

## Arizona Service Quality Penalty Calculation - 2007

| Month          | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Number of Days | 31  | 28  | 31  | 30  | 31  | 30  | 31  | 31  | 30  | 31  | 30  | 31  |

### Residence - Business Office Access

|   |                  |                |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
|---|------------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Calls in <20 sec                                      | 1,220,316        | 111,413        | 124,901         | 159,476         | 160,122         | 156,290         | 159,587         | 129,728         | 127,217         | 130,452         | 132,665         | 116,781         |
| <b>Calls - Total Offered *</b>                        | <b>1,806,262</b> | <b>114,306</b> | <b>127,527</b>  | <b>162,329</b>  | <b>164,557</b>  | <b>173,128</b>  | <b>189,477</b>  | <b>170,107</b>  | <b>174,657</b>  | <b>206,366</b>  | <b>182,273</b>  | <b>166,941</b>  |
| % in > 20 sec   | 32.44%           | 2.53%          | 2.06%           | 1.76%           | 2.70%           | 9.73%           | 15.78%          | 23.74%          | 27.16%          | 36.79%          | 27.22%          | 30.05%          |
| % in < 20 sec   | 67.56%           | 97.47%         | 97.94%          | 98.24%          | 97.30%          | 90.27%          | 84.22%          | 76.26%          | 72.84%          | 63.21%          | 72.78%          | 69.95%          |
| Penalties (Offsets) Per Day                           | 1,000            | -4,000         | -4,000          | -4,000          | -4,000          | -4,000          | 0               | 0               | 1,000           | 1,000           | 1,000           | 1,000           |
| Total Penalties (Offsets) Per Month                   | 31,000           | -112,000       | -124,000        | -120,000        | -124,000        | -120,000        | 0               | 0               | 30,000          | 31,000          | 30,000          | 31,000          |
| <b>Total Residence Access Penalties (Offsets) YTD</b> | <b>31,000</b>    | <b>-81,000</b> | <b>-205,000</b> | <b>-325,000</b> | <b>-449,000</b> | <b>-569,000</b> | <b>-569,000</b> | <b>-569,000</b> | <b>-539,000</b> | <b>-508,000</b> | <b>-478,000</b> | <b>-447,000</b> |

### Business - Business Office Access

|   |                |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
|---|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Calls in <20 sec                                | 28,121         | 28,000          | 29,029          | 28,633          | 29,043          | 27,188          | 28,076          | 27,453          | 25,867          | 27,586          | 24,516          | 24,767          |
| <b>Calls - Total Offered</b>                    | <b>32,235</b>  | <b>31,116</b>   | <b>32,709</b>   | <b>32,236</b>   | <b>31,325</b>   | <b>28,840</b>   | <b>29,845</b>   | <b>29,632</b>   | <b>28,860</b>   | <b>33,412</b>   | <b>28,741</b>   | <b>26,119</b>   |
| % in > 20 sec                                   | 12.76%         | 10.01%          | 11.25%          | 11.18%          | 7.28%           | 5.73%           | 7.35%           | 7.35%           | 10.37%          | 17.44%          | 14.70%          | 5.18%           |
| % in < 20 sec                                   | 87.24%         | 89.99%          | 88.75%          | 88.82%          | 92.72%          | 94.27%          | 94.07%          | 92.65%          | 89.63%          | 82.56%          | 85.30%          | 94.82%          |
| Penalties (Offsets) Per Day                     | -2,000         | -2,000          | -2,000          | -2,000          | -4,000          | -4,000          | -4,000          | -4,000          | -2,000          | 0               | -2,000          | -4,000          |
| Total Penalties (Offsets) Per Month             | -62,000        | -56,000         | -62,000         | -60,000         | -124,000        | -120,000        | -124,000        | -124,000        | -60,000         | 0               | -60,000         | -124,000        |
| <b>Total SBG Access Penalties (Offsets) YTD</b> | <b>-62,000</b> | <b>-118,000</b> | <b>-180,000</b> | <b>-240,000</b> | <b>-364,000</b> | <b>-484,000</b> | <b>-608,000</b> | <b>-732,000</b> | <b>-792,000</b> | <b>-792,000</b> | <b>-852,000</b> | <b>-976,000</b> |

### Repair - Business & Residence

|  |               |                |                |                 |                 |                 |                 |                 |                 |                 |                 |                 |
|--|---------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Calls in <20 sec                                   | 37,877        | 20,652         | 36,365         | 37,029          | 38,465          | 37,631          | 45,248          | 49,882          | 40,293          | 38,404          | 34,703          | 43,566          |
| <b>Calls - Total Offered</b>                       | <b>46,892</b> | <b>23,935</b>  | <b>44,320</b>  | <b>43,016</b>   | <b>43,264</b>   | <b>43,980</b>   | <b>58,467</b>   | <b>63,465</b>   | <b>47,524</b>   | <b>45,788</b>   | <b>41,271</b>   | <b>57,492</b>   |
| % in > 20 sec                                      | 19.23%        | 13.72%         | 17.95%         | 13.92%          | 11.09%          | 14.44%          | 22.61%          | 21.40%          | 15.22%          | 16.13%          | 15.91%          | 24.22%          |
| % in < 20 sec                                      | 80.77%        | 86.28%         | 82.05%         | 86.08%          | 88.91%          | 85.56%          | 77.39%          | 78.60%          | 84.78%          | 83.87%          | 84.09%          | 75.78%          |
| Penalties (Offsets) Per Day                        | 0             | -2,000         | 0              | -2,000          | -2,000          | -2,000          | 0               | 0               | 0               | 0               | 0               | 0               |
| Total Penalties (Offsets) Per Month                | 0             | -56,000        | 0              | -60,000         | -62,000         | -60,000         | 0               | 0               | 0               | 0               | 0               | 0               |
| <b>Total Repair Access Penalties (Offsets) YTD</b> | <b>0</b>      | <b>-56,000</b> | <b>-56,000</b> | <b>-116,000</b> | <b>-178,000</b> | <b>-238,000</b> |

