ATTACHMENT B

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10/15/96

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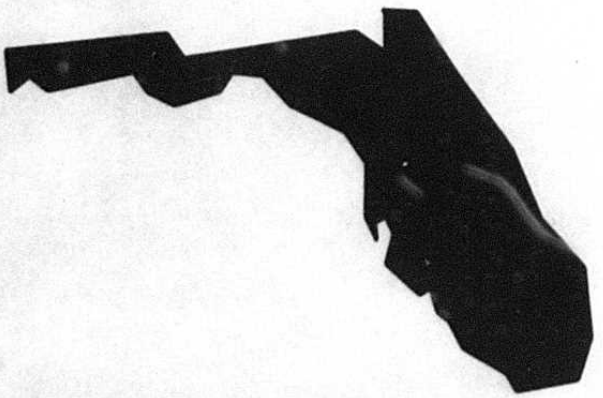
FLORIDA



DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE

TELRIC COST STUDY DOCUMENTATION

SECTIONS A THRU 7

FLORIDA

DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE

COST STUDY DOCUMENTATION

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SECTION A

SECTION A

FLORIDA

DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE

PROPRIETARY RATIONALE

The Direct Access to Directory Assistance Study contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

Additionally, the study contains information which reflects vendor-specific prices negotiated by BellSouth. Public disclosure of this information would impair BellSouth's ability to contract for goods and/or services on favorable terms. For these reasons, the Direct Access to Directory Assistance Service Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA

DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support Direct Access to Directory Assistance Service (DADAS). The costs presented in this study are based on the TELRIC methodology established by the Federal Communication Commission's (FCC) First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

DADAS enables a customer's Operator Service Center to access BellSouth's Directory Assistance Database using its Search Application Software. The customer provides its own switch, operator workstation, audio subsystem (optional) and transport facilities.

A long run analysis is performed to ensure that the time period studied is sufficient to capture all forward looking costs affected by the business decision.

The recurring and nonrecurring costs presented in this study are levelized so as to be appropriate for the 1997 - 1999 study period. These costs are developed by using 1996 level TELRIC loadings, annual cost factors and labor rates designed to produce TELRIC results. The study is a Regional study.

SECTION 2

SECTION 2

FLORIDA

DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE -

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of the Total Element Long Run Incremental Costs (TELRIC) supporting Direct Access to Directory Assistance Service (DADAS).

The purpose of the TELRIC methodology established by the FCC order, is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct costs caused by providing the particular network element being studied. TELRIC methodology anticipates pricing of elements in a wholesale network company. Many costs regarded as common or shared would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. TELRIC includes both recurring (capital and operating expenses) and nonrecurring (service provisioning) costs.

THE DEVELOPMENT OF RECURRING COSTS

The per unit costs to BellSouth Telecommunications, Inc. resulting from the capital investments necessary to provide a service are called recurring costs. Recurring costs represent a forward looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Recurring costs may also be noninvestment related, such as expensed labor, feature specific software and contract expenses. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is calculated on the TELRIC.

The first step in developing a TELRIC study for DADAS is to determine the forward looking network architecture. Prices for the equipment are defined. Next, account specific Telephone Plant Indexes are applied, when necessary, to trend investments and noninvestment related expenses to the study period. In-plant factors are applied to material prices to develop installed investments which include engineering and installation labor.

Appropriate loadings for land, building and miscellaneous common equipment and power are then applied to the electronic equipment.

Next, 1996 level TELRIC Annual Cost Factors are used to calculate the direct cost of capital, plant specific expenses and taxes. Account specific factors for each Uniform System of Accounts - Field Reporting Code (USOA - FRC) are applied to levelized investments by account-code, yielding an annual cost per account code which includes directly attributable shared and common costs. Annual Total Element Long Run Incremental Costs by account codes are then summed and divided by the associated demand to arrive at a cost per cost element.

The directly attributable shared and common cost components of the annual TELRIC factors are calculated as follows. First, a detailed analysis of the forward looking directly assigned costs associated with the interconnect or unbundled network element is performed. The remaining costs of doing business are then analyzed to determine whether they are directly attributable shared and common costs that can be reasonably attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated by the functional areas to which they are related. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc. are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc. and attributed shared cost factors are developed. These attributed shared cost factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded.

The common cost allocation factor is applied to TELRIC to produce the forward looking economic cost, as defined in the FCC Order, Appendix B, Section 51.505, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

THE DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting Direct Access to Directory Assistance Service. The first step in developing nonrecurring costs is to determine the cost elements related to the study. These cost elements are then described by all of the individual work functions required to provision the cost element. The work functions can be grouped into two categories - Service Order and Training. The work function times, identified by subject matter experts, are used to describe the flow of work within the various work centers. Installation and provisioning costs are developed by multiplying the work time for each work function by the labor rate for the work group performing the function.

The TELRIC labor rates are calculated as follows. Salary and wages, as used in the determination of annual TELRIC cost factors, are accumulated on a basis consistent with specific

force groups. Shared costs attributable to salaries and wages are then accumulated on a basis consistent with the development of the respective force group's labor rate. A factor is then developed for each force group by dividing the attributed shared costs (human resources, office equipment, motor vehicles, land and building space, etc.) by the related salaries and wages. This factor is then applied to the salary and wage portion of the incremental labor rate for each force group, and the result is added to the incremental labor rate to determine the TELRIC labor rate.

Utilizing work functions, work times, and TELRIC labor rates, disconnect costs are calculated in the same manner as the installation costs. Since the labor costs will occur in the future, the current TELRIC labor rates are inflated to that future period in time and then discounted to the present. The discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the nonrecurring cost.

The common cost allocation factor is applied to the nonrecurring TELRIC to produce the forward looking economic cost, as defined in the FCC Order, Appendix B, Section 51.505, which includes an appropriate share of common costs.

SECTION 3

SECTION 3

FLORIDA

DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE

SUMMARY OF RESULTS

This section contains a cost summary for the Total Element Long Run Incremental Cost (TELRIC) for DADAS.

DADAS SERVICE CHARGE, PER MONTH

TELRIC	$6,772.64
Common Cost Allocation Factor	1.0804
Total Cost	$7,317.16

DADAS QUERY CHARGE, PER QUERY	$0.0048
Common Cost Allocation Factor	1.0804
Total Cost	$0.0052

DADAS SERVICE ESTABLISHMENT CHARGE, NONRECURRING

IN PROGRESS

SECTION 4

SECTION 4

FLORIDA

DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE

COST DEVELOPMENT - RECURRING

This section defines the cost development for Direct Access to Directory Assistance Service.

Generally, economic cost development is outlined in Section 2. Network architecture is determined, the necessary equipment is identified, material prices are obtained, utilization and loading factors are applied. Annual TELRIC factors are applied to convert the investment to cost. Labor expense is directly identified.

Workpaper 1

Provides the summary of Total Element Long Run Incremental Cost (TELRIC) for the DADAS Service Charge and Query Charge.

Workpaper 2

Develops the DADAS DataBase Service Charge. The annual labor expenses for the system administrator and the two technical support personnel dedicated to the service are divided by the projected number of customers.

Workpaper 3

The individual hardware and software components for the Regional Directory Assistance DataBase System are developed.

Cost for the Administrative DataBase and the 1.544 Mbit per second links from the Administrative to the Operations Databases are developed separately from the Operations Databases.

The Hardware investment is loaded for land, building, and miscellaneous power and common equipment. These investments are multiplied by their associated annual cost factors to calculate the annual cost.

The software expenses are multiplied by an amortization factor to calculate an equivalent annual cost.

The number of links and the mileage between the Administrative and Operations Databases are multiplied by fundamental unit investments and associated annual cost factors to calculate the annual cost.

These annual costs are divided by the annual DA calls.

The equivalent annual cost of DADAS application software is divided by the expected annual calls.

The system and software unit costs are then separately summed.

The following Workpapers detail this cost development.

1.	**FLORIDA**		FLORIDA
2.			WORKPAPER 1
3.	**DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE**		PAGE 1 OF 1
4.			10/07/96
5.	**SUMMARY OF RECURRING COSTS**		
6.			
7.			
8.	DADAS DATABASE SERVICE CHARGE, PER MONTH		
9.			
10.	DIRECT COST	WP2,PG1,LN17	$4,676.34
11.	DIRECTLY ATTRIBUTED SHARED & COMMON COST	WP2,PG2,LN17	$2,096.30
12.	TELRIC	LN10+LN11	$6,772.64
13.			
14.			
15.	DADAS QUERY CHARGE, PER QUERY		
16.			
17.	DIRECT COST	WP3,PG1,LN61	$0.0045
18.	DIRECTLY ATTRIBUTED SHARED & COMMON COST	WP3,PG2,LN55	$0.0003
19.	TELRIC	LN17+LN18	$0.0048

1.	**FLORIDA**		FLORIDA
2.			WORKPAPER 2
3.	**DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE**		PAGE 1 OF 2
4.			10/07/96
5.	**DEVELOPMENT OF DADAS DATABASE SERVICE CHARGE**		
6.			
7.	**DIRECT COST**		
8.			
9.	DADAS ADMINISTRATION (1-PB58), 1997-1999		$85,516
10.			
11.	DADAS TECHNICAL SUPPORT (2-PB56), 1997-1999		$135,566
12.			
13.	DADAS CUSTOMERS		
14.			
15.	GROSS RECEIPTS TAX FACTOR		1.0153
16.			
17.	DIRECT MONTHLY COST	(LN9+LN11)(LN15)/(LN13)/(12)	$4,676.34

1.	**FLORIDA**		FLORIDA
2.			WORKPAPER 2
3.	**DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE**		PAGE 2 OF 2
4.			10/07/96
5.	**DEVELOPMENT OF DADAS DATABASE SERVICE CHARGE**		
6.			
7.	**DIRECTLY ATTRIBUTED SHARED AND COMMON COST**		-
8.			
9.	DADAS ADMINISTRATION (1-PB58), 1997-1999		$28,184
10.			
11.	DADAS TECHNICAL SUPPORT (2-PB56), 1997-1999		$70,922
12.			
13.	DADAS CUSTOMERS		
14.			
15.	GROSS RECEIPTS TAX FACTOR		1.0153
16.			
17.	DIRECTLY ATTRIBUTED SHARED & COMMON MONTHLY COST	(LN9+LN11)(LN15)/(LN13)/(12)	$2,096.30

FLORIDA
DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE (DADAS)

REGIONAL DA DATABASE SYSTEM

DIRECT COST

9.	ADMINISTRATIVE DATABASE (1997-1999)				
10.	HARDWARE INVESTMENT - VOLUME INSENSITIVE				
11.	SOFTWARE EXPENSE - VOLUME INSENSITIVE				
12.	OPERATIONS DATABASES (1997-1999)				
13.	HARDWARE INVESTMENT - VOLUME SENSITIVE				
14.	SOFTWARE EXPENSE - VOLUME SENSITIVE				
15.	LAND FACTOR				.0042
16.	BUILDING FACTOR				.0706
17.	MISCELLANEOUS POWER & COMMON EQUIP.FACTOR				1.0980
18.	DIRECT ANNUAL COST FACTOR (377C)				.2412
19.	DIRECT ANNUAL COST FACTOR (20C)				.1486
20.	DIRECT ANNUAL COST FACTOR (10C)				.1679
21.	AMORTIZATION FACTOR				.2723
22.	ANNUAL COST				
23.	ADMINISTRATIVE DATABASE				
24.	HARDWARE	LN10xLN17xLN18			
25.	SOFTWARE	LN11xLN21			
26.	LAND	LN10xLN17xLN15xLN19			
27.	BUILDING	LN10xLN17xLN16xLN20			
28.	OPERATIONS DATABASE				
29.	HARDWARE	LN13xLN17xLN18			
30.	SOFTWARE	LN14xLN21			
31.	LAND	LN13xLN17xLN15xLN19			
32.	BUILDING	LN13xLN17xLN16xLN20			
33.					
34.	1.544 MB/S ADMINISTRATIVE LINKS (1996-1998)	CIRCUITS/ MILES	UNIT INVESTMENT	ANNUAL COST FACTOR	ANNUAL COST
35.					
36.	CIRCUIT TERMINATION (FRC)				
37.	CIRCUIT (357C)	8	$1,748.56	.2327	$3,255
38.	LAND (20C)	8	$4.34	.1486	$5
39.	BUILDING (10C)	8	$72.48	.1679	$97
40.					
41.	CIRCUIT MILEAGE (FRC)				
42.	AERIAL (822C)	2,560	$1.86	.1849	$880
43.	BURIED (845C)	2,560	$6.59	.1747	$2,947
44.	UNDERGROUND (85C)	2,560	$1.86	.1781	$848
45.	POLE (1C)	2,560	$0.44	.1922	$216
46.	CONDUIT (4C)	2,560	$1.10	.1395	$393
47.	CIRCUIT (357C)	2,560	$29.84	.2327	$17,776
48.	BUILDING (10C)	2,560	$1.24	.1679	$533
49.					
50.	TOTAL ANNUAL COST - VOLUME INSENSITIVE	SUM LN37...LN48			$26,950
51.	ANNUAL DA CALLS, 1996				1,034,062,104
52.					
53.	DADAS APPLICATION SOFTWARE				
54.	EXPECTED ANNUAL DADAS CALLS				
55.					
56.	GROSS RECEIPTS TAX FACTOR				1.0153
57.					
58.	COST PER CALL				
59.	VOLUME SENSITIVE	((LN29+LN30+LN31+LN32)/LN51)xLN56			0.0017
60.	VOLUME INSENSITIVE	((LN24+LN25+LN26+LN27+LN50)/LN51+(LN53xLN21)/LN54)xLN56			0.0028
61.	TOTAL DIRECT COST PER CALL	LN59+LN60			0.0045

FLORIDA
DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE (DADAS)

REGIONAL DA DATABASE SYSTEM

DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)

ADMINISTRATIVE DATABASE (1997-1999)		
HARDWARE INVESTMENT - VOLUME INSENSITIVE		
OPERATIONS DATABASES (1997-1999)		
HARDWARE INVESTMENT - VOLUME SENSITIVE		
LAND FACTOR		.0042
BUILDING FACTOR		.0706
MISCELLANEOUS POWER & COMMON EQUIP.FACTOR		1.0980
DASCC ANNUAL COST FACTOR (377C)		.0434
DASCC ANNUAL COST FACTOR (20C)		.0000
DASCC ANNUAL COST FACTOR (10C)		.0014

ANNUAL COST

ADMINISTRATIVE DATABASE	
HARDWARE	LN10xLN15xLN16
LAND	LN10xLN15xLN13xLN17
BUILDING	LN10xLN15xLN14xLN18
OPERATIONS DATABASE	
HARDWARE	LN12xLN15xLN16
LAND	IN12xLN15xLN13xLN17
BUILDING	LN12xLN15xLN14xLN18

1.544 MB/S ADMINISTRATIVE LINKS (1996-1998)	CIRCUITS/ MILES	UNIT INVESTMENT	ANNUAL COST FACTOR	ANNUAL COST
CIRCUIT TERMINATION (FRC)				
CIRCUIT (357C)	8	$1,748.56	.0372	$520
LAND (20C)	8	$4.34	.0000	$0
BUILDING (10C)	8	$72.48	.0014	$1
CIRCUIT MILEAGE (FRC)				
AERIAL (822C)	2,560	$1.86	.0299	$142
BURIED (845C)	2,560	$6.59	.0235	$396
UNDERGROUND (85C)	2,560	$1.86	.0220	$105
POLE (1C)	2,560	$0.44	.0294	$33
CONDUIT (4C)	2,560	$1.10	.0146	$41
CIRCUIT (357C)	2,560	$29.84	.0372	$2,842
BUILDING (10C)	2,560	$1.24	.0014	$4

TOTAL ANNUAL COST - VOLUME INSENSITIVE		$4.084
ANNUAL DA CALLS, 1996		
GROSS RECEIPTS TAX FACTOR		1.0153
COST PER CALL		
VOLUME SENSITIVE	((LN25+LN26+LN27)/LN46)xLN48	0.0002
VOLUME INSENSITIVE	((LN21+LN22+LN23+LN45)/LN46)xLN48	0.0001
TOTAL DIRECTLY ATTRIBUTED SHARED AND COMMON COST PER CALL	LN51+LN52	0.0003

SECTION 5

SECTION 5

FLORIDA

DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE

COST DEVELOPMENT - NONRECURRING

IN PROGRESS

SECTION 6

SECTION 6

FLORIDA

DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE

SPECIFIC STUDY ASSUMPTIONS

Cost study assumptions are as follows:

Software expenses were projected to the 1997 - 1999 study period using the Telephone Plant Indexes of its associated (377C) investment.

Software expenses such as Right-To-Use fees are amortized over five years to develop an equivalent annual cost.

SECTION 7

SECTION 7

FLORIDA

DIRECT ACCESS TO DIRECTORY ASSISTANCE SERVICE

FACTORS AND LOADINGS

Following are the annual cost factors, miscellaneous loadings and labor rates used in the Direct Access to Directory Assistance Service cost study.

Directly Assigned Annual Labor Rates: (Regional)	1996	1997 - 1999
IT Administration, Pay Band 58	$80,049	$85,516
IT Technical Support, Pay Band 56	$63,449	$67,783
Directly Attributed Shared and Common Annual Labor Rates: (Regional)		
IT Administration, Pay Band 58	$26,382	$28,184
IT Technical Support, Pay Band 56	$33,194	$35,461

Labor Inflation Rate From 1996 (Attached)	1.0683
Hardware Inflation Rate (Regional 377C)	1.000
Amortization Factor (5 Years @ 11.25%)	0.2723
Miscellaneous Common Equipment and Power Factor (Regional) 377C	1.0980
Gross Receipts Tax Factor (Florida)	1.0153
Land Loading (Regional) 20C	0.0042
Building Loading (Regional) 10C	0.0706

Annual TELRIC Factors, Regional (See following spreadsheet)

Labor Levelization Factor
Base Year 1996

Labor Inflation Factors

1. 1997	1.034
2. 1998	1.035
3. 1999	1.036

Present Worth Factors @ 11.25%

4. 1997	0.8989
5. 1998	0.8080
6. 1999	0.7263

Labor Levelization Factor
((LN1 x LN4) + (LN1 x LN2 x LN5) + (LN1 x LN2 x LN3 x LN6))/
(LN4 + LN5 + LN6) 1.0683

Image Table: ACF.WK1

1996 BELLSOUTH TELECOMMUNICATIONS
ACCOUNT AVERAGE ANNUAL COST FACTORS

23-Sep-96

* FOR USE IN SERVICE COST STUDIES ONLY *

	Field Code	Depreciation	ACFC COM	ACFC Inc Tax	Cap Exp	ACFC Plt Specific Exp	ACFC Adval Tax	Directly Attributed Shared and Common	TELRIC
		a	b	c	d	e	f	g	i
			11.25%		(a+b+c)				(d+e+f+g)
LAND - COE	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0113	0.0000	0.1486
BUILDINGS - COE	10C, 110C	0.0330	0.0826	0.0369	0.1525	0.0041	0.0113	0.0014	0.1693
DIGITAL ELEC SWITCH	377C, 587C	0.1157	0.0555	0.0254	0.1966	0.0333	0.0113	0.0434	0.2846
OPERATOR SYSTEMS	117C,417C	0.1157	0.0647	0.0296	0.2100	0.0071	0.0113	0.0500	0.2784
DIGTL CIRC-DDS	157C	0.1608	0.0575	0.0256	0.2439	0.0060	0.0113	0.0394	0.3006
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0113	0.0366	0.2688
DIGTL CIRC-OTHER	357C,T357C,F357C,557C	0.1314	0.0564	0.0252	0.2130	0.0084	0.0113	0.0372	0.2699
POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0235	0.0113	0.0294	0.2216
AERIAL CA - METAL	22C, 12C	0.1023	0.0679	0.0254	0.1956	0.0461	0.0113	0.0619	0.3149
AERIAL CA - FIBER	822C, 812C,D22C, F22C,T22C,D12C,F12C,T12C	0.0746	0.0662	0.0281	0.1689	0.0047	0.0113	0.0299	0.2148
UNGROUND CA - METAL	5C	0.1184	0.0681	0.0263	0.2128	0.0172	0.0113	0.0351	0.2764
UNGROUND CA - FIBER	85C,D5C,F5C,T5C	0.0686	0.0655	0.0284	0.1625	0.0043	0.0113	0.0220	0.2001
BURIED CA - METAL	45C	0.0885	0.0678	0.0277	0.1840	0.0391	0.0113	0.0468	0.2812
BURIED CA - FIBER	845C, D45C, F45C, T45C	0.0613	0.0670	0.0295	0.1578	0.0056	0.0113	0.0235	0.1982
SUBMARINE CA-METAL	6C	0.0937	0.0688	0.0307	0.1932	0.0026	0.0113	0.0206	0.2277
SUBMARINE CA-FIBER	86C,D6C,F6C,T6C	0.0937	0.0688	0.0310	0.1935	0.0026	0.0113	0.0209	0.2283
INTRBLD NTWK-METAL	52C	0.0751	0.0669	0.0291	0.1711	0.0138	0.0113	0.0315	0.2277
INTRBLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0751	0.0669	0.0292	0.1712	0.0041	0.0113	0.0270	0.2136
CONDUIT SYSTEMS	4C	0.0205	0.0727	0.0325	0.1257	0.0025	0.0113	0.0146	0.1541

FLORIDA

UNBUNDLED LOOPS

- 2-WIRE ANALOG VOICE GRADE LOOP
- 4-WIRE ANALOG VOICE GRADE LOOP
- 2-WIRE ISDN DIGITAL GRADE LOOP

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UNBUNDLED LOOP

COST STUDY DOCUMENTATION

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SECTION A

FLORIDA UNBUNDLED LOOP

PROPRIETARY RATIONALE

The Unbundled Loop Cost Study for the 2-Wire Analog Voice Grade Loop, the 4-Wire Analog Voice Grade Loop and the 2-Wire ISDN Digital Grade Loop contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth. For these reasons, the Unbundled Loop Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA UNBUNDLED LOOP

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support 2-Wire Analog Voice Grade Loop, the 4-Wire Analog Voice Grade Loop and the 2-Wire ISDN Digital Grade Loop. The costs presented in this study are based on the TELRIC methodology established by the FCC's First Report and Order in CC Docket 96-98(FCC Order) released August 8, 1996.

The Unbundled cost elements referred to as a 2-Wire Analog Voice Grade Loop, the 4-Wire Analog Voice Grade Loop and the 2-Wire ISDN Digital Grade Loop represent the cost of the physical transmission facilities (or channel or group of channels on such facility) which extend from the main distributing frame connection in the end office to a demarcation point at the customer's premises, (i.e., the network interface). The cost of each facility is determined by loop characteristics as follows:

- type of cable(fiber or copper)
- plant type (aerial, buried, underground)
- size/gauge
- length
- electronic equipment

Loop costs represent both feeder and distribution outside plant in a single line residence/single line business serving environment. The transmission facility terminates on the main distributing frame and does not enter the BellSouth switch. If the loop is served via digital loop carrier, a central office digital loop carrier terminal is required to convert the digital signal to voice grade analog for delivery to the Alternative Local Exchange Carrier (ALEC).

The Loop Cost Model is a database tool that houses all the facility characteristics described above and produces an average investment. Spreadsheets are used to convert the loop investments into a recurring cost.

A long run analysis is performed to ensure that the time period is sufficient to capture all forward looking costs affected by the business decision. The recurring costs presented in this study are levelized so as to be appropriate for the 1997 - 1999 study period. Nonrecurring costs follow the same convention and represent 1997 - 1999 level costs also. These costs are developed by using 1996 level TELRIC loadings, annual cost factors and labor rates designed to produce TELRIC results.

SECTION 2

SECTION 2

FLORIDA UNBUNDLED LOOP

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of Total Element Long Run Incremental Costs (TELRIC) supporting the Unbundled 2-Wire Analog Voice Grade Loop, the 4-Wire Analog Voice Grade Loop and the 2-Wire ISDN Digital Grade Loop.

The purpose of the TELRIC methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward-looking long run economic cost methodology. TELRIC methodology anticipates pricing of elements in a wholesale network company. Many costs regarded as common or shared would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. This TELRIC study includes both recurring (capital and operating expenses) and nonrecurring (provisioning) costs.

DEVELOPMENT OF RECURRING COSTS

The monthly costs to BellSouth Telecommunications, Inc., resulting from the capital investments necessary to provide a cost element are called recurring costs. Recurring costs represent a forward-looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is calculated on the TELRIC.

The first step in developing a TELRIC recurring cost study for the Unbundled Loop is to determine the forward-looking network architecture. Material prices for the cables and associated equipment are defined. Next, account specific Telephone Plant Indices are applied, when necessary, to trend investments to the base study period. In-plant factors are applied to material prices to develop installed investments which include engineering and installation (both telephone company and contractor) labor. The deployment probabilities and a reasonable projection of the actual fill utilization are also considered.

Plant account specific Investment Inflation Factors are applied to the installed investments to trend the base year, or study year, investments to levelized amounts that are valid for a three year planning period. Miscellaneous loadings are then applied.

Next, 1996 level TELRIC Annual Cost Factors are used to calculate the direct cost of capital, plant specific expenses and taxes. Account specific factors for each Uniform System of Accounts - Field Reporting Code (USOA - FRC) are applied to levelized investments by account code, yielding an annual cost per account code which includes directly attributable shared and common costs. Annual Total Element Long Run Incremental Costs by account codes are then summed and divided by twelve to arrive at a monthly cost per cost element.

The directly attributable shared and common cost components of the TELRIC annual cost factors are calculated as follows. First, a detailed analysis of the forward-looking directly assigned costs associated with the unbundled network elements is performed. The remaining costs of doing business are then analyzed to determine whether they are directly attributable shared and common costs that cannot be reasonably attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated by the functional areas to which they are related. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc. are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc. and attributed shared cost factors are developed. These attributed shared cost factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded.

The common cost allocation factor is applied to TELRIC to produce the forward-looking economic cost, as defined by the FCC Order, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting the Unbundled 2-Wire Analog Voice Grade Loop, the 4-Wire Analog Voice Grade Loop and the 2-Wire ISDN Digital Grade Loop. The first step in developing nonrecurring costs is to determine the cost elements related to the study. These cost elements are then described by all of the individual work functions required to provision the cost element. The work functions can be grouped into four categories. These are service order, engineering, connect and test, and technician travel time. The work function times, as identified by individuals knowledgeable about and/or responsible for performing these functions, are used to describe the flow of work within the various work centers involved. Installation and provisioning costs are developed by multiplying the work time for each work function by the TELRIC labor rate for the work group performing the function.

The TELRIC labor rates are calculated as follows. Salary and wages, as used in the determination of TELRIC annual cost factors; are accumulated on a basis consistent with specific force groups. Shared costs attributable to salaries and wages are then accumulated on a basis consistent with the development of the respective force group's labor rate. A factor is then developed for each force group by dividing the attributed shared costs (human resources, office equipment, motor vehicles, land and building space, etc.) by the related salaries and wages. This factor is then applied to the salary and wage portion of the incremental labor rate for each force group, and the result is added to the incremental labor rate to determine the TELRIC labor rate.

Utilizing work functions, work times, and TELRIC labor rates, disconnect costs are calculated in the same manner as the installation costs. Since the labor costs will occur in the future, the current TELRIC labor rates are inflated to that future period in time and then discounted to the present. The discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the nonrecurring cost.

The common cost allocation factor is applied to the nonrecurring TELRIC to produce the forward-looking nonrecurring economic cost, as defined by the FCC Order, which includes an appropriate share of common costs.

SECTION 3

SECTION 3

FLORIDA UNBUNDLED LOOP

SUMMARY OF RESULTS

This section contains a cost summary for the 1997-1999 Total Element Long Run Incremental Costs (TELRIC) for both recurring and nonrecurring cost elements studied for the Unbundled 2-Wire Analog Voice Grade Loop, the 4-Wire Analog Voice Grade Loop and the 2-Wire ISDN Digital Grade Loop.

