchange									
Defeated									
Business				5.11%	14.02%	9.24%	9.32%	9.32%	9.25%
Residential				1.00%	0.25%	0.25%	0.25%	0.25%	0.25%
				5.50%	15.00%	10.00%	10.00%	10.00%	10.00%
Green Grove									
Business				4.96%	14.18%	9.41%	9.30%	9.30%	9.18%
Residential				1.00%	0.25%	0.25%	0.25%	0.25%	0.25%
				5.50%	15.00%	10.00%	10.00%	10.00%	10.00%
Hillsdale									
Business				5.02%	14.08%	9.28%	9.32%	9.32%	9.36%
Residential				1.00%	0.25%	0.25%	0.25%	0.25%	0.25%
				5.50%	15.00%	10.00%	10.00%	10.00%	10.00%
Lafayette									
Business				4.60%	12.10%	8.10%	8.11%	8.11%	8.13%
Residential				1.00%	0.25%	0.25%	0.25%	0.25%	0.25%
				5.50%	15.00%	10.00%	10.00%	10.00%	10.00%
Pleasant Shade									
Business				4.80%	13.33%	8.84%	8.90%	8.90%	8.95%
Residential				1.00%	0.25%	0.25%	0.25%	0.25%	0.25%
				5.50%	15.00%	10.00%	10.00%	10.00%	10.00%
Red Boiling Springs									
Business				4.84%	12.83%	8.54%	8.52%	8.52%	8.55%
Residential				1.00%	0.25%	0.25%	0.25%	0.25%	0.25%
				5.50%	15.00%	10.00%	10.00%	10.00%	10.00%
Scottsville									
Business				5.10%	13.76%	9.18%	9.17%	9.17%	9.18%
Residential				1.00%	0.25%	0.25%	0.25%	0.25%	0.25%
				5.50%	15.00%	10.00%	10.00%	10.00%	10.00%
Westmoreland (Macon)									
Business				4.51%	12.40%	8.33%	8.19%	8.25%	8.25%
Residential				1.00%	0.25%	0.25%	0.25%	0.25%	0.25%
				5.50%	15.00%	10.00%	10.00%	10.00%	10.00%



Historical Data	2004	2005	2006
	Year 1	Year 2	Year 3
Pro-Forma Financial Data	Year 4	Year 5	
	Year 6	Year 7	Year 8
CAGR	Historical Pro-Forma		

Video

Product: Deluxe V

Gross Adds

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total	823	2,195	1,458	1,452	1,448	1,448	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444
Business	20	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Residential	803	2,191	1,454	1,448	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444
By Exchange																			
Defeated	36	98	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64
Business	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential	36	98	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64	64
Green Grove	19	55	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37
Business	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential	19	55	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37	37
Hillsdale	24	67	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44
Business	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential	24	67	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44
Lafayette	312	819	547	547	547	547	547	547	547	547	547	547	547	547	547	547	547	547	547
Business	13	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Residential	299	816	544	544	544	544	544	544	544	544	544	544	544	544	544	544	544	544	544
Pleasant Shade	16	44	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29
Business	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential	16	44	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29	29
Red Bolling Springs	103	270	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178
Business	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential	100	270	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178	178
Scottsville	291	782	519	516	514	514	514	514	514	514	514	514	514	514	514	514	514	514	514
Business	4	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Residential	287	781	518	515	513	513	513	513	513	513	513	513	513	513	513	513	513	513	513
Westmoreland (Macon)	22	60	40	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39
Business	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Residential	22	60	40	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39	39



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data		Pro-Forma Financial Data					CAGR		
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma

Video

Product: Deluxe V

Churn %

Total	11.52%	9.23%	11.78%	11.89%	11.87%	11.87%	11.91%		
Business	11.62%		10.13%	10.67%	9.86%	8.82%			
Residential			11.83%	11.91%	11.90%	11.94%			
By Exchange									
Defeated	10.91%		11.76%	11.56%	11.52%	11.72%			
Business	12.00%		12.00%	12.00%	12.00%	12.00%			
Residential	12.00%		12.00%	12.00%	12.00%	12.00%			
Green Grove	10.34%		11.11%	11.58%	11.57%	11.81%			
Business	12.00%		12.00%	12.00%	12.00%	12.00%			
Residential	12.00%		12.00%	12.00%	12.00%	12.00%			
Hillsdale	10.81%		10.53%	11.86%	11.49%	12.00%			
Business	12.00%		12.00%	12.00%	12.00%	12.00%			
Residential	12.00%		12.00%	12.00%	12.00%	12.00%			
Lafayette	11.80%		11.93%	11.92%	11.94%	11.96%			
Business	12.00%		12.00%	12.00%	12.00%	12.00%			
Residential	12.00%		12.00%	12.00%	12.00%	12.00%			
Pleasant Shade	8.33%		10.53%	11.54%	11.22%	11.21%			
Business	12.00%		12.00%	12.00%	12.00%	12.00%			
Residential	12.00%		12.00%	12.00%	12.00%	12.00%			
Red Boiling Springs	10.90%		11.57%	11.98%	11.75%	11.85%			
Business	12.00%		12.00%	12.00%	12.00%	12.00%			
Residential	12.00%		12.00%	12.00%	12.00%	12.00%			
Scottsville	11.80%		11.87%	11.96%	11.95%	11.96%			
Business	12.00%		12.00%	12.00%	12.00%	12.00%			
Residential	12.00%		12.00%	12.00%	12.00%	12.00%			
Westmoreland (Macon)	8.82%		11.32%	11.21%	11.85%	11.39%			
Business	12.00%		12.00%	12.00%	12.00%	12.00%			
Residential	12.00%		12.00%	12.00%	12.00%	12.00%			



Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

North Central Telephone Cooperative Corporation

Historical Data	Pro-Forma Financial Data					CAGR	
	2004	2005	2006	Year 1	Year 2		Year 3

Video

Product: Deluxe V

Churn

	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma	CAGR
Total	187	181	187	266	498	611	713	713	n/a	39.7%	n/a
Business	6	6	6	8	8	7	6	6	n/a	0.0%	n/a
Residential	181	175	181	258	490	604	707	707	n/a	40.6%	n/a
By Exchange											
Defeated	6	6	6	10	20	25	30	30	n/a	49.5%	n/a
Business	-	-	-	-	-	-	-	-	n/a	#DIV/0!	n/a
Residential	6	6	6	10	20	25	30	30	n/a	49.5%	n/a
Green Grove	3	3	3	5	11	14	17	17	n/a	54.3%	n/a
Business	-	-	-	-	-	-	-	-	n/a	#DIV/0!	n/a
Residential	3	3	3	5	11	14	17	17	n/a	54.3%	n/a
Hillside	4	4	4	6	14	17	21	21	n/a	51.4%	n/a
Business	-	-	-	-	-	-	-	-	n/a	#DIV/0!	n/a
Residential	4	4	4	6	14	17	21	21	n/a	51.4%	n/a
Lafayette	76	73	76	105	190	233	271	271	n/a	37.4%	n/a
Business	3	3	3	4	4	4	4	4	n/a	7.5%	n/a
Residential	73	70	73	101	186	229	267	267	n/a	38.3%	n/a
Pleasant Shade	2	2	2	4	9	11	13	13	n/a	59.7%	n/a
Business	-	-	-	-	-	-	-	-	n/a	#DIV/0!	n/a
Residential	2	2	2	4	9	11	13	13	n/a	59.7%	n/a
Red Boiling Springs	17	17	17	28	58	71	84	84	n/a	49.1%	n/a
Business	-	-	-	1	1	-	-	-	n/a	#DIV/0!	n/a
Residential	17	17	17	27	57	71	84	84	n/a	49.1%	n/a
Scottsville	76	73	76	102	184	224	259	259	n/a	35.9%	n/a
Business	3	3	3	3	3	3	2	2	n/a	-9.6%	n/a
Residential	73	70	73	99	181	221	257	257	n/a	37.0%	n/a
Westmoreland (Macon)	3	3	3	6	12	16	18	18	n/a	56.5%	n/a
Business	-	-	-	-	-	-	-	-	n/a	#DIV/0!	n/a
Residential	3	3	3	6	12	16	18	18	n/a	56.5%	n/a



Historical Data	2006	2005	2004
	Pro-Forma Financial Data		
Historical Pro-Forma	Year 1	Year 2	Year 3
	Year 4	Year 5	CAGR

Product: Deluxe V

Net Adds

	Total	Business	Residential	By Exchange
	636	14	622	Business Residential
	1,929	(4)	1,933	Business Residential
	960	(4)	964	Business Residential
	841	(3)	844	Business Residential
	735	(2)	737	Business Residential
	30	-	30	Business Residential
	88	-	88	Business Residential
	44	-	44	Business Residential
	39	-	39	Business Residential
	33	-	33	Business Residential
	30	-	30	Business Residential
	61	-	61	Business Residential
	20	-	20	Business Residential
	26	-	26	Business Residential
	50	-	50	Business Residential
	26	-	26	Business Residential
	50	-	50	Business Residential
	61	-	61	Business Residential
	30	-	30	Business Residential
	27	-	27	Business Residential
	23	-	23	Business Residential
	20	-	20	Business Residential
	23	-	23	Business Residential
	276	276	276	Business Residential
	314	(1)	315	Business Residential
	714	(1)	715	Business Residential
	357	(1)	358	Business Residential
	314	(1)	315	Business Residential
	277	-	277	Business Residential
	16	-	16	Business Residential
	40	-	40	Business Residential
	20	-	20	Business Residential
	20	-	20	Business Residential
	40	-	40	Business Residential
	242	(1)	243	Business Residential
	120	(1)	121	Business Residential
	105	-	105	Business Residential
	91	-	91	Business Residential
	255	255	255	Business Residential
	292	(2)	294	Business Residential
	292	(1)	294	Business Residential
	215	1	214	Business Residential
	680	(2)	682	Business Residential
	335	(2)	337	Business Residential
	28	-	28	Business Residential
	23	-	23	Business Residential
	21	-	21	Business Residential
	2.5%	n/a	2.5%	Business Residential
	2.5%	n/a	2.5%	Business Residential
	4.6%	n/a	4.6%	Business Residential
	4.4%	n/a	4.4%	Business Residential
	2.3%	n/a	2.3%	Business Residential
	1.4%	n/a	1.4%	Business Residential
	3.4%	n/a	3.4%	Business Residential
	3.4%	n/a	3.4%	Business Residential
	5.2%	n/a	5.2%	Business Residential
	4.0%	n/a	4.0%	Business Residential
	3.6%	n/a	3.6%	Business Residential
	3.6%	n/a	3.6%	Business Residential
	5.7%	n/a	5.7%	Business Residential
	5.7%	n/a	5.7%	Business Residential
	2.4%	n/a	2.4%	Business Residential
	2.4%	n/a	2.4%	Business Residential
	3.7%	n/a	3.7%	Business Residential



