

penetration assumption of which is a conservatively high estimate when compared to other developments with similar circumstances. Subscribers to break even, less expected subscribers yield the additional number of subscribers Embarq would need in order to recover its costs. The new capital required is from Attachment 7 and is the total incremental capital that Embarq would be required to spend to be able to provide service to the households in the Treviso Bay development. The new capital is divided by the break even subscribers to get capital per subscriber. The capital per subscriber is multiplied by needed subscribers for a total deposit Embarq would need to recover its cost of providing service for the households in Treviso Bay.

What is Embarq's overall penetration rate in the Naples exchange for wire line voice services regardless of other services provided? Penetration rate is defined as the ratio of the number of subscribers to the number of potential subscribers. Potential subscribers are defined as households where Embarq network facilities are available.

Response: The requested information is not available; however, the current number of residential access lines in the Naples exchange can be found in the Third Quarter 2007 Scheduled 8 filed by Embarq under claim of confidentiality.

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