SECTION 3

FLORIDA UNBUNDLED LOOP

SUMMARY OF RESULTS

	Monthly Cost	Nonrecurring Cost First	Nonrecurring Cost Additional
2-Wire Analog Voice Grade Loop			
TELRIC	$22.35	In Progress	
Common Cost Allocation Factor	1.0804		
Total	$24.15		
4-Wire Analog Voice Grade Loop			
TELRIC	$40.76	In Progress	
Common Cost Allocation Factor	1.0804		
Total	$44.04		
2-Wire ISDN Digital Grade Loop			
TELRIC	$35.68	In Progress	
Common Cost Allocation Factor	1.0804		
Total	$38.55		

SECTION 4

SECTION 4

FLORIDA UNBUNDLED LOOP

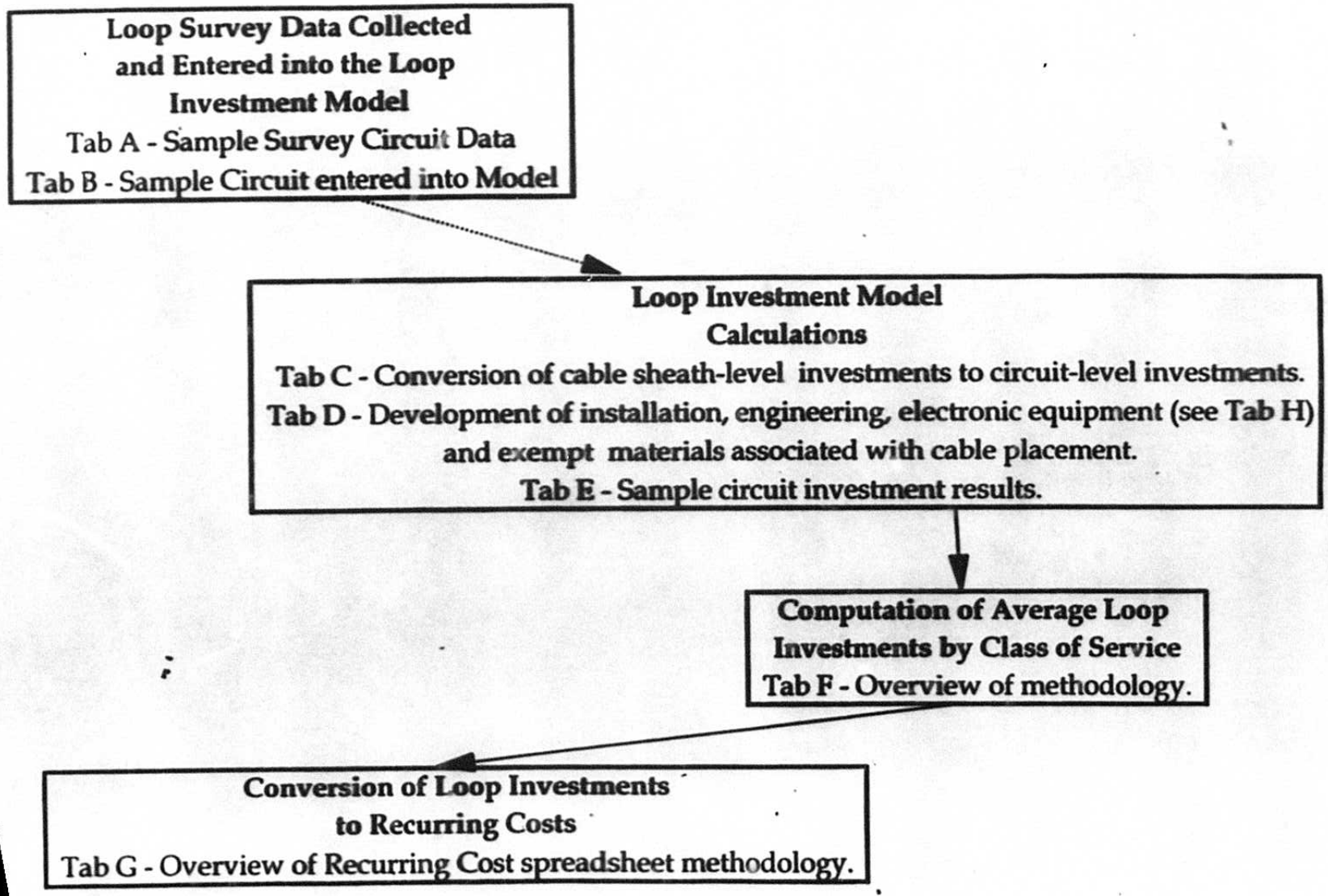
COST DEVELOPMENT - RECURRING

This section describes the development of the recurring Total Element Long Run Incremental Costs(TELRIC) for the Unbundled 2-Wire Analog Voice Grade Loop, the 4-Wire Analog Voice Grade Loop and the 2-Wire ISDN Digital Grade Loop.

Generally, cost development is outlined in Section 2. Network architecture is determined, the necessary equipment is identified, material prices are obtained, factors, utilization and loadings are applied and the result is levelized for the study period. TELRIC annual cost factors are then applied to convert the investment to cost.

The following workpapers show how a typical loop investment is developed. From all loop investments an average loop investment is created and then, as described above, annual and monthly costs are developed.

LOOP COST DEVELOPMENT PROCEDURES



TAB A

District: Broward - Fort Lauderdale

Circuit : 3053409149
SVC Cat.: RESIDENCE

W.C.: DRBHFLMA
USOC: 1FR

	F1 Information	F2 Information	F3 Information
Cable	P628	5751WPB	
Pair	3930	11056	
Addr	5751 WINSTON PARKBLVD	HR 5460 NW 55TH BLVD	

FRC	Facility	Sec.	Size	Ga.	Length	Plat	
[illegible]	[illegible]	F					CMGX
F5C	CABLE	F	60		971		
F5C	CABLE	F	60		845		
F5C	CABLE	F	60		991		
F5C	CABLE	F	60		32936		
F5C	CABLE	F	60		39886		
F5C	CABLE	F	36		3148		
F5C	CABLE	F	36		2359		
F5C	CABLE	F	36		4633		
F5C	CABLE	F	36		3737		
F5C	CABLE	F	36		62		
F5C	CABLE	F	30		2960		
F5C	CABLE	F	30		1600		
F5C	CABLE	F	30		240		
F5C	CABLE	F	18		1818		
F5C	CABLE	F	18		1652		
F5C	CABLE	F	18		700		
F5C	CABLE	F	18		2252		
F5C	CABLE	F	18		309		
F5C	CABLE	F	18		482		

FRC	Facility	Sec.	Size	Ga.	Length	Plat	
F9SC	CABLE	F	18		572		
F5C	CABLE	F	12		692		
F4SC	CABLE	F	12		2604		
F11C	CABLE	F	12		2934		
F4SC	CABLE	F	12		909		
F4SC	CABLE	F	12		790		
F5C	CABLE	F	18		5276		
Z57C	REGENERATOR	F				CLL1	MUX AT RT.
5C	CABLE	F	600	26	40		
5C	CABLE	F	600	24	25		
45C	X BOX	I	3600				

"9543609149",2,1,"45C","Buried Copper Cable",1,600,24,20,"",""
"9543609149",2,2,"45C","Buried Copper Cable",1,900,26,950,"",""
"9543609149",2,3,"45C","Buried Copper Cable",1,400,26,325,"",""
"9543609149",2,4,"45C","Buried Copper Cable",1,200,26,1700,"",""
"9543609149",2,5,"12C","Building Entrance Copper Cable",1,50,26,190,"",""
"9543609149",2,6,"12C","Building Entrance X-Box",1,50,0,0,"MR 5460 NW 55TH BLVD",""
"9543609149",3,1,"5C","Underground End Section or Bridged Tap",4,600,26,1990,"","TW"
"9543609149",3,2,"45C","Buried End Section or Bridged Tap",4,600,26,645,"","=D"
"9543609149",3,3,"45C","Buried End Section or Bridged Tap",4,600,24,20,"",""
"9543609149",3,4,"5C","Underground End Section or Bridged Tap",4,1200,26,20,"",""

TAB B

LOOP # :2.00 STATE : FL SVC DESC: Florida Loop Survey Circuit
CIRCUIT TYPE : V CIRCUIT LEVEL : DS0 DESIGN : 7 CLASS OF SVC : RESIDENCE CIRCUIT ID : 3053609149 CLLI : DRBHFLMA
ROUTE LENGTH : 52,908 ROUTE MILE : 10.02 AIR MILES : 6.16 DLC & MUX LOADINGS : B

[illegible]	Item	Category	Field Code	Pid	Description	Feeder/Dist	Size	Gauge/Mode	Plcment/DB	Units	Unit Inv
	1	Fiber	F5C	FOCALL40DB60	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40db	971.00	$1.69
	1	Fiber	F5C	FOCALL40DB60	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40db	845.00	$1.69
	1	Fiber	F5C	FOCALL40DB60	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40db	951.00	$1.69
	1	Fiber	F5C	FOCALL40DB60	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40db	3,256.00	$1.69
	1	Fiber	F5C	FOCALL40DB60	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40db	3,886.00	$1.69
	1	Fiber	F5C	FOCALL40DB36	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40db	3,148.00	$0.45
	1	Fiber	F5C	FOCALL40DB36	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40db	2,359.00	$0.45
	1	Fiber	F5C	FOCALL40DB36	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40db	4,653.00	$0.45
	1	Fiber	F5C	FOCALL40DB36	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40db	3,737.00	$0.45
	1	Fiber	F22C	FOCALL40DB30	CABLE FB-OPT ALL 40DB 30	F	30	Sgl	.40db	62.00	$0.45
	1	Fiber	F5C	FOCALL40DB30	CABLE FB-OPT ALL 40DB 30	F	30	Sgl	.40db	2,860.00	$0.50
	1	Fiber	F5C	FOCALL40DB30	CABLE FB-OPT ALL 40DB 30	F	30	Sgl	.40db	1,600.00	$0.50
	1	Fiber	F5C	FOCALL40DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	280.00	$0.50
	1	Fiber	F45C	FOCALL40DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	1,818.00	$0.48
	1	Fiber	F22C	FOCALL40DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	1,652.00	$0.48
	1	Fiber	F22C	FOCALL40DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	708.00	$0.48
	1	Fiber	F22C	FOCALL40DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	2,232.00	$0.48
	1	Fiber	F45C	FOCALL40DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	509.00	$0.48
	1	Fiber	F5C	FOCALL40DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	482.00	$0.48
	1	Fiber	F45C	FOCALL40DB12	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40db	572.00	$0.48
	1	Fiber	F22C	FOCALL40DB12	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40db	692.00	$0.48
	1	Fiber	F45C	FOCALL40DB12	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40db	2,604.00	$0.48
	1	Fiber	F45C	FOCALL40DB12	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40db	2,834.00	$0.48
	1	Fiber	F5C	FOCALL40DB12	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40db	909.00	$0.48
	1	Fiber	F5C	FOCALL40DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	790.00	$0.48
	1	Fiber	F45C	45CAWG	Underground Fiber Cable - Aver	F	60	Sgl	.40db	5,276.00	$0.48
	1	Fiber	F45C	84SCAWG	Buried Fiber Cable - Average Siz	F	30	Sgl	.40db	40.00	$1.69
	1	Copper	45C	600BTELRIC	26-Gauge Cable - TELRIC	D	600	26	B	25.00	$0.50
	1	Copper	45C	900BTELRIC	26-Gauge Cable - TELRIC	D	900	26	B	20.00	$2.92
	1	Copper	45C	400BTELRIC	26-Gauge Cable - TELRIC	D	400	26	B	950.00	$4.29
	1	Copper	45C	200BTELRIC	26-Gauge Cable - TELRIC	D	200	26	B	325.00	$2.07
	1	Copper	12C	50ATELRIC	26-Gauge Cable - TELRIC	D	50	26	B	1,700.00	$1.04
									R	190.00	$0.38

TAB C

TAB C

Conversion of Cable Sheath Investments to DS0-equivalent Investments

The Loop Investment Model stores cable investments at the actual price which BellSouth Telecommunications, Inc. currently pays for each cable type. The investments are maintained at a "sheath foot" level and must be converted to a circuit-level (DS0-equivalent) investment before loop costs can be developed.

The **first step** in developing a circuit-level cable investment is to determine the number of copper pairs or fiber strands which are typically utilized for a given cable. This is accomplished by applying the following state-specific projected actual utilization percentages to the cable size (# of pairs or strands):

Cable Type	Placement	Utilization Percentages
Copper	Feeder	65.7%
Copper	Distribution	38.8%
Fiber	Feeder	74.0%

For example:

394 pairs will typically be utilized in a 600 pair copper cable when it is placed as feeder.
233 pairs will typically be utilized in a 600 pair copper cable when it is placed as distribution.
44.4 strands will typically be utilized in a 60 strand fiber cable when it is placed as feeder.

The **second step** in developing a circuit-level cable investment is to determine the number of DS0-level circuits supported by the utilized copper pairs or fiber strands as determined above. This is accomplished by applying the following typical DS0 circuit counts to the number of utilized copper pairs or fiber strands:

Cable Type	Placement	2-wire DS0-equivalent Circuits
Copper	Feeder	1.0
Copper	Distribution	1.0
Fiber	Feeder	165.0

For example:

394 pairs will support 394 DS0-equivalent circuits in a copper feeder cable.
44.4 strands will support 7,326 DS0-equivalent circuits in a fiber feeder cable.

The **third step** in developing a circuit-level cable investment is to divide the sheath foot investment by the DS0-equivalent count for the cable and multiply the circuit-foot investment by the number of cable feet.

For example:

600 pair buried copper distribution cable:	$ 2.92 per sheath foot
# of DS0-equivalent circuits:	600 * 38.8% = 232.8 DS0-equivalent circuits
Conversion from sheath to circuit investment:	$ 2.92/232.8 = $ .012543 per circuit foot
# of cable feet:	20
Total circuit-level cable investment:	20 * $.012543 = $ .25

(Loop segment #31, Item #1 in the sample circuit data and results, Tab E)

60 strand underground fiber feeder cable:	$ 1.69 per sheath foot
# of DS0-equivalent circuits:	60 * 74% * 165 = 7,326 DS0-equivalent circuits
Conversion from sheath to circuit investment:	$ 1.69/7,326 = $.000231 per circuit foot
# of cable feet:	971
Total circuit-level cable investment:	971 * $.000231 = $ .22

(Loop segment #1, item #1 in the sample circuit data and results,Tab E)

TAB D

Development of Installation, Engineering, Electronic Equipment and Exempt Material Investments Associated with Cable Placement

After developing circuit-level cable investments, the model computes installation, engineering, and exempt material investments associated with cable placements. This is accomplished through the use of in-plant factors which are state and field reporting code specific.

For example:

Field Code	Investment Description	In-plant Factor
45C	Telco Installation Labor - buried copper cable	
45C	Telco Engineering Labor- buried copper cable	
45C	Contractor Installation Labor- buried copper cable	
45C	Exempt Material- buried copper cable	
45C	Support Loading Right of Way (ROW)	

Circuit-level cable investment: $ .25
{20ft of 600 pair buried copper distribution cable; Loop segment #31, item #1 in the sample circuit data and results, Tab E}

Calculations:

Compute the Total Material Investment:
$ .25 / (1-exempt material factor) =
$ .25

Exempt Material Investment:
Total material investment - Cable investment =

Telco Installation Labor Investment:
Total material investment * Telco installation factor =

Telco Engineering Labor Investment:
Total material investment * Telco engineering factor =

Contractor Installation Labor Investment:
Total material investment * Contractor installation factor =

Support Loading Investment:
Total material investment * ROW factor =

TOTAL INVESTMENTS FOR THIS CABLE SEGMENT:

45C $ 2.00

ELECTRONIC EQUIPMENT:

Following the development of total cable segment investments, the model pulls in electronic investments which have been developed in the Fundamental Digital Loop Carrier Investment Model and the Fundamental Multiplexer Investment Model (see Tab H for a description of these investment models). These investments are stored in the model at a DS0-equivalent level and are design specific.

A loop design number is assigned to each survey circuit as it is initially loaded into the Loop Investment Model. Each survey circuit's design is determined by the characteristics of the feeder cable segments (copper/fiber, presence of a building terminal, presence of intermediate muxing, etc.) The fourteen possible designs are listed below:

1 All copper loop (no electronic equipment)
2 All copper loop which terminates in a building terminal (no electronic equipment)
3 All fiber in the feeder route - non-integrated digital loop carrier
4 All fiber in the feeder route - integrated digital loop carrier
5 #3 - with intermediate muxing
6 #4 - with intermediate muxing
7 #3 - terminates in a building terminal
8 #4 - terminates in a building terminal
9 #7 - with intermediate muxing
10 #8 - with intermediate muxing

Design descriptions continued:

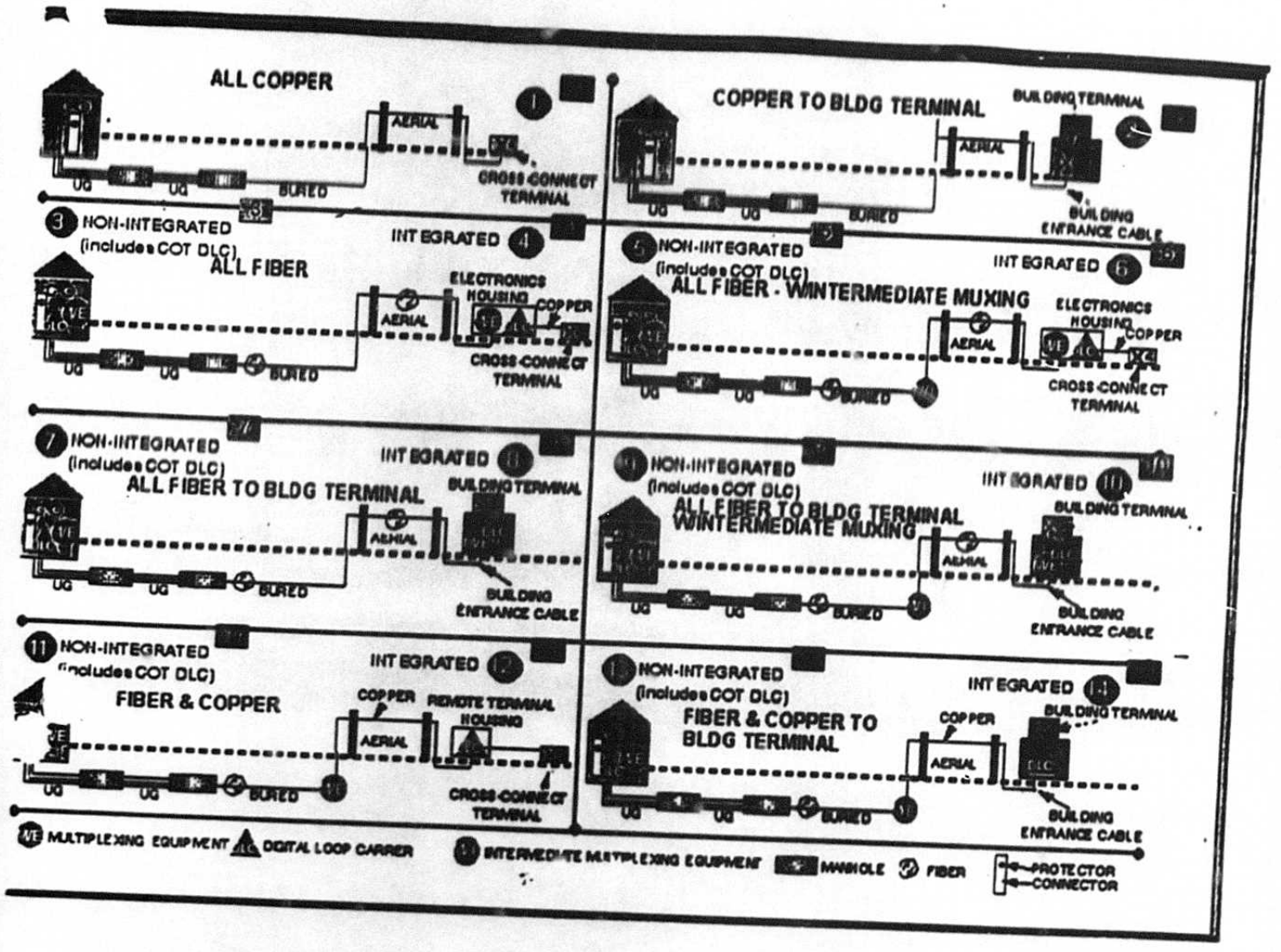
11 Fiber feeder to a remote terminal with copper feeder to the interface - non-integrated digital loop carrier

12 Fiber feeder to a remote terminal with copper feeder to the interface - integrated digital loop carrier

13 #11 - terminates in a building terminal

14 #12 - terminates in a building terminal

The sample circuit shown in this documentation is a design # 3. The electronic investments shown for this circuit are in Tab E, page 5, Segments #35 and #36. See page 4 (Tab D) for a diagram of these designs.


ALL COPPER
AERIAL
UG
BURIED
CROSS-CONNECT TERMINAL
COPPER TO BLDG TERMINAL
BUILDING TERMINAL
BUILDING ENTRANCE CABLE
NON-INTEGRATED
(includes COT DLC)
ALL FIBER
INTEGRATED
ELECTRONICS HOUSING
COPPER
ALL FIBER - WINTERMEDIATE MUXING
ALL FIBER TO BLDG TERMINAL
ALL FIBER TO BLDG TERMINAL WINTERMEDIATE MUXING
FIBER & COPPER
REMOTE TERMINAL HOUSING
FIBER & COPPER TO BLDG TERMINAL
MULTIPLEXING EQUIPMENT
DIGITAL LOOP CARRIER
INTERMEDIATE MULTIPLEXING EQUIPMENT
MANHOLE
FIBER
PROTECTOR
CONNECTOR

TABLE

1	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40d	971	$.0002	$0.22
1	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
1	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
1	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
1	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
1	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
2	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40d	845	$.0002	$0.19
2	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
2	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
2	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
2	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
2	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
3	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40d	951	$.0002	$0.22
3	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
3	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
3	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
3	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
3	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
4	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40d	3,256	$.0002	$0.75
4	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
4	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
4	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
4	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
4	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
5	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40d	3,886	$.0002	$0.90
5	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
5	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
5	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
5	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
5	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
6	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40d	3,148	$.0001	$0.32
6	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
6	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
6	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
6	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
6	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
7	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40d	2,359	$.0001	$0.24
7	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
7	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
7	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
7	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		

Seq	Item	M/L	FRC	Fid	Type	Description	F/D	Size	Pay/Mt	[illegible]	Units	Unit Inv	Total Inv
7	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
8	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40d	4,653	$.0001	$0.48
8	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
8	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
8	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
8	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
8	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
9	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40d	3,757	$.0001	$0.38
9	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
9	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
9	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
9	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
9	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
10	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40d	62	$.0001	$0.01
10	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
10	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
10	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
11	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 30	F	30	Sgl	.40d	2,860	$.0001	$0.39
11	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
11	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
11	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
11	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
11	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
12	1	M	F22C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 30	F	30	Sgl	.40d	1,600	$.0001	$0.22
12	2	M	F22C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
12	3	B	1C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1		
12	4	L	F22C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
12	5	L	F22C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
12	6	L	F22C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
13	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 30	F	30	Sgl	.40d	240	$.0001	$0.03
13	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
13	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
13	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
13	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
13	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
[illegible]	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	1,818	$.0002	$0.40
	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
14	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
14	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		

14	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1			
14	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1			
15	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	1,692	$.0002	$0.34	
15	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1			
15	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1			
15	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1			
15	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1			
15	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1			
16	1	M	F45C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	700	$.0002	$0.15	
16	2	M	F45C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1			
16	3	B	F45C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1			
16	4	L	F45C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1			
16	5	L	F45C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1			
16	6	L	F45C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1			
17	1	M	F22C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	2,232	$.0002	$0.49	
17	2	M	F22C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1			
17	3	B	1C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1			
17	4	L	F22C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1			
17	5	L	F22C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1			
17	6	L	F22C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1			
18	1	M	F22C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	509	$.0002	$0.11	
18	2	M	F22C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1			
18	3	B	1C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1			
18	4	L	F22C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1			
18	5	L	F22C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1			
18	6	L	F22C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1			
19	1	M	F22C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	482	$.0002	$0.11	
19	2	M	F22C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1			
19	3	B	1C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1			
19	4	L	F22C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1			
19	5	L	F22C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1			
19	6	L	F22C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1			
20	1	M	F45C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	572	$.0002	$0.12	
20	2	M	F45C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1			
20	3	B	F45C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1			
20	4	L	F45C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1			
20	5	L	F45C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1			
20	6	L	F45C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1			
21	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40d	692	$.0003	$0.23	
21	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1			
21	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1			

21	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
21	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
21	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
22	1	M	F45C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40d	2,604	$.0003	$0.89
22	2	M	F45C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
22	3	B	F45C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1		
22	4	L	F45C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
22	5	L	F45C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
22	6	L	F45C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
23	1	M	F22C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40d	2,834	$.0003	$0.93
23	2	M	F22C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
23	3	B	1C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1		
23	4	L	F22C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
23	5	L	F22C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
23	6	L	F22C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
24	1	M	F45C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40d	909	$.0003	$0.30
24	2	M	F45C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
	3	B	F45C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1		
	4	L	F45C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
24	5	L	F45C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
24	6	L	F45C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
25	1	M	F45C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40d	790	$.0003	$0.26
25	2	M	F45C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
25	3	B	F45C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1		
25	4	L	F45C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
25	5	L	F45C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
25	6	L	F45C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
26	1	M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	5,276	$.0002	$1.15
26	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
26	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
26	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
26	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
26	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
28	1	M	F5C	85CAVG	DV	Underground Fiber Cable - Average Size	F	60	Sgl	.40d	40	$.0002	$0.01
28	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
28	3	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
28	4	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
28	5	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
	6	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
29	1	M	F45C	845CAVG	DV	Buried Fiber Cable - Average Size	F	30	Sgl	.40d	25	$.0001	$0.00
29	2	M	F45C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		

29	3	B	F45C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1		
29	4	L	F45C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
29	5	L	F45C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
29	6	L	F45C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
35	2	B	257C	DLC Equipm	DV	MCE&P	F	n/a	n/a	CO	1		
35	3	B	20C	DLC Equipm	DV	Land	F	n/a	n/a	CO	1		
35	4	B	10C	DLC Equipm	DV	Building	F	n/a	n/a	CO	1		
35	5	B	257C	DLC Equipm	DV	26 Gauge Cable - TELRIC	F	n/a	n/a	RT	1		
35	6	B	257C	DLC Equipm	DV	Power	F	n/a	n/a	RT	1		
36	1	B	257C	MUX Equipm	DV	Multiplexer, DSX-1 Panel, fiber terminal	F	n/a	n/a	CO	1		
36	2	B	257C	MUX Equipm	DV	MCE&P	F	n/a	n/a	CO	1		
36	3	B	20C	MUX Equipm	DV	Land	F	n/a	n/a	CO	1		
36	4	B	10C	MUX Equipm	DV	Building	F	n/a	n/a	CO	1		
36	5	B	257C	MUX Equipm	DV	Multiplexer, DSX-1 Panel, fiber terminal	F	n/a	n/a	RT	1		
36	6	B	257C	MUX Equipm	DV	Power	F	n/a	n/a	RT	1		

INVESTMENT SUBTOTAL FOR INV TYPE: DV $282.01

INVESTMENT SUBTOTAL FOR: FEEDER $282.01

Seq	Item	M/I	FRC	Pid	Type	Description	F/D	Size	Gy/Ma	Pl/db	Units	Unit Inv	Total Inv
31	1	M	45C	600BTELRIC	DV	26 Gauge Cable - TELRIC	D	600	26	B	20	$.0125	$0.25
31	2	M	45C	EXEMPT_MA	DV	Exempt materials loadings	D	n/a	n/a	n/a	1		
31	3	B	45C	SUPPORT_L	DV	ROW ldg for buried	D	n/a	n/a	n/a	1		
31	4	L	45C	INPLANT_E	DV	Telco engineering labor	D	n/a	n/a	n/a	1		
31	5	L	45C	INPLANT_IN	DV	Telco installation labor	D	n/a	n/a	n/a	1		
31	6	L	45C	INPLANT_C	DV	Contractor engineering & installation labor	D	n/a	n/a	n/a	1		
32	1	M	45C	900BTELRIC	DV	26 Gauge Cable - TELRIC	D	900	26	B	950	$.0123	$11.67
32	2	M	45C	EXEMPT_MA	DV	Exempt materials loadings	D	n/a	n/a	n/a	1		
32	3	B	45C	SUPPORT_L	DV	ROW ldg for buried	D	n/a	n/a	n/a	1		
32	4	L	45C	INPLANT_E	DV	Telco engineering labor	D	n/a	n/a	n/a	1		
32	5	L	45C	INPLANT_IN	DV	Telco installation labor	D	n/a	n/a	n/a	1		
32	6	L	45C	INPLANT_C	DV	Contractor engineering & installation labor	D	n/a	n/a	n/a	1		
33	1	M	45C	400BTELRIC	DV	26 Gauge Cable - TELRIC	D	400	26	B	325	$.0133	$4.33
33	2	M	45C	EXEMPT_MA	DV	Exempt materials loadings	D	n/a	n/a	n/a	1		
33	3	B	45C	SUPPORT_L	DV	ROW ldg for buried	D	n/a	n/a	n/a	1		
33	4	L	45C	INPLANT_E	DV	Telco engineering labor	D	n/a	n/a	n/a	1		
33	5	L	45C	INPLANT_IN	DV	Telco installation labor	D	n/a	n/a	n/a	1		
[illegible]	6	L	45C	INPLANT_C	DV	Contractor engineering & installation labor	D	n/a	n/a	n/a	1		
	1	M	45C	200BTELRIC	DV	26 Gauge Cable - TELRIC	D	200	26	B	1,700	$.0134	$22.78
34	2	M	45C	EXEMPT_MA	DV	Exempt materials loadings	D	n/a	n/a	n/a	1		
34	3	B	45C	SUPPORT_L	DV	ROW ldg for buried	D	n/a	n/a	n/a	1		

34	4	L	45C	INPLANT_E	DV	Telco engineering labor	D	n/a	n/a	n/a	1		
34	5	L	45C	INPLANT_IN	DV	Telco installation labor	D	n/a	n/a	n/a	1		
34	6	L	45C	INPLANT_C	DV	Contractor engineering & installation labor	D	n/a	n/a	n/a	1		
35	1	M	12C	50ATELRIC	DV	26 Gauge Cable - TELRIC	D	50	26	R	190	$.0196	$3.72
35	7	M	12C	EXEMPT_MA	DV	Exempt materials loadings	D	n/a	n/a	n/a	1		
35	8	L	12C	INPLANT_E	DV	Telco engineering labor	D	n/a	n/a	n/a	1		
35	9	L	12C	INPLANT_IN	DV	Telco installation labor	D	n/a	n/a	n/a	1		
35	10	L	12C	INPLANT_C	DV	Contractor engineering & installation labor	D	n/a	n/a	n/a	1		

INVESTMENT SUBTOTAL FOR INV TYPE: DV	$349.20
INVESTMENT SUBTOTAL FOR: DISTRIBUTION	$349.20
LOOP MAKEUP INVESTMENT TOTAL:	$631.21

TAB F

Computation of Average Loop Investments by Class of Service

After developing investments for each circuit in the loop survey, investment dollars are totaled by field reporting code for Residence and Business circuits separately. The totals are then divided by the number of survey circuits for residence and business. The results represent the average or typical investment for each field reporting code for a Residence and Business circuit.