CAGR	Pro-Forma Financial Data					Historical Data		
	Year 5	Year 4	Year 3	Year 2	Year 1	2006	2005	2004

Video

Product: Deluxe V

End of Year Subscribers

	Total	Business	Residential
Total	2,259	79	2,180
Cumulative Penetration	13.28%	3.41%	14.85%
By Exchange	85	173	217
Defeated	35.8%	0.0%	36.1%
Green Grove	45	95	121
Hillsdale	57	118	148
Lafayette	880	1,594	1,951
Pleasant Shade	38	78	98
Red Bolling Springs	242	484	604
Scottsville	859	1,539	1,874
Westmoreland (Macon)	53	107	135

#DIV/0! 38.2% 164 144 121 95 121 144 175 198 36.5% 198 175 148 148 175 198 36.5% 198

Business 38.2% 164 144 121 95 121 144 175 198 36.5% 198 175 148 148 175 198 36.5% 198

Residential 38.2% 164 144 121 95 121 144 175 198 36.5% 198 175 148 148 175 198 36.5% 198

Business 38.2% 164 144 121 95 121 144 175 198 36.5% 198 175 148 148 175 198 36.5% 198

Residential 38.2% 164 144 121 95 121 144 175 198 36.5% 198 175 148 148 175 198 36.5% 198

Business 38.2% 164 144 121 95 121 144 175 198 36.5% 198 175 148 148 175 198 36.5% 198

Residential 38.2% 164 144 121 95 121 144 175 198 36.5% 198 175 148 148 175 198 36.5% 198

Business 38.2% 164 144 121 95 121 144 175 198 36.5% 198 175 148 148 175 198 36.5% 198

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Business 38.2% 164 144 121 95 121 144 175 198 36.5% 198 175 148 148 175 198 36.5% 198

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Business 38.2% 164 144 121 95 121 144 175 198 36.5% 198 175 148 148 175 198 36.5% 198

Residential 38.2% 164 144 121 95 121 144 175 198 36.5% 198 175 148 148 175 198 36.5% 198

Business 38.2% 164 144 121 95 121 144 175 198 36.5% 198 175 148 148 175 198 36.5% 198



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

	Historical Data					Pro-Forma Financial Data					CAGR	
	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Historical	Pro-forma

Video

Product: Deluxe V

Average Subscribers

	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Historical	Pro-forma
Total												
Business	1,941			3,224	4,668	5,569	6,357				n/a	34.5%
Residential	72			77	73	70	67				n/a	-1.8%
	1,869			3,147	4,595	5,499	6,290				n/a	35.4%
By Exchange												
Defeated	70			129	195	237	273				n/a	40.5%
Business	1			1	1	1	1				n/a	0.0%
Residential	69			128	194	236	272				n/a	40.8%
Green Grove	37			70	108	133	154				n/a	42.8%
Business	-			-	-	-	-				n/a	#DIV/0!
Residential	37			70	108	133	154				n/a	42.8%
Hillsdale	47			88	133	162	187				n/a	41.1%
Business	-			-	-	-	-				n/a	#DIV/0!
Residential	47			88	133	162	187				n/a	41.1%
Hillsdale	47			88	133	162	187				n/a	41.1%
Business	762			1,237	1,773	2,108	2,403				n/a	33.3%
Residential	33			38	37	36	35				n/a	1.1%
Lafayette	729			1,200	1,736	2,073	2,369				n/a	34.3%
Business	31			58	88	107	124				n/a	41.4%
Residential	-			-	-	-	-				n/a	#DIV/0!
Pleasant Shade	31			58	88	107	124				n/a	41.4%
Business	199			363	544	657	755				n/a	39.5%
Residential	9			10	9	8	8				n/a	-1.5%
Red Boiling Springs	191			354	536	649	747				n/a	40.7%
Business	752			1,199	1,707	2,020	2,294				n/a	32.2%
Residential	29			28	26	24	23				n/a	-5.7%
Scottsville	723			1,171	1,681	1,996	2,271				n/a	33.1%
Business	44			80	121	147	169				n/a	40.3%
Residential	1			1	1	1	1				n/a	0.0%
Westmoreland (Macon)	43			79	120	146	168				n/a	40.9%
Business												
Residential												



CAGR	Pro-Forma Financial Data					Historical Data		
	Year 5	Year 4	Year 3	Year 2	Year 1	2006	2005	2004

Product: DSL256

Beginning of Year Subscribers

	Total	Business	Residential	By Exchange	Dated	Business	Residential	Green Grove	Business	Residential	Hillsdale	Business	Residential	Lafayette	Business	Residential	Pleasant Shade	Business	Residential	Red Bolling Springs	Business	Residential	Scottsville	Business	Residential	Westmoreland (Macon)	Business	Residential	
	4,267	250	4,017	4,267	143	3	140	105	1	76	97	1	75	1,751	165	1,586	66	2	64	413	27	386	1,629	43	1,586	93	7	86	
	5,375	299	5,076	5,375	197	4	193	105	1	105	133	1	104	2,159	192	1,967	91	3	88	565	34	531	1,999	54	1,945	127	9	118	
	5,506	307	5,199	5,506	206	4	202	111	1	111	140	1	110	2,199	195	2,004	95	3	92	594	36	558	2,029	57	1,972	133	9	124	
	5,255	314	4,941	5,255	198	4	194	107	1	106	133	1	106	2,098	198	1,900	91	3	88	573	37	536	1,925	60	1,865	129	9	120	
	5,105	320	4,785	5,105	194	4	190	106	1	105	133	1	105	2,037	201	1,836	89	3	86	563	38	525	1,858	62	1,796	126	9	117	
	n/a	n/a	n/a	n/a	7.9%	n/a	7.5%	8.7%	n/a	8.7%	8.2%	n/a	8.8%	3.9%	5.1%	3.7%	7.8%	n/a	10.7%	8.1%	8.9%	3.3%	9.6%	3.2%	7.9%	n/a	n/a	n/a	8.0%



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data		Pro-Forma Financial Data					CAGR		
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma

Data

Product: DSL256

Incremental Penetration Percentages

Total	9.49%	4.55%	2.39%	2.82%	2.81%
Business	3.28%	1.82%	1.79%	1.81%	1.77%
Residential	10.47%	4.98%	2.48%	2.97%	2.97%
BY Exchange					
Defeated	9.93%	4.58%	2.31%	2.77%	2.79%
Business	3.50%	2.00%	2.00%	2.00%	2.00%
Residential	10.50%	5.00%	2.50%	3.00%	3.00%
Green Grove	9.92%	4.64%	2.29%	2.76%	2.73%
Business	3.50%	2.00%	2.00%	2.00%	2.00%
Residential	10.50%	5.00%	2.50%	3.00%	3.00%
Hillsdale	9.83%	4.62%	2.32%	2.75%	2.77%
Business	3.50%	2.00%	2.00%	2.00%	2.00%
Residential	10.50%	5.00%	2.50%	3.00%	3.00%
Lafayette	9.10%	4.40%	2.40%	2.80%	2.79%
Business	3.50%	2.00%	2.00%	2.00%	2.00%
Residential	10.50%	5.00%	2.50%	3.00%	3.00%
Pleasant Shade	9.61%	4.24%	2.13%	2.45%	2.47%
Business	3.50%	2.00%	2.00%	2.00%	2.00%
Residential	10.50%	5.00%	2.50%	3.00%	3.00%
Red Boiling Springs	9.45%	4.56%	2.35%	2.81%	2.79%
Business	3.50%	2.00%	2.00%	2.00%	2.00%
Residential	10.50%	5.00%	2.50%	3.00%	3.00%
Scottsville	9.89%	4.73%	2.44%	2.90%	2.89%
Business	3.50%	2.00%	2.00%	2.00%	2.00%
Residential	10.50%	5.00%	2.50%	3.00%	3.00%
Westmoreland (Macon)	0.77%	0.37%	0.19%	0.21%	0.21%
Business	3.50%	2.00%	2.00%	2.00%	2.00%
Residential	10.50%	5.00%	2.50%	3.00%	3.00%



Data	Historical Data			Pro-Forma Financial Data				
	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5
CAGR								

Product: DSL256

Gross Adds

	Total	Business	Residential	By Exchange	Defeated	Business	Residential	Green Grove	Business	Residential	Hillsdale	Business	Residential	Lafayette	Business	Residential	Pleasant Shade	Business	Residential	Red Boiling Springs	Business	Residential	Scottsville	Business	Residential	Westmoreland (Macon)	Business	Residential	
	1,614	76	1,538		70	32	38	38	18	9	47	18	38	617	298	319	32	46	571	31	201	10	191	565	16	549	2	42	
	470	40	430		19	16	11	11	9	11	13	11	11	188	163	25	8	25	163	8	57	5	153	162	9	260	1	20	
		-26.5%	-27.3%		-27.8%	-100.0%	-26.6%	-26.6%	-26.6%	-27.5%	-27.5%	-27.5%	-27.5%	-25.7%	-14.1%	-26.9%	-29.3%	-100.0%	-14.1%	-26.9%	-28.7%	-27.0%	-15.9%	-26.8%	16.9%	-13.4%	-15.9%	-27.7%	-28.5%



Updated RUS Broadband Loan Financial Analysis for KY PSC

North Central Telephone Cooperative Corporation

Confidential & Proprietary

Historical Data		Pro-Forma Financial Data					CAGR		
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma

Data

Product: DSL256

Churn %

Total	11.86%	11.89%	11.88%	11.86%	11.89%	11.86%	11.89%
Business	10.80%	11.37%	11.07%	11.15%	11.25%	11.25%	11.25%
Residential	11.92%	11.92%	11.93%	11.90%	11.93%	11.93%	11.93%
By Exchange							
Defeated	11.19%	11.68%	11.65%	11.62%	11.62%	11.62%	11.34%
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Green Grove	11.84%	11.43%	11.71%	11.21%	11.32%	11.32%	11.32%
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Hillsdale	11.34%	11.28%	11.43%	11.11%	11.28%	11.28%	11.28%
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Lafayette	11.94%	11.95%	11.96%	11.92%	11.98%	11.98%	11.98%
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Pleasant Shade	10.61%	10.99%	11.58%	10.99%	11.24%	11.24%	11.24%
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Red Boiling Springs	11.86%	11.86%	11.78%	11.87%	11.90%	11.90%	11.90%
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Scottsville	11.97%	11.95%	11.93%	11.95%	11.95%	11.95%	11.95%
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Westmoreland (Macon)	10.75%	11.81%	11.28%	11.63%	11.90%	11.90%	11.90%
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%