### Held Orders

|   |                  |                  |                  |                  |                  |                  |                  |                  |                   |                   |                   |                   |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| Held Orders                                     | 45               | 5                | 28               | 44               | 32               | 24               | 41               | 22               | 22                | 30                | 21                | 10                |
| <b>Access Lines **</b>                          | <b>1,773,223</b> | <b>1,766,381</b> | <b>1,752,106</b> | <b>1,736,786</b> | <b>1,721,050</b> | <b>1,707,549</b> | <b>1,696,625</b> | <b>1,685,846</b> | <b>1,672,575</b>  | <b>1,663,488</b>  | <b>1,654,309</b>  | <b>1,641,813</b>  |
| % Held Orders of Access Lines                   | 0.0025%          | 0.0003%          | 0.0016%          | 0.0025%          | 0.0019%          | 0.0014%          | 0.0024%          | 0.0013%          | 0.0013%           | 0.0018%           | 0.0013%           | 0.0006%           |
| Penalties (Offsets) Per Day                     | -4,000           | -4,000           | -4,000           | -4,000           | -4,000           | -4,000           | -4,000           | -4,000           | -4,000            | -4,000            | -4,000            | -4,000            |
| Total Penalties (Offsets) Per Month             | -124,000         | -112,000         | -124,000         | -120,000         | -124,000         | -120,000         | -124,000         | -124,000         | -120,000          | -124,000          | -120,000          | -124,000          |
| <b>Total Held Order Penalties (Offsets) YTD</b> | <b>-124,000</b>  | <b>-236,000</b>  | <b>-360,000</b>  | <b>-480,000</b>  | <b>-604,000</b>  | <b>-724,000</b>  | <b>-848,000</b>  | <b>-972,000</b>  | <b>-1,092,000</b> | <b>-1,216,000</b> | <b>-1,336,000</b> | <b>-1,460,000</b> |

### Out of Service Repair Times

|   |               |               |               |               |               |                |               |               |               |                |                |                |
|---|---------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|----------------|----------------|----------------|
| Out of Service < 24 hours                           | 15,007        | 13,582        | 15,231        | 15,273        | 15,980        | 16,146         | 18,649        | 17,904        | 16,635        | 17,625         | 15,129         | 13,515         |
| <b>Total Out of Service</b>                         | <b>22,089</b> | <b>16,263</b> | <b>19,157</b> | <b>17,180</b> | <b>17,578</b> | <b>17,952</b>  | <b>24,780</b> | <b>27,195</b> | <b>19,499</b> | <b>19,323</b>  | <b>16,271</b>  | <b>26,020</b>  |
| % Out of Service < 24 hours                         | 67.94%        | 83.51%        | 79.51%        | 88.90%        | 90.91%        | 89.94%         | 75.26%        | 65.84%        | 85.31%        | 91.21%         | 92.98%         | 51.94%         |
| Penalties (Offsets) Per Day                         | 2,000         | 0             | 1,000         | -1,000        | -2,000        | -1,000         | 1,000         | 2,000         | -1,000        | -2,000         | -2,000         | 2,000          |
| Total Penalties (Offsets) Per Month                 | 62,000        | 0             | 31,000        | -30,000       | -62,000       | -30,000        | 31,000        | 62,000        | -30,000       | -62,000        | -60,000        | 62,000         |
| <b>Total Out of Service Penalties (Offsets) YTD</b> | <b>62,000</b> | <b>62,000</b> | <b>93,000</b> | <b>63,000</b> | <b>1,000</b>  | <b>-29,000</b> | <b>2,000</b>  | <b>64,000</b> | <b>34,000</b> | <b>-28,000</b> | <b>-88,000</b> | <b>-26,000</b> |

|  |               |               |               |               |              |          |              |               |               |          |          |          |
|--|---------------|---------------|---------------|---------------|--------------|----------|--------------|---------------|---------------|----------|----------|----------|
| <b>Total Service Quality Penalties YTD</b> | <b>93,000</b> | <b>62,000</b> | <b>93,000</b> | <b>63,000</b> | <b>1,000</b> | <b>0</b> | <b>2,000</b> | <b>64,000</b> | <b>34,000</b> | <b>0</b> | <b>0</b> | <b>0</b> |
|--|---------------|---------------|---------------|---------------|--------------|----------|--------------|---------------|---------------|----------|----------|----------|

\*Call handling includes 14-state region vs. AZ/NM district

\*\*Retail access lines only