The weighted loop investment is developed by multiplying the average investment for Residence and Business by the percent of residence and business lines in service at the time the survey circuits were randomly selected for the loop survey. For example, the resulting average investment for aerial metallic cable (12C & 22C - feeder and distribution) is for the 2-Wire Analog Voice Grade Unbundled Loop.

TAB G

TAB G

Overview of Recurring Cost Spreadsheet Methodology

The following spreadsheets reflect the Unbundled 2-wire Analog Voice Grade Loop cost, the 4-Wire Analog Voice Grade Loop cost, and the 2-Wire ISDN Digital Grade Loop cost. The cost methodology is as follows:

Cost Methodology:

1) The average investment (Column D) by Field Reporting Code (FRC) is provided by the loop investment model for Residence and Business. The average investment represents the combined feeder and distribution investment per circuit. The average investment per circuit includes the appropriate state sales tax. The investments are then summed.

   The spreadsheet provides a Weighted Average Residential and Business Loop Cost. The average investment (Column D) is developed by weighting the combined feeder and distribution average investment for Residence and the combined feeder and distribution average investment for Business by the respective residence or business percentage of access lines in service at the time the circuits were randomly selected for the loop survey.

2) Each average investment is multiplied by a levelized investment inflation factor to determine the forward-looking levelized investment over a three year period.

3) The annual TELRIC associated with each investment is determined by multiplying the levelized investment by the TELRIC annual cost factors. The annual cost for all FRCs is summed and then divided by 12 to determine the monthly cost.

4) The total levelized monthly cost includes loop associated cost additives (i.e., subscriber line testing and distributing frame cost) as well as Gross Receipts Tax.

	A	B	D	E	F	G	H	I
97	Combined Feeder & Distribution							
98	TELRIC / 100% Nonintegrated - 2 Wire Analog Voice Grade							
99	Weighted Residential & Business Loop Cost							
100								
101	State:	Florida						
102				Levelized				
103				Investment				
104			Average	Inflation	Levelized	TELRIC		
105			Investment	Factor	Investment	ACF	TELRIC	
106					(D*E)	11.25%	(F*G)	
107								
108	Land	20C		1.059		0.1493		
109								
110	Buildings	10C		1.059		0.1720		
111								
112	Digital Circuit-Pair Gain	257C,D257C,F257C		0.963		0.2695		
113								
114	Poles	1C		1.036		0.2163		
115								
116	Aerial Cable-Metallic	22C, 12C		1.022		0.3400		
117								
118	Aerial Cable-Fiber	822C, D22C, F22C, T22C, F22C		0.999		0.2137		
119		812C, D12C,F12C,T12C						
120								
121	Underground Cable-Metallic	5C		1.019		0.2791		
122								
123	Underground Cable-Fiber	85C, D5C,F5C,T5C		0.980		0.2001		
124								
125	Buried Cable-Metallic	45C		1.020		0.2950		
126								
127	Buried Cable-Fiber	845C, D45C, F45C, T45C		1.038		0.1973		
128								
129	Submarine Cable-Metallic	6C		1.013		0.2304		
130								
131	Submarine Cable-Fiber	86C, D6C,F6C, T6C		1.030		0.2310		
132								
133	Intrabldg Ntwk-Metallic	52C		1.012		0.2338		
134								
135	Intrabldg Ntwk-Fiber	852C,D52C,F52C,T52C		0.989		0.2113		
136								
137	Conduit Systems	4C		1.050		0.1554		
138								
139	Aerial Drop	22C		1.022		0.3400		
140								
141	Buried Drop	45C		1.020		0.2950		
142								
143	Annual Total	Sum(D108.D141)						
144	Monthly Total							
145	Monthly Subscriber Line Testing Cost						$0.63	
146	Monthly Distributing Frame Cost						$0.23	
147	Total Levelized Monthly Cost	Sum(H144.H146)						
148	Gross Receipts Tax (GRT) Factor						1.0153	
149	Total Levelized Monthly Cost (incl GRT)	(H147*H148)					$22.35	

	A	B	D	E	F	G	H	I
1	Combined Feeder & Distribution							
2	TELRIC / 100% Nonintegrated - 4 Wire Analog Voice Grade							
3	BUSINESS LOOP							
4								
5	State:	Florida						
6				Levelized				
7				Investment				
8			Average	Inflation	Levelized	TELRIC		
9			Investment	Factor	Investment	ACF	TELRIC	
10					(D*E)	11.25%	(F*G)	
11								
12	Land	20C		1.059		0.1493		
13								
14	Buildings	10C		1.059		0.1720		
15								
16	Digital Circuit-Pair Gain	257C,D257C,F257C		0.953		0.2695		
17								
18	Poles	1C		1.036		0.2163		
19								
20	Aerial Cable-Metallic	22C, 12C		1.022		0.3400		
21								
22	Aerial Cable-Fiber	822C, D22C, F22C, T22C, F22C		0.999		0.2137		
23		812C, D12C,F12C,T12C						
24								
25	Underground Cable-Metallic	5C		1.019		0.2791		
26								
27	Underground Cable-Fiber	85C, D5C,F5C,T5C		0.980		0.2001		
28								
29	Buried Cable-Metallic	45C		1.020		0.2950		
30								
31	Buried Cable-Fiber	845C, D45C, F45C, T45C		1.038		0.1973		
32								
33	Submarine Cable-Metallic	6C		1.013		0.2304		
34								
35	Submarine Cable-Fiber	86C, D6C,F6C,T6C		1.030		0.2310		
36								
37	Intrabldg Ntwk-Metallic	52C		1.012		0.2338		
38								
39	Intrabldg Ntwk-Fiber	852C,D52C,F52C,T52C		0.989		0.2113		
40								
41	Conduit Systems	4C		1.050		0.1554		
42								
43	Aerial Drop	22C		1.022		0.3400		
44								
45	Buried Drop	45C		1.020		0.2950		
46								
47	Annual Total	Sum(D12..D45)						
48	Monthly Total							
49	Monthly Subscriber Line Testing Cost						$0.63	
50	Monthly Distributing Frame Cost						$0.46	
51	Total Levelized Monthly Cost	Sum(H48.H50)						
52	Gross Receipts Tax (GRT) Factor						1.0153	
53	Total Levelized Monthly Cost (incl GRT)	(H51*H52)					$40.76	

	A	B	D	E	F	G	H	I
97	Combined Feeder & Distribution							
98	TELRIC / 100% Nonintegrated - 2 Wire Digital ISDN							
99	Weighted Residential & Business Loop Cost							
100								
101	State:	Florida						
102				Levelized				
103				Investment				
104			Average	Inflation	Levelized	TELRIC		
105			Investment	Factor	Investment	ACF	TELRIC	
106					(D*E)	11.25%	(F*G)	
107								
108	Land	20C		1.059		0.1493		
109								
110	Buildings	10C		1.059		0.1720		
111								
112	Digital Circuit-Pair Gain	257C,D257C,F257C		0.953		0.2695		
113								
114	Poles	1C		1.036		0.2163		
115								
116	Aerial Cable-Metallic	22C, 12C		1.022		0.3400		
117								
118	Aerial Cable-Fiber	822C, D22C, F22C, T22C, F22C		0.999		0.2137		
119		812C, D12C,F12C,T12C						
120								
121	Underground Cable-Metallic	5C		1.019		0.2791		
122								
123	Underground Cable-Fiber	85C, D5C,F5C,T5C		0.980		0.2001		
124								
125	Buried Cable-Metallic	45C		1.020		0.2950		
126								
127	Buried Cable-Fiber	845C, D45C, F45C, T45C		1.038		0.1973		
128								
129	Submarine Cable-Metallic	6C		1.013		0.2304		
130								
131	Submarine Cable-Fiber	86C, D6C,F6C,T6C		1.030		0.2310		
132								
133	Intrabldg Ntwk-Metallic	52C		1.012		0.2338		
134								
135	Intrabldg Ntwk-Fiber	852C,D52C,F52C,T52C		0.989		0.2113		
136								
137	Conduit Systems	4C		1.050		0.1554		
138								
139	Aerial Drop	22C		1.022		0.3400		
140								
141	Buried Drop	45C		1.020		0.2950		
142								
143	Annual Total	Sum(D108.D141)						
144	Monthly Total							
145	Monthly Subscriber Line Testing Cost						$0.63	
146	Monthly Distributing Frame Cost						$0.23	
147	Total Levelized Monthly Cost	Sum(H144.H146)						
148	Gross Receipts Tax (GRT) Factor						1.0153	
149	Total Levelized Monthly Cost (incl GRT)	(H147*H148)					$35.68	

TAB H

FUNDAMENTAL DIGITAL LOOP CARRIER INVESTMENT MODEL

The Fundamental Digital Loop Carrier Investment Model develops the investment for digital loop carrier systems. Investments are calculated for the system (which includes the system hardwired equipment, common plug-ins, and DSX-1 panel), deferrable plug-ins and housing (cabinets, huts and Controlled Environment Vaults). Network data is used to determine the vendor and system types which will be deployed, as well as the probability of occurrence for each system. Calculated investments are combined appropriately for the various designs specified in the Loop Investment Model.

Illustrative Example Investment Calculations:
Central Office Terminal and Remote Terminal

	$ 20,000.00	Material Price (Hardwire, commons, DSX-1 Panel)
×	1.7842	In-Plant Factor
=	$ 35,684.00	Installed Investment
+	200	# Circuits per System
=	$ 178.42	Per Circuit Investment
×	0.40	Probability of System
=	$ 71.37	Weighted Investment
+	0.70	Utilization
=	$ 101.95	Utilized Investment
×	0.955	Levelized Inflation Factor
=	$ 97.36	Levelized Investment
×	0.0117	MCE&P Factor
=	$ 1.14	MCE&P Investment
	$ 97.36	Levelized Investment
+	$ 1.14	MCE&P Investment
=	$ 98.50	
×	0.0042	Land Factor
=	$ 0.41	Land Investment
	$ 97.36	Levelized Investment
+	$ 1.14	MCE&P Investment
=	$ 98.50	
×	0.0706	Building Factor
=	$ 6.95	Building Investment

FUNDAMENTAL DIGITAL LOOP CARRIER INVESTMENT MODEL

Plug-in

	$	150.00	Plug-in Material Price
×		1.0604	In-Plant Factor
=	$	159.06	Installed Investment
+		2	# Channels per Plug-in
=	$	79.53	Per Circuit Investment
×		0.40	Probability of System
=	$	31.81	Weighted Investment
×		1.06	Spare Stock Factor
=	$	33.72	Plug-in Investment
×		0.955	Levelized Inflation Factor
=	$	32.20	Levelized Investment
×		0.0117	MCE&P Factor
=	$	0.38	MCE&P Investment

	$	32.20	Levelized Investment
+	$	0.38	MCE&P Investment
=	$	32.58	
×		0.0042	Land Factor
=	$	0.14	Land Investment

	$	32.20	Levelized Investment
+	$	0.38	MCE&P Investment
=	$	32.58	
×		0.0706	Building Factor
=	$	2.30	Building Investment

FUNDAMENTAL MULTIPLEXER INVESTMENT MODEL

The Fundamental Multiplexer Investment Model develops the investment for SONET Multiplexers deployed in the Outside Plant loop. Investment data used to develop calculations for this model are taken from the SONET Fundamental Investment Model described on Page 3 of 3. Investments are developed for the hardwired equipment, common plug-ins and the DS1 working card at the DS1 level. Network data is used to determine the vendor and system types which will be deployed, as well as the probability of occurrence for each system. These investments are then combined appropriately for the various designs specified in the Loop Investment Model.

Illustrative Example Investment Calculations:
Central Office and Remote Terminal

	$	250.00	Hardwire and Common Investment (per DS1)
+	$	200.00	DS1 Card (per DS1)
+	$	2.50	Fiber Terminal (per DS1)
+	$	0.50	Pigtails (per DS1)
+	$	1.00	Fiber Jumpers (per DS1)
=	$	454.00	Total Investment per system (per DS1)
×		0.50	System probability of occurrence
=	$	227.00	Weighted Investment
+		0.70	Utilization
=	$	324.29	Utilized Investment
+		24	# Circuits per DS1
=	$	13.51	Circuit Investment

SONET FUNDAMENTAL INVESTMENT MODEL

The SONET Fundamental Investment Model develops investments for SONET lightwave multiplexing equipment, associated circuit equipment, such as DSX panels, and the fiber facilities connecting the SONET equipment.

Illustrative Example Investment Calculations:

	$ 50,000.00	Material Price
x	0.98	TPI
=	$ 49,000.00	Current Material Price
x	1.7842	In-Plant Factor
=	$ 87,425.80	Installed Investment
x	1.00	Quantity of Items
=	$ 87,425.80	Total Installed Investment
+	2,000	Unit Capacity
=	$ 43.71	Unit Investment
x	0.955	Levelized Inflation Factor
=	$ 41.75	Levelized Investment
+	0.70	Utilization
=	$ 59.64	Study Period Investment
x	0.50	Probability of Occurrence
=	$ 29.82	Total Investment
x	0.0117	MCE&P Factor
=	$ 0.35	MCE&P Investment

	$ 29.82	Total Investment
+	$ 0.35	MCE&P Investment
=	$ 30.17	
x	0.0042	Land Factor
=	$ 0.13	Land Investment

	$ 29.82	Total Investment
+	$ 0.35	MCE&P Investment
	$ 30.17	
x	0.0706	Building Factor
=	$ 2.13	Building Investment

SECTION 5

SECTION 5

FLORIDA UNBUNDLED LOOP

COST DEVELOPMENT - NONRECURRING

In Progress

SECTION 6

SECTION 6

FLORIDA UNBUNDLED LOOP

SPECIFIC STUDY ASSUMPTIONS

The cost study for the Unbundled 2-Wire Analog Voice Grade Loop, the 4-Wire Analog Voice Grade Loop and 2-Wire ISDN Digital Grade Loop is based on the Total Element Long Run Incremental Cost (TELRIC) methodology prescribed by the FCC's First Report and Order in CC Docket 96-98 released August 8, 1996. Network deployment strategies, first choice provisioning guidelines, and equipment purchasing information are used to develop the Total Element Long Run Incremental Cost.

1. Forward-looking technology is represented in the following manner:

   - all loops less than 12,000 feet will be copper placements
   - all loops greater than 12,000 feet will be fiber feeder placements and copper distribution placements
   - all copper placements will be 26 gauge copper cable

2. Utilization of cable segments is based on projected actual state-specific data and is applied as follows:

	Cable Pair/Strand Utilization
copper (feeder)	65.7% utilization
copper (distribution)	38.8% utilization
fiber (feeder)	74.0% utilization

SECTION 7

SECTION 7

FLORIDA UNBUNDLED LOOP

FACTORS AND LOADINGS

Following are the Total Element Long Run Incremental Cost (TELRIC) annual cost factors, miscellaneous loadings and labor rates used in the 2-Wire Analog Voice Grade Loop, the 4-Wire Analog Voice Grade Loop and the 2-Wire ISDN Digital Grade Loop.

Florida Unbundled Loop

Factors and Loadings

Subscriber Line Testing Monthly Cost Per Loop			$0.63
Distributing Frame Weighted Monthly Cost		(2-Wire)	$0.23
		(4-Wire)	$0.46
Sales Tax			0.06
Loadings			
Land	20C		0.0047
Building	10C		0.0657
Pole	1C		0.2523
Conduit	4C		0.3894
Misc Common Equip & Power	257C		0.0134
Misc Power Equipment	257C		0.0056
Gross Receipts Tax (Gross-up Factor)			0.0153

1998
FLORIDA
ACCOUNT AVERAGE LEVELIZED INFLATION FACTORS
FOR FORWARD-LOOKING STUDIES

		11.25%
Land	20C	1.059
Building	10C, 110C	1.059
Gen Purpose Computer	530C, 630C, 531C	0.839
Analog Switch	77C, 577C	1.059
Digital Switch	377C, 587C	0.999
Operator Systems	117C, 417C	0.993
Radio	67C, 167C, 527C, 567C	1.039
Circuit-DDS	157C	0.955
Circuit-Digital Pair Gain	257C, D, F257C	0.953
Circuit-Other Digital	357C, F, T357C, 557C	0.955
Circuit- Analog Pair Gain	457C	0.000
Circuit-Other Analog	57C, 597C	1.049
Large PBX	158C, 258NC,458C,468C	0.961
Public	298C, 988C, 998C 198C, 188C, 288C	1.026
Other Terminal	358NC, 378C, 558C 828C, 858C, 928C,968NC B, D, F958C, 978NC	0.987
Poles	1C	1.036
Aerial Cable-Copper	22C, 12C	1.022
Aerial Cable-Fiber	822C, D, F, T22C, 812C, D, F,T12C	0.999
Underground Cable-Copper	5C	1.019
Underground Cable-Fiber	85C, D, F, T5C	0.980
Buried Cable-Copper	45C	1.020
Buried Cable-Fiber	845C, D, F, T45C	1.038
Submarine Cable-Copper	6C	1.013
Submarine Cable-Fiber	86C, D, F, T6C	1.030
Intrbldg Ntwk Cable-Copper	52C	1.012
Intrbldg Ntwk Cable-Fiber	852C, D, F, T52C	0.989
Conduit	4C	1.050

1996 FLORIDA
ACCOUNT AVERAGE ANNUAL COST FACTORS

* FOR USE IN SERVICE COST STUDIES ONLY *

	Field Code	Depreciation	ACFC COM	ACFC Inc Tax	Cap Exp	ACFC Plt Specific Exp	ACFC Adval Tax	Directly Attributed Shared and Common	TELRIC
		a	b	c	d	e	f	g	i
			11.25%		(a+b+c)				(d+e+f+g)
LAND - COE	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493
BUILDINGS - COE	10C, 110C	0.0330	0.0826	0.0369	0.1525	0.0061	0.0120	0.0014	0.1720
DIGITAL ELEC SWITCH	377C, 587C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.0434	0.2756
OPERATOR SYSTEMS	117C,417C	0.1157	0.0847	0.0296	0.2100	0.0033	0.0120	0.0500	0.2753
DIGTL CIRC-DDS	157C	0.1608	0.0575	0.0256	0.2439	0.0076	0.0120	0.0394	0.3029
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0120	0.0366	0.2695
DIGTL CIRC-OTHER	357C,T357C,F357C,557C	0.1314	0.0564	0.0252	0.2130	0.0093	0.0120	0.0372	0.2715
POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0175	0.0120	0.0294	0.2163
AERIAL CA - METAL	22C, 12C	0.1023	0.0679	0.0254	0.1956	0.0705	0.0120	0.0619	0.3400
AERIAL CA - FIBER	822C, 812C,D22C, F22C,T22C,D12C,F12C,T12C	0.0748	0.0662	0.0281	0.1689	0.0029	0.0120	0.0299	0.2137
UNGROUND CA - METAL	5C	0.1184	0.0681	0.0263	0.2128	0.0192	0.0120	0.0351	0.2791
UNGROUND CA - FIBER	85C,D5C,F5C,T5C	0.0686	0.0655	0.0284	0.1625	0.0036	0.0120	0.0220	0.2001
BURIED CA - METAL	45C	0.0885	0.0678	0.0277	0.1840	0.0522	0.0120	0.0468	0.2950
BURIED CA - FIBER	845C, D45C, F45C, T45C	0.0813	0.0670	0.0295	0.1578	0.0040	0.0120	0.0235	0.1973
SUBMARINE CA-METAL	6C	0.0937	0.0688	0.0307	0.1932	0.0046	0.0120	0.0206	0.2304
SUBMARINE CA-FIBER	86C,D6C,F6C,T6C	0.0937	0.0688	0.0310	0.1935	0.0046	0.0120	0.0209	0.2310
INTRBLD NTWK-METAL	52C	0.0751	0.0669	0.0291	0.1711	0.0192	0.0120	0.0315	0.2338
INTRBLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0751	0.0669	0.0292	0.1712	0.0011	0.0120	0.0270	0.2113
CONDUIT SYSTEMS	4C	0.0205	0.0727	0.0325	0.1257	0.0031	0.0120	0.0146	0.1554

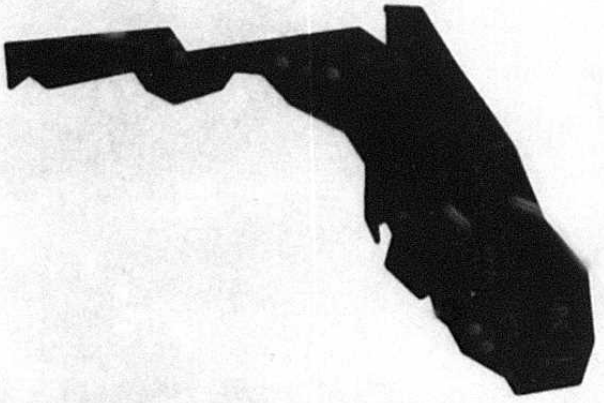
Input Table.

Investment Inplant Factors

CRC	State	Description	%Nonexempt	%Exempt	%Telco Eng	%Telco Inst	%Labor-Contr	%Support
12C	FL	Aerial Cable - Metallic (Entrance Cable)						
22C	FL	Aerial Cable - Metallic						
45C	FL	Buried Cable - Metallic						
52C	FL	Intrabldg Ntwk Cable - Metallic						
5C	FL	Underground - Metallic						
6C	FL	Submarine Cable - Metallic						
F12	FL	Aerial Cable - Non-Metallic (Entrance Cable)						
F22	FL	Aerial Cable - Non-Metallic						
F45	FL	Buried Cable - Non-Metallic						
F52	FL	Intrabldg Ntwk Cable - Non-Metallic						
F5C	FL	Underground Cable - Non-Metallic						
F6C	FL	Submarine Cable - Non-Metallic						

DDC-9

FLORIDA



UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

TELRIC COST STUDY DOCUMENTATION

SECTIONS A THRU 7

FLORIDA

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

COST STUDY DOCUMENTATION

CONTENTS

SECTION A

SECTION A

FLORIDA UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

PROPRIETARY RATIONALE

The Unbundled 4-Wire DS1 Digital Grade Loop Cost Study contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

Additionally, the study contains information which reflects vendor-specific prices negotiated by BellSouth. Public disclosure of this information would impair BellSouth's ability to contract for goods and/or services on favorable terms. For these reasons, the Unbundled 4-Wire DS1 Digital Grade Loop Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support the Unbundled 4-Wire DS1 Digital Grade Loop. The costs presented in this study are based on the TELRIC methodology established by the FCC's First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

The Unbundled cost element referred to as a 4-Wire DS1 Digital Grade Loop provides for simultaneous two-way transmission of digital signals at speeds of 1.544 Mbps. When the facility is used with a standard channel bank or direct integration equipment, it provides the equivalent of 24 voice grade channels. The facility extends from the network interface at the Alternative Local Exchange Company's (ALEC) customer premises to a DSX-1 cross-connect panel termination in the BellSouth central office.

This cost study considers the network architectures and technologies that will be used in the future to provide the service being studied. BellSouth Network provided the following five designs as representative of the forward-looking network architectures which will be used to deploy DS1 service from the BellSouth central office to a customer premises.

- Design #1 - Central Office to Customer Premises on all copper
- Design #2 - Central Office to Customer Premises on an OC-3 SONET Ring
- Design #3 - Central Office to Customer Premises on an OC-3+ SONET Ring
- Design #4 - Central Office through an Intermediate Hub on an OC-3 SONET Ring to Customer Premises on a Copper Extension
- Design #5 - Central Office through an Intermediate Hub on an OC-12 SONET Ring to Customer Premises on an OC-3 SONET Ring Extension

Recurring costs are developed for each design and then weighted by the probability of occurrence to determine the cost for the Unbundled 4-Wire DS1 Digital Grade Loop.

A long run analysis is performed to ensure that the time period is sufficient to capture all forward-looking costs affected by the business decision. The recurring costs presented in this study are levelized so as to be appropriate for the 1997-1999 study period. Nonrecurring costs follow the same convention and represent 1997-1999 level costs also. These costs are developed by using 1996 level TELRIC loadings, annual cost factors and labor rates designed to produce TELRIC results.

SECTION 2

SECTION 2

FLORIDA UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of Total Element Long Run Incremental Costs (TELRIC) supporting the Unbundled 4-Wire DS1 Digital Grade Loop.

The purpose of the TELRIC cost methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward-looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct costs caused by providing the particular network elelment being studied. TELRIC methodology anticipates pricing of elements in a wholesale network company; hence, many costs regarded as common or shared and, therefore, excluded from BellSouth's direct cost methodology would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward-looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. This TELRIC study includes both recurring (capital and operating expenses) and nonrecurring (provisioning) costs.

DEVELOPMENT OF RECURRING COSTS

The monthly costs to BellSouth Telecommunications, Inc., resulting from the capital investments necessary to provide a cost element are called recurring costs. Recurring costs represent a forward-looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is calculated on the TELRIC.