North Central Telephone Cooperative Corporation

Confidential & Proprietary

Updated RUS Broadband Loan Financial Analysis for KY PSC

Historical Data					
2004	2005	2006	Year 1	Year 2	Year 3
Pro-Forma Financial Data					
Historical Pro-Forma					
Year 4	Year 5	CAGR			

Product: DSL256

Churn

Total	Business	Residential
506	27	479
639	34	605
654	34	620
623	35	588
607	36	571
n/a	n/a	n/a
4.7%	7.5%	4.5%

By Exchange

Defeated	Business	Residential	#DIV/0!	n/a	8.3%
16	-	23	24	23	22
9	-	12	13	12	12
9	-	12	13	12	12
9	-	12	13	12	12
11	11	15	16	15	15
-	-	-	-	-	-
11	15	16	15	15	15
209	258	263	250	244	244
19	23	23	23	24	24
190	235	240	227	220	220
7	10	11	10	10	10
-	-	-	-	-	-
7	10	11	10	10	10
49	67	70	68	67	67
3	4	4	4	4	4
46	63	66	64	63	63
195	239	242	230	222	222
6	6	6	7	7	7
5	233	236	223	215	215
190	233	236	223	215	215
10	15	15	15	15	15
-	1	1	1	1	1
10	14	14	14	14	14
10	14	14	14	14	14
-	-	-	-	-	-
10	14	14	14	14	14
10	14	14	14	14	14

Westmoreland (Macon)

Scottsville

Red Boiling Springs

Pleasant Shade

Lafayette

Hillsdale

Green Grove

Defeated



	2004	2005	2006
Historical Data	Historical Data		
Pro-Forma Financial Data	Year 1	Year 2	Year 3
	Year 4	Year 5	
CAGR	Historical Pro-Forma		

Data

Product: DSL256

Net Adds

	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total	1,108	131	(251)	(150)	(137)	n/a	#NUM!	n/a	-46.5%
Business	49	8	7	6	4	n/a	#NUM!	n/a	-46.5%
Residential	1,059	123	(258)	(156)	(141)	n/a	#NUM!	n/a	-46.5%
By Exchange									
Defeated	54	9	(8)	(4)	(3)	n/a	#NUM!	n/a	-100.0%
Business	1	-	-	-	-	n/a	#NUM!	n/a	-100.0%
Residential	53	9	(8)	(4)	(3)	n/a	#NUM!	n/a	-100.0%
Green Grove	29	6	(4)	(1)	(1)	n/a	#NUM!	n/a	-100.0%
Business	-	-	-	-	-	n/a	#DIV/0!	n/a	-100.0%
Residential	29	6	(4)	(1)	(1)	n/a	#NUM!	n/a	-100.0%
Hillsdale	36	7	(5)	(2)	(2)	n/a	#NUM!	n/a	-100.0%
Business	-	-	-	-	-	n/a	#DIV/0!	n/a	-100.0%
Residential	36	7	(5)	(2)	(2)	n/a	#NUM!	n/a	-100.0%
Lafayette	408	40	(101)	(61)	(56)	n/a	#NUM!	n/a	-56.1%
Business	27	3	3	3	1	n/a	#NUM!	n/a	-56.1%
Residential	381	37	(104)	(64)	(57)	n/a	#NUM!	n/a	-56.1%
Pleasant Shade	25	4	(4)	(2)	(2)	n/a	#NUM!	n/a	-100.0%
Business	1	-	-	-	-	n/a	#NUM!	n/a	-100.0%
Residential	24	4	(4)	(2)	(2)	n/a	#NUM!	n/a	-100.0%
Red Boiling Springs	152	29	(21)	(10)	(10)	n/a	#NUM!	n/a	-38.5%
Business	7	2	1	1	1	n/a	#NUM!	n/a	-38.5%
Residential	145	27	(22)	(11)	(11)	n/a	#NUM!	n/a	-38.5%
Scottsville	370	30	(104)	(67)	(60)	n/a	#NUM!	n/a	-34.7%
Business	11	3	3	2	2	n/a	#NUM!	n/a	-34.7%
Residential	359	27	(107)	(69)	(62)	n/a	#NUM!	n/a	-34.7%
Westmoreland (Macon)	34	6	(4)	(3)	(3)	n/a	#NUM!	n/a	-100.0%
Business	2	-	-	-	-	n/a	#NUM!	n/a	-100.0%
Residential	32	6	(4)	(3)	(3)	n/a	#NUM!	n/a	-100.0%



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

	Historical Data		Pro-Forma Financial Data					CAGR	
	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical

Data

Product: DSL256

End of Year Subscribers

	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Total			297	5,375	5,506	5,255	5,105	4,968	n/a
Business				299	307	314	320	324	n/a
Residential			5027	5,076	5,199	4,941	4,785	4,644	n/a

Cumulative Penetration

	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Total	31.61%	32.52%	31.16%	30.40%	29.70%	-1.9%
Business	12.89%	13.33%	13.74%	14.10%	14.37%	2.0%
Residential	34.57%	35.54%	33.90%	32.95%	32.09%	-2.2%

By Exchange

	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Defeated	197	206	198	194	191	-0.8%
Business	4	4	4	4	4	0.0%
Residential	193	202	194	190	187	-0.8%

Green Grove

	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Business	105	111	107	106	105	0.0%
Residential	104	110	106	105	104	0.0%

Hillsdale

	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Business	133	140	135	133	131	-0.4%
Residential	2	2	2	2	2	0.0%
Total	131	138	133	131	129	-0.4%

Lafayette

	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Business	2,159	2,199	2,098	2,037	1,981	-2.1%
Residential	192	195	198	201	202	1.3%
Total	1,967	2,004	1,900	1,836	1,779	-2.5%

Pleasant Shade

	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Business	91	95	91	89	87	-1.1%
Residential	3	3	3	3	3	0.0%
Total	88	92	88	86	84	-1.2%

Red Boiling Springs

	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Business	565	594	573	563	553	-0.5%
Residential	34	36	37	38	39	3.5%
Total	531	558	536	525	514	-0.8%

Scottsville

	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Business	1,999	2,029	1,925	1,858	1,798	-2.6%
Residential	54	57	60	62	64	4.3%
Total	1,945	1,972	1,865	1,796	1,734	-2.8%

Westmoreland (Macon)

	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Business	127	133	129	126	123	-0.8%
Residential	9	9	9	9	9	0.0%
Total	118	124	120	117	114	-0.9%

Broadband Subscribers

11/9/2007



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data	Pro-Forma Financial Data					CAGR	
	2004	2005	2006	Year 1	Year 2		Year 3

Data

Product: DSL256

Average Subscribers

	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma
Total				4,821	5,441	5,381	5,180	5,037	n/a	1.1%
Business				275	303	311	317	322	n/a	4.1%
Residential				4,547	5,138	5,070	4,863	4,715	n/a	0.9%
By Exchange										
Defeated				170	202	202	196	193	n/a	3.2%
Business				4	4	4	4	4	n/a	3.4%
Residential				167	198	198	192	189	n/a	3.2%
Green Grove				91	108	109	107	106	n/a	3.9%
Business				1	1	1	1	1	n/a	0.0%
Residential				90	107	108	106	105	n/a	3.9%
Hillsdale				115	137	138	134	132	n/a	3.5%
Business				2	2	2	2	2	n/a	0.0%
Residential				113	135	136	132	130	n/a	3.6%
Lafayette				1,955	2,179	2,148	2,067	2,009	n/a	0.7%
Business				179	194	197	200	202	n/a	3.1%
Residential				1,776	1,985	1,952	1,868	1,807	n/a	0.4%
Pleasant Shade				79	93	93	90	88	n/a	2.9%
Business				3	3	3	3	3	n/a	4.7%
Residential				76	90	90	87	85	n/a	2.8%
Red Boiling Springs				489	580	584	568	558	n/a	3.4%
Business				31	35	37	38	39	n/a	6.0%
Residential				459	545	547	531	520	n/a	3.2%
Scottsville				1,814	2,014	1,977	1,891	1,828	n/a	0.2%
Business				49	56	59	61	63	n/a	6.8%
Residential				1,765	1,958	1,918	1,830	1,765	n/a	0.0%
Westmoreland (Macon)				110	130	131	128	125	n/a	3.1%
Business				8	9	9	9	9	n/a	3.0%
Residential				102	121	122	119	116	n/a	3.2%



CAGR	Pro-Forma Financial Data					Historical Data		
	Year 5	Year 4	Year 3	Year 2	Year 1	2006	2005	2004

Data

Product: DSL768

Beginning of Year Subscribers

	Total	Business	Residential	By Exchange	Defeated	Business	Residential	Hillsdale	Business	Residential	Lafayette	Business	Residential	Pleasant Shade	Business	Residential	Red Bolling Springs	Business	Residential	Scottsville	Business	Residential	Westmoreland (Macon)	Business	Residential
	563	84	479	643	17	25	28	16	8	13	312	62	250	7	11	16	78	263	14	191	205	14	12	2	10
	928	104	824	773	35	32	31	21	18	17	384	66	297	14	23	21	98	308	19	306	326	20	22	2	20
	13.3%	5.5%	14.5%	n/a	19.8%	n/a	20.7%	20.2%	22.5%	22.5%	11.5%	4.1%	13.4%	18.9%	20.2%	20.2%	17.8%	12.3%	12.5%	12.3%	9.3%	17.7%	0.0%	20.4%	n/a
					#DIV/0!																				



