

INSPECTION AND SUPERVISION FEES REPORT
to the
ALABAMA PUBLIC SERVICE COMMISSION

PLEASE REMIT TO:

ALABAMA PUBLIC SERVICE COMMISSION
FINANCE SECTION
P.O. BOX 304260
MONTGOMERY, AL 36130-4260

| If the amount on line 11 is over--- | But not over--- | Enter on line 12 | of the amount over---- |
|-------------------------------------|-----------------|------------------|------------------------|
| \$0 | \$100,000 | 0.285% | \$0 |
| \$100,000 | \$1,000,000 | \$285 + 0.235% | \$100,000 |
| \$1,000,000 | ----- | \$2,400 + 0.185% | \$1,000,000 |

INSTRUCTIONS for completing Inspection and Supervision Fees Report to the Alabama Public Service Commission for the twelve months ended September 30, 2017.

- The report is to be completed for the twelve months that end September 30, 2017 unless the receipts meet the qualifications in Sec. 37-2-41(a) for filing and reporting quarterly (gross receipts in excess of \$60,000,000 per calendar quarter).
- Lines 1-6 should be completed based upon, and supported by, information from your legal financial records for the reporting period.
- Line 7 is to be used to deduct that portion of gross receipts reported in lines 1-6 above that
 - are not regulated by the Commission and/or
 - Represents receipts that are earned when engaged in multistate business during the reporting period.
- Line 10 is to be used to deduct that portion of gross receipts reported on line 9 that represents the COCOT revenues earned from those instruments in which the COCOT election allowed in Sec. 37-2-41(b) will be taken.
- Line 12 is the calculated liability due using the rate table provided above.
- Line 13 is where the \$10.00 per instrument fee is calculated for those instruments that accounted for the receipts deducted on Line 10 above.
- *For those companies regulated under the Communications Reform Act (CRA), the Inspection and Supervision Fee due is to be calculated as stipulated in Act 2015-70, passed by the State Legislature in the 2015 regular session. It is important to note that regulation under the CRA has not changed. Rather, it is only the method of calculating the I&S fee owed pursuant to that regulation that was changed. The I&S fee owed for the twelve months ended September 30, 2017 is calculated as follows:*
 - The first step is to determine how much was paid *in* fiscal year 2015 pursuant to 37-2A-10. This would be the amount of Inspection and Supervision fee payments remitted to the APSC from October 2014 thru September 2015. This amount is entered on Line 17a.
 - Next, determine what would have been paid to the APSC *for* FY-2015 pursuant to Section 37-2-41 were the company not regulated under the CRA (i.e. what would the company have paid *for* October 2014 thru September 2015 gross receipts - typically remitted November 2015 thru August 2016). This amount is reported on Line 17b.
 - Line 18 is the total reduction allowed this filing year pursuant to Act 2015-70 and is 1/3 of the difference between Line 17a and Line 17b.

Although it may seem odd that the statute's use of the words "fees paid in" and "fees for" result in an equation that includes fees for two different time periods, that is the requirement of the statute.

- Line 19 represents the Total Inspection and Supervision Fee Liability due to the Commission and is the difference between Line 16 and Line 18.

Federal EIN#: _____

INSPECTION AND SUPERVISION FEES REPORT
to the
ALABAMA PUBLIC SERVICE COMMISSION

Legal Name: _____
Trade Name: _____
Street: _____
City, State, Zip: _____

Check all Certificates of Authority granted to this legal entity:

ILEC COCOT/PSP Toll Reseller CLEC IXC Railroad

Pursuant to Sec 37-2-41(a), each transportation company, as defined in Sec. 37-2-1, doing business in Alabama and subject to the jurisdiction of the Public Service Commission with respect to its rates and service regulations shall pay quarterly to PSC, beginning each November 1 and on each quarter thereafter, February 1, May 1, August 1, of each year, a fee for the inspection and supervision of such business during the next preceding fiscal year.

Computation of Fees

GROSS RECEIPTS during the twelve (12) months ended September 30, 2017

or for the period beginning _____, 20____, ending _____, 20____.

- 1. Local Service Revenues
2. Access Revenues
3. Toll Service Revenues
4. All Other Gross Receipts
5. Less: Uncollectible or Bad Debts
6. Total Gross Receipts per Financial Records. Add lines 1 through 5.

Deductions when engaged in multistate business during reporting period

- 7. Interstate Portion (itemization required - use attachments if necessary):
a.
b.
c.
8. Total Deductions: Add lines 7a, 7b, and 7c.

9. Alabama Gross Receipts: Subtract line 8 from line 6.

10. Less Alabama COCOT revenues, if Sec. 37-2-41(b) election made.

11. Adjusted Alabama Gross Receipts: Subtract line 10 from line 9.

12. Inspection and Supervision Fee (Use Rate Table, not less than \$25.00).

13. COCOT, Sec. 37-2-41(b) election: Number of instruments _____ times \$10.00.

14. Fee liability under Sec. 37-2-41: Add lines 12 and 13.

Communications Reform Act of 2005 (Section 37-2A-10)

15. Fee paid for the twelve (12) months ended September 30, 2004
(or the year prior to becoming subject to regulation under the CRA).

Calculated Fee Liability

16. Greater of Line 14 or Line 15.

17. Less reduction allowed per Act 2015-70: (see instructions for detailed guidance)

- a. Fee paid in FY-2015
b. Fee that would have been paid for FY-2015 pursuant to 37-2-41

18. Total reduction allowed per Act 2015-70 (1/3 of difference between 17a and 17b).

19. Total Fee Liability: Calculated as Line 16 less Line 18.

20. Payments: 25% each quarter or may elect to remit all on November 1

- a. November 1, 2017: 25% of line 19, not less than \$25.00.
b. February 1, 2018: Subtract line 20a from 50% of line 19.
c. May 1, 2018: Subtract lines 20a, 20b from 75% of line 19.
d. August 1, 2018: Subtract lines 20a, 20b, 20c from line 19.

Table with 12 columns for data entry corresponding to lines 1-20.

UNDER PENALTIES OF PERJURY, I declare that I have examined this report and accompanying schedules and statements and, to the best of my knowledge and belief, it is true, correct, and complete. Declaration of paid preparer (other than reporting entity) is based on all information of which preparer has any knowledge.

Name of Officer/Partner/Owner (PLEASE PRINT) Date Title Telephone Number

Signature of Officer /Partner/Owner