The first step in developing a TELRIC recurring cost study for the Unbundled 4-Wire DS1 Digital Grade Loop is to determine the forward-looking network architecture. Material prices for the equipment are defined. Next, account specific Telephone Plant Indices are applied, when necessary, to trend investments to the base study period. In-plant factors are applied to material prices to develop installed investments which include engineering and installation labor. The deployment probabilities and a reasonable projection of the actual fill utilization are also considered.

Plant account specific Levelized Inflation Factors are applied to the installed investments to trend the base year, or study year, investments to levelized amounts that are valid for a three year planning period. Appropriate loadings for land, building, and miscellaneous common equipment and power are then applied.

Next, 1996 level TELRIC Annual Cost Factors are used to calculate the direct cost of capital, plant specific expenses and taxes. Account specific factors for each Uniform System of Accounts - Field Reporting Code (USOA-FRC) are applied to levelized investments by account code, yielding an annual cost per account code, which includes directly attributable shared and common costs. Annual Total Element Long Run Incremental Costs by account codes are then summed and divided by twelve to arrive at a monthly cost per cost element.

The directly attributable shared and common cost components of the TELRIC annual cost factors are calculated as follows. First, a detailed analysis of the forward-looking direct costs is performed. The remaining costs of doing business are then analyzed to determine whether they are directly attributable shared and common costs that cannot be reasonably attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated by the functional areas to which they are related. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc. are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc. and attributed shared cost factors are developed. These attributed shared cost factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded.

The common cost allocation factor is applied to TELRIC to produce the forward-looking economic cost, as defined by the FCC Order, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting the Unbundled 4-Wire DS1 Digital Grade Loop. The first step in developing nonrecurring costs is to determine the cost elements related to the study. These cost elements are then described by all of the individual work functions required to provision the cost element. The work functions can be grouped into four categories. These are service order, engineering, connect and test, and technician travel time. The work function times, as identified by individuals knowledgeable about and/or responsible for performing these functions, are used to describe the flow of work within the various work centers involved. Installation and provisioning costs are developed by multiplying the work time for each work function by the TELRIC labor rate for the work group performing the function.

The TELRIC labor rates are calculated as follows. Salary and wages, as used in the determination of TELRIC annual cost factors, are accumulated on a basis consistent with specific force groups. Shared costs attributable to salaries and wages are then accumulated on a basis consistent with the development of the respective force group's labor rate. A factor is then developed for each force group by dividing the attributed shared costs (human resources, office equipment, motor vehicles, land and building space, etc.) by the related salaries and wages. This factor is then applied to the salary and wage portion of the incremental labor rate for each force group, and the result is added to the incremental labor rate to determine the TELRIC labor rate.

Utilizing work functions, work times, and TELRIC labor rates, disconnect costs are calculated in the same manner as the installation costs. Since the labor costs will occur in the future, the current TELRIC labor rates are inflated to that future period in time and then discounted to the present. The discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the nonrecurring cost.

The common cost allocation factor is applied to the nonrecurring TELRIC to produce the forward-looking nonrecurring economic cost, as defined by the FCC Order, which includes an appropriate share of common costs.

SECTION 3

SECTION 3

FLORIDA UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

SUMMARY OF RESULTS

This section contains a cost summary for the 1997-1999 Total Element Long Run Incremental Costs (TELRIC) for both recurring and nonrecurring cost elements studied for the Unbundled 4-Wire DS1 Digital Grade Loop.

FLORIDA UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

SUMMARY OF RESULTS

	Monthly Cost	Nonrecurring Cost First	Nonrecurring Cost Additional
4-Wire DS1 Digital Grade Loop			
TELRIC	$85.77	In progress	
Common Cost Allocation Factor	1.0804		
Total	$92.67		

SECTION 4

SECTION 4

FLORIDA UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

COST DEVELOPMENT - RECURRING

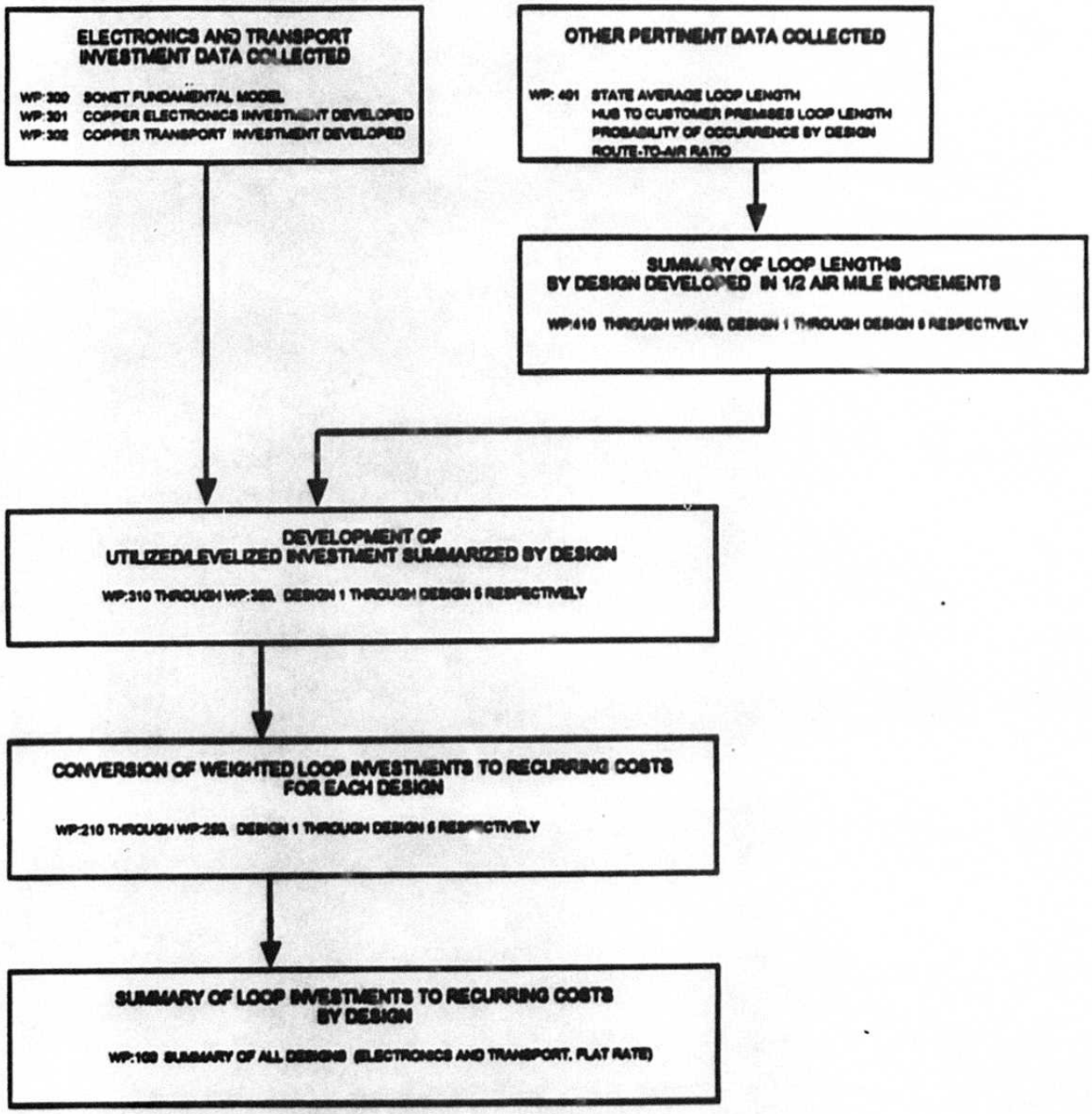
This section describes the development of the recurring Total Element Long Run Incremental Costs (TELRIC) for the Unbundled 4-Wire DS1 Digital Grade Loop.

Generally, cost development is outlined in Section 2. Network architecture is determined, the necessary equipment is identified, material prices are obtained, factors, utilization and loadings are applied and the result is levelized for the study period. TELRIC annual cost factors are then applied to convert the investment to cost.

Recurring costs are developed for each of the five network designs. The costs are developed for fixed electronics, which includes all hardwired and common plug-ins at the central office, at any intermediate hub, and at the customer premises. Also included are the working DS1 cards at the central office and customer premises. Recurring costs for the transport are also developed on a per half-mile which includes the fiber and all support structures.

Since the cost element is flat rated, a cost is developed for each design based on the average length of a local channel. The designs are weighted by probability of occurrence to determine the cost of the Unbundled 4-Wire DS1 Digital Grade Loop.

The workpapers, behind Tab A, show the development of the investments, convert the investments to monthly costs and summarize the results. A description of the SONET Fundamental Investment Model is found in Tab B.


ELECTRONICS AND TRANSPORT INVESTMENT DATA COLLECTED
WP:300 SONET FUNDAMENTAL MODEL
WP:301 COPPER ELECTRONICS INVESTMENT DEVELOPED
WP:302 COPPER TRANSPORT INVESTMENT DEVELOPED
OTHER PERTINENT DATA COLLECTED
WP: 401 STATE AVERAGE LOOP LENGTH
HUB TO CUSTOMER PREMISES LOOP LENGTH
PROBABILITY OF OCCURRENCE BY DESIGN
ROUTE-TO-AIR RATIO
SUMMARY OF LOOP LENGTHS BY DESIGN DEVELOPED IN 1/2 AIR MILE INCREMENTS
WP:410 THROUGH WP:460, DESIGN 1 THROUGH DESIGN 6 RESPECTIVELY
DEVELOPMENT OF UTILIZED/LEVELIZED INVESTMENT SUMMARIZED BY DESIGN
WP:310 THROUGH WP:360, DESIGN 1 THROUGH DESIGN 6 RESPECTIVELY
CONVERSION OF WEIGHTED LOOP INVESTMENTS TO RECURRING COSTS FOR EACH DESIGN
WP:210 THROUGH WP:260, DESIGN 1 THROUGH DESIGN 6 RESPECTIVELY
SUMMARY OF LOOP INVESTMENTS TO RECURRING COSTS BY DESIGN
WP:100 SUMMARY OF ALL DESIGNS (ELECTRONICS AND TRANSPORT, FLAT RATE)

TAB A

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
STUDY YEARS: 1997-1999

STATE: FLORIDA
WORKPAPER: 100
PAGE: 1 OF 1
DATE: SEPTEMBER, 1998

MONTHLY TELRIC

LINE				SOURCE
	DESIGN 1 - FLAT RATE SUMMARY			
1		ELECTRONICS		WP: 101, LINE 41
2		TRANSPORT		WP: 101, LINE 42
	DESIGN 2 - FLAT RATE SUMMARY			
3		ELECTRONICS		WP: 102, LINE 41
4		TRANSPORT		WP: 102, LINE 42
	DESIGN 3 - FLAT RATE SUMMARY			
5		ELECTRONICS		WP: 103, LINE 41
6		TRANSPORT		WP: 103, LINE 42
	DESIGN 4 - FLAT RATE SUMMARY			
7		ELECTRONICS		WP: 104, LINE 41
8		TRANSPORT		WP: 104, LINE 42
	DESIGN 5 - FLAT RATE SUMMARY			
9		ELECTRONICS		WP: 105, LINE 41
10		TRANSPORT		WP: 105, LINE 42
	TOTAL ALL DESIGNS - FLAT RATE SUMMARY			
11		ELECTRONICS	$57.19	WP: 100, LINES 1,3,5,7,9
12		TRANSPORT	$27.29	WP: 100, LINES 2,4,6,8,10
13			$84.48	WP: 100, LINES 11,12
14	**GROSS RECEIPTS TAX**		1.0153	FUNDAMENTAL FACTORS
15	**TOTAL ALL DESIGNS - FLAT RATE SUMMARY WITH GROSS RECEIPTS TAX**		$85.77	WP: 100, LINES 13 * 14

UNBUNDLED 4-WIRE DIGITAL GRADE LOOP
MONTHLY RECURRING COST DEVELOPMENT -
STUDY LEVEL: 1997-1999

STATE: FLORIDA
WORKPAPER: 101
PAGE: 1 OF 1
DATE: SEPTEMBER, 1998

TELRIC FACTORS

LINE	DESCRIPTION	FRC	DEPREC	COM	IT	PLANT SPECIFIC CAP. EXP	PLANT SPECIFIC EXP.	PLANT SPECIFIC AD VAL.	DIRECTLY ATTRIBUTED SHARED and COMMON	ANNUAL TELRIC	SOURCE
			a	b	c	d =(a+b+c)	e	f	g	h=(d+e+f+g)	
1	LAND	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493	Fundamental Factors
2	BUILDINGS	10C	0.0330	0.0826	0.0369	0.1525	0.0081	0.0120	0.0014	0.1720	Fundamental Factors
3	DIGTL ELEC SWITCH	377C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.0434	0.2756	Fundamental Factors
4	DIGTL CIRC-PAIR GAIN	257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0120	0.0366	0.2695	Fundamental Factors
5	POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0175	0.0120	0.0294	0.2163	Fundamental Factors
6	AERIAL CA - METAL	22/12C	0.1023	0.0679	0.0254	0.1956	0.0705	0.0120	0.0619	0.3400	Fundamental Factors
7	AERIAL CA - FIBER	822/812C	0.0748	0.0662	0.0281	0.1689	0.0029	0.0120	0.0299	0.2137	Fundamental Factors
8	UNDERGROUND METAL	6C	0.1184	0.0681	0.0283	0.2128	0.0192	0.0120	0.0351	0.2791	Fundamental Factors
9	CONDUIT	4C	0.0205	0.0727	0.0325	0.1257	0.0031	0.0120	0.0146	0.1554	Fundamental Factors
10	BURIED CABLE - METAL	46C	0.0885	0.0678	0.0277	0.1840	0.0322	0.0120	0.0468	0.2950	Fundamental Factors
11	UG CABLE - FIBER	86C	0.0686	0.0666	0.0284	0.1625	0.0036	0.0120	0.0220	0.2001	Fundamental Factors
12	BURIED CABLE - FIBER	846C	0.0613	0.0670	0.0296	0.1578	0.0040	0.0120	0.0236	0.1973	Fundamental Factors

MONTHLY RECURRING TELRIC DESIGN 1

LINE	DESCRIPTION	FRC	INVESTMENT	DEPREC	COM	IT	PLANT SPECIFIC CAP. EXP	PLANT SPECIFIC EXP.	PLANT SPECIFIC AD VAL.	DIRECTLY ATTRIBUTED SHARED and COMMON	ANNUAL TELRIC	MONTHLY TELRIC
			k = up 3100 Lines 15-19,28-33	l = a * k (BY FRC)	m = b * k (BY FRC)	n = c * k (BY FRC)	o = d * k (BY FRC)	p = e * k (BY FRC)	q = f * k (BY FRC)	r = g * k (BY FRC)	s = h * k (BY FRC)	t = s / 12 (BY FRC)
ELECTRONICS												
13	LAND	20C										
14	BUILDINGS	10C										
15	DIGTL ELEC SWITCH	377C										
16	DIGTL CIRC-PAIR GAIN	257C										
17	POLES	1C										
18	AERIAL CA - METAL	22/12C										
19	AERIAL CA - FIBER	822/812C										
20	UNDERGROUND METAL	6C										
21	CONDUIT	4C										
22	BURIED CABLE - METAL	46C										
23	UG CABLE - FIBER	86C										
24	BURIED CABLE - FIBER	846C										
25	TOTAL ELECTRONICS											
TRANSPORT												
26	LAND	20C										
27	BUILDINGS	10C										
28	DIGTL ELEC SWITCH	377C										
29	DIGTL CIRC-PAIR GAIN	257C										
30	POLES	1C										
31	AERIAL CA - METAL	22/12C										
32	AERIAL CA - FIBER	822/812C										
33	UNDERGROUND METAL	6C										
34	CONDUIT	4C										
35	BURIED CABLE - METAL	46C										
36	UG CABLE - FIBER	86C										
37	BURIED CABLE - FIBER	846C										
38	TOTAL TRANSPORT											

FLAT RATE SUMMARY - DESIGN 1

		SOURCE	
39	PROBABILITY OF OCCURENCE	BBS NETWORK	10.00%
40	STATE AVG AIR 1/2 MILES	WP: 4100, Line 16	4
41	ELECTRONICS	LINE 25 * LINE 39	
42	TRANSPORT	(LINE 38 * LINE 39) * LINE 40	
43	WEIGHTED AVERAGE FLAT RATE SUMMARY - DESIGN 1		

MONTHLY RECURRING COST DEVELOPMENT - STUDY LEVEL: 1997-1999

STATE: FLORIDA
WORKPAPER: 101A
PAGE: 1 OF 1
DATE: SEPTEMBER, 1998

DIRECT FACTORS

LINE	DESCRIPTION	FRC	DEPREC	COM	IT	PLANT SPECIFIC CAP. EXP	PLANT SPECIFIC EXP.	PLANT SPECIFIC AD VAL.	ANNUAL DIRECT	SOURCE
			a	b	c	d =(a+b+c)	e	f	h=(d+e+f)	
1	LAND	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.1493	Fundamental Factors
2	BUILDINGS	10C	0.0330	0.0826	0.0369	0.1525	0.0081	0.0120	0.1706	Fundamental Factors
3	DIGTL ELEC SWITCH	377C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.2322	Fundamental Factors
4	DIGTL CIRC-PAIR GAIN	257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0120	0.2329	Fundamental Factors
5	POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0175	0.0120	0.1869	Fundamental Factors
6	AERIAL CA - METAL	22/12C	0.1023	0.0679	0.0254	0.1956	0.0705	0.0120	0.2781	Fundamental Factors
7	AERIAL CA - FIBER	822/812C	0.0746	0.0662	0.0281	0.1689	0.0029	0.0120	0.1838	Fundamental Factors
8	UNDERGROUND METAL	5C	0.1184	0.0681	0.0263	0.2128	0.0192	0.0120	0.2440	Fundamental Factors
9	CONDUIT	4C	0.0206	0.0727	0.0328	0.1257	0.0031	0.0120	0.1408	Fundamental Factors
10	BURIED CABLE - METAL	46C	0.0686	0.0678	0.0277	0.1840	0.0522	0.0120	0.2482	Fundamental Factors
11	UG CABLE - FIBER	86C	0.0686	0.0656	0.0284	0.1825	0.0036	0.0120	0.1781	Fundamental Factors
12	BURIED CABLE - FIBER	846C	0.0613	0.0670	0.0295	0.1578	0.0040	0.0120	0.1738	Fundamental Factors

MONTHLY RECURRING DIRECT DESIGN 1

LINE	DESCRIPTION	FRC	INVESTMENT	DEPREC	COM	IT	PLANT SPECIFIC CAP. EXP	PLANT SPECIFIC EXP.	PLANT SPECIFIC AD VAL.	ANNUAL DIRECT	MONTHLY DIRECT
			k = wp 3100 Lines 18-19,28-33	l = a * k (BY FRC)	m = b * k (BY FRC)	n = c * k (BY FRC)	o = d * k (BY FRC)	p = e * k (BY FRC)	q = f * k (BY FRC)	s = h * k (BY FRC)	t = s / 12 (BY FRC)
ELECTRONICS											
13	LAND	20C									
14	BUILDINGS	10C									
15	DIGTL ELEC SWITCH	377C									
16	DIGTL CIRC-PAIR GAIN	257C									
17	POLES	1C									
18	AERIAL CA - METAL	22/12C									
19	AERIAL CA - FIBER	822/812C									
20	UNDERGROUND METAL	5C									
21	CONDUIT	4C									
22	BURIED CABLE - METAL	46C									
23	UG CABLE - FIBER	86C									
24	BURIED CABLE - FIBER	846C									
25	TOTAL ELECTRONICS										
TRANSPORT											
26	LAND	20C									
27	BUILDINGS	10C									
28	DIGTL ELEC SWITCH	377C									
29	DIGTL CIRC-PAIR GAIN	257C									
30	POLES	1C									
31	AERIAL CA - METAL	22/12C									
32	AERIAL CA - FIBER	822/812C									
33	UNDERGROUND METAL	5C									
34	CONDUIT	4C									
35	BURIED CABLE - METAL	46C									
36	UG CABLE - FIBER	86C									
37	BURIED CABLE - FIBER	846C									
38	TOTAL TRANSPORT										

FLAT RATE SUMMARY - DESIGN 1

		SOURCE	
39	PROBABILITY OF OCCURENCE	BBS NETWORK	10.00%
40	STATE AVG AIR 1/2 MILES	WP: 4100, Line 16	4
41	ELECTRONICS	LINE 25 * LINE 39	
42	TRANSPORT	(LINE 38 * LINE 39) * LINE 40	
43	WEIGHTED AVERAGE FLAT RATE SUMMARY - DESIGN 1		

UNBUNDLED 4-WIRE DIGITAL GRADE LOOP
MONTHLY RECURRING COST DEVELOPMENT -
STUDY LEVEL: 1997-1999

STATE: FLORIDA
WORKPAPER: 102
PAGE: 1 OF 1
DATE: SEPTEMBER, 1999

TELRIC FACTORS

LINE	DESCRIPTION	FRC	DEPREC	COM	IT	CAP. EXP	PLANT SPECIFIC EXP.	AD VAL.	DIRECTLY ATTRIBUTED SHARED and COMMON	ANNUAL TELRIC	SOURCE
			a	b	c	d =(a+b+c)	e	f	g	h=(d+e+f+g)	
1	LAND	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493	Fundamental Factors
2	BUILDINGS	10C	0.0330	0.0828	0.0369	0.1525	0.0081	0.0120	0.0014	0.1720	Fundamental Factors
3	DIGTL ELEC SWITCH	377C	0.1167	0.0656	0.0254	0.1966	0.0238	0.0120	0.0434	0.2758	Fundamental Factors
4	DIGTL CIRC-PAIR GAIN	257C	0.1314	0.0694	0.0249	0.2127	0.0062	0.0120	0.0386	0.2695	Fundamental Factors
5	POLES	1C	0.0721	0.0699	0.0264	0.1674	0.0175	0.0120	0.0294	0.2163	Fundamental Factors
6	AERIAL CA - METAL	22/12C	0.1023	0.0679	0.0254	0.1956	0.0706	0.0120	0.0819	0.3400	Fundamental Factors
7	AERIAL CA - FIBER	622/612C	0.0746	0.0662	0.0281	0.1689	0.0029	0.0120	0.0299	0.2137	Fundamental Factors
8	UNDERGROUND METAL	9C	0.1184	0.0681	0.0263	0.2128	0.0192	0.0120	0.0351	0.2791	Fundamental Factors
9	CONDUIT	4C	0.0205	0.0727	0.0325	0.1257	0.0091	0.0120	0.0146	0.1654	Fundamental Factors
10	BURIED CABLE - METAL	49C	0.0865	0.0678	0.0277	0.1840	0.0522	0.0120	0.0468	0.2960	Fundamental Factors
11	UG CABLE - FIBER	69C	0.0898	0.0665	0.0284	0.1825	0.0026	0.0120	0.0220	0.2001	Fundamental Factors
12	BURIED CABLE - FIBER	649C	0.0813	0.0670	0.0296	0.1678	0.0040	0.0120	0.0236	0.1973	Fundamental Factors

MONTHLY RECURRING TELRIC DESIGN 2

LINE	DESCRIPTION	FRC	INVESTMENT	DEPREC	COM	IT	CAP. EXP	PLANT SPECIFIC EXP.	AD VAL.	DIRECTLY ATTRIBUTED SHARED and COMMON	ANNUAL TELRIC	MONTHLY TELRIC
			k = wp 3999 Lines 23-28,38-43	l = a * k (BY FRC)	m = b * k (BY FRC)	n = c * k (BY FRC)	o = d * k (BY FRC)	p = e * k (BY FRC)	q = f * k (BY FRC)	r = g * k (BY FRC)	s = h * k (BY FRC)	t = s / 12 (BY FRC)
ELECTRONICS												
13	LAND	20C										
14	BUILDINGS	10C										
15	DIGTL ELEC SWITCH	377C										
16	DIGTL CIRC-PAIR GAIN	257C										
17	POLES	1C										
18	AERIAL CA - METAL	22/12C										
19	AERIAL CA - FIBER	622/612C										
20	UNDERGROUND METAL	9C										
21	CONDUIT	4C										
22	BURIED CABLE - METAL	49C										
23	UG CABLE - FIBER	69C										
24	BURIED CABLE - FIBER	649C										
25	TOTAL ELECTRONICS											
TRANSPORT												
26	LAND	20C										
27	BUILDINGS	10C										
28	DIGTL ELEC SWITCH	377C										
29	DIGTL CIRC-PAIR GAIN	257C										
30	POLES	1C										
31	AERIAL CA - METAL	22/12C										
32	AERIAL CA - FIBER	622/612C										
33	UNDERGROUND METAL	9C										
34	CONDUIT	4C										
35	BURIED CABLE - METAL	49C										
36	UG CABLE - FIBER	69C										
37	BURIED CABLE - FIBER	649C										
38	TOTAL TRANSPORT											

FLAT RATE SUMMARY - DESIGN 2

		SOURCE	
39			
40	PROBABILITY OF OCCURENCE	BBS NETWORK	35.00%
	STATE AVG AIR 1/2 MILES	WP: 4200, Line 15	10
41			
42	ELECTRONICS	LINE 25 * LINE 39	
	TRANSPORT	(LINE 38 * LINE 39) * LINE 40	
43	WEIGHTED AVERAGE FLAT RATE SUMMARY - DESIGN 2		

MONTHLY RECURRING COST DEVELOPMENT -
STUDY LEVEL: 1997-1999

STATE: FLORIDA
WORKPAPER: 102A
PAGE: 1 OF 1
DATE: SEPTEMBER, 1998

DIRECT FACTORS

LINE	DESCRIPTION	FRC	DEPREC	COM	IT	PLANT SPECIFIC CAP. EXP	PLANT SPECIFIC EXP.	PLANT SPECIFIC AD VAL.	ANNUAL DIRECT	SOURCE
			a	b	c	d =(a+b+c)	e	f	h=(d+e+f)	
1	LAND	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.1493	Fundamental Factors
2	BUILDINGS	10C	0.0330	0.0826	0.0369	0.1525	0.0081	0.0120	0.1706	Fundamental Factors
3	DIGTL ELEC SWITCH	377C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.2322	Fundamental Factors
4	DIGTL CIRC-PAIR GAIN	257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0120	0.2329	Fundamental Factors
5	POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0175	0.0120	0.1869	Fundamental Factors
6	AERIAL CA - METAL	22/12C	0.1023	0.0679	0.0254	0.1956	0.0706	0.0120	0.2781	Fundamental Factors
7	AERIAL CA - FIBER	622/612C	0.0746	0.0662	0.0281	0.1689	0.0029	0.0120	0.1838	Fundamental Factors
8	UNDERGROUND METAL	5C	0.1164	0.0681	0.0263	0.2128	0.0192	0.0120	0.2440	Fundamental Factors
9	CONDUIT	4C	0.0206	0.0727	0.0328	0.1267	0.0031	0.0120	0.1408	Fundamental Factors
10	BURIED CABLE - METAL	46C	0.0686	0.0678	0.0277	0.1840	0.0322	0.0120	0.2482	Fundamental Factors
11	UG CABLE - FIBER	65C	0.0686	0.0656	0.0284	0.1625	0.0038	0.0120	0.1781	Fundamental Factors
12	BURIED CABLE - FIBER	646C	0.0613	0.0670	0.0296	0.1578	0.0040	0.0120	0.1738	Fundamental Factors