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data		Pro-Forma Financial Data					CAGR		
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma

Data

Product: DSL768

Incremental Penetration Percentages

Total	1.36%	0.93%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%	0.92%
Business	0.65%	0.61%	0.61%	0.61%	0.62%	0.62%	0.62%	0.62%	0.62%
Residential	1.47%	0.98%	0.97%	0.97%	0.96%	0.96%	0.96%	0.97%	0.97%
BY Exchange									
Defeated	1.28%	0.86%	0.87%	0.87%	0.87%	0.87%	0.87%	0.88%	0.88%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Residential	1.50%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Green Grove	1.31%	0.77%	0.76%	0.76%	0.75%	0.75%	0.75%	0.74%	0.74%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Residential	1.50%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Hillsdale	1.26%	0.84%	0.84%	0.84%	0.85%	0.85%	0.85%	0.85%	0.85%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Residential	1.50%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Lafayette	1.34%	0.93%	0.93%	0.93%	0.93%	0.93%	0.93%	0.94%	0.94%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Residential	1.50%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Pleasant Shade	1.20%	0.61%	0.61%	0.61%	0.61%	0.61%	0.61%	0.62%	0.62%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Residential	1.50%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Red Boiling Springs	1.36%	0.95%	0.91%	0.91%	0.92%	0.92%	0.92%	0.93%	0.93%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Residential	1.50%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Scottsville	1.42%	0.97%	0.95%	0.95%	0.96%	0.96%	0.96%	0.96%	0.96%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Residential	1.50%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Westmoreland (Macon)	1.23%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%	0.83%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Residential	1.50%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%



Historical Pro-Forma	Pro-Forma Financial Data				Historical Data	
	Year 5	Year 4	Year 3	Year 2	2005	2006
CAGR						

Data

Product: DSL768

Gross Adds

	Total	Business	Residential	By Exchange
	231	157	155	154
	15	14	14	14
	216	143	141	140
	-9.6%	-1.7%	-10.3%	-9.6%
Dated	9	6	6	6
	-	-	-	-
	9	6	6	6
	-9.6%	n/a	n/a	-9.6%
Green Grove	5	3	3	3
	-	-	-	-
	5	3	3	3
	-12.0%	n/a	n/a	-12.0%
Hillsdale	6	4	4	4
	-	-	-	-
	6	4	4	4
	-9.6%	n/a	n/a	-9.6%
Lafayette	91	63	63	63
	10	9	9	9
	-2.6%	n/a	n/a	-2.6%
	81	54	54	54
	-9.6%	n/a	n/a	-9.6%
Pleasant Shade	4	2	2	2
	-	-	-	-
	4	2	2	2
	-15.9%	n/a	n/a	-15.9%
Red Boiling Springs	29	20	19	19
	2	2	2	2
	-10.9%	n/a	n/a	-10.9%
Scottsville	81	55	54	54
	3	3	3	3
	0.0%	n/a	n/a	0.0%
	78	52	51	51
	-10.1%	n/a	n/a	-10.1%
Westmoreland (Macon)	6	4	4	3
	-	-	-	-
	6	4	4	3
	-15.9%	n/a	n/a	-15.9%
Business				
Residential				



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data		Pro-Forma Financial Data					CAGR		
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma

Data

Product: DSL768

Churn %

Total	10.66%	11.04%	11.36%	11.34%	11.42%	11.43%	11.42%		
Business	9.52%	9.89%	10.42%	10.00%	10.56%	12.00%	10.56%		
Residential	10.86%	11.20%	11.48%	11.51%	11.53%	12.00%	11.53%		
By Exchange									
Defeated	5.88%	8.00%	10.34%	9.38%	11.43%	11.43%	11.43%		
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Green Grove	0.00%	7.69%	6.67%	11.76%	11.11%	11.11%	11.11%		
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Hillsdale	9.09%	6.25%	10.53%	9.52%	8.70%	8.70%	8.70%		
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Lafayette	11.27%	11.56%	11.52%	11.59%	11.73%	11.73%	11.73%		
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Pleasant Shade	0.00%	9.09%	8.33%	7.69%	7.14%	7.14%	7.14%		
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Red Boiling Springs	10.91%	11.54%	11.24%	11.22%	11.32%	11.32%	11.32%		
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Scottsville	11.25%	11.43%	11.83%	11.71%	11.67%	11.67%	11.67%		
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Westmoreland (Macon)	8.33%	5.88%	10.00%	9.09%	8.70%	8.70%	8.70%		
Business	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		
Residential	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%		



Historical Data	Historical Data				
	2006	2004	2005	2006	
Pro-Forma Financial Data	Year 1	Year 2	Year 3	Year 4	Year 5
	Year 1	Year 2	Year 3	Year 4	Year 5
	Year 1	Year 2	Year 3	Year 4	Year 5
	Year 1	Year 2	Year 3	Year 4	Year 5
	Year 1	Year 2	Year 3	Year 4	Year 5
	Year 1	Year 2	Year 3	Year 4	Year 5
CAGR					
Historical Pro-Forma					

Product: DSL768

Churn

	2006	2005	2004	2003	2002	2001	2000
Total	60	81	92	99	106	n/a	15.3%
Business	8	9	10	10	11	n/a	8.3%
Residential	52	72	82	89	95	n/a	16.3%
By Exchange							
Defeated	1	2	3	3	4	n/a	41.4%
Business	-	-	-	-	-	n/a	41.4%
Residential	1	2	3	3	4	n/a	41.4%
Green Grove	-	1	1	2	2	n/a	
Business	-	-	-	-	-	n/a	
Residential	-	1	1	2	2	n/a	
Hillsdale	1	1	2	2	2	n/a	18.9%
Business	-	-	-	-	-	n/a	
Residential	1	1	2	2	2	n/a	18.9%
Lafayette	28	36	39	42	45	n/a	12.6%
Business	6	7	7	7	8	n/a	7.5%
Residential	22	29	32	35	37	n/a	13.9%
Pleasant Shade	-	1	1	1	1	n/a	
Business	-	-	-	-	-	n/a	
Residential	-	1	1	1	1	n/a	
Red Bolling Springs	6	9	10	11	12	n/a	18.9%
Business	1	1	1	1	1	n/a	0.0%
Residential	5	8	9	10	11	n/a	21.8%
Scottsville	23	30	34	36	38	n/a	13.4%
Business	1	1	2	2	2	n/a	18.9%
Residential	22	29	32	34	36	n/a	13.1%
Westmoreland (Macon)	1	1	2	2	2	n/a	18.9%
Business	-	-	-	-	-	n/a	
Residential	1	1	2	2	2	n/a	18.9%



	Year 1	Year 2	Year 3	Year 4	Year 5
Historical Data	2004	2005	2006	Historical Pro-forma	
Pro-Forma Financial Data	CAGR				

Data

Product: DSL768

End of Year Subscribers

Total	Business	Residential
734	91	643
810	96	714
873	100	773
928	104	824
976	107	869

Cumulative Penetration

Total	Business	Residential
4.32%	3.92%	4.38%
4.78%	4.17%	4.88%
5.18%	4.37%	5.30%
5.53%	4.58%	5.67%
5.83%	4.75%	6.00%

By Exchange

Defeated	Green Grove	Hillsdale	Lafayette	Pleasant Shade	Red Bolling Springs	Scottsville	Westmoreland (Macon)	Business	Residential
25	13	16	312	11	78	263	17	2	15
29	15	19	339	12	89	288	20	2	18
32	17	21	363	13	98	308	22	2	20
35	18	23	384	14	106	326	23	2	21
37	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
10.3%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
31	15	19	339	13	98	308	22	2	20
34	17	21	384	14	106	326	23	2	21
36	18	23	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
28	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	18
27	17	21	363	13	98	308	22	2	20
31	18	23	384	14	106	326	23	2	21
34	19	25	402	15	113	342	24	2	22
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
0.0%	10.0%	11.8%	6.6%	8.1%	9.7%	6.8%	9.0%	0.0%	10.0%
1	1	1	64	1	12	18	2	2	2
1	1	1	66	1	12	18	2	2	2
24	15	19	339	12	89	288	20	2	



CAGR

Pro-Forma Financial Data

Historical Data

	2004	2005	2006
Year 1			
Year 2			
Year 3			
Year 4			
Year 5			

Data

Product: DSL768

Average Subscribers

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total	649	772	842	901	952	10.1%	n/a	106	106	106	106	106
Business	88	94	98	102	106	4.8%	n/a	106	106	106	106	106
Residential	561	679	744	799	847	10.8%	n/a	847	847	847	847	847
By Exchange												
Defeated	21	27	31	34	36	14.4%	n/a	36	36	36	36	36
Business	1	1	1	1	1	0.0%	n/a	1	1	1	1	1
Residential	20	26	30	33	35	15.0%	n/a	35	35	35	35	35
Green Grove	11	14	16	18	19	15.2%	n/a	19	19	19	19	19
Business	-	-	-	-	-	#DIV/0!	n/a	-	-	-	-	-
Residential	11	14	16	18	19	15.2%	n/a	19	19	19	19	19
Hillsdale	14	18	20	22	24	15.5%	n/a	24	24	24	24	24
Business	-	-	-	-	-	#DIV/0!	n/a	-	-	-	-	-
Residential	14	18	20	22	24	15.5%	n/a	24	24	24	24	24
Lafayette	280	325	351	373	393	8.8%	n/a	393	393	393	393	393
Business	60	63	65	67	69	3.4%	n/a	69	69	69	69	69
Residential	220	262	286	306	324	10.2%	n/a	324	324	324	324	324
Pleasant Shade	9	12	13	14	15	12.7%	n/a	15	15	15	15	15
Business	-	-	-	-	-	#DIV/0!	n/a	-	-	-	-	-
Residential	9	12	13	14	15	12.7%	n/a	15	15	15	15	15
Red Boiling Springs	67	84	94	102	110	13.3%	n/a	110	110	110	110	110
Business	10	11	12	13	14	9.2%	n/a	14	14	14	14	14
Residential	57	73	82	90	96	13.9%	n/a	96	96	96	96	96
Scottsville	234	275	298	317	334	9.3%	n/a	334	334	334	334	334
Business	15	17	19	20	21	8.1%	n/a	21	21	21	21	21
Residential	219	258	279	297	313	9.4%	n/a	313	313	313	313	313
Westmoreland (Macon)	15	19	21	23	24	12.8%	n/a	24	24	24	24	24
Business	2	2	2	2	2	0.0%	n/a	2	2	2	2	2
Residential	13	17	19	21	22	14.5%	n/a	22	22	22	22	22



CAGR	Pro-Forma Financial Data					Historical Data		
	Year 5	Year 4	Year 3	Year 2	Year 1	2006	2005	2004
	801	670	523	350	253	26	39	53
	77	65	53	39	26	227	311	470
	n/a	n/a	n/a	n/a	n/a	33.6%	n/a	33.6%

Data

Product: DSL1.5

Beginning of Year Subscribers

	Total	Business	Residential	By Exchange	Defeated	Business	Residential	Green Grove	Business	Residential	Hillsdale	Business	Residential	Lafayette	Business	Residential	Pleasant Shade	Business	Residential	Red Bolling Springs	Business	Residential	Scottsville	Business	Residential	Westmoreland (Macon)	Business	Residential
	801	77	65	724	25	25	13	13	18	18	18	13	13	272	44	228	10	10	10	79	10	69	234	14	220	151	9	142
	33.4%	n/a	n/a	n/a	37.5%	37.5%	34.3%	34.3%	37.7%	37.7%	37.7%	34.3%	34.3%	24.9%	21.8%	25.6%	35.1%	35.1%	35.1%	36.1%	49.5%	34.6%	25.0%	36.8%	24.5%	147.9%	n/a	144.1%



