

Manti Telephone Company

Docket 13-046-01

Exhibit CH 1

Proxy Group: Rural LECs

Company	Symbol	Beta	Stock Market Returns 1926-2012 ¹	10-Year Treasury Rate ²	T-Bond Premium Over T-Bill 1928-2012 ³	CAPM Cost of Equity Capital
Alteva	ALTV	0.55	11.80%	2.84%	1.77%	6.97%
Consolidated	CNSL	0.80	11.80%	2.84%	1.77%	9.65%
HickoryTech	HTCO	0.65	11.80%	2.84%	1.77%	8.04%
Shenandoah	SHEN	0.90	11.80%	2.84%	1.77%	10.73%
TDS	TDS	1.05	11.80%	2.84%	1.77%	12.34%
FairPoint	FRP	1.45	11.80%	2.84%	1.77%	16.63%
Windstream	WIN	0.90	11.80%	2.84%	1.77%	10.73%
Frontier	FTR	0.90	11.80%	2.84%	1.77%	10.73%
Alaska Communications, Inc.	ALSK	0.85	11.80%	2.84%	1.77%	<u>10.19%</u>
	Mean COE		10.67%		Median COE	10.73%
	Small Company Size Premium ⁴		<u>3.81%</u>			<u>3.81%</u>
	Fair Return on Equity Capital		14.48%			14.54%

¹2013 Ibbotson SBBI Risk Premia Over Time Report, Estimates for 1926-2012, p. 6

²Economic Research, Federal Reserve Bank of St. Louis, December 4, 2013

³Damodaran on Valuation - 2nd Edition, Summary of Historical Returns on Stocks, T.Bonds, T.Bills since 1928

⁴2013 Ibbotson SBBI Risk Premia Over Time Report, Estimates for 1926-2012, p. 7