MONTHLY RECURRING DIRECT DESIGN 2

LINE	DESCRIPTION	FRC	INVESTMENT	DEPREC	COM	IT	PLANT SPECIFIC CAP. EXP	PLANT SPECIFIC EXP.	PLANT SPECIFIC AD VAL.	ANNUAL DIRECT	MONTHLY DIRECT
			k = up 3200 Lines 23-26,39-43	l = a * k (BY FRC)	m = b * k (BY FRC)	n = c * k (BY FRC)	o = d * k (BY FRC)	p = e * k (BY FRC)	q = f * k (BY FRC)	o = h * k (BY FRC)	t = o / 12 (BY FRC)
ELECTRONICS											
13	LAND	20C									
14	BUILDINGS	10C									
15	DIGTL ELEC SWITCH	377C									
16	DIGTL CIRC-PAIR GAIN	257C									
17	POLES	1C									
18	AERIAL CA - METAL	22/12C									
19	AERIAL CA - FIBER	622/612C									
20	UNDERGROUND METAL	5C									
21	CONDUIT	4C									
22	BURIED CABLE - METAL	46C									
23	UG CABLE - FIBER	65C									
24	BURIED CABLE - FIBER	646C									
25	TOTAL ELECTRONICS										
TRANSPORT											
26	LAND	20C									
27	BUILDINGS	10C									
28	DIGTL ELEC SWITCH	377C									
29	DIGTL CIRC-PAIR GAIN	257C									
30	POLES	1C									
31	AERIAL CA - METAL	22/12C									
32	AERIAL CA - FIBER	622/612C									
33	UNDERGROUND METAL	5C									
34	CONDUIT	4C									
35	BURIED CABLE - METAL	46C									
36	UG CABLE - FIBER	65C									
37	BURIED CABLE - FIBER	646C									
38	TOTAL TRANSPORT										

FLAT RATE SUMMARY - DESIGN 2

		SOURCE	
39	PROBABILITY OF OCCURENCE	BBS NETWORK	35.00%
40	STATE AVG AIR 1/2 MILES	WP: 4200, Line 16	10
41			
42	ELECTRONICS	LINE 25 * LINE 39	
	TRANSPORT	(LINE 38 * LINE 39) * LINE 40	
43	WEIGHTED AVERAGE FLAT RATE SUMMARY - DESIGN 2		

UNBUNDLED 4-WIRE DIGITAL GRADE LOOP
MONTHLY RECURRING COST DEVELOPMENT -
STUDY LEVEL: 1997-1999

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TELRIC FACTORS

LINE	DESCRIPTION	FRC	DEPREC	COM	IT	PLANT SPECIFIC CAP. EXP	PLANT SPECIFIC EXP.	AD VAL.	DIRECTLY ATTRIBUTED SHARED and COMMON	ANNUAL TELRIC	SOURCE
			a	b	c	d=(a+b+c)	e	f	g	h=(d+e+f+g)	
1	LAND	20C	0.0000	0.0047	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493	Fundamental Factors
2	BUILDINGS	10C	0.0330	0.0826	0.0389	0.1625	0.0081	0.0120	0.0014	0.1720	Fundamental Factors
3	DIGTL ELEC SWITCH	377C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.0434	0.2756	Fundamental Factors
4	DIGTL CIRC-PAIR GAIN	257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0120	0.0366	0.2695	Fundamental Factors
5	POLES	1C	0.0721	0.0699	0.0254	0.1574	0.0175	0.0120	0.0294	0.2163	Fundamental Factors
6	AERIAL CA - METAL	22/12C	0.1023	0.0870	0.0254	0.1966	0.0706	0.0120	0.0619	0.3400	Fundamental Factors
7	AERIAL CA - FIBER	622/612C	0.0748	0.0862	0.0281	0.1689	0.0029	0.0120	0.0299	0.2137	Fundamental Factors
8	UNDERGROUND METAL	5C	0.1184	0.0881	0.0263	0.2128	0.0192	0.0120	0.0351	0.2791	Fundamental Factors
9	CONDUIT	4C	0.0206	0.0727	0.0325	0.1257	0.0031	0.0120	0.0148	0.1554	Fundamental Factors
10	BURIED CABLE - METAL	49C	0.0886	0.0878	0.0277	0.1840	0.0322	0.0120	0.0468	0.2950	Fundamental Factors
11	UG CABLE - FIBER	65C	0.0886	0.0865	0.0264	0.1625	0.0036	0.0120	0.0220	0.2001	Fundamental Factors
12	BURIED CABLE - FIBER	848C	0.0813	0.0870	0.0295	0.1578	0.0040	0.0120	0.0235	0.1973	Fundamental Factors

MONTHLY RECURRING TELRIC DESIGN 3

LINE	DESCRIPTION	FRC	INVESTMENT	DEPREC	COM	IT	PLANT SPECIFIC CAP. EXP	PLANT SPECIFIC EXP.	AD VAL.	DIRECTLY ATTRIBUTED SHARED and COMMON	ANNUAL TELRIC	MONTHLY TELRIC
			k = wp 3300 Lines 23-28,30-42	l = a * k (BY FRC)	m = b * k (BY FRC)	n = c * k (BY FRC)	o = d * k (BY FRC)	p = e * k (BY FRC)	q = f * k (BY FRC)	r = g * k (BY FRC)	s = h * k (BY FRC)	t = s / 12 (BY FRC)
ELECTRONICS												
13	LAND	20C										
14	BUILDINGS	10C										
15	DIGTL ELEC SWITCH	377C										
16	DIGTL CIRC-PAIR GAIN	257C										
17	POLES	1C										
18	AERIAL CA - METAL	22/12C										
19	AERIAL CA - FIBER	622/612C										
20	UNDERGROUND METAL	5C										
21	CONDUIT	4C										
22	BURIED CABLE - METAL	49C										
23	UG CABLE - FIBER	65C										
24	BURIED CABLE - FIBER	848C										
25	TOTAL ELECTRONICS											
TRANSPORT												
26	LAND	20C										
27	BUILDINGS	10C										
28	DIGTL ELEC SWITCH	377C										
29	DIGTL CIRC-PAIR GAIN	257C										
30	POLES	1C										
31	AERIAL CA - METAL	22/12C										
32	AERIAL CA - FIBER	622/612C										
33	UNDERGROUND METAL	5C										
34	CONDUIT	4C										
35	BURIED CABLE - METAL	49C										
36	UG CABLE - FIBER	65C										
37	BURIED CABLE - FIBER	848C										
38	TOTAL TRANSPORT											

FLAT RATE SUMMARY - DESIGN 3

		SOURCE	
39			
40	PROBABILITY OF OCCURENCE	BBS NETWORK	15.00%
	STATE AVG AIR 1/2 MILES	WP: 4300, Line 16	10
41			
42	ELECTRONICS	LINE 25 * LINE 39	
	TRANSPORT	(LINE 38 * LINE 39) * LINE 40	
43	WEIGHTED AVERAGE FLAT RATE SUMMARY - DESIGN 3		

MONTHLY RECURRING COST DEVELOPMENT - STUDY LEVEL: 1997-1999

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DIRECT FACTORS

LINE	DESCRIPTION	FRC	DEPREC	COM	IT	PLANT SPECIFIC CAP. EXP	PLANT SPECIFIC EXP.	PLANT SPECIFIC AD VAL.	ANNUAL DIRECT	SOURCE
			a	b	c	d =(a+b+c)	e	f	h=(d+e+f)	
1	LAND	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.1493	Fundamental Factors
2	BUILDINGS	10C	0.0330	0.0826	0.0369	0.1525	0.0081	0.0120	0.1726	Fundamental Factors
3	DIGTL ELEC SWITCH	377C	0.1157	0.0555	0.0254	0.1966	0.0238	0.0120	0.2322	Fundamental Factors
4	DIGTL CIRC-PAIR GAIN	257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0120	0.2329	Fundamental Factors
5	POLES	1C	0.0721	0.0699	0.0254	0.1574	0.0175	0.0120	0.1869	Fundamental Factors
6	AERIAL CA - METAL	22/12C	0.1023	0.0679	0.0254	0.1956	0.0705	0.0120	0.2781	Fundamental Factors
7	AERIAL CA - FIBER	822/812C	0.0746	0.0662	0.0261	0.1669	0.0029	0.0120	0.1838	Fundamental Factors
8	UNDERGROUND METAL	5C	0.1184	0.0681	0.0263	0.2128	0.0192	0.0120	0.2440	Fundamental Factors
9	CONDUIT	4C	0.0206	0.0727	0.0326	0.1257	0.0031	0.0120	0.1408	Fundamental Factors
10	BURIED CABLE - METAL	45C	0.0686	0.0676	0.0277	0.1640	0.0622	0.0120	0.2482	Fundamental Factors
11	UG CABLE - FIBER	85C	0.0688	0.0656	0.0284	0.1626	0.0036	0.0120	0.1781	Fundamental Factors
12	BURIED CABLE - FIBER	845C	0.0613	0.0670	0.0296	0.1578	0.0040	0.0120	0.1738	Fundamental Factors

MONTHLY RECURRING DIRECT DESIGN 3

LINE	DESCRIPTION	FRC	INVESTMENT	DEPREC	COM	IT	PLANT SPECIFIC CAP. EXP	PLANT SPECIFIC EXP.	PLANT SPECIFIC AD VAL.	ANNUAL DIRECT	MONTHLY DIRECT
			k = wp 3300 Lines 23-26,28-42	l = a * k (BY FRC)	m = b * k (BY FRC)	n = c * k (BY FRC)	o = d * k (BY FRC)	p = e * k (BY FRC)	q = f * k (BY FRC)	s = h * k (BY FRC)	t = s / 12 (BY FRC)
ELECTRONICS											
13	LAND	20C									
14	BUILDINGS	10C									
15	DIGTL ELEC SWITCH	377C									
16	DIGTL CIRC-PAIR GAIN	257C									
17	POLES	1C									
18	AERIAL CA - METAL	22/12C									
19	AERIAL CA - FIBER	822/812C									
20	UNDERGROUND METAL	5C									
21	CONDUIT	4C									
22	BURIED CABLE - METAL	45C									
23	UG CABLE - FIBER	85C									
24	BURIED CABLE - FIBER	845C									
25	TOTAL ELECTRONICS										
TRANSPORT											
26	LAND	20C									
27	BUILDINGS	10C									
28	DIGTL ELEC SWITCH	377C									
29	DIGTL CIRC-PAIR GAIN	257C									
30	POLES	1C									
31	AERIAL CA - METAL	22/12C									
32	AERIAL CA - FIBER	822/812C									
33	UNDERGROUND METAL	5C									
34	CONDUIT	4C									
35	BURIED CABLE - METAL	45C									
36	UG CABLE - FIBER	85C									
37	BURIED CABLE - FIBER	845C									
38	TOTAL TRANSPORT										

FLAT RATE SUMMARY - DESIGN 3

		SOURCE	
39	PROBABILITY OF OCCURENCE	BBS NETWORK	15.00%
40	STATE AVG AIR 1/2 MILES	WP: 4300, Line 16	10
41	ELECTRONICS	LINE 25 * LINE 39	
42	TRANSPORT	(LINE 38 * LINE 39) * LINE 40	
43	WEIGHTED AVERAGE FLAT RATE SUMMARY - DESIGN 3		

UNBUNDLED 4-WIRE DIGITAL GRADE LOOP
MONTHLY RECURRING COST DEVELOPMENT -
STUDY LEVEL: 1997-1999

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TELRIC FACTORS

LINE	DESCRIPTION	FRC		DEPREC	COM	IT	CAP. EXP	PLANT SPECIFIC EXP.	AD VAL.	DIRECTLY ATTRIBUTED SHARED and COMMON	ANNUAL TELRIC	SOURCE
				a	b	c	d =(a+b+c)	e	f	g	h=(d+e+f+g)	
1	LAND	20C		0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493	Fundamental Factors
2	BUILDINGS	19C		0.0330	0.0826	0.0369	0.1525	0.0081	0.0120	0.0014	0.1720	Fundamental Factors
3	DIGTL ELEC SWITCH	377C		0.1157	0.0686	0.0264	0.1998	0.0230	0.0120	0.0434	0.2756	Fundamental Factors
4	DIGTL CIRC-PAIR GAIN	257C		0.1314	0.0684	0.0349	0.2127	0.0082	0.0120	0.0366	0.2695	Fundamental Factors
5	POLES	1C		0.0721	0.0699	0.0264	0.1674	0.0175	0.0120	0.0294	0.2163	Fundamental Factors
6	AERIAL CA - METAL	22/12C		0.1023	0.0679	0.0264	0.1966	0.0705	0.0120	0.0619	0.3400	Fundamental Factors
7	AERIAL CA - FIBER	622/612C		0.0746	0.0662	0.0261	0.1669	0.0029	0.0120	0.0299	0.2137	Fundamental Factors
8	UNDERGROUND METAL	5C		0.1184	0.0681	0.0263	0.2128	0.0192	0.0120	0.0361	0.2791	Fundamental Factors
9	CONDUIT	4C		0.0205	0.0727	0.0325	0.1257	0.0031	0.0120	0.0146	0.1554	Fundamental Factors
10	BURIED CABLE - METAL	45C		0.0686	0.0678	0.0277	0.1640	0.0022	0.0120	0.0468	0.2960	Fundamental Factors
11	UG CABLE - FIBER	65C		0.0686	0.0656	0.0264	0.1625	0.0038	0.0120	0.0220	0.2001	Fundamental Factors
12	BURIED CABLE - FIBER	646C		0.0613	0.0670	0.0296	0.1578	0.0040	0.0120	0.0235	0.1973	Fundamental Factors

MONTHLY RECURRING TELRIC DESIGN 4

LINE	DESCRIPTION	FRC	INVESTMENT	DEPREC	COM	IT	CAP. EXP	PLANT SPECIFIC EXP.	AD VAL.	DIRECTLY ATTRIBUTED SHARED and COMMON	ANNUAL TELRIC	MONTHLY TELRIC
			k = wp 3400,3401 Lines 19-22,13-28	l = a * k (BY FRC)	m = b * k (BY FRC)	n = c * k (BY FRC)	o = d * k (BY FRC)	p = e * k (BY FRC)	q = f * k (BY FRC)	r = g * k (BY FRC)	s = h * k (BY FRC)	t = s / 12 (BY FRC)
ELECTRONICS												
13	LAND	20C										
14	BUILDINGS	19C										
15	DIGTL ELEC SWITCH	377C										
16	DIGTL CIRC-PAIR GAIN	257C	$									
17	POLES	1C										
18	AERIAL CA - METAL	22/12C										
19	AERIAL CA - FIBER	622/612C										
20	UNDERGROUND METAL	5C										
21	CONDUIT	4C										
22	BURIED CABLE - METAL	45C										
23	UG CABLE - FIBER	65C										
24	BURIED CABLE - FIBER	646C										
25	TOTAL ELECTRONICS		$									
TRANSPORT												
26	LAND	20C										
27	BUILDINGS	19C										
28	DIGTL ELEC SWITCH	377C										
29	DIGTL CIRC-PAIR GAIN	257C										
30	POLES	1C										
31	AERIAL CA - METAL	22/12C										
32	AERIAL CA - FIBER	622/612C										
33	UNDERGROUND METAL	5C										
34	CONDUIT	4C										
35	BURIED CABLE - METAL	45C										
36	UG CABLE - FIBER	65C										
37	BURIED CABLE - FIBER	646C										
38	TOTAL TRANSPORT											

FLAT RATE SUMMARY - DESIGN 4

		SOURCE	
39	PROBABILITY OF OCCURENCE	BBS NETWORK	25.00%
40	STATE AVG AIR 1/2 MILES	WP: 4400, Line 17	9
41			
42	ELECTRONICS	LINE 25 * LINE 39	
	TRANSPORT	(LINE 38 * LINE 39) * LINE 40	
43	WEIGHTED AVERAGE FLAT RATE SUMMARY - DESIGN 4		

MONTHLY RECURRING COST DEVELOPMENT - STUDY LEVEL: 1997-1999

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DIRECT FACTORS

LINE	DESCRIPTION	FRC	DEPREC	COM	IT	PLANT SPECIFI CAP. EXP	PLANT SPECIFI EXP.	AD VAL.	ANNUAL DIRECT	SOURCE
			a	b	c	d =(a+b+c)	e	f	h=(d+e+f)	
1	LAND	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.1493	Fundamental Factors
2	BUILDINGS	19C	0.0330	0.0826	0.0369	0.1525	0.0081	0.0120	0.1726	Fundamental Factors
3	DIGTL ELEC SWITCH	377C	0.1157	0.0656	0.0254	0.1998	0.0236	0.0120	0.2322	Fundamental Factors
4	DIGTL CIRC-PAIR GAIN	257C	0.1314	0.0684	0.0249	0.2127	0.0082	0.0120	0.2329	Fundamental Factors
5	POLES	1C	0.0721	0.0699	0.0254	0.1574	0.0175	0.0120	0.1869	Fundamental Factors
6	AERIAL CA - METAL	22/12C	0.1023	0.0679	0.0254	0.1956	0.0705	0.0120	0.2781	Fundamental Factors
7	AERIAL CA - FIBER	822/812C	0.0746	0.0862	0.0281	0.1889	0.0029	0.0120	0.1838	Fundamental Factors
8	UNDERGROUND METAL	5C	0.1184	0.0681	0.0263	0.2128	0.0192	0.0120	0.2440	Fundamental Factors
9	CONDUIT	4C	0.0206	0.0727	0.0335	0.1267	0.0031	0.0120	0.1408	Fundamental Factors
10	BURIED CABLE - METAL	45C	0.0685	0.0676	0.0277	0.1640	0.0622	0.0120	0.2482	Fundamental Factors
11	UG CABLE - FIBER	85C	0.0686	0.0656	0.0284	0.1625	0.0036	0.0120	0.1781	Fundamental Factors
12	BURIED CABLE - FIBER	845C	0.0613	0.0670	0.0296	0.1578	0.0040	0.0120	0.1738	Fundamental Factors

MONTHLY RECURRING DIRECT DESIGN 4

LINE	DESCRIPTION	FRC	INVESTMENT	DEPREC	COM	IT	PLANT SPECIFI CAP. EXP	PLANT SPECIFI EXP.	AD VAL.	ANNUAL DIRECT	MONTHLY DIRECT
			k = wp 3400,3401 Lines 19-22,13-25	l = a * k (BY FRC)	m = b * k (BY FRC)	n = c * k (BY FRC)	o = d * k (BY FRC)	p = e * k (BY FRC)	q = f * k (BY FRC)	s = h * k (BY FRC)	t = s / 12 (BY FRC)
ELECTRONICS											
13	LAND	20C									
14	BUILDINGS	19C									
15	DIGTL ELEC SWITCH	377C									
16	DIGTL CIRC-PAIR GAIN	257C									
17	POLES	1C									
18	AERIAL CA - METAL	22/12C									
19	AERIAL CA - FIBER	822/812C									
20	UNDERGROUND METAL	5C									
21	CONDUIT	4C									
22	BURIED CABLE - METAL	45C									
23	UG CABLE - FIBER	85C									
24	BURIED CABLE - FIBER	845C									
25	TOTAL ELECTRONICS										
TRANSPORT											
26	LAND	20C									
27	BUILDINGS	19C									
28	DIGTL ELEC SWITCH	377C									
29	DIGTL CIRC-PAIR GAIN	257C									
30	POLES	1C									
31	AERIAL CA - METAL	22/12C									
32	AERIAL CA - FIBER	822/812C									
33	UNDERGROUND METAL	5C									
34	CONDUIT	4C									
35	BURIED CABLE - METAL	45C									
36	UG CABLE - FIBER	85C									
37	BURIED CABLE - FIBER	845C									
38	TOTAL TRANSPORT										

FLAT RATE SUMMARY - DESIGN 4

		SOURCE	
39	PROBABILITY OF OCCURENCE	BBS NETWORK	25.00%
40	STATE AVG AIR 1/2 MILES	WP: 4400, Line 17	9
41	ELECTRONICS	LINE 25 * LINE 39	
42	TRANSPORT	(LINE 39 * LINE 39) * LINE 40	
43	WEIGHTED AVERAGE FLAT RATE SUMMARY - DESIGN 4		

UNBUNDLED 4-WIRE DIGITAL GRADE LOOP
MONTHLY RECURRING COST DEVELOPMENT -
STUDY LEVEL: 1997-1999

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TELRIC FACTORS

LINE	DESCRIPTION	FRC		DEPREC	COM	IT	CAP. EXP	PLANT SPECIFIC EXP.	AD VAL.	DIRECTLY ATTRIBUTED SHARED and COMMON	ANNUAL TELRIC	
				a	b	c	d =(a+b+c)	e	f	g	h=(d+e+f+g)	SOURCE
1	LAND	20C		0.0000	0.0047	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493	Fundamental Factors
2	BUILDINGS	19C		0.0330	0.0828	0.0369	0.1526	0.0081	0.0120	0.0014	0.1720	Fundamental Factors
3	DIGTL ELEC SWITCH	377C		0.1157	0.0666	0.0254	0.1986	0.0236	0.0120	0.0434	0.2756	Fundamental Factors
4	DIGTL CIRC-PAIR GAIN	257C		0.1314	0.0564	0.0249	0.2127	0.0062	0.0120	0.0386	0.2695	Fundamental Factors
5	POLES	1C		0.0721	0.0569	0.0254	0.1574	0.0175	0.0120	0.0294	0.2163	Fundamental Factors
6	AERIAL CA - METAL	22/12C		0.1023	0.0879	0.0254	0.1966	0.0706	0.0120	0.0619	0.3400	Fundamental Factors
7	AERIAL CA - FIBER	622/612C		0.0748	0.0832	0.0281	0.1889	0.0029	0.0120	0.0299	0.2137	Fundamental Factors
8	UNDERGROUND METAL	8C		0.1184	0.0881	0.0263	0.2128	0.0182	0.0120	0.0361	0.2791	Fundamental Factors
9	CONDUIT	4C		0.0206	0.0727	0.0325	0.1257	0.0091	0.0120	0.0146	0.1554	Fundamental Factors
10	BURIED CABLE - METAL	46C		0.0885	0.0678	0.0277	0.1840	0.0522	0.0120	0.0468	0.2950	Fundamental Factors
11	UG CABLE - FIBER	86C		0.0686	0.0665	0.0264	0.1625	0.0036	0.0120	0.0220	0.2001	Fundamental Factors
12	BURIED CABLE - FIBER	946C		0.0813	0.0870	0.0296	0.1578	0.0040	0.0120	0.0235	0.1973	Fundamental Factors

MONTHLY RECURRING TELRIC
DESIGN 5

LINE	DESCRIPTION	FRC	INVESTMENT	DEPREC	COM	IT	CAP. EXP	PLANT SPECIFIC EXP.	AD VAL.	DIRECTLY ATTRIBUTED SHARED and COMMON	ANNUAL TELRIC	MONTHLY TELRIC
			k = up $600,3501 Lines 23-26,15-17	l=a*k (BY FRC)	m=b*k (BY FRC)	n=c*k (BY FRC)	o=d*k (BY FRC)	p=e*k (BY FRC)	q=f*k (BY FRC)	r=g*k (BY FRC)	s=h*k (BY FRC)	t=s/12 (BY FRC)
ELECTRONICS												
13	LAND	20C										
14	BUILDINGS	19C										
15	DIGTL ELEC SWITCH	377C										
16	DIGTL CIRC-PAIR GAIN	257C	1									
17	POLES	1C										
18	AERIAL CA - METAL	22/12C										
19	AERIAL CA - FIBER	622/612C										
20	UNDERGROUND METAL	8C										
21	CONDUIT	4C										
22	BURIED CABLE - METAL	46C										
23	UG CABLE - FIBER	86C										
24	BURIED CABLE - FIBER	946C										
25	TOTAL ELECTRONICS											
TRANSPORT												
26	LAND	20C										
27	BUILDINGS	19C										
28	DIGTL ELEC SWITCH	377C										
29	DIGTL CIRC-PAIR GAIN	257C										
30	POLES	1C										
31	AERIAL CA - METAL	22/12C										
32	AERIAL CA - FIBER	622/612C										
33	UNDERGROUND METAL	8C										
34	CONDUIT	4C										
35	BURIED CABLE - METAL	46C										
36	UG CABLE - FIBER	86C										
37	BURIED CABLE - FIBER	946C										
38	TOTAL TRANSPORT											

FLAT RATE SUMMARY - DESIGN 5

			SOURCE	
39				
40		PROBABILITY OF OCCURENCE	SS8 NETWORK	15.00%
		STATE AVG AIR 1/2 MILES	WP: 4500, Line 18	8
41				
42		ELECTRONICS	LINE 25 * LINE 39	
		TRANSPORT	(LINE 38 * LINE 39) * LINE 40	
43		WEIGHTED AVERAGE FLAT RATE SUMMARY - DESIGN 5		

MONTHLY RECURRING COST DEVELOPMENT - STUDY LEVEL: 1997-1999

STATE: FLORIDA
WORKPAPER: 105A
PAGE: 1 OF 1
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DIRECT FACTORS

LINE	DESCRIPTION	FRC	DEPREC	COM	IT	PLANT SPECIFIC CAP. EXP	PLANT SPECIFIC EXP.	PLANT SPECIFIC AD VAL.	ANNUAL DIRECT	SOURCE
			a	b	c	d =(a+b+c)	e	f	h=(d+e+f)	
1	LAND	20C	0.0000	0.0047	0.0426	0.1373	0.0000	0.0120	0.1493	Fundamental Factors
2	BUILDINGS	10C	0.0330	0.0028	0.0369	0.1525	0.0081	0.0120	0.1726	Fundamental Factors
3	DIGTL ELEC SWITCH	377C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.2322	Fundamental Factors
4	DIGTL CIRC-PAIR GAIN	257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0120	0.2329	Fundamental Factors
5	POLES	1C	0.0721	0.0589	0.0254	0.1574	0.0175	0.0120	0.1869	Fundamental Factors
6	AERIAL CA - METAL	22/12C	0.1023	0.0879	0.0254	0.1956	0.0705	0.0120	0.2781	Fundamental Factors
7	AERIAL CA - FIBER	922/912C	0.0746	0.0662	0.0281	0.1689	0.0029	0.0120	0.1838	Fundamental Factors
8	UNDERGROUND METAL	9C	0.1184	0.0681	0.0283	0.2128	0.0192	0.0120	0.2440	Fundamental Factors
9	CONDUIT	4C	0.0206	0.0727	0.0325	0.1257	0.0031	0.0120	0.1408	Fundamental Factors
10	BURIED CABLE - METAL	46C	0.0885	0.0676	0.0277	0.1840	0.0522	0.0120	0.2482	Fundamental Factors
11	UG CABLE - FIBER	66C	0.0686	0.0655	0.0284	0.1625	0.0036	0.0120	0.1781	Fundamental Factors
12	BURIED CABLE - FIBER	946C	0.0613	0.0670	0.0296	0.1578	0.0040	0.0120	0.1738	Fundamental Factors

MONTHLY RECURRING DIRECT DESIGN 6

LINE	DESCRIPTION	FRC	INVESTMENT	DEPREC	COM	IT	PLANT SPECIFIC CAP. EXP	PLANT SPECIFIC EXP.	PLANT SPECIFIC AD VAL.	ANNUAL DIRECT	MONTHLY DIRECT
			k = wp 5600,3601 Lines 23-26,15-17	l = c * k (BY FRC)	m = b * k (BY FRC)	n = c * k (BY FRC)	o = d * k (BY FRC)	p = e * k (BY FRC)	q = f * k (BY FRC)	o = h * k (BY FRC)	t = o / 12 (BY FRC)
ELECTRONICS											
13	LAND	20C									
14	BUILDINGS	10C									
15	DIGTL ELEC SWITCH	377C									
16	DIGTL CIRC-PAIR GAIN	257C									
17	POLES	1C									
18	AERIAL CA - METAL	22/12C									
19	AERIAL CA - FIBER	922/912C									
20	UNDERGROUND METAL	9C									
21	CONDUIT	4C									
22	BURIED CABLE - METAL	46C									
23	UG CABLE - FIBER	66C									
24	BURIED CABLE - FIBER	946C									
25	TOTAL ELECTRONICS										
TRANSPORT											
26	LAND	20C									
27	BUILDINGS	10C									
28	DIGTL ELEC SWITCH	377C									
29	DIGTL CIRC-PAIR GAIN	257C									
30	POLES	1C									
31	AERIAL CA - METAL	22/12C									
32	AERIAL CA - FIBER	922/912C									
33	UNDERGROUND METAL	9C									
34	CONDUIT	4C									
35	BURIED CABLE - METAL	46C									
36	UG CABLE - FIBER	66C									
37	BURIED CABLE - FIBER	946C									
38	TOTAL TRANSPORT										

FLAT RATE SUMMARY - DESIGN 6

		SOURCE	
39	PROBABILITY OF OCCURENCE	BBS NETWORK	15.00%
40	STATE AVG AIR 1/2 MILES	WP: 4600, Line 16	8
41	ELECTRONICS	LINE 25 * LINE 39	
42	TRANSPORT	(LINE 38 * LINE 39) * LINE 40	
43	WEIGHTED AVERAGE FLAT RATE SUMMARY - DESIGN 6		