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data		Pro-Forma Financial Data					CAGR		
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical	Pro-forma

Data

Product: DSL1.5

Incremental Penetration Percentages

Total	0.71%	1.23%	1.22%	1.22%	1.22%	1.22%	1.23%		1.23%
Business	0.65%	0.74%	0.74%	0.74%	0.74%	0.75%	0.75%		0.75%
Residential	0.72%	1.31%	1.29%	1.29%	1.29%	1.29%	1.30%		1.30%
By Exchange									
Defeated	0.57%	0.86%	0.87%	0.87%	0.87%	0.87%	0.88%		0.88%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%		0.75%
Residential	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		1.00%
Green Grove	0.52%	0.77%	0.76%	0.76%	0.75%	0.75%	0.74%		0.74%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%		0.75%
Residential	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		1.00%
Hillsdale	0.63%	0.84%	0.84%	0.84%	0.84%	0.85%	0.85%		0.85%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%		0.75%
Residential	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		1.00%
Lafayette	0.74%	0.93%	0.93%	0.93%	0.93%	0.93%	0.94%		0.94%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%		0.75%
Residential	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		1.00%
Pleasant Shade	0.60%	0.61%	0.61%	0.61%	0.61%	0.61%	0.62%		0.62%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%		0.75%
Residential	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		1.00%
Red Boiling Springs	0.71%	0.95%	0.91%	0.91%	0.92%	0.92%	0.93%		0.93%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%		0.75%
Residential	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		1.00%
Scottsville	0.74%	0.97%	0.95%	0.95%	0.96%	0.96%	0.96%		0.96%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%		0.75%
Residential	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		1.00%
Westmoreland (Macon)	0.61%	11.36%	11.25%	11.25%	11.34%	11.34%	11.42%		11.42%
Business	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%		0.75%
Residential	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		1.00%



CAGR	Pro-Forma Financial Data					Historical Data		
	Year 5	Year 4	Year 3	Year 2	Year 1	2006	2005	2004

Data

Product: DSL1.5

Gross Adds

	Total	2008	2005	2005	2006	2007	2008	2009	2010	2011	2012	
Business	15	17	17	17	191	106	106	106	106	106	106	Business
Residential	3.2%	17	17	17	188	188	188	188	188	188	188	Residential
	14.1%	205	205	205	188	188	188	188	188	188	188	
By Exchange												
Defeated	4	6	6	6	6	4	4	4	4	4	4	Business
Business	-	-	-	-	-	-	-	-	-	-	-	Residential
Residential	10.7%	6	6	6	6	6	6	6	6	6	6	Business
Green Grove	2	3	3	3	3	2	2	2	2	2	2	Business
Business	-	-	-	-	-	-	-	-	-	-	-	Residential
Residential	10.7%	3	3	3	3	3	3	3	3	3	3	Business
Hillsdale	3	4	4	4	4	3	3	3	3	3	3	Business
Business	-	-	-	-	-	-	-	-	-	-	-	Residential
Residential	7.5%	4	4	4	4	4	4	4	4	4	4	Business
Lafayette	50	63	63	63	63	50	50	50	50	50	50	Business
Business	10	9	9	9	9	10	10	10	10	10	10	Residential
Residential	-2.6%	9	9	9	9	9	9	9	9	9	9	Business
Pleasant Shade	2	2	2	2	2	2	2	2	2	2	2	Business
Business	-	-	-	-	-	-	-	-	-	-	-	Residential
Residential	0.0%	2	2	2	2	2	2	2	2	2	2	Business
Red Bolling Springs	15	20	19	19	19	15	15	15	15	15	15	Business
Business	2	2	2	2	2	2	2	2	2	2	2	Residential
Residential	6.1%	19	19	19	19	19	19	19	19	19	19	Business
Scottsville	42	55	54	54	54	42	42	42	42	42	42	Business
Business	3	3	3	3	3	3	3	3	3	3	3	Residential
Residential	6.5%	54	54	54	54	54	54	54	54	54	54	Business
Westmoreland (Macon)	3	55	54	54	54	3	3	3	3	3	3	Business
Business	-	3	3	3	3	-	-	-	-	-	-	Residential
Residential	103.1%	51	51	51	51	51	51	51	51	51	51	Business



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data		Pro-Forma Financial Data					CAGR	
2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	Historical Pro-forma

Data

Product: DSL1.5

Churn %

	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Total				9.49%	10.00%	11.09%	11.04%	11.61%	
Business				7.69%	7.69%	9.43%	7.69%	10.39%	
Residential				9.69%	10.29%	11.28%	11.40%	11.74%	
By Exchange									
Defeated				0.00%	9.09%	6.25%	9.52%	12.00%	
Business				12.00%	12.00%	12.00%	12.00%	12.00%	
Residential				12.00%	12.00%	12.00%	12.00%	12.00%	
Green Grove				0.00%	0.00%	11.11%	9.09%	7.69%	
Business				12.00%	12.00%	12.00%	12.00%	12.00%	
Residential				12.00%	12.00%	12.00%	12.00%	12.00%	
Hillsdale				0.00%	0.00%	8.33%	6.67%	11.11%	
Business				12.00%	12.00%	12.00%	12.00%	12.00%	
Residential				12.00%	12.00%	12.00%	12.00%	12.00%	
Lafayette				10.76%	11.37%	11.76%	11.46%	11.79%	
Business				12.00%	12.00%	12.00%	12.00%	12.00%	
Residential				12.00%	12.00%	12.00%	12.00%	12.00%	
Pleasant Shade				0.00%	0.00%	0.00%	11.11%	10.00%	
Business				12.00%	12.00%	12.00%	12.00%	12.00%	
Residential				12.00%	12.00%	12.00%	12.00%	12.00%	
Red Boiling Springs				8.70%	8.33%	9.43%	10.45%	11.39%	
Business				12.00%	12.00%	12.00%	12.00%	12.00%	
Residential				12.00%	12.00%	12.00%	12.00%	12.00%	
Scottsville				10.47%	10.98%	11.87%	11.36%	11.56%	
Business				12.00%	12.00%	12.00%	12.00%	12.00%	
Residential				12.00%	12.00%	12.00%	12.00%	12.00%	
Westmoreland (Macon)				0.00%	0.00%	11.29%	11.01%	11.92%	
Business				12.00%	12.00%	12.00%	12.00%	12.00%	
Residential				12.00%	12.00%	12.00%	12.00%	12.00%	



CAGR	Pro-Forma Financial Data					Historical Data		
	Year 5	Year 4	Year 3	Year 2	Year 1	2006	2005	2004

Data

Product: DSL1.5

End of Year Subscribers

Total	350	523	670	801	913	n/a	27.1%
Business	39	53	65	77	86	n/a	21.9%
Residential	311	470	605	724	827	n/a	27.7%

Cumulative Penetration

Total	2.06%	3.09%	3.97%	4.77%	5.46%		
Business	1.68%	2.30%	2.84%	3.39%	3.82%		
Residential	2.12%	3.21%	4.15%	4.98%	5.71%		

By Exchange

Defeated	11	16	21	25	28	n/a	26.3%
Business	-	-	-	-	-	n/a	-
Residential	11	16	21	25	28	n/a	26.3%
Green Grove	6	9	11	13	15	n/a	25.7%
Business	-	-	-	-	-	n/a	-
Residential	6	9	11	13	15	n/a	25.7%
Hillsdale	8	12	15	18	20	n/a	25.7%
Business	-	-	-	-	-	n/a	-
Residential	8	12	15	18	20	n/a	25.7%
Lafayette	150	196	236	272	303	n/a	19.3%
Business	28	34	39	44	48	n/a	14.4%
Residential	122	162	197	228	255	n/a	20.3%
Pleasant Shade	5	7	9	10	11	n/a	21.8%
Business	-	-	-	-	-	n/a	-
Residential	5	7	9	10	11	n/a	21.8%
Red Bolling Springs	36	53	67	79	89	n/a	25.4%
Business	4	6	8	10	11	n/a	28.8%
Residential	32	47	59	69	78	n/a	24.9%
Scottsville	128	169	203	234	261	n/a	19.6%
Business	7	10	12	14	16	n/a	23.0%
Residential	121	159	191	220	245	n/a	19.4%
Westmoreland (Macon)	7	62	109	151	187	n/a	127.3%
Business	-	3	6	9	11	n/a	-
Residential	7	59	103	142	176	n/a	123.9%



Data	Historical Data			Pro-Forma Financial Data				
	2004	2005	2006	Year 1	Year 2	Year 3	Year 4	Year 5
CAGR								
Historical Pro-Forma								

Product: DSL1.5

Average Subscribers

	Total	Business	Residential	By Exchange	Defeated	Business	Residential	Green Grove	Business	Residential	Hillsdale	Business	Residential	Lafayette	Business	Residential	Pleasant Shade	Business	Residential	Red Boiling Springs	Business	Residential	Scottsville	Business	Residential	Westmoreland (Macon)	Business	Residential							
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	29.8%	25.8%	30.3%	29.8%	31.0%	29.4%	29.4%	29.4%	29.4%	30.8%	30.8%	30.8%	30.8%	21.8%	21.8%	21.8%	27.3%	27.3%	22.6%	22.6%	29.9%	45	53	64	74	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	131.9%
	302	33	269	302	9	14	19	5	8	10	7	5	8	14	14	14	14	14	14	14	30	45	60	73	84	112	148	186	218	247	159	130	169	135.4%	



Historical Data	2004	2005	2006
	Year 1	Year 2	Year 3
Pro-Forma Financial Data	Year 4	Year 5	
	Year 6	Year 7	Year 8
CAGR	Historical Pro-Forma		

Video

All Video

End of Year Subscribers

Total	2,379	4,371	5,350	6,207	6,956	n/a	30.8%
Business	114	111	108	106	105	n/a	-2.0%
Residential	2,265	4,260	5,242	6,101	6,851	n/a	31.9%

Cumulative Penetration

Total	13.99%	25.81%	31.73%	36.96%	41.59%		
Business	4.91%	4.82%	4.72%	4.67%	4.66%		
Residential	15.42%	29.12%	35.96%	42.01%	47.34%		