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
1997-1999 LEVEL

STATE: FLORIDA
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DESIGN #1
ELECTRONIC INVESTMENTS

LINE NO.		ACCT CODE	LEVELIZED UTILIZED INVESTMENT	SOURCES
	CENTRAL OFFICE - ELECTRONICS			
1	DSX1 PANEL	257C		WP:30100, Page 1 of 1, Line 1
2	MCE&P	257C		WP:30100, Page 1 of 1, Line 2
3	LAND	20C		WP:30100, Page 1 of 1, Line 3
4	BUILDING	10C		WP:30100, Page 1 of 1, Line 4
5	OFFICE REPEATER BAY	257C		WP:30100, Page 1 of 1, Line 7
6	MCE&P	257C		WP:30100, Page 1 of 1, Line 8
7	LAND	20C		WP:30100, Page 1 of 1, Line 9
8	BUILDING	10C		WP:30100, Page 1 of 1, Line 10
9	MAIN DISTRIBUTION FRAME	377C		WP:30100, Page 1 of 1, Line 18
10	MCE&P	377C		WP:30100, Page 1 of 1, Line 19
11	LAND	20C		WP:30100, Page 1 of 1, Line 20
12	BUILDING	10C		WP:30100, Page 1 of 1, Line 21
	CUSTOMER PREMISES - ELECTRONICS			
13	BLDG ENTRANCE CABLE - COPPER	12C		WP:30100, Page 1 of 1, Line 25
15	NETWORK INTERFACE	257C		SONET FUNDAMENTALS
	TOTAL ELECTRONIC INVESTMENT BY FRC			
15		257C		SUM WP:3100, Page 1 of 2, Lines 1,2,5,8,15
16		377C		SUM WP:3100, Page 1 of 2, Lines 9,10
17		20C		SUM WP:3100, Page 1 of 2, Lines 3,7,11
18		10C		SUM WP:3100, Page 1 of 2, Lines 4,6,12
19		12C		SUM WP:3100, Page 1 of 2, Line 13
20	TOTAL DESIGN 1 ELECTRONIC INVESTMENT		[ ]	SUM WP:3100, Page 1 of 2, Line 15 thru 19

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
1997-1999 LEVEL

STATE: FLORIDA
WORKPAPER: 3100
PAGE 2 OF 2
DATE: SEPTEMBER, 1996

DESIGN #1
TRANSPORT INVESTMENTS

CENTRAL OFFICE TO CUSTOMER PREMISES

		ACCT CODE	(A) TOTAL INVESTMENT PER 1/0 MILE (ROUTE MILES)	(B) ROUTE TO AIR RATIO	(C)=(A)*(B) TOTAL INVESTMENT PER 1/0 MILE (AIR MILES)	SOURCES COLUMN A	SOURCES COLUMN B
	26 GAUGE						
22	AERIAL COPPER	22C	$	1.43	$	WP:30200, Page 1 of 1, Line 34	WP:4010, Page 1 of 1, Line 22
23	POLE	1C	$	1.43	$	WP:30200, Page 1 of 1, Line 37	"
24	UNDERGROUND COPPER	5C	$	1.43	$	WP:30200, Page 1 of 1, Line 36	"
25	CONDUIT	4C	$	1.43	$	WP:30200, Page 1 of 1, Line 38	"
26	BURIED COPPER	45C	$	1.43	$	WP:30200, Page 1 of 1, Line 35	"
27	REPEATER	257C	$	1.43	$	WP:30200, Page 1 of 1, Line 32	"
	. .						
	TOTAL TRANSPORT BY FRC					**INVESTMENTS**	
28		22C				WP:3100, Page 2 of 2, Line 22	
29		1C				WP:3100, Page 2 of 2, Line 23	
30		5C				WP:3100, Page 2 of 2, Line 24	
31		4C				WP:3100, Page 2 of 2, Line 25	
32		45C				WP:3100, Page 2 of 2, Line 26	
33		257C				WP:3100, Page 2 of 2, Line 27	
	TOTAL DESIGN #1 TRANSPORT INVESTMENTS 1/2 MILE (AIR MILE)					] SUM WP:3100, Page 2 of 2, Line 28 thru 33	

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
1997-1999 LEVEL

DESIGN #2
ELECTRONIC INVESTMENTS

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LINE NO.		ACCT CODE	LEVELIZED UTILIZED INVESTMENT	SOURCE
	CENTRAL OFFICE - ELECTRONICS			
1	DS1 ON OC3 - WORKING	257C		SONET FUNDAMENTALS
2	MCE&P	257C		SONET FUNDAMENTALS
3	LAND	20C		SONET FUNDAMENTALS
4	BUILDING	10C		SONET FUNDAMENTALS
5	DS1 ON OC3 - MUX & PROTECT	257C		SONET FUNDAMENTALS
6	MCE&P	257C		SONET FUNDAMENTALS
7	LAND	20C		SONET FUNDAMENTALS
8	BUILDING	10C		SONET FUNDAMENTALS
9	CO NODE - OC3	257C		SONET FUNDAMENTALS
10	MCE&P	257C		SONET FUNDAMENTALS
11	LAND	20C		SONET FUNDAMENTALS
12	BUILDING	10C		SONET FUNDAMENTALS
13	DATA COMM LINK - OC3	257C		SONET FUNDAMENTALS
14	MCE&P	257C		SONET FUNDAMENTALS
15	LAND	20C		SONET FUNDAMENTALS
16	BUILDING	10C		SONET FUNDAMENTALS
	CUSTOMER PREMISES ELECTRONICS -			
17	CP NODE - OC3 (5 Nodes)	257C		SONET FUNDAMENTALS multiplied by 5
18	DS1 ON OC3 - WORKING	257C		SONET FUNDAMENTALS
19	DS1 ON OC3 - MUX & PROTECT	257C		SONET FUNDAMENTALS
20	BLDG ENTRANCE CABLE - OC3	812C		SONET FUNDAMENTALS
21	NETWORK INTERFACE	257C		SONET FUNDAMENTALS
22	BATTERY BACK-UP	257C		SONET FUNDAMENTALS
	TOTAL ELECTRONIC INVESTMENT BY FRC			
23		257C		SUM WP:3200, Page 1 of 2, Lines 1,2,5,6,9,10,13,14,17,18,19,21,22
24		20C		SUM WP:3200, Page 1 of 2, Lines 3,7,11,15
25		10C		SUM WP:3200, Page 1 of 2, Lines 4,8,12,16
26		812C		SUM WP:3200, Page 1 of 2, Line 20
27	TOTAL DESIGN 2 ELECTRONIC INVESTMENT			SUM WP:3200, Page 1 of 2, Line 23 thru 26

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
1997-1999 LEVEL

STATE: FLORIDA
WORKPAPER: [illegible]
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DESIGN #2
TRANSPORT INVESTMENTS

CENTRAL OFFICE TO CUSTOMER PREMISES OC-3

		ACCT CODE	(A) INVESTMENT PER MILE PER STRAND (ROUTE MILES)	(B)=(A)/2 INVESTMENT PER 1/2 MILE PER STRAND (ROUTE MILES)	SOURCE COLUMN (A)	SOURCE COLUMN (B)
28	AERIAL FIBER	822C			SONET FUNDAMENTALS	Calculation
29	POLE	1C			SONET FUNDAMENTALS	
30	UNDERGROUND FIBER	85C			SONET FUNDAMENTALS	
31	CONDUIT	4C			SONET FUNDAMENTALS	
32	BURIED FIBER	845C			SONET FUNDAMENTALS	

		ACCT CODE	(C) INVESTMENT PER 1/2 MILE PER STRAND (ROUTE MILES)	(D) TOTAL NUMBER OF STRANDS PER ARRANGEMENT	(E)=(C)*(D) INVESTMENT PER 1/2 MILE PER ARRANGEMENT (ROUTE MILES)	(F) ROUTE TO AIR RATIO	(G)=(E)*(F) TOTAL INVESTMENT PER 1/2 MILE PER ARRANGEMENT (AIR MILES)	SOURCE	
	TOTAL TRANSPORT - OC 3								
33	STANDARD ARRANGEMENT BY FRC	822C		3		1.43		COLUMN (C)	Calculation
34		1C		3		1.43		COLUMN (D)	Network
35		85C		3		1.43		COLUMN (E)	Calculation
36		4C		3		1.43		COLUMN (F)	WP:4010, Pg 1 of 1, Ln 22
37		845C		3		1.43		COLUMN (G)	Calculation

		ACCT CODE	INVESTMENT*	SOURCE
	TOTAL TRANSPORT BY FRC (6 STRANDS)			
39		822C		SUM WP:3200, Page 2 of 2, Line 33
40		1C		SUM WP:3200, Page 2 of 2, Line 34
41		85C		SUM WP:3200, Page 2 of 2, Line 35
42		4C		SUM WP:3200, Page 2 of 2, Line 36
43		845C		SUM WP:3200, Page 2 of 2, Lines 37
44	**TOTAL DESIGN #2 TRANSPORT INVESTMENTS 1/2 MILE (AIR MILE)**			SUM WP:3200, Page 2 of 2, Lines 39 thru 43

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
1997-1999 LEVEL

DESIGN #3
ELECTRONIC INVESTMENTS

STATE: FLORIDA
WORKPAPER: 3300
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LINE NO.		ACCT CODE	LEVELIZED UTILIZED INVESTMENT	SOURCES
	CENTRAL OFFICE - ELECTRONICS (FLM 1998)			
1	DS1 ON OC3 - WORKING	257C		SONET FUNDAMENTALS
2	MCE&P	257C		SONET FUNDAMENTALS
3	LAND	20C		SONET FUNDAMENTALS
4	BUILDING	10C		SONET FUNDAMENTALS
5	DS1 ON OC3 - MUX & PROTECT	257C		SONET FUNDAMENTALS
6	MCE&P	257C		SONET FUNDAMENTALS
7	LAND	20C		SONET FUNDAMENTALS
8	BUILDING	10C		SONET FUNDAMENTALS
9	CO NODE - OC3	257C		SONET FUNDAMENTALS
10	MCE&P	257C		SONET FUNDAMENTALS
11	LAND	20C		SONET FUNDAMENTALS
12	BUILDING	10C		SONET FUNDAMENTALS
13	DATA COMM LINK - OC3	257C		SONET FUNDAMENTALS
14	MCE&P	257C		SONET FUNDAMENTALS
15	LAND	20C		SONET FUNDAMENTALS
16	BUILDING	10C		SONET FUNDAMENTALS
	CUSTOMER PREMISES ELECTRONICS - (FLM1998)			
17	CP NODE - OC3 (5 Nodes)	257C		SONET FUNDAMENTALS multiplied by 5
18	DS1 ON OC3 - WORKING	257C		SONET FUNDAMENTALS
19	DS1 ON OC3 - MUX & PROTECT	257C		SONET FUNDAMENTALS
20	BLDG ENTRANCE CABLE - OC12	612C		SONET FUNDAMENTALS
21	NETWORK INTERFACE	257C		SONET FUNDAMENTALS
22	BATTERY BACK-UP	257C		SONET FUNDAMENTALS
	TOTAL ELECTRONIC INVESTMENT BY FRC			
23	—	257C		SUM WP:3300, Page 1 of 2, Lines 1,2,5,6,9,10,13,14,17,18,19,21,22
24		20C		SUM WP:3300, Page 1 of 2, Lines 3,7,11,15
25		10C		SUM WP:3300, Page 1 of 2, Lines 4,8,12,16
26		612C		SUM WP:3300, Page 1 of 2, Line 20
27	TOTAL DESIGN 3 ELECTRONIC INVESTMENT			SUM WP:3300, Page 1 of 2, Lines 23 thru 26

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
1997-1999 LEVEL

DESIGN #3
TRANSPORT INVESTMENTS

STATE: FLORIDA
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CENTRAL OFFICE TO CUSTOMER PREMISES OC-3 (FLM 150+)

		ACCT CODE	(A) INVESTMENT PER MILE PER STRAND (ROUTE MILES)	(B)= (A) / 3 INVESTMENT PER 1/2 MILE PER STRAND (ROUTE MILES)	SOURCE: COLUMN (A)	SOURCE: COLUMN (B)
29	AERIAL FIBER	822C			SONET FUNDAMENTALS	Calculation
30	POLE	1C			SONET FUNDAMENTALS	"
31	UNDERGROUND FIBER	85C			SONET FUNDAMENTALS	"
32	CONDUIT	4C			SONET FUNDAMENTALS	"
33	BURIED FIBER	845C			SONET FUNDAMENTALS	"

		ACCT CODE	(C) INVESTMENT PER 1/2 MILE PER STRAND (ROUTE MILES)	(D) TOTAL NUMBER OF STRANDS PER ARRANGEMENT	(E)= (C) * (D) INVESTMENT PER 1/2 MILE PER ARRANGEMENT (ROUTE MILES)	(F) ROUTE TO AIR RATIO	(G) = (E) * (F) TOTAL INVESTMENT PER 1/2 MILE PER ARRANGEMENT (AIR MILES)	SOURCE
	TOTAL TRANSPORT - OC 3 FLM150+							
53	STANDARD ARRANGEMENT BY FRC	822C		3		1.43		COLUMN (C) Calculation
54		1C		3		1.43		COLUMN (D) Network
55		85C		3		1.43		COLUMN (E) Calculation
56		4C		3		1.43		COLUMN (F) WP 4010, Pg 1 of 1, Ln 22
57		845C		3		1.43		COLUMN (G) Calculation

58	TOTAL TRANSPORT BY FRC (6 STRANDS)	822C	SUM WP:3300, Page 2 of 2, Line 33
59		1C	SUM WP:3300, Page 2 of 2, Line 34
60		85C	SUM WP:3300, Page 2 of 2, Line 35
61		4C	SUM WP:3300, Page 2 of 2, Line 36
62		845C	SUM WP:3300, Page 2 of 2, Line 37
63	TOTAL DESIGN #3 TRANSPORT INVESTMENTS 1/2 MILE (AIR MILE)		SUM WP:3300, Page 2 of 2, Lines 38 thru 42

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
1997-1999 LEVEL

DESIGN #6
ELECTRONIC INVESTMENTS

STATE: FLORIDA
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LINE NO		ACCT CODE	(A) LEVELIZED YIELDED INVESTMENT	SOURCE		ACCT CODE	(B) LEVELIZED YIELDED INVESTMENT	SOURCE
	CENTRAL OFFICE - ELECTRONICS				**FIBER HUB - ELECTRONICS**			
1	DS1 ON OC3 - WORKING	257C	$	SONET FUNDAMENTALS	HUB NODE - OC3 (6 Nodes)	257C	$ 0	SONET FUNDAMENTALS x 6
2	MCEAP	257C		SONET FUNDAMENTALS	MCEAP	257C		SONET FUNDAMENTALS x 6
3	LAND	20C		SONET FUNDAMENTALS	LAND	20C		SONET FUNDAMENTALS x 6
4	BUILDING	10C		SONET FUNDAMENTALS	BUILDING	10C		SONET FUNDAMENTALS x 6
5	DS1 ON OC3 - MUX & PROTECT	257C		SONET FUNDAMENTALS	DSX1 PANEL (2)	257C		WP:30100, PAGE 1 OF 1, LN 1 x 2
6	MCEAP	257C		SONET FUNDAMENTALS	MCEAP	257C		WP:30100, PAGE 1 OF 1, LN 2 x 2
7	LAND	20C		SONET FUNDAMENTALS	LAND	20C		WP:30100, PAGE 1 OF 1, LN 3 x 2
8	BUILDING	10C		SONET FUNDAMENTALS	BUILDING	10C		WP:30100, PAGE 1 OF 1, LN 4 x 2
9	CO NODE - OC3	257C	$	SONET FUNDAMENTALS	OFFICE REPEATER BAY	257C		WP:30100, Pg 1 of 1, Ln 7 Col I
10	MCEAP	257C		SONET FUNDAMENTALS	MCEAP	257C		WP:30100, Pg 1 of 1, Ln 8 Col I
11	LAND	20C		SONET FUNDAMENTALS	LAND	20C		WP:30100, Pg 1 of 1, Ln 9 Col I
12	BUILDING	10C		SONET FUNDAMENTALS	BUILDING	10C		WP:30100, Pg 1 of 1, Ln 10 Col I
13	DATA COMM LINK - OC3	257C		SONET FUNDAMENTALS	HUB INTERFACE - DS1 ON OC-3 WORKING	257C		SONET FUNDAMENTALS
14	MCEAP	257C		SONET FUNDAMENTALS	MCEAP	257C		SONET FUNDAMENTALS
15	LAND	20C		SONET FUNDAMENTALS	LAND	20C		SONET FUNDAMENTALS
16	BUILDING	10C		SONET FUNDAMENTALS	BUILDING	10C		SONET FUNDAMENTALS
	CUSTOMER PREMISES ELECTRONICS							
17	BLDG ENTRANCE CABLE - COPPER	12C		WP:30100, Pg 1 of 1, Ln 25	HUB INTERFACE - DS1 ON OC-3 WORKING	257C		SONET FUNDAMENTALS
17a					MCEAP	257C		SONET FUNDAMENTALS
18	NETWORK INTERFACE	257C		SONET FUNDAMENTALS	LAND	20C		SONET FUNDAMENTALS
18a					BUILDING	10C		SONET FUNDAMENTALS

TOTAL ELECTRONIC INVESTMENT BY FRC

19	257C	$	SUM WP:3400, Page 1 of 3, Col (A) & (B) Lines 1,2,5,6,9,10,13,14,Col (A),16, Col (B) Lines 17,17a
20	20C		SUM WP:3400, Page 1 of 3, Col (A) & (B) Lines 3,7,11,15, Col (B) Line 18
21	10C		SUM WP:3400, Page 1 of 3, Col (A) & (B) Lines 4,8,12,16, Col (B) Line 18a
22	12C		SUM WP:3400, Page 1 of 3, Col (A) Line 17
23	TOTAL DESIGN 6 ELECTRONIC INVESTMENT		SUM WP:3400, Page 1 of 3, Lines 19 thru 22

DESIGN #4
TRANSPORT INVESTMENTS

CENTRAL OFFICE TO FIBER HUB OC-3

		ACCT CODE	(A) INVESTMENT PER MILE PER STRAND (DOVES MILES)	(B)=(A) / 3 INVESTMENT PER 1/2 MILE PER STRAND (DOVES MILES)	SOURCES COLUMN (A)	SOURCES COLUMN (B)
24	AERIAL FIBER	822C			SONET FUNDAMENTALS	Calculation
25	POLE	1C			SONET FUNDAMENTALS	"
26	UNDERGROUND FIBER	85C			SONET FUNDAMENTALS	"
27	CONDUIT	4C			SONET FUNDAMENTALS	"
28	BURIED FIBER	845C			SONET FUNDAMENTALS	"

		ACCT CODE	(C) INVESTMENT PER 1/2 MILE PER STRAND (DOVES MILES)	(D) TOTAL NUMBER OF STRANDS PER ARRANGEMENT	(E)=(C) * (D) INVESTMENT PER 1/2 MILE PER ARRANGEMENT (DOVES MILES)	(F) DOVES TO AIR RATIO	(G)=(E) * (F) TOTAL INVESTMENT PER 1/2 MILE PER ARRANGEMENT (AIR MILES)	SOURCES
	CO TO HUB							
29	STANDARD ARRANGEMENT BY FRC	822C		3		1.43		COLUMN (C) Calculation
30		1C		3		1.43		COLUMN (D) Network
31		85C		3		1.43		COLUMN (E) Calculation
32		4C		3		1.43		COLUMN (F) WP:4010, Pg 1 of 1, Ln 22
33		845C		3		1.43		COLUMN (G) Calculation

34	CO TO HUB TRANSPORT BY FRC (6 STRANDS	822C	SUM WP:9400, Page 2 of 9, Line 29
35		1C	SUM WP:9400, Page 2 of 9, Line 30
36		85C	SUM WP:9400, Page 2 of 9, Line 31
37		4C	SUM WP:9400, Page 2 of 9, Line 32
39		845C	SUM WP:9400, Page 2 of 9, Line 33

CO TO HUB DESIGN #2 TRANSPORT INVESTMENTS
1/2 MILE (AIR MILE)

SUM WP:9400, Page 2 of 9, Lines 34 thru 38

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
1997-1999 LEVEL

DESIGN #6
TRANSPORT INVESTMENTS

STATE: FLORIDA
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FIBER HUB TO CUSTOMER PREMISES COPPER

		ACCT CODE	(A) INVESTMENT PER 1/2 MILE (COPPER MILES)	(B) COPPER TO AIR RATIO	(C)=(A)*(B) INVESTMENT PER 1/2 MILE (AIR MILES)	SOURCES COLUMN A	SOURCES COLUMN B
	26 GAUGE						
39	AERIAL COPPER	22C		1.43	0	WP:30200, Page 1 of 1, Line 34 Col V	WP:4010, Page 1 of 1, Line 22
40	POLE	1C		1.43		WP:30200, Page 1 of 1, Line 37 Col V	"
41	UNDERGROUND COPPER	5C		1.43		WP:30200, Page 1 of 1, Line 36 Col V	"
42	CONDUIT	4C		1.43		WP:30200, Page 1 of 1, Line 38 Col V	"
43	BURIED COPPER	45C	1	1.43		WP:30200, Page 1 of 1, Line 35 Col V	"
44	REPEATER	257C	1	1.43		WP:30200, Page 1 of 1, Line 32 Col V	"

HUB TO CP COPPER TRANSPORT BY FRC

INVESTMENTS

45	22C	SUM WP:3400, Page 3 of 3, Line 39
46	1C	SUM WP:3400, Page 3 of 3, Line 40
47	5C	SUM WP:3400, Page 3 of 3, Line 41
48	4C	SUM WP:3400, Page 3 of 3, Line 42
49	45C	SUM WP:3400, Page 3 of 3, Line 43
50	257C	SUM WP:3400, Page 3 of 3, Line 44
51	**HUB TO CP DESIGN #4 COPPER TRANSPORT INVESTMENTS 1/2 MILE (AIR MILE)**	SUM WP:3400, Page 3 of 3, Line 45 thru 50

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DESIGN #4
WEIGHTED TRANSPORT INVESTMENTS

		FRC	(A)	SOURCE FOR (A)	(B)	SOURCE FOR (B)	WEIGHTED INVESTMENT (C) = (A) * (B)
1	CO TO HUB TRANSPORT BY FRC (6 STRANDS)	822C		SUM WP:3400, Page 2 of 3, Line 29	91.17%	SUM WP:4400, Line 3	
2		1C		SUM WP:3400, Page 2 of 3, Line 30	91.17%	SUM WP:4400, Line 3	
3		85C		SUM WP:3400, Page 2 of 3, Line 31	91.17%	SUM WP:4400, Line 3	
4		4C		SUM WP:3400, Page 2 of 3, Line 32	91.17%	SUM WP:4400, Line 3	
5		845C		SUM WP:3400, Page 2 of 3, Line 33	91.17%	SUM WP:4400, Line 3	
	CO TO HUB DESIGN #2 TRANSPORT INVESTMENTS 1/2 MILE (AIR MILE)			SUM WP:3400, Page 2 of 3, Lines 34 thru 38			
6	HUB TO CP COPPER TRANSPORT BY FRC	22C		SUM WP:3400, Page 3 of 3, Line 39	39.69%	SUM WP:4400, Line 6	
7		1C		SUM WP:3400, Page 3 of 3, Line 40	39.69%	SUM WP:4400, Line 6	
8		5C		SUM WP:3400, Page 3 of 3, Line 41	39.69%	SUM WP:4400, Line 6	
9		4C		SUM WP:3400, Page 3 of 3, Line 42	39.69%	SUM WP:4400, Line 6	
10		45C		SUM WP:3400, Page 3 of 3, Line 43	39.69%	SUM WP:4400, Line 6	
11		257C		SUM WP:3400, Page 3 of 3, Line 44	39.69%	SUM WP:4400, Line 6	
12	HUB TO CP DESIGN #4 COPPER TRANSPORT INVESTMENTS 1/2 MILE (AIR MILE)			SUM WP:3400, Page 3 of 3, Line 45 thru 50			

TOTAL WEIGHTED TRANSPORT INVESTMENTS
DESIGN 4

	FRC	SOURCE
13	822C	LINE 1
14	1C	LINES 2,7
15	85C	LINE 3
16	4C	LINES 4,8
17	845C	LINE 5
18	22C	LINE 6
20	5C	LINE 8
22	45C	LINE 10
23	257C	LINE 11
24		LINES 13-34
25		

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
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DESIGN #6
ELECTRONIC INVESTMENTS

LINE NO		(A) ACCT CODE	(A) LEVELIZED YIELDED INVESTMENT	(A) SOURCES		(B) ACCT CODE	(B) LEVELIZED YIELDED INVESTMENT	(B) SOURCES
	CENTRAL OFFICE - ELECTRONICS -				FIBER HUB - ELECTRONICS -			
1	DS1 ON OC12 - WORKING	257C		SONET FUNDAMENTALS	HUB NODE - OC12	257C		SONET FUNDAMENTALS
2	MCEAP	257C		SONET FUNDAMENTALS	MCEAP	257C		SONET FUNDAMENTALS
3	LAND	20C		SONET FUNDAMENTALS	LAND	20C		SONET FUNDAMENTALS
4	BUILDING	10C		SONET FUNDAMENTALS	BUILDING	10C		SONET FUNDAMENTALS
5	DS1 ON OC12 - MUX & PROTECT	257C		SONET FUNDAMENTALS	HUB INTERFACE STS-1 OC12	257C		SONET FUNDAMENTALS
6	MCEAP	257C		SONET FUNDAMENTALS	MCEAP	257C		SONET FUNDAMENTALS
7	LAND	20C		SONET FUNDAMENTALS	LAND	20C		SONET FUNDAMENTALS
8	BUILDING	10C		SONET FUNDAMENTALS	BUILDING	10C		SONET FUNDAMENTALS
9	CO NODE - OC12	257C		SONET FUNDAMENTALS	HUB INTERFACE STS-1 OC3	257C		SONET FUNDAMENTALS
10	MCEAP	257C		SONET FUNDAMENTALS	MCEAP	257C		SONET FUNDAMENTALS
11	LAND	20C		SONET FUNDAMENTALS	LAND	20C		SONET FUNDAMENTALS
12	BUILDING	10C		SONET FUNDAMENTALS	BUILDING	10C		SONET FUNDAMENTALS
13	DATA COMM LINK - OC12	257C		SONET FUNDAMENTALS	HUB NODE - OC3	257C		SONET FUNDAMENTALS
14	MCEAP	257C		SONET FUNDAMENTALS	MCEAP	257C		SONET FUNDAMENTALS
15	LAND	20C		SONET FUNDAMENTALS	LAND	20C		SONET FUNDAMENTALS
16	BUILDING	10C		SONET FUNDAMENTALS	BUILDING	10C		SONET FUNDAMENTALS
	CUSTOMER PREMISES ELECTRONICS -							
17	CP NODE - OC3 (5 Nodes)	257C		SONET FUNDAMENTALS x 5				
18	DS1 ON OC3 - WORKING	257C		SONET FUNDAMENTALS				
19	DS1 ON OC3 - MUX & PROTECT	257C		SONET FUNDAMENTALS				
20	BLDG ENTRANCE CABLE - OC3	812C		SONET FUNDAMENTALS				
21	NETWORK INTERFACE	257C		SONET FUNDAMENTALS				
22	BATTERY BACK-UP	257C		SONET FUNDAMENTALS				
	TOTAL ELECTRONIC INVESTMENT BY FRC							
23		257C		SUM WP:3500, Page 1 of 3, Col (A) & (B) Lines 1,2,5,6,9,10,13,14,17,18,19,21,22				
24	—	20C		SUM WP:3500, Page 1 of 3, Col (A) & (B) Lines 3,7,11,15				
25		10C		SUM WP:3500, Page 1 of 3, Col (A) & (B) Lines 4,8,12,16				
26		812C		SUM WP:3500, Page 1 of 3, Line 20				
27	TOTAL ELECTRONIC DESIGN 6 INVESTMENT			SUM WP:3500, Page 1 of 3, Lines 23 thru 26				

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DESIGN #6
TRANSPORT INVESTMENTS

CENTRAL OFFICE TO FIBER HUB OC-12

		ACCT CODE	(A) INVESTMENT PER MILE PER STRAND (DOVES MILES)	(B)= (A) / 3 INVESTMENT PER 1/3 MILE PER STRAND (DOVES MILES)	SOURCES COLUMN (A)	SOURCES COLUMN (B)
29	AERIAL FIBER	822C			SONET FUNDAMENTALS	Calculation
30	POLE	1C			SONET FUNDAMENTALS	"
31	UNDERGROUND FIBER	85C			SONET FUNDAMENTALS	"
31	CONDUIT	4C			SONET FUNDAMENTALS	"
32	BURIED FIBER	845C			SONET FUNDAMENTALS	

		ACCT CODE	(C) INVESTMENT PER 1/3 MILE PER STRAND (DOVES MILES)	(D) TOTAL NUMBER OF STRANDS PER ARRANGEMENT	(E)= (C) * (D) INVESTMENT PER 1/3 MILE PER ARRANGEMENT (DOVES MILES)	(F) DOVES TO AIR RATIO	(G) = (E) * (F) TOTAL INVESTMENT PER 1/3 MILE PER ARRANGEMENT (AIR MILES)	SOURCES
	CO TO HUB							
33	STANDARD ARRANGEMENT BY FRC	822C		3		1.43		COLUMN (C) Calculation
34		1C		3		1.43		COLUMN (D) Network
35		85C		3		1.43		COLUMN (E) Calculation
36		4C		3		1.43		COLUMN (F) WP 4010, Pg 1 of 1, Ln 22
37		845C		3		1.43		COLUMN (G) Calculation
38	CO TO HUB TRANSPORT BY FRC (6 STRANDS)	822C						SUM WP:3500, Page 2 of 3, Line 33
39		1C						SUM WP:3500, Page 2 of 3, Line 34
40		85C						SUM WP:3500, Page 2 of 3, Line 35
41		4C						SUM WP:3500, Page 2 of 3, Line 36
42		845C						SUM WP:3500, Page 2 of 3, Line 37
43	CO TO HUB DESIGN #6 TRANSPORT INVESTMENTS 1/3 MILE (AIR MILE)							SUM WP:3500, Page 2 of 3, Lines 38 thru 42

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
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[redacted]
TRANSPORT INVESTMENTS

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FIBER HUB TO CUSTOMER PREMISES OC-3

		ACCT CODE	(A) INVESTMENT PER MILE PER STRAND (COPPER MILES)	(B)= (A) / 3 INVESTMENT PER 1/3 MILE PER STRAND (COPPER MILES)	SOURCES COLUMN (A)	SOURCES COLUMN (B)
44	AERIAL FIBER	822C			SONET FUNDAMENTALS	Calculation
45	POLE	1C			SONET FUNDAMENTALS	"
46	UNDERGROUND FIBER	85C			SONET FUNDAMENTALS	"
47	CONDUIT	4C			SONET FUNDAMENTALS	"
48	BURIED FIBER	845C			SONET FUNDAMENTALS	"

		ACCT CODE	(C) INVESTMENT PER 1/3 MILE PER STRAND (COPPER MILES)	TOTAL NUMBER OF STRANDS PER ARRANGEMENT	(D)= (C) * (C) INVESTMENT PER 1/3 MILE PER ARRANGEMENT (COPPER MILES)	(F) POWER TO AIR RATIO	(G) = (D) * (F) TOTAL INVESTMENT PER 1/3 MILE PER ARRANGEMENT (AIR MILES)	SOURCES
	HUB TO CP							
49	STANDARD ARRANGEMENT BY FRC	822C		3		1.43	[redacted]	COLUMN (C) Calculation
50		1C		3		1.43		COLUMN (D) Network
51		85C		3		1.43		COLUMN (E) Calculation
52		4C		3		1.43		COLUMN (F) WP:4010, Pg 1 of 1, Ln 22
53		845C		3		1.43		COLUMN (G) Calculation
54	HUB TO CP TRANSPORT BY FRC (4 STRANDS)	822C						SUM WP:3500, Page 3 of 3, Line 49
55		1C						SUM WP:3500, Page 3 of 3, Line 50
56		85C						SUM WP:3500, Page 3 of 3, Line 51
57		4C						SUM WP:3500, Page 3 of 3, Line 52
58		845C						SUM WP:3500, Page 3 of 3, Line 53
59	HUB TO CP DESIGN #6 TRANSPORT INVESTMENTS 1/3 MILE (AIR MILE)						[redacted]	SUM WP:3500, Page 3 of 3, Lines 54 thru 58

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DESIGN #5
WEIGHTED TRANSPORT INVESTMENTS

			(A)	SOURCE COL (A)	(B)	SOURCE COL (B)	WEIGHTED INVESTMENT (C) = (A) * (B)
1	CENTRAL OFFICE TO FIBER HUB 6C-12	822C		SUM WP:3500, Page 2 of 3, Line 38	61.17%	SUM WP:4500, Line 3	
2		1C		SUM WP:3500, Page 2 of 3, Line 39	61.17%	SUM WP:4500, Line 3	
3		85C		SUM WP:3500, Page 2 of 3, Line 40	61.17%	SUM WP:4500, Line 3	
4		4C		SUM WP:3500, Page 2 of 3, Line 41	61.17%	SUM WP:4500, Line 3	
5		845C		SUM WP:3500, Page 2 of 3, Line 42	61.17%	SUM WP:4500, Line 3	
	CO TO HUB DESIGN #2 TRANSPORT INVESTMENTS 1/2 MILE (AIR MILE)			SUM WP:3500, Page 2 of 3, Line 29			
6	FIBER HUB TO CP 6C-3	822C		SUM WP:3500, Page 3 of 3, Line 54	38.83%	SUM WP:4500, Line 8	$
7		1C		SUM WP:3500, Page 3 of 3, Line 55	38.83%	SUM WP:4500, Line 8	$
8		85C		SUM WP:3500, Page 3 of 3, Line 56	38.83%	SUM WP:4500, Line 8	$
9		4C		SUM WP:3500, Page 3 of 3, Line 57	38.83%	SUM WP:4500, Line 8	$
10		845C		SUM WP:3500, Page 3 of 3, Line 58	38.83%	SUM WP:4500, Line 8	$
11							
12	HUB TO CP DESIGN #4 COPPER TRANSPORT INVESTMENTS 1/2 MILE (AIR MILE)			SUM WP:3500, Page 3 of 3, Line 54 thru 58			

TOTAL WEIGHTED TRANSPORT INVESTMENTS
DESIGN 5

	FRC	SOURCE
13	822C	LINES 1,6
14	1C	LINES 2,7
15	85C	LINES 3,8
16	4C	LINES 4,9
17	845C	LINES 5,10

25 $ LINES 13-17

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
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(A) (B)=(A)LINE 2

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LINE NO.	DESCRIPTION	SOURCES	LENGTHS	% to total
1	HUB TO CP(OC -3) LOOP LENGTH (feet)	NETWORK	4,500	38.83%
2	STATE AVG LOOP LENGTH (feet)	ECONOMIC ANALYSIS	11,590	
3	CO TO HUB (OC-12) (feet)	LINE 2 - LINE 1	7,090	61.17%
4				100.00%
5				
6				
7				
8			(A)	
9				
10				
11	PROBABILITY OF OCCURRENCE			
12	DESIGN #1	BBS NETWORK	10.00%	
13	DESIGN #2	"	35.00%	
14	DESIGN #3	"	15.00%	
15	DESIGN #4	"	25.00%	
16	DESIGN #5	"	15.00%	
17		CALCULATION	100.00%	
18				
19				
20				
21				
22	ROUTE-TO-AIR RATIO	ECONOMIC ANALYSIS	1.43	
23				
24				
25				
26				
27				
28				
29				

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
1997-1999 LEVEL

DESIGN #1
LOOP LENGTH SUMMARY

LINE NO.		(A) (ROUTE MILES) FEET	(B)=(A)/2640 (ROUTE MILES) HALF MILES	(C) ROUTE-TO AIR RATIO	(D)=(B)(C) (AIR MILES) HALF MILES
1	STATE AVG LOOP LENGTH	11,590			
2					
3					
4	DESIGN 1				
5	CO TO CP LOOP LENGTH		5	1.43	4
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22	SOURCES				
23	COLUMN (A)	WP:4010, Page 1 of 1, Line 2			
24	COLUMN (B)	Calculation			
25	COLUMN (C)	WP:4010, Page 1 of 1, Line 22			
26	COLUMN (D)	Calculation			
27					
28					

DESIGN 1

DESIGN 1 STATE AVG. AIR 1/2 MILES 4

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
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DESIGN #2
LOOP LENGTH SUMMARY

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LINE NO		(A) (FEET)	(B)=(A)/5640 (AIR MILES)	(C) (ROUTE-TO-AIR RATIO)	(D)=(B)/(C) (AIR MILES)
1	STATE AVG LOOP LENGTH	11,590			
2					
3	DESIGN 2				
4	CO TO CP LOOP LENGTH				
5	(CIRCUMFERENCE OF STATE AVG)	36,393	14	1.43	10

DESIGN 2	
DESIGN 2 STATE AVG. AIR I/O MILES	10

SOURCES

COLUMN (A)
LINE 1 WP:4010, Page 1 of 1, Line 2
LINE 5 WP:4010, Page 1 of 1, Line 2 multiplied by 3.14
COLUMN (B) Calculation
COLUMN (C) WP:4010, Page 1 of 1, Line 22
COLUMN (D) Calculation

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
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DESIGN #3
LOOP LENGTH SUMMARY

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LINE NO		(A) ROUTE MILES FEET	(B)=(A)/5280 ROUTE MILES HALF MILES	(C) ROUTE-TO AIR RATIO	(D)=(B)/(C) AIR MILES HALF MILES
1	STATE AVG LOOP LENGTH	11,590			
2					
3	DESIGN 3				
4	CO TO CP LOOP LENGTH				
5	(CIRCUMFERENCE OF STATE AVG)	36,393	14	1.43	10
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					

DESIGN 3

DESIGN 3 STATE AVG. AIR MILES 10

SOURCES

COLUMN (A)
- LINE 1 WP:4010, Page 1 of 1, Line 2
- LINE 5 WP:4010, Page 1 of 1, Line 2 multiplied by 3.14

COLUMN (B) Calculation
COLUMN (C) WP:4010, Page 1 of 1, Line 22
COLUMN (D) Calculation

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
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DESIGN #4
LOOP LENGTH SUMMARY

LINE NO		(AA)	(A) (ROUTE MILES) FEET	(B)=(A)/2640 (ROUTE MILES) HALF MILES	(C) ROUTE-TO AIR RATIO	(D)=(B)/(C) (AIR MILES) HALF MILES
1	STATE AVG LOOP LENGTH		11,590			
2						
3	CO TO HUB WEIGHT	61.17%				
4	DESIGN 4					
5	(CIRCUMFERENCE OF STATE AVG)					
6			22,263	9	1.43	7
7						
8	HUB TO CP WEIGHT	38.83%				
9	DESIGN 4					
10	HUB TO CP LOOP LENGTH					
11	(POINT TO POINT)		4,500	2	1.43	2
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						

DESIGN 4	
DESIGN 4 STATE AVG. AIR 1/2 MILES	9

SOURCES

COLUMN (AA)
- Line 3 WP:4010, Page 1 of 1, Column (B), Line 3
- Line 8 WP:4010, Page 1 of 1, Column (B), Line 1

COLUMN (A)
- Line 1 WP:4010, Page 1 of 1, Column (A), Line 2
- Line 6 WP:4400, Page 1 of 1, Column (A), Line 1 multiplied by WP:4400, Page 1 of 1, Column (AA) Line 3 multiplied by 3.14
- Line 11 WP:4010, Page 1 of 1, Column (A), Line 1

COLUMN (B) Calculation
COLUMN (C) WP:4010, Page 1 of 1, Line 22
COLUMN (D) Calculation

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP
1997-1999 LEVEL

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DESIGN 5
LOOP LENGTH SUMMARY

LINE NO		(AA)	(A) (BOXES MILES) FEET	(B)=(A)/2640 (BOXES MILES) HALF MILES	(C) BOXES-TO AIR RATIO	(D)=(B)/(C) (AIR MILES) HALF MILES
1	STATE AVG LOOP LENGTH		11,590			
2						
3	CO TO HUB WEIGHT	61.17%				
4	DESIGN 2					
5	CO TO HUB LOOP LENGTH					
6	(POINT TO POINT)		7,090	3	1.43	3
7						
8	HUB TO CP WEIGHT	38.83%				
9	DESIGN 2					
10	HUB TO CP LOOP LENGTH					
11	(CIRCUMFERENCE OF STATE AVG)		14,130	6	1.43	5
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						

DESIGN 5	
DESIGN 5 STATE AVG. AIR 1/2 MILES	8

SOURCES

COLUMN (AA)

Line 3 WP:4010, Page 1 of 1, Column (B), Line 3

Line 8 WP:4010, Page 1 of 1, Column (B), Line 1

COLUMN (A)

Line 1 WP:4010, Page 1 of 1, Column (A), Line 2

Line 6 WP:4500, Page 1 of 1, Column (A), Line 1 multiplied by WP:4500, Page 1 of 1, Column (AA) Line 3

Line 11 WP:4010, Page 1 of 1, Column (A), Line 1 multiplied by 3.14

COLUMN (B) Calculation

COLUMN (C) WP:4010, Page 1 of 1, Line 22

COLUMN (D) Calculation

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

DEVELOPMENT OF COPPER ELECTRONICS LEVELIZED, UTILIZED INVESTMENT

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LINE NO		ACCT	(A) MATERIAL PRICE PER T1	(B) IN PLANT	(C)=(A)*(B) INSTALLED INV	(D) INFLATION FACTOR	(E)=(C)*(D) 97-00 LEVELIZED INV	(F) UTILIZATION	(G)=(E)(F) LEVELIZED UTIL INVESTMENT BEFORE LOADINGS	(H) MISC LOAD.	(I)=(G)*(H) LEVELIZED UTIL INVESTMENT WITH LOADINGS
	CENTRAL OFFICE										
1	DSX-1 PANEL	257C		1.5072		0.953		0.86			
2		257C								0.0134	
3		20C								0.0047	
4		10C								0.0657	
5											
6											
7	OFFICE REPEATER BAY	257C		1.5072		0.953		0.86			
8		257C								0.0134	
9		20C								0.0047	
10		10C								0.0657	
11											
12											
13											
14	MDF	377C									
15		377C									
16		377C									
17		377C									
18				1.3466		0.999		0.86			
19		377C								0.0974	
20		20C								0.0047	
21		10C								0.0657	
22											
23	**CUSTOMER PREMISE**										
24											
25	BLDG ENTRANCE CABLE	12C	—	—		1.022		0.70			
26											

SOURCES

COLUMN A	NETWORK
COLUMN B	ECONOMIC ANALYSIS
— COLUMN C	CALCULATION (NOTE: BLDG ENTRANCE CABLE SOURCE WAS ECONOMIC ANALYSIS DEPT.)
COLUMN D	ECONOMIC ANALYSIS
COLUMN E	CALCULATION
COLUMN F	NETWORK
COLUMN G	CALCULATION
COLUMN H	ECONOMIC ANALYSIS
COLUMN I	CALCULATION (NOTE: 20C AND 10C LOADINGS WERE BASED ON TOTAL 257C PER CATEGORY)

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UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

DEVELOPMENT OF COPPER TRANSPORT LEVELIZED, UTILIZED INVESTMENT

LINE NO.	26 GAUGE COPPER CABLE	ACCT CODE	(A) INSTALLED INV PER PAIR PER FOOT	(B) = (A) * 2 2 PAIR PER FOOT	(C) = (B) * 3840 INV PER 1/2 MILE (3840 * (B))	(D) DIST TO CODE	(E) =(C)*(D) COPPER CABLE WEIGHTED INVESTMENT	(F) ADJ FOR AIR DRYER	(G)=(E)*FACTOR (1)= (E)+(F)+(G) ADJ FOR DROP WIRE	COPPER CABLE WEIGHTED INVESTMENT WITH ADJ	(I) POLE/CONDUIT FACTOR	(J)=(I)*(V) POLE/CONDUIT INVESTMENT
1	AERIAL	22C				0.152777		N/A				
2	BURIED	45C				0.633936		N/A				
3	UNDERGROUND	5C				0.213286		N/A				
4	POLE	1C				1					0.2523	
5	CONDUIT	4C									0.3894	
6												
7												
8	AIR DRYER											
9	DROP WIRE ADJ.											
10												
11												
12			(K)	(L)	(M) = (K)*(L) REPEATER							
13												
14				DIST TO	WEIGHTED							
15	REPEATER		INV	CODE	INVESTMENT							
16												
17	AERIAL	257C		0.152777								
18	BURIED	257C		0.633936								
19	UNDERGROUND	257C		0.213286								
20		257C		1								
21												
22												
23												

COPPER TRANSPORT LEVELIZED, UTILIZED INVESTMENT SUMMARY

		ACCT	(K) = (M), (H) TOTAL INV PER DS1	(C) TPI	(F)=(K)*(C) TOTAL BASE YR INV PER DS1	(G) INPLANT	(R)=(F)*(G) INSTALLED INVESTMENT	(S) INFLATION FACTOR	(T)=(R)*(S) LEVELIZED INVESTMENT	(U) UTILIZATION FACTOR	(V)=(T)/(U) or (J) UTILIZED INVESTMENT PER DS1 & PER 1/2 MILE	
24												
25												
26												
27												
28												
29												
30												
31												
32	REPEATER	257C		1		1.5072		0.953		0.85		257C
33												
34	AERIAL	22C		1		N/A		1.022		0.70		22C
35	BURIED	45C		1		N/A		1.020		0.70		45C
36	UNDERGROUND	5C		1		N/A		1.019		0.70		5C
37	POLE	1C										1C
38	CONDUIT	4C										4C
39												

SOURCES

COLUMN A	ECONOMIC ANALYSIS - VRUCS	COLUMN I	ECONOMIC ANALYSIS - FACTORS	COLUMN Q	ECONOMIC ANALYSIS - FACTORS
COLUMN B	CALCULATION	COLUMN J	CALCULATION	COLUMN R	CALCULATION
COLUMN C	CALCULATION	COLUMN K	NETWORK	COLUMN S	ECONOMIC ANALYSIS - FACTORS
COLUMN D	ECONOMIC ANALYSIS - VRUCS	COLUMN L	ECONOMIC ANALYSIS - VRUCS	COLUMN T	CALCULATION
COLUMN E	CALCULATION	COLUMN M	CALCULATION	COLUMN U	NETWORK
COLUMN F	N/A	COLUMN N	COLUMNS (K), (H), and (J)	COLUMN V	CALCULATION
COLUMN G	CALCULATION	COLUMN O	ECONOMIC ANALYSIS - FACTORS		
COLUMN H	CALCULATION	COLUMN P	CALCULATION		

TAB B

FUNDAMENTAL DIGITAL LOOP CARRIER INVESTMENT MODEL

The Fundamental Digital Loop Carrier Investment Model develops the investment for digital loop carrier systems. Investments are calculated for the system (which includes the system hardwired equipment, common plug-ins, and DSX-1 panel), deferrable plug-ins and housing (cabinets, huts and Controlled Environment Vaults). Network data is used to determine the vendor and system types which will be deployed, as well as the probability of occurrence for each system. Calculated investments are combined appropriately for the various designs specified in the Loop Investment Model.

Illustrative Example Investment Calculations:

Central Office Terminal and Remote Terminal

	$ 20,000.00	Material Price (Hardwire, commons, DSX-1 Panel)
×	1.7842	In-Plant Factor
=	$ 35,684.00	Installed Investment
+	200	# Circuits per System
=	$ 178.42	Per Circuit Investment
×	0.40	Probability of System
=	$ 71.37	Weighted Investment
÷	0.70	Utilization
=	$ 101.95	Utilized Investment
×	0.955	Levelized Inflation Factor
=	$ 97.36	Levelized Investment
×	0.0117	MCE&P Factor
=	$ 1.14	MCE&P Investment

	$ 97.36	Levelized Investment
+	$ 1.14	MCE&P Investment
=	$ 98.50	
×	0.0042	Land Factor
=	$ 0.41	Land Investment

	$ 97.36	Levelized Investment
+	$ 1.14	MCE&P Investment
=	$ 98.50	
×	0.0706	Building Factor
=	$ 6.95	Building Investment

FUNDAMENTAL DIGITAL LOOP CARRIER INVESTMENT MODEL

Plug-in

	$	150.00	Plug-in Material Price
×		1.0604	In-Plant Factor
=	$	159.06	Installed Investment
÷		2	# Channels per Plug-in
=	$	79.53	Per Circuit Investment
×		0.40	Probability of System
=	$	31.81	Weighted Investment
×		1.06	Spare Stock Factor
=	$	33.72	Plug-in Investment
×		0.955	Levelized Inflation Factor
=	$	32.20	Levelized Investment
×		0.0117	MCE&P Factor
=	$	0.38	MCE&P Investment

	$	32.20	Levelized Investment
+	$	0.38	MCE&P Investment
=	$	32.58	
×		0.0042	Land Factor
=	$	0.14	Land Investment

	$	32.20	Levelized Investment
+	$	0.38	MCE&P Investment
=	$	32.58	
×		0.0706	Building Factor
=	$	2.30	Building Investment

FUNDAMENTAL MULTIPLEXER INVESTMENT MODEL

The Fundamental Multiplexer Investment Model develops the investment for SONET Multiplexers deployed in the Outside Plant loop. Investment data used to develop calculations for this model are taken from the SONET Fundamental Investment Model described on Page 3 of 3. Investments are developed for the hardwired equipment, common plug-ins and the DS1 working card at the DS1 level. Network data is used to determine the vendor and system types which will be deployed, as well as the probability of occurrence for each system. These investments are then combined appropriately for the various designs specified in the Loop Investment Model.

Illustrative Example Investment Calculations:
Central Office and Remote Terminal

	$	250.00	Hardwire and Common Investment (per DS1)
+	$	200.00	DS1 Card (per DS1)
+	$	2.50	Fiber Terminal (per DS1)
+	$	0.50	Pigtails (per DS1)
+	$	1.00	Fiber Jumpers (per DS1)
=	$	454.00	Total Investment per system (per DS1)
×		0.50	System probability of occurrence
=	$	227.00	Weighted Investment
÷		0.70	Utilization
=	$	324.29	Utilized Investment
÷		24	# Circuits per DS1
=	$	13.51	Circuit Investment

SONET FUNDAMENTAL INVESTMENT MODEL

The SONET Fundamental Investment Model develops investments for SONET lightwave multiplexing equipment, associated circuit equipment, such as DSX panels, and the fiber facilities connecting the SONET equipment.

Illustrative Example Investment Calculations:

	$ 50,000.00	Material Price
×	0.98	TPI
=	$ 49,000.00	Current Material Price
×	1.7842	In-Plant Factor
=	$ 87,425.80	Installed Investment
×	1.00	Quantity of Items
=	$ 87,425.80	Total Installed Investment
÷	2,000	Unit Capacity
=	$ 43.71	Unit Investment
×	0.955	Levelized Inflation Factor
=	$ 41.75	Levelized Investment
÷	0.70	Utilization
=	$ 59.64	Study Period Investment
×	0.50	Probability of Occurrence
=	$ 29.82	Total Investment
×	0.0117	MCE&P Factor
=	$ 0.35	MCE&P Investment

	$ 29.82	Total Investment
+	$ 0.35	MCE&P Investment
=	$ 30.17	
×	0.0042	Land Factor
=	$ 0.13	Land Investment

	$ 29.82	Total Investment
+	$ 0.35	MCE&P Investment
	$ 30.17	
×	0.0706	Building Factor
=	$ 2.13	Building Investment

SECTION 5

FLORIDA UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

COST DEVELOPMENT - NONRECURRING

In progress

SECTION 6

SECTION 6

FLORIDA UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

SPECIFIC STUDY ASSUMPTIONS

The cost study for the Unbundled 4-Wire DS1 Digital Grade Loop is based on Total Element Long Run Incremental Costs (TELRIC) methodology prescribed by the FCC's First Report and Order in CC Docket 96-98 released August 8, 1996. Network deployment strategies, first choice provisioning guidelines, and equipment purchasing information are used to develop the Total Element Long Run Incremental Cost.

Cost study assumptions are as follows.

1. The 4-Wire DS1 Digital Grade Loop is deployed just like MegaLink® Service; it is deployed on the same network architecture designs as MegaLink® Service and the same provisioning guidelines are used for both. Also, customer distribution is assumed to be similar, so MegaLink® Service loop lengths are used to determine the cost to support the flat rate loop.

2. Five network architectures will be used to deploy DS1 local channels. The designs are based on Network Strategic Planning's Deployment Guidelines. These designs are found on the following pages of this section.