By Exchange

Deleted	88	179	224	264	298	n/a	35.7%
Business	1	1	1	1	1	n/a	0.0%
Residential	87	178	223	263	297	n/a	35.9%
Green Grove	46	97	123	146	166	n/a	37.8%
Business	-	-	-	-	-	n/a	#DIV/0!
Residential	46	97	123	146	166	n/a	37.8%
Hillsdale	58	121	152	180	204	n/a	36.9%
Business	-	-	-	-	-	n/a	#DIV/0!
Residential	58	121	152	180	204	n/a	36.9%
Lafayette	932	1,670	2,035	2,356	2,638	n/a	29.7%
Business	56	56	56	56	56	n/a	0.0%
Residential	877	1,615	1,980	2,301	2,583	n/a	31.0%
Pleasant Shade	39	80	100	118	134	n/a	36.1%
Business	-	-	-	-	-	n/a	#DIV/0!
Residential	39	80	100	118	134	n/a	36.1%
Red Boiling Springs	255	505	627	734	827	n/a	34.2%
Business	14	13	12	12	12	n/a	-3.8%
Residential	241	492	615	722	815	n/a	35.6%
Scottsville	907	1,609	1,950	2,247	2,506	n/a	28.9%
Business	43	41	39	37	36	n/a	-4.4%
Residential	865	1,569	1,912	2,211	2,471	n/a	30.0%
Westmoreland (Macon)	54	110	139	162	183	n/a	35.7%
Business	1	1	1	1	1	n/a	0.0%
Residential	53	109	138	161	182	n/a	36.1%



	2006	2005	2004	Year 1	Year 2	Year 3	Year 4	Year 5	Historical Pro-forma
Historical Data									
Pro-Forma Financial Data									
CAGR									

Data

All Data

End of Year Subscribers

	2006	2005	2004	Year 1	Year 2	Year 3	Year 4	Year 5	n/a
Total	6,459	6,839	6,798	6,834	6,857	517	501	6,340	1.5%
Business	429	456	479	501	517	517	501	517	4.8%
Residential	6,030	6,383	6,319	6,333	6,340	6,340	6,333	6,340	1.3%

Cumulative Penetration

	2006	2005	2004	Year 1	Year 2	Year 3	Year 4	Year 5	n/a
Total	37.98%	40.39%	40.32%	40.69%	40.99%	22.94%	22.07%	43.81%	
Business	18.49%	19.80%	20.95%	22.07%	22.94%	22.94%	22.07%	22.94%	
Residential	41.06%	43.63%	43.35%	43.60%	43.81%	43.81%	43.60%	43.81%	

By Exchange

Exchange	2006	2005	2004	Year 1	Year 2	Year 3	Year 4	Year 5	% Change
Defeated	233	251	251	254	256	5	5	251	2.4%
Business	5	5	5	5	5	5	5	5	0.0%
Residential	228	246	246	249	251	249	249	251	2.4%
Green Grove	124	135	135	137	139	1	1	139	2.9%
Business	1	1	1	1	1	1	1	1	0.0%
Residential	123	134	134	136	138	138	136	138	2.9%
Hillsdale	157	171	171	174	176	2	2	174	2.9%
Business	2	2	2	2	2	2	2	2	0.0%
Residential	155	169	169	172	174	172	172	174	2.9%
Lafayette	2,620	2,733	2,696	2,692	2,685	319	313	2,666	0.6%
Business	282	293	303	313	319	319	313	319	3.1%
Residential	2,338	2,440	2,393	2,379	2,366	2,379	2,379	2,366	0.3%
Pleasant Shade	107	114	113	113	113	3	3	113	1.4%
Business	3	3	3	3	3	3	3	3	0.0%
Residential	104	111	110	110	110	110	110	110	1.4%
Red Boiling Springs	679	736	738	748	755	64	61	691	2.7%
Business	48	53	57	61	64	64	61	64	7.5%
Residential	631	683	681	687	691	691	687	691	2.3%
Scottsville	2,389	2,485	2,435	2,417	2,400	101	96	2,299	0.1%
Business	77	85	91	96	101	101	96	101	7.0%
Residential	2,312	2,400	2,344	2,321	2,299	2,299	2,321	2,299	-0.1%
Westmoreland (Macon)	151	215	260	300	334	22	20	312	22.0%
Business	11	14	17	20	22	22	20	22	18.9%
Residential	140	201	243	280	312	312	280	312	22.2%

Broadband Subscribers

11/9/2007



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data	
2004	2006

Pro-Forma Financial Data				
Year 1	Year 2	Year 3	Year 4	Year 5

CAGR	
Historical	Pro-forma

Rate Table

	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
Video						
\$	50.62 \$	52.79 \$	55.08 \$	57.53 \$	60.12 \$	n/a 4.4%
Basic V						
Business	24.95 \$	25.70 \$	26.47 \$	27.26 \$	28.08 \$	n/a 3.0%
Residential	24.95 \$	25.70 \$	26.47 \$	27.26 \$	28.08 \$	n/a 3.0%
Deluxe V						
Business	45.95 \$	47.33 \$	48.75 \$	50.21 \$	51.72 \$	n/a 3.0%
Residential	45.95 \$	47.33 \$	48.75 \$	50.21 \$	51.72 \$	n/a 3.0%
Premium Channels						
HBO	23.66 \$	24.37 \$	25.11 \$	25.86 \$	26.63 \$	n/a 3.0%
Showtime	13.95 \$	14.37 \$	14.80 \$	15.24 \$	15.70 \$	n/a 3.0%
Cinemax	9.95 \$	10.25 \$	10.56 \$	10.87 \$	11.20 \$	n/a 3.0%
Starz Super Pak	10.95 \$	11.28 \$	11.62 \$	11.97 \$	12.32 \$	n/a 3.0%
Showtime/TMC	12.95 \$	13.34 \$	13.74 \$	14.15 \$	14.56 \$	n/a 3.0%
HBO/Cinemax	10.95 \$	11.28 \$	11.62 \$	11.97 \$	12.32 \$	n/a 3.0%
Showtime Unlimited	20.95 \$	21.58 \$	22.23 \$	22.89 \$	23.58 \$	n/a 3.0%
All Movie Pak	12.95 \$	13.34 \$	13.74 \$	14.15 \$	14.58 \$	n/a 3.0%
	40.95 \$	42.18 \$	43.44 \$	44.75 \$	46.09 \$	n/a 3.0%
Pay Per View						
Average Revenue per Buy	1.36 \$	1.54 \$	1.75 \$	1.98 \$	2.24 \$	n/a 13.3%
ARPU (Deluxe Subs)	6.68 \$	6.86 \$	7.09 \$	7.30 \$	7.52 \$	n/a 3.0%
	1.36 \$	1.54 \$	1.75 \$	1.98 \$	2.24 \$	n/a 13.3%
Data						
\$	35.05 \$	37.29 \$	41.19 \$	45.39 \$	48.87 \$	n/a 8.7%
DSL256						
Business	29.95 \$	30.25 \$	30.55 \$	30.86 \$	31.17 \$	n/a 1.0%
Residential	29.95 \$	30.25 \$	30.55 \$	30.86 \$	31.17 \$	n/a 1.0%
DSL768						
Business	45.28 \$	46.00 \$	46.74 \$	47.38 \$	47.97 \$	n/a 1.5%
Residential	39.95 \$	100.95 \$	101.96 \$	102.98 \$	104.01 \$	n/a 1.0%
	42.95 \$	43.38 \$	43.81 \$	44.25 \$	44.69 \$	n/a 1.0%
DSL1.5						
Business	75.25 \$	72.36 \$	71.19 \$	71.48 \$	71.99 \$	n/a -1.1%
Residential	199.95 \$	201.95 \$	203.97 \$	206.01 \$	208.07 \$	n/a 1.0%
	55.95 \$	56.51 \$	57.07 \$	57.65 \$	58.22 \$	n/a 1.0%



CAGR	Historical Data				Historical Pro-Forma	
	2004	2005	2006	Year 1	Year 2	Year 3
CAGR	Pro-Forma Financial Data				Historical Pro-Forma	
	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9

Average Incremental Subscribers
(less YE 2006 subscriber counts)

Video

Basic V	13	57	98	115	130	n/a	79.6%
Business Residential	4	8	9	10	11	n/a	31.6%
Deluxe V	318	1,601	3,045	3,946	4,734	n/a	96.4%
Business Residential	7	12	8	5	2	n/a	-26.9%
Premium Channels	58	320	668	949	1,251	n/a	115.4%
HBO	16	89	186	265	349	n/a	115.4%
Showtime	2	13	28	39	52	n/a	115.4%
Cinemax	5	30	62	88	116	n/a	115.4%
Starz Super Pak	6	32	68	96	126	n/a	115.4%
Showtime/TMC	1	7	14	20	26	n/a	115.4%
HBO/Cinemax	5	26	55	78	103	n/a	115.4%
Showtime Unlimited	1	7	14	20	26	n/a	115.4%
All Movie Pak	21	116	242	343	452	n/a	115.4%
Pay Per View	65	358	750	1,069	1,411	n/a	116.1%
Buyers	65	358	750	1,069	1,411	n/a	116.1%

Data

DSL256	554	1,174	1,114	913	770	n/a	8.6%
Business Residential	25	53	61	67	72	n/a	30.9%
DSL768	86	209	279	338	389	n/a	46.0%
Business Residential	4	10	14	18	22	n/a	57.4%
DSL1.5	49	184	344	483	604	n/a	87.9%
Business Residential	7	20	33	45	56	n/a	70.9%
Business Residential	42	164	311	438	549	n/a	90.1%



Incremental Penetration

	Pro-Forma Financial Data				Historical Data	
	Year 1	Year 2	Year 3	Year 4	Year 5	Historical Pro-Forma

	Video				Incremental Penetration	
	Year 1	Year 2	Year 3	Year 4	Year 5	Historical Pro-Forma
Basic V	0.07%	0.33%	0.58%	0.78%	0.78%	n/a
Business	0.15%	0.33%	0.37%	0.42%	0.47%	n/a
Residential	0.06%	0.33%	0.61%	0.73%	0.83%	n/a
Deluxe V	1.87%	9.45%	18.06%	23.49%	28.30%	n/a
Business	0.30%	0.52%	0.35%	0.20%	0.09%	n/a
Residential	2.12%	10.86%	20.84%	27.13%	32.69%	n/a
Premium Channels	17.57%	19.32%	21.25%	23.38%	25.72%	n/a
HBO	4.90%	5.4%	5.9%	6.5%	7.2%	n/a
Showtime	0.73%	0.8%	0.9%	1.0%	1.1%	n/a
Cinemax	1.63%	1.8%	2.0%	2.2%	2.4%	n/a
Starz Super Pak	1.78%	2.0%	2.1%	2.4%	2.6%	n/a
Showtime/TMC	1.45%	1.6%	1.8%	2.1%	2.5%	n/a
HBO/Cinemax	0.36%	0.4%	0.4%	0.5%	0.5%	n/a
Showtime Unlimited	0.36%	0.4%	0.4%	0.5%	0.5%	n/a
All Movie Pak	6.35%	7.0%	7.7%	8.5%	9.3%	n/a
Pay Per View	20.4%	22.4%	24.6%	27.1%	29.8%	n/a
Take Rate (Deluxe Subs)	20.4%	22.4%	24.6%	27.1%	29.8%	n/a
Data						
DSL256	3.26%	6.93%	6.60%	5.44%	4.60%	n/a
Business	1.06%	2.30%	2.65%	2.95%	3.19%	n/a
Residential	3.61%	7.66%	7.22%	5.82%	4.82%	n/a
DSL768	0.50%	1.23%	1.65%	2.01%	2.33%	n/a
Business	0.16%	0.41%	0.61%	0.79%	0.95%	n/a
Residential	0.56%	1.36%	1.81%	2.20%	2.54%	n/a
DSL1.5	0.29%	1.08%	2.04%	2.87%	3.61%	n/a
Business	0.28%	0.87%	1.44%	1.98%	2.46%	n/a
Residential	0.29%	1.12%	2.13%	3.01%	3.79%	n/a



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Historical Data	
2004	2005
	2006

Pro-Forma Financial Data				
Year 1	Year 2	Year 3	Year 4	Year 5

CAGR
Historical Pro-forma

Rate Table

Video

Fixed Cost	40,734	40,734	40,734	40,734	40,734	n/a	0.0%
Fiber Link to External Signal	\$ 36,660	\$ 36,660	\$ 36,660	\$ 36,660	\$ 36,660	n/a	0.0%
Backup	\$ 4,074	\$ 4,074	\$ 4,074	\$ 4,074	\$ 4,074	n/a	0.0%
Variable Costs							
Content expense/avg. subscriber/mo	\$ 14.71	\$ 15.01	\$ 15.31	\$ 15.61	\$ 15.92	n/a	2.0%
Installation expense/gross add	\$ 80.00	\$ 81.60	\$ 83.23	\$ 84.90	\$ 86.59	n/a	2.0%
Tech support/avg. data subscriber/mo	\$ 2.82	\$ 2.88	\$ 2.93	\$ 2.99	\$ 3.05	n/a	2.0%
Sales & marketing/gross add	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	n/a	0.0%
Average Incremental Video Subscribers	331	1,657	3,143	4,061	4,864	n/a	95.9%
Average Incremental Data Subscribers	688	1,566	1,736	1,733	1,763	n/a	26.5%

Expense

Video & Data

Fixed Costs	40,734	40,734	40,734	40,734	40,734	n/a	0.0%
Business	\$ 36,660	\$ 36,660	\$ 36,660	\$ 36,660	\$ 36,660	n/a	0.0%
Residential	\$ 4,074	\$ 4,074	\$ 4,074	\$ 4,074	\$ 4,074	n/a	0.0%
Variable Costs							
Content expense	\$ 171,508	\$ 594,412	\$ 799,989	\$ 986,365	\$ 1,159,430	n/a	61.2%
Installation expense	\$ 58,346	\$ 298,376	\$ 577,188	\$ 760,715	\$ 929,376	n/a	99.8%
Tech support	\$ 68,480	\$ 185,232	\$ 124,349	\$ 126,241	\$ 128,420	n/a	17.0%
Sales & marketing	\$ 23,282	\$ 54,053	\$ 61,102	\$ 62,234	\$ 64,560	n/a	29.0%
	\$ 21,400	\$ 56,750	\$ 37,350	\$ 37,175	\$ 37,075	n/a	14.7%
Total Broadband Service Expense	\$ 212,242	\$ 635,146	\$ 840,723	\$ 1,027,099	\$ 1,200,164	n/a	54.2%



Pro-Forma Financial Data CAGR

Spent thru 2006 Remaining Historical Pro-forma

	Total	2006	Remaining	Year 1	Year 2	Year 3	Year 4	Year 5	Historical Pro-forma
Total CapEx	\$35,292,350	\$10,091,158	\$25,201,192	\$5,040,238	\$12,600,596	\$5,040,238	\$2,520,119	\$-	0%
Defeated	1,490,161	426,083	1,064,079	212,816	532,039	212,816	106,408	-	-
Green Grove	1,208,730	345,613	863,117	172,623	431,559	172,623	86,312	-	-
Hillsdale	1,087,983	311,087	776,895	155,379	388,448	155,379	77,690	-	-
Lafayette	10,613,379	3,034,688	7,578,691	1,515,738	3,789,345	1,515,738	757,869	-	-
Pleasant Shade	648,811	185,515	463,296	92,659	231,648	92,659	46,330	-	-
Red Boiling Springs	3,790,232	1,083,743	2,706,489	541,298	1,353,245	541,298	270,649	-	-
Scottsville	11,855,733	3,389,915	8,465,818	1,693,164	4,232,909	1,693,164	846,582	-	-
Westmoreland (Macon)	1,036,664	296,414	740,250	148,050	370,125	148,050	74,025	-	-
Total CapEx	\$31,731,694	\$9,073,058	\$22,658,636	\$4,531,727	\$11,329,318	\$4,531,727	\$2,265,864	\$-	-
Engineering at 6.00%	3,486,292	996,837	2,489,455	497,891	1,244,727	497,891	248,945	-	-
Pre-Engineering	74,364	21,263	53,101	10,620	26,551	10,620	5,310	-	-

Broadband CapEx



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC

Confidential & Proprietary

Equipment	Total	Spent thru		Remaining	Pro-Forma Financial Data					Historical Pro-forma
		2006	2006		Year 1	Year 2	Year 3	Year 4	Year 5	

CAGR

CapEx by Category

Equipment	\$ 20,323,795	\$ 5,811,192	\$ 14,512,603	\$ 2,902,521	\$ 7,256,301	\$ 2,902,521	\$ 1,451,260	\$ -	\$ -
Defeated	\$ 864,650	\$ 247,230	\$ 617,420	\$ 123,484	\$ 308,710	\$ 123,484	\$ 51,742	\$ -	\$ -
Green Grove	628,455	179,695	448,761	89,752	224,360	89,752	44,876	-	-
Hillsdale	637,421	182,258	455,163	91,033	227,562	91,033	45,516	-	-
Lafayette	6,713,107	1,919,482	4,793,625	956,725	2,396,813	958,725	479,363	-	-
Pleasant Shade	389,117	114,120	284,998	57,000	142,499	57,000	28,500	-	-
Red Boiling Springs	2,419,560	681,826	1,727,734	345,547	863,867	345,547	172,773	-	-
Scottsville	6,827,216	1,952,109	4,875,107	975,021	2,437,554	975,021	487,511	-	-
Westmoreland (Macon)	683,864	195,536	488,327	97,665	244,163	97,665	48,833	-	-
Equipment	\$ 19,173,391	\$ 5,482,257	\$ 13,691,135	\$ 2,738,227	\$ 6,845,567	\$ 2,738,227	\$ 1,369,113	\$ -	\$ -
Engineering at 6.00%	1,150,403	328,935	821,468	164,294	410,734	164,294	82,147	-	-

Lightwave	\$ 588,623	\$ 159,727	\$ 398,896	\$ 79,779	\$ 199,448	\$ 79,779	\$ 39,890	\$ -	\$ -
Defeated	\$ 59,919	\$ 17,133	\$ 42,786	\$ 8,557	\$ 21,393	\$ 8,557	\$ 4,279	\$ -	\$ -
Green Grove	59,919	17,133	42,786	8,557	21,393	8,557	4,279	-	-
Hillsdale	59,919	17,133	42,786	8,557	21,393	8,557	4,279	-	-
Lafayette	78,215	22,364	55,851	11,170	27,925	11,170	5,585	-	-
Pleasant Shade	59,919	17,133	42,786	8,557	21,393	8,557	4,279	-	-
Red Boiling Springs	59,919	17,133	42,786	8,557	21,393	8,557	4,279	-	-
Scottsville	79,515	22,736	56,779	11,356	28,390	11,356	5,678	-	-
Westmoreland (Macon)	59,919	17,133	42,786	8,557	21,393	8,557	4,279	-	-
Lightwave	\$ 517,244	\$ 147,896	\$ 369,348	\$ 73,870	\$ 184,674	\$ 73,870	\$ 36,935	\$ -	\$ -
Engineering at 8.00%	41,380	11,832	29,548	5,910	14,774	5,910	2,955	-	-

Cable	\$ 4,398,248	\$ 1,257,593	\$ 3,140,655	\$ 628,131	\$ 1,570,328	\$ 628,131	\$ 314,066	\$ -	\$ -
Defeated	\$ 133,994	\$ 38,313	\$ 95,681	\$ 19,136	\$ 47,841	\$ 19,136	\$ 9,568	\$ -	\$ -
Green Grove	99,341	28,405	70,936	14,187	35,468	14,187	7,094	-	-
Hillsdale	94,720	27,083	67,637	13,527	33,818	13,527	6,764	-	-
Lafayette	1,463,542	418,471	1,045,070	208,014	522,535	209,014	104,507	-	-
Pleasant Shade	61,222	17,505	43,716	8,743	21,858	8,743	4,372	-	-
Red Boiling Springs	308,418	88,186	220,232	44,046	110,116	44,046	22,023	-	-
Scottsville	1,372,287	392,379	979,908	195,982	489,954	195,982	97,991	-	-
Westmoreland (Macon)	131,684	37,652	94,032	18,806	47,016	18,806	9,403	-	-
Cable	\$ 3,665,207	\$ 1,047,994	\$ 2,617,213	\$ 523,443	\$ 1,308,606	\$ 523,443	\$ 261,721	\$ -	\$ -
Engineering at 20.00%	733,041	209,599	523,443	104,689	261,721	104,689	52,344	-	-