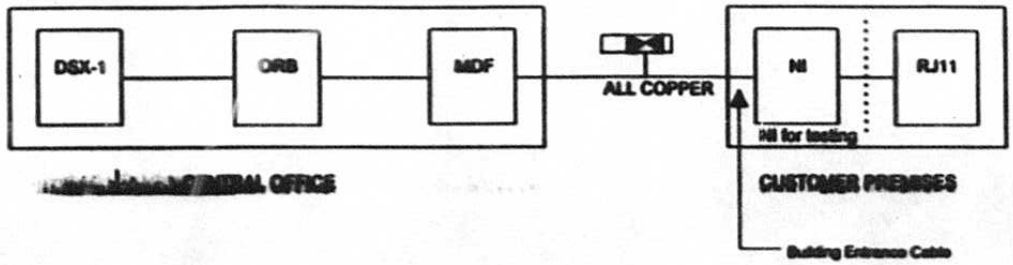
3. The probabilities of occurrence for the designs are based on estimates by BellSouth Network Subject Matter Experts. They are as follows:

   Design #1 Probability of Occurrence - 10%
   Design #2 Probability of Occurrence - 35%
   Design #3 Probability of Occurrence - 15%
   Design #4 Probability of Occurrence - 25%
   Design #5 Probability of Occurrence - 15%

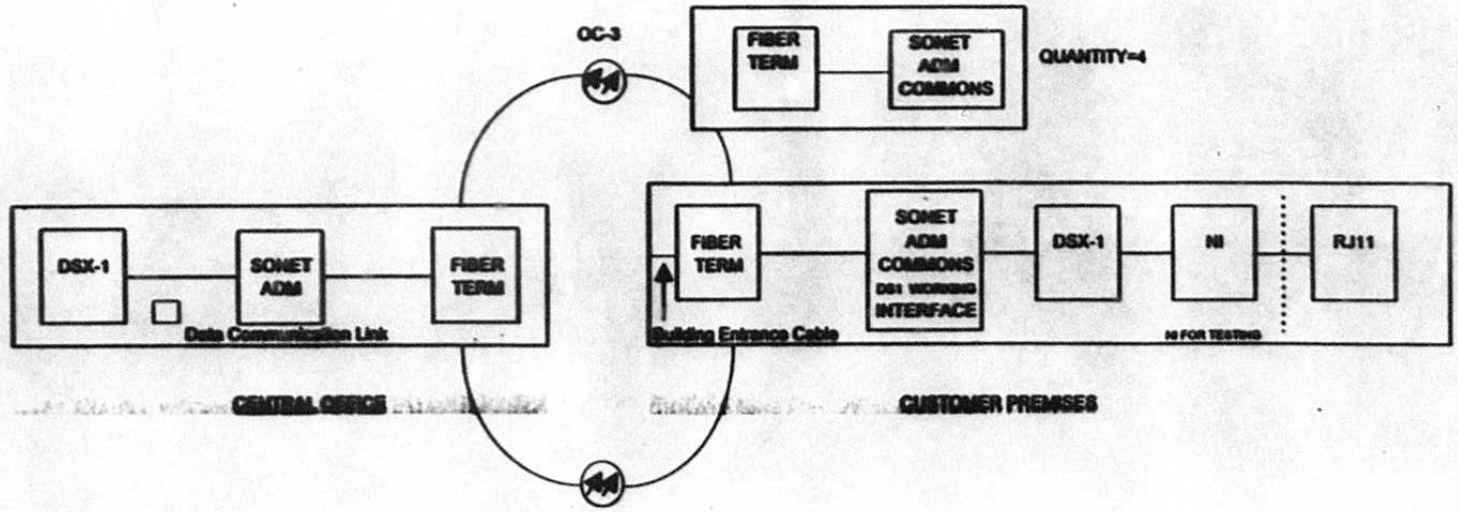
4. The SONET Fundamental Investment Model provided the equipment investments. (see Section 4, Tab B for a description of this investment model)

UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

Design # 1

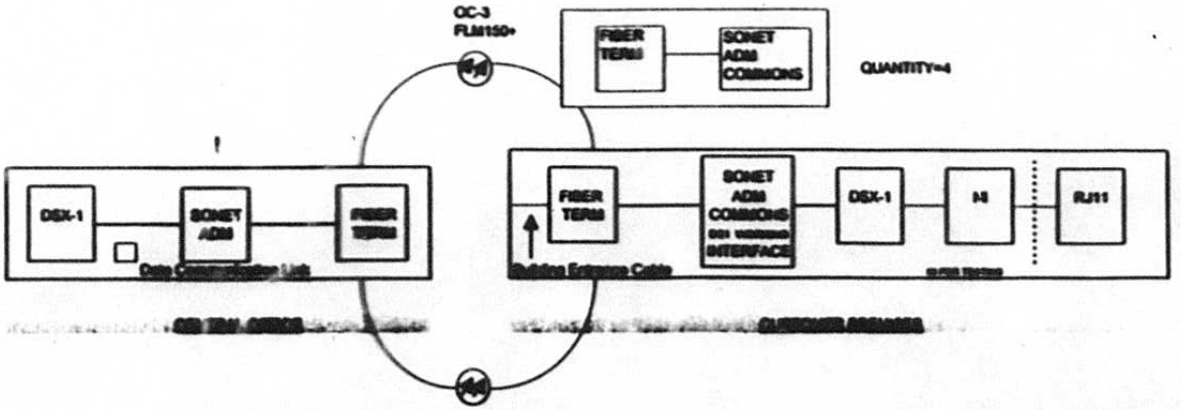


Design # 2



UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

Design # 3



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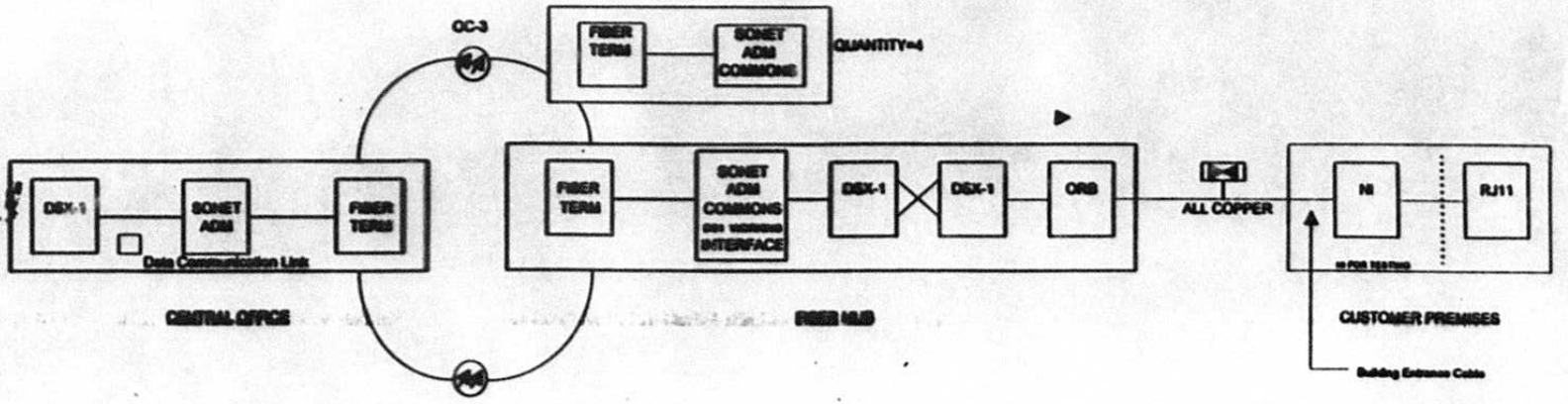
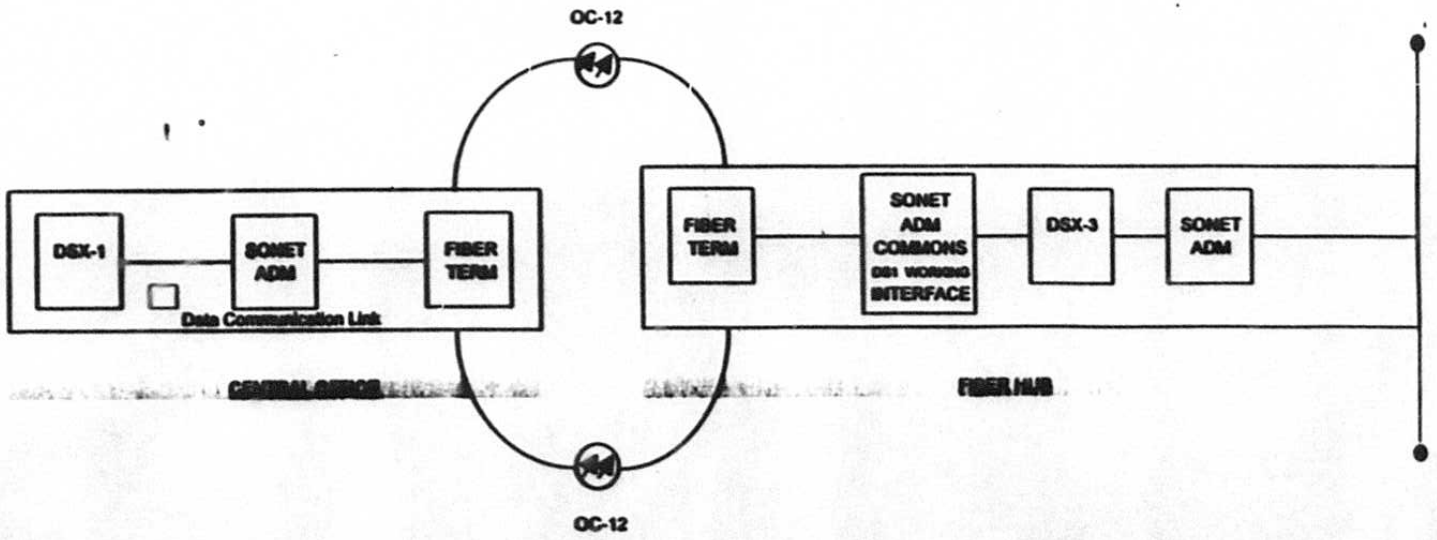
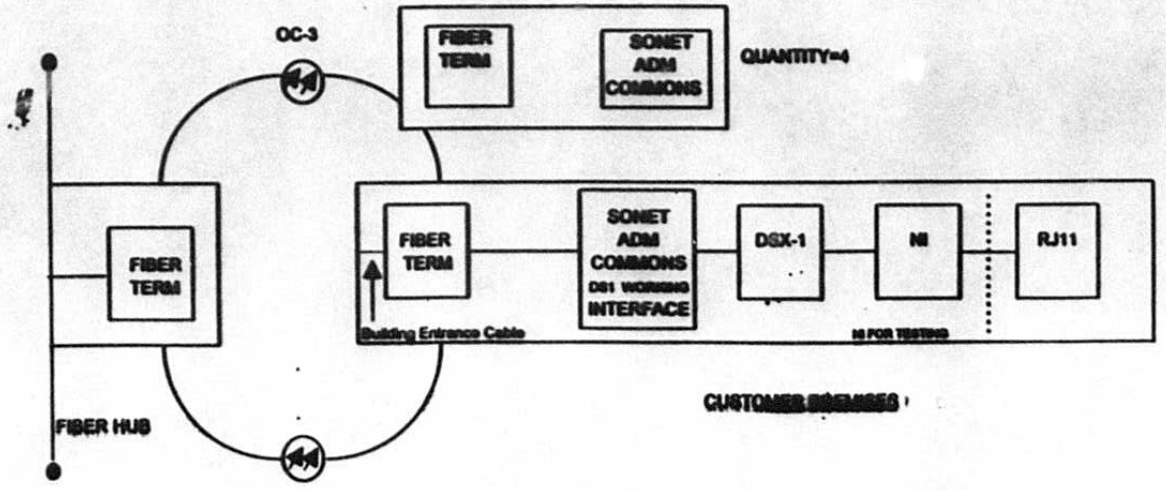


UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

Design # 5





SECTION 7

SECTION 7

FLORIDA UNBUNDLED 4-WIRE DS1 DIGITAL GRADE LOOP

FACTORS AND LOADINGS

Following are the Total Element Long Run Incremental Cost (TELRIC) annual cost factors, miscellaneous loadings and labor rates used in the Unbundled 4-Wire DS1 Digital Grade Loop.

Florida Unbundled 4-Wire DS1 Digital Grade Loop

Factors and Loadings

Distribution to Code	22C	0.152777
	45C	0.633938
	5C	0.213285
Route to Air Ratio		1.43
In Plant Factors	257C	1.5072
	377C	1.3466
Loadings		
Misc Common Equip & Power	257C	0.0134
Misc Common Equip & Power	377C	0.0974
Land	20C	0.0047
Building	10C	0.0657
Pole	1C	0.2523
Conduit	4C	0.3894
Levelization Factors	257C	0.953
	377C	0.999
	22C	1.022
	5C	1.019
	45C	1.020
	822C	0.999
	85C	0.980
	845C	1.038
	12C	1.022
	1C	1.036
	4C	1.050
Gross Receipts Tax (Gross-up Factor)		0.0153

1996 FLORIDA
ACCOUNT AVERAGE ANNUAL COST FACTORS

	Field Code	Depreciation	ACFC COM	ACFC Inc Tax	Cap Exp	ACFC Plt Specific Exp	ACFC Adval Tax	Directly Attributed Shared and Common	TELRIC
		a	b	c	d	e	f	g	i
			11.25%		(a+b+c)				(d+e+f+g)
LAND - COE	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493
BUILDINGS - COE	10C, 110C	0.0330	0.0826	0.0369	0.1525	0.0061	0.0120	0.0014	0.1720
DIGITAL ELEC SWITCH	377C, 587C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.0434	0.2756
OPERATOR SYSTEMS	117C,417C	0.1157	0.0847	0.0298	0.2100	0.0033	0.0120	0.0500	0.2753
DIGTL CIRC-DDS	157C	0.1608	0.0575	0.0256	0.2439	0.0076	0.0120	0.0394	0.3029
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1314	0.0584	0.0249	0.2127	0.0082	0.0120	0.0366	0.2695
DIGTL CIRC-OTHER	357C,T357C,F357C,557C	0.1314	0.0584	0.0252	0.2130	0.0093	0.0120	0.0372	0.2715
POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0175	0.0120	0.0294	0.2163
AERIAL CA - METAL	22C, 12C	0.1023	0.0679	0.0254	0.1956	0.0705	0.0120	0.0619	0.3400
AERIAL CA - FIBER	822C, 812C,D22C, F22C,T22C,D12C,F12C,T12C	0.0746	0.0682	0.0281	0.1689	0.0029	0.0120	0.0299	0.2137
UNGROUND CA - METAL	5C	0.1184	0.0681	0.0263	0.2128	0.0192	0.0120	0.0351	0.2791
UNGROUND CA - FIBER	85C,D5C,F5C,T5C	0.0686	0.0655	0.0284	0.1625	0.0036	0.0120	0.0220	0.2001
BURIED CA - METAL	45C	0.0885	0.0678	0.0277	0.1840	0.0522	0.0120	0.0468	0.2950
BURIED CA - FIBER	845C, D45C, F45C, T45C	0.0813	0.0670	0.0295	0.1578	0.0040	0.0120	0.0235	0.1973
SUBMARINE CA-METAL	6C	0.0937	0.0688	0.0307	0.1932	0.0046	0.0120	0.0206	0.2304
SUBMARINE CA-FIBER	86C,D6C,F6C,T6C	0.0937	0.0688	0.0310	0.1935	0.0046	0.0120	0.0209	0.2310
INTRBLD NTWK-METAL	52C	0.0751	0.0669	0.0291	0.1711	0.0192	0.0120	0.0315	0.2338
INTRBLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0751	0.0669	0.0282	0.1712	0.0011	0.0120	0.0270	0.2113
CONDUIT SYSTEMS	4C	0.0205	0.0727	0.0325	0.1257	0.0031	0.0120	0.0146	0.1554

DDC-10

FLORIDA

UNBUNDLED EXCHANGE PORTS

TELRIC COST STUDY DOCUMENTATION

SECTIONS A THRU 7

UNBUNDLED EXCHANGE PORTS
COST STUDY DOCUMENTATION

CONTENTS

SECTION A

SECTION A

COST STUDY DOCUMENTATION
PROPRIETARY RATIONALE

UNBUNDLED EXCHANGE PORTS

The Unbundled Exchange Ports Cost Study contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

Additionally, the study contains information which reflects vendor-specific prices negotiated by BellSouth. Public disclosure of this information would impair BellSouth's ability to contract for goods and/or services on favorable terms.

SCIS, Switching Cost Information System, a model developed by BellCore is the foundation for the calculation of switch investments contained in the study. The model's mathematical formulas include information which is covered by proprietary agreements between Bellcore and the switch vendors. Also, the model uses sophisticated programming and data management techniques which are the intellectual property of Bellcore.

For these reasons, the Unbundled Exchange Ports Cost Study is considered proprietary.

SECTION 1

SECTION 1

INTRODUCTION AND OVERVIEW

UNBUNDLED EXCHANGE PORTS
COST STUDY DOCUMENTATION

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support Unbundled Exchange Ports. The costs presented in this study are based on TELRIC methodology established by the FCC's First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

Unbundled exchange ports provide Alternative Local Exchange Companies (ALECs) with a physical presence in the switch. The port is comprised of the following components: the main distributing frame (MDF), the protector on the MDF, and the non-traffic sensitive switch equipment. The costs of basic hunting (series completion and multiline hunting) are also developed in this study.

A long run analysis is performed to ensure that the time period studied is sufficient to capture all forward looking costs affected by the business decision. Recurring costs developed in this study are levelized to be appropriate for the 1997-1999 study period. Nonrecurring costs follow the same convention and represent 1997-1999 level costs also. These costs are developed by using 1996 level TELRIC loadings and annual cost factors and labor rates designed to produce TELRIC results.

SECTION 2

SECTION 2

COST STUDY DOCUMENTATION
DESCRIPTION OF STUDY PROCEDURES
UNBUNDLED EXCHANGE PORTS

This section describes the general principles for the development of Total Element Long Run Incremental Costs (TELRIC) supporting the Unbundled Exchange Ports.

The purpose of the TELRIC methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward-looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct cost of providing the particular network element being studied. TELRIC methodology anticipates pricing of network elements in a wholesale network company; hence, many costs regarded as common or shared and, therefore, excluded from BellSouth's direct cost methodology would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward-looking common costs that cannot be directly attributed to any particular network element will be allocated among cost elements. This TELRIC study includes both recurring (capital and operating expenses) and nonrecurring (provisioning) costs.

THE DEVELOPMENT OF RECURRING COSTS

The monthly costs to BellSouth Telecommunications, Inc. resulting from the capital investments necessary to provide a service are called recurring costs. Recurring costs represent a forward-looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is calculated on the TELRIC.

The first step in developing a TELRIC recurring cost study for Unbundled Ports is to determine the forward-looking vendor EF&I (engineered, furnished and installed) investments. This is accomplished through the use of Bellcore's proprietary modeling tool, SCIS (Switching Cost Information System, Version 2.1). In-

plant factors are applied to vendor investments to develop installed investments which include Telco engineering and installation labor. A reasonable projection of actual fill utilization of the switch components is considered in the development of the investments.

Plant account specific Investment Inflation Factors are applied to the installed investments to trend the base year investments to levelized amounts that are valid for the study planning period. Appropriate loadings for land, building and miscellaneous common equipment and power are then applied.

Next, 1996 level TELRIC Annual Cost Factors are used to calculate the direct cost of capital, plant specific expenses and taxes. These factors (specific factors for each Uniform System of Accounts Field Reporting Code) are applied to levelized investments by account code, yielding an annual cost per account code which includes directly attributable shared and common costs. Annual Total Element Long Run Incremental Costs by account codes are then summed and divided by twelve to arrive at a monthly cost per element.

The directly attributable shared and common cost components of the TELRIC annual cost factors are calculated as follows. First, a detailed analysis of the forward-looking direct costs associated with the unbundled network elements is performed. The remaining costs of doing business are then analyzed to determine whether they are shared and common costs that can be reasonably attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated by functional areas to which they are related. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc. are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc. and attributed shared cost factors are developed. These attributed shared factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded.

The common cost allocation factor is applied to TELRIC to produce the forward looking economic cost, as defined by the FCC order, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

THE DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting Unbundled Ports. The work function times, identified by individuals knowledgeable about and/or responsible for performing these functions, are used to describe the flow of work within the various work centers involved. Installation and provisioning costs are developed by multiplying the work time for each work function by the TELRIC labor rate for the work group performing the function.

Utilizing work functions, work times and TELRIC labor rates, disconnect costs are calculated in the same manner as the installation costs. Since the labor costs will occur in the future, the current labor rates are inflated to that future period in time and then discounted to the present. The disconnect cost is added to the installation cost and the gross receipts tax is applied to develop the total nonrecurring cost.

The TELRIC labor rates are calculated as follows. Salary and wages, as used in the development of the TELRIC annual cost factors, are accumulated on a basis consistent with specific force groups. Shared costs attributable to salaries and wages are then accumulated on a basis consistent with the development of the respective force group's labor rate. A factor is then developed for each force group by dividing the attributed shared costs (human resources, office equipment, motor vehicles, and building space, etc.) by related salary and wages. This factor is then applied to the salary and wage portion of the incremental labor rate to determine the TELRIC labor rate.

The common cost allocation factor is applied to the nonrecurring TELRIC to produce the forward looking nonrecurring economic cost, as defined by the FCC order, which includes an appropriate share of common costs.

SECTION 3

SECTION 3

COST STUDY DOCUMENTATION

SUMMARY OF RESULTS

FLORIDA UNBUNDLED EXCHANGE PORTS

This section contains a cost summary for the recurring cost elements studied for 1997-1999 Unbundled Exchange Ports. Nonrecurring cost support is currently in progress.

Summary of Results
2W Analog Ports
Florida

Network Element	Unit Recurring	Nonrecurring				Unit Recurring Equivalent
		First Labor	RTU Fees	Additional Labor	RTU Fees	
Unbundled Exchange Ports						
Residence						
TELRIC	$1.92					
			$21.34		$21.34	$0.29
Common Cost Allocation Factor	1.0804	1.0804	1.0804	1.0804	1.0804	1.0804
Total Cost	$2.07		$23.05		$23.05	$0.31
Business						
TELRIC	$1.92					
			$21.34		$21.34	$0.29
Common Cost Allocation Factor	1.0804	1.0804	1.0804	1.0804	1.0804	1.0804
Total Cost	$2.07		$23.05		$23.05	$0.31
PBX Trunk						
TELRIC	$1.92					
			$21.34		$21.34	$0.29
Common Cost Allocation Factor	1.0804	1.0804	1.0804	1.0804	1.0804	1.0804
Total Cost	$2.07		$23.05		$23.05	$0.31
Hunting – per Line						
TELRIC	$0.22					
			$0.00		$0.00	$0.00
Common Cost Allocation Factor	1.0804	1.0804	1.0804	1.0804	1.0804	1.0804
Total Cost	$0.24		$0.00		$0.00	$0.00

Summary [1]	Total Unit Recurring	Nonrecurring [2] First	Additional
Residence Unbundled Port	$2.38		
Business Unbundled Port	$2.38		
PBX Unbundled Port	$2.38		
Hunting	$0.24		

Notes:
[1] The Total Unit Recurring is equal to the Unit Recurring plus the Unit Recurring Equivalent.

[2] Nonrecurring labor costs are in progress.

There are no volume insensitive costs associated with these network elements.
Local Usage is not included in the above costs.

Summary of Results
2W ISDN Digital Ports
Florida

Network Element	Unit Recurring	Nonrecurring		Unit Recurring Equivalent
		Labor	RTU Fees [1]	
First Port				
TELRIC	$8.72			
			$203.23	$2.76
Common Cost Allocation Factor	1.0804	1.0804	1.0804	1.0804
Total Cost	$9.42		$219.57	$2.98
Additional Ports, Same Location				
TELRIC	$8.72			
			$203.23	$2.76
Common Cost Allocation Factor	1.0804	1.0804	1.0804	1.0804
Total Cost	$9.42		$219.57	$2.98
User Profile, per B Channel				
TELRIC				
Common Cost Allocation Factor		1.0804		
Total Cost				

Summary	Total Unit Recurring [2]	Nonrecurring [3] First	Additional
2 Wire ISDN Digital Port	$12.40		
User Profile, per B Channel			

Notes:
[1] These RTU Fees are expressed on a per unit basis.

[2] The Total Unit Recurring is equal to the Unit Recurring plus the Unit Recurring Equivalent.

[3] The nonrecurring labor costs are in progress. User Profile is nonrecurring, only.

Summary of Results
2W DID Ports
Florida

Network Element	Unit Recurring	Nonrecurring		Unit Recurring Equivalent
		Labor	RTU Fees [1]	
First Port				
TELRIC	$12.27			
			$0.00	$0.00
Common Cost Allocation Factor	1.0804	1.0804	1.0804	1.0804
Total Cost	$13.25		$0.00	$0.00
Additional Ports, Same Location				
TELRIC	$12.27			
			$0.00	$0.00
Common Cost Allocation Factor	1.0804	1.0804	1.0804	1.0804
Total Cost	$13.25		$0.00	$0.00

Summary	Total Unit Recurring [2]	Nonrecurring [3] First	Additional
2 Wire DID Port	$13.25		

Notes:
[1] These RTU Fees are expressed on a per unit basis.

[2] The Total Unit Recurring is equal to the Unit Recurring plus the Unit Recurring Equivalent.

[3] Nonrecurring costs are in progress.

Summary of Results
4W DID Ports
Florida

Network Element	Unit Recurring	Nonrecurring		Unit Recurring Equivalent
		Labor	RTU Fees [1]	
First Port				
TELRIC	$126.86			
			$0.00	$0.00
Common Allocation Factor	1.0804	1.0804	1.0804	1.0804
Total Cost	$137.06		$0.00	$0.00
Additional Ports, Same Location				
TELRIC	$126.86			
			$0.00	$0.00
Common Allocation Factor	1.0804	1.0804	1.0804	1.0804
Total Cost	$137.06		$0.00	$0.00

Summary	Total Unit Recurring [2]	Nonrecurring [3] First	Additional
4 Wire DID Port	$137.06		

Notes:
[1] These RTU Fees are expressed on a per unit basis.

[2] The Total Unit Recurring is equal to the Unit Recurring plus the Unit Recurring Equivalent.

[3] Nonrecurring costs are in progress.

Summary of Results
4W ISDN DS1 Ports (PRI)
Florida

Network Element	Unit Recurring	Nonrecurring		Unit Recurring Equivalent
		Labor	RTU Fees [1]	
First Port				
TELRIC	$234.87			
			$2,137.60	$29.06
Common Cost Allocation Factor	1.0804	1.0804	1.0804	1.0804
Total Cost	$253.75		$2,309.47	$31.40
Additional Ports, Same Location				
TELRIC	$234.87			
			$2,137.60	$29.06
Common Cost Allocation Factor	1.0804	1.0804	1.0804	1.0804
Total Cost	$253.75		$2,309.47	$31.40

Summary	Total Unit Recurring [2]	Nonrecurring [3] First	Additional
4 Wire DID Port	$285.15		

Notes:
[1] These RTU Fees are expressed on a per unit basis.

[2] The Total Unit Recurring is equal to the Unit Recurring plus the Unit Recurring Equivalent.

[3] Nonrecurring costs are in progress.

Summary of Results
Coin Ports
Florida

Network Element	Unit Recurring	Nonrecurring		Unit Recurring Equivalent
		Labor	RTU Fees [1]	
First Port				
TELRIC	$2.18			
			$21.34	$0.29
Common Cost Allocation Factor	1.0804	1.0804	1.0804	1.0804
Total Cost	$2.36		$23.05	$0.35
Additional Ports, Same Location				
TELRIC	$2.18			
			$21.34	$0.29
Common Cost Allocation Factor	1.0804	1.0804	1.0804	1.0804
Total Cost	$2.36		$23.05	$0.35

Summary	Total Unit Recurring [2]	Nonrecurring [3]	
		First	Additional
Coin Port	$2.71		

Notes:

[1] These RTU Fees are expressed on a per unit basis.
[2] The Total Unit Recurring is equal to the Unit Recurring plus the Unit Recurring Equivalent.
[3] Nonrecurring costs are in progress.

SECTION 4

SECTION 4

COST STUDY DOCUMENTATION
COST DEVELOPMENT - RECURRING

UNBUNDLED EXCHANGE PORTS

This section describes the development of the recurring Total Element Long Run Incremental Costs (TELRIC) for Unbundled Exchange Ports.

The basic economic cost development is outlined in Section 2. Network architecture is determined; the necessary equipment is identified; vendor EF&I investments are calculated; factors and loadings are applied; and the result is levelized for the study period. TELRIC annual cost factors are applied to convert the investment to cost. ACE, an internally developed model, is used to perform the mathematical calculations necessary to convert investments to costs. Since the results are linear with respect to the investment, a conversion factor by plant account code can be developed. The conversion factor to be used in the spreadsheets is developed by using the ACE model to calculate the annual cost of $10,000 investment and dividing by 12. Section 7B contains the ACE outputs for the $10,000 based on annual cost factors without the directly attributable shared and common factor. Section 7C contains the ACE outputs including the directly attributable shared and common factor, i.e. the TELRIC factors.

As mentioned in Section 2, the SCIS model lays the foundation for developing vendor EF&I investments. The model's outputs reflect vendor design criteria, BellSouth engineering rules, and customer usage characteristics. This was the basis for all types of ports studied.

For the 2-Wire Analog Port (Section 4A), workpapers 20-24 develop the investment and summarize the monthly costs. Workpaper 34 develops the RTU fee as a unit recurring equivalent.

For the 2-Wire ISDN Port (Section 4B), workpapers 20-21 develop the investment and summarize the monthly cost. Workpaper 22 develops the Right To Use (RTU) expense per port termination.

For the 2-Wire DID (Section 4C) and 4-Wire DID Ports (Section 4D), workpapers 20-24 develop the investment and summarize the monthly cost. Workpaper 33 calculates the RTU fee.

For the 4-Wire ISDN DS1 Port (Section 4E), workpapers 20-22 develop the investment and summarize the monthly cost. Workpaper 23 develops the Right To Use (RTU) expense per port termination.

For the Coin Port (Section 4F), workpapers 20-23 develop the investment and summarize the monthly cost. Workpaper 33 develops the RTU fee as a unit recurring equivalent.

SECTION 4A

2-Wire Analog Port
Monthly Costs – Summary

State: Florida
Workpaper: 20
Page: 1 of 1
Date: 10/07/96

LN	Description	Source	Amount
1	Ports [1]		
2	Residential		
3	Direct	WP21, LN37	
4	Directly Attributable Shared & Common	WP21, LN38	
5	TELRIC	LN3+LN4	$1.92
6			
7	Business		
8	Direct	WP21, LN37	
9	Directly Attributable Shared & Common	WP21, LN38	
10	TELRIC	LN8+LN9	$1.92
11			
12	PBX		
13	Direct	WP21, LN37	
14	Directly Attributable Shared & Common	WP21, LN38	
15	TELRIC	LN13+LN14	$1.92
16			
17	Hunting [2]		
18	Direct	WP24, LN17	
19	Directly Attributable Shared & Common	WP24, LN18	
20	TELRIC	LN