Fiber	\$ 6,795,492	\$ 1,943,324	\$ 4,853,168	\$ 970,634	\$ 2,426,594	\$ 970,634	\$ 485,317	\$ -	\$ -
Defeated	\$ 291,526	\$ 83,356	\$ 208,170	\$ 41,634	\$ 104,085	\$ 41,634	\$ 20,817	\$ -	\$ -
Green Grove	330,593	94,527	236,067	47,213	118,033	47,213	23,607	-	-
Hillsdale	201,316	57,562	143,754	28,751	71,877	28,751	14,375	-	-
Lafayette	1,387,466	396,719	990,747	198,149	495,374	198,149	99,075	-	-
Pleasant Shade	81,310	23,249	58,061	11,612	29,030	11,612	5,806	-	-
Red Boiling Springs	675,279	193,083	482,196	96,439	241,098	96,439	48,220	-	-
Scottsville	2,601,344	743,804	1,857,541	371,508	928,770	371,508	185,754	-	-
Westmoreland (Macon)	94,909	27,137	67,771	13,554	33,886	13,554	6,777	-	-
Fiber	\$ 5,663,743	\$ 1,619,437	\$ 4,044,306	\$ 806,861	\$ 2,022,153	\$ 806,861	\$ 404,431	\$ -	\$ -
Engineering at 20.00%	1,132,749	323,887	808,861	161,772	404,431	161,772	80,886	-	-

Broadband CapEx

11/9/2007



CAGR

Pro-Forma Financial Data

Spent thru

Total 2006 Remaining Year 1 Year 2 Year 3 Year 4 Year 5 Historical Pro-Forma

Drops	\$ 1,979,991	\$ 566,140	\$ 1,413,851	\$ 282,770	\$ 706,926	\$ 282,770	\$ 141,365	\$ -
Defeated	\$ 61,574	\$ 17,606	\$ 43,968	\$ 8,794	\$ 8,794	\$ 8,794	\$ 4,397	\$ -
Green Grove	44,619	12,758	31,861	6,372	15,930	6,372	3,186	-
Hillsdale	42,834	12,247	30,586	6,117	15,293	6,117	3,059	-
Lafayette	655,892	187,540	468,353	93,671	234,176	93,671	46,835	-
Pleasant Shade	28,110	8,037	20,072	4,014	10,036	4,014	2,007	-
Red Boiling Springs	149,472	42,739	106,733	21,347	53,367	21,347	10,673	-
Scottsville	607,704	173,761	433,943	86,789	216,971	86,789	43,394	-
Westmoreland (Macon)	59,789	17,095	42,693	8,539	21,347	8,539	4,269	-
Drops Engineering at 20.00%	\$ 1,649,992	\$ 471,783	\$ 1,178,209	\$ 235,642	\$ 589,105	\$ 235,642	\$ 117,821	\$ 23,564
Land	\$ 265,852	\$ 76,015	\$ 189,837	\$ 37,967	\$ 94,918	\$ 37,967	\$ 18,984	\$ -
Defeated	\$ 12,394	\$ 3,544	\$ 8,850	\$ 1,770	\$ 4,425	\$ 1,770	\$ 885	\$ -
Green Grove	6,197	1,772	4,425	885	2,213	885	443	-
Hillsdale	12,394	3,544	8,850	1,770	4,425	1,770	885	-
Lafayette	74,364	21,263	53,101	10,620	26,551	10,620	5,310	-
Pleasant Shade	6,197	1,772	4,425	885	2,213	885	443	-
Red Boiling Springs	43,379	12,403	30,976	6,195	15,456	6,195	3,098	-
Scottsville	86,758	24,807	61,951	12,390	30,976	12,390	6,195	-
Westmoreland (Macon)	\$ 241,684	\$ 69,105	\$ 172,579	\$ 34,516	\$ 86,289	\$ 34,516	\$ 17,258	\$ -
Engineering at 10.00%	\$ 24,168	\$ 6,910	\$ 17,258	\$ 3,452	\$ 8,629	\$ 3,452	\$ 1,726	\$ -
Generators	\$ 677,904	\$ 193,833	\$ 484,070	\$ 96,814	\$ 242,035	\$ 96,814	\$ 48,407	\$ -
Defeated	\$ 59,491	\$ 17,010	\$ 42,481	\$ 8,496	\$ 21,240	\$ 8,496	\$ 4,248	\$ -
Green Grove	34,703	9,923	24,781	4,956	12,390	4,956	2,478	-
Hillsdale	34,703	9,923	24,781	4,956	12,390	4,956	2,478	-
Lafayette	168,559	48,196	120,363	24,073	60,181	24,073	12,036	-
Pleasant Shade	9,915	2,835	7,080	1,416	3,540	1,416	708	-
Red Boiling Springs	118,983	34,021	84,962	16,992	42,481	16,992	8,496	-
Scottsville	213,177	60,954	152,223	30,445	76,112	30,445	15,222	-
Westmoreland (Macon)	\$ 639,532	\$ 182,862	\$ 456,670	\$ 91,334	\$ 228,335	\$ 91,334	\$ 45,667	\$ -
Engineering at 6.00%	\$ 38,372	\$ 10,972	\$ 27,400	\$ 5,480	\$ 13,700	\$ 5,480	\$ 2,740	\$ -
Removals	\$ 217,081	\$ 62,070	\$ 155,011	\$ 31,002	\$ 77,505	\$ 31,002	\$ 15,501	\$ -
Defeated	\$ 6,613	\$ 1,891	\$ 4,722	\$ 944	\$ 2,361	\$ 944	\$ 472	\$ -
Green Grove	4,903	1,402	3,501	700	1,751	700	350	-
Hillsdale	4,675	1,337	3,338	668	1,669	668	334	-
Lafayette	72,235	20,654	51,581	10,316	25,790	10,316	5,158	-
Pleasant Shade	3,022	864	2,158	432	1,079	432	216	-
Red Boiling Springs	15,222	4,353	10,870	2,174	5,435	2,174	1,087	-
Scottsville	67,731	19,366	48,365	9,673	24,182	9,673	4,836	-
Westmoreland (Macon)	6,499	1,858	4,641	928	2,321	928	464	-
Removals Engineering at 20.00%	\$ 180,901	\$ 51,725	\$ 129,176	\$ 25,835	\$ 64,588	\$ 25,835	\$ 12,918	\$ 2,584



Financial Model	Year 1	Year 2	Year 3	Year 4	Year 5
	Pro-Forma Financial Data				

Depreciation Schedule

	Year 1	Year 2	Year 3	Year 4	Year 5
Equipment Depreciation rate: 7.5%	2,902,521	7,256,301	2,902,521	1,451,260	-
Lightwave Depreciation rate: 11.9%	79,779	199,448	79,779	39,890	-
Cable Depreciation rate: 6.6%	628,131	1,570,328	628,131	314,066	-
Fiber Depreciation rate: 5.1%	970,634	2,426,584	970,634	485,317	-
Drops Depreciation rate: 6.5%	282,770	706,926	282,770	141,385	-
Land Depreciation rate: 2.7%	37,967	94,918	37,967	18,984	-
Generators Depreciation rate: 7.5%	96,814	242,035	96,814	48,407	-
Removals Depreciation rate: 100.0%	31,002	77,505	31,002	15,501	-
Total Broadband P&E Expenditure	5,029,618	12,574,045	5,029,618	2,514,809	-
Total Broadband P&E Depreciation	376,093	1,285,323	1,661,416	1,849,462	1,849,462
Weighted Broadband Depreciation Rate	7.5%	7.3%	7.3%	7.4%	7.4%
Cumulative Broadband P&E Expenditure	5,029,618	17,603,664	22,633,282	25,148,091	25,148,091
Cumulative Broadband Depreciation	376,093	1,661,416	3,322,832	5,172,294	7,021,757
Net Broadband P&E	4,653,525	15,942,248	19,310,450	19,975,797	18,126,334

Broadband Depreciation



North Central Telephone Cooperative Corporation

Updated RUS Broadband Loan Financial Analysis for KY PSC
Confidential & Proprietary

Long Term Debt

Year 0	Pro-Forma Financial Data			
	12/31/2006	12/31/2007	12/31/2008	12/31/2010

Total Debt Starting Balance	\$ -	\$ 29,487,932	\$ 31,364,474	\$ 40,300,574	\$ 40,375,045	\$ 37,158,380
+ RUS Broadband Notes	\$ -	\$ 5,040,238	\$ 12,600,596	\$ 5,040,238	\$ 2,520,119	\$ -
- Principal Payments	\$ 2,082,456	\$ 3,163,696	\$ 3,664,496	\$ 4,965,768	\$ 5,736,785	\$ 6,138,088
Remaining Long Term Debt	\$ 29,487,932	\$ 31,364,474	\$ 40,300,574	\$ 40,375,045	\$ 37,158,380	\$ 31,020,291
Total Interest	\$ -	\$ 1,338,198	\$ 1,429,686	\$ 1,855,493	\$ 1,850,184	\$ 1,688,166

Cumulative Amount Borrowed = \$25,201,192

Existing RUS Notes

Amount = \$29,487,932
Various terms
2 and 5% notes
Start Date: Dec-06
Starting Balance

Principle ("Current LTD")	\$ 2,082,456	\$ 3,163,696	\$ 3,265,942	\$ 3,409,531	\$ 3,575,294	\$ 3,557,584
Ending Balance	\$ 29,487,932	\$ 26,324,236	\$ 23,058,294	\$ 19,648,763	\$ 16,073,469	\$ 12,515,886
Interest	\$ -	\$ 1,338,198	\$ 1,186,725	\$ 1,028,722	\$ 862,958	\$ 692,524

RUS Broadband Note

Amount = \$5,040,238
Term = 10 years
Rate = 5.00%/year
Start Date: Dec-07

Starting Balance	\$ -	\$ -	\$ 5,040,238	\$ 4,641,684	\$ 4,222,740	\$ 3,782,361
Monthly P&I: (\$53,460)	\$ -	\$ -	\$ 398,554	\$ 418,945	\$ 440,379	\$ 462,909
Principle ("Current LTD")	\$ -	\$ 5,040,238	\$ 4,641,684	\$ 4,222,740	\$ 3,782,361	\$ 3,319,452
Ending Balance	\$ -	\$ -	\$ 242,961	\$ 222,570	\$ 201,136	\$ 178,605
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

RUS Broadband Note

Amount = \$12,600,596
Term = 9 years
Rate = 5.00%/year
Start Date: Dec-08

Starting Balance	\$ -	\$ -	\$ -	\$ 12,600,596	\$ 11,463,304	\$ 10,267,825
Monthly P&I: (\$145,125)	\$ -	\$ -	\$ -	\$ 1,137,292	\$ 1,195,478	\$ 1,256,641
Principle ("Current LTD")	\$ -	\$ -	\$ 12,600,596	\$ 11,463,304	\$ 10,267,825	\$ 9,011,184
Ending Balance	\$ -	\$ -	\$ -	\$ 604,202	\$ 546,016	\$ 484,853
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note 3

Amount = \$5,040,238
Term = 8 years
Rate = 5.00%/Year

Debt Schedule

11/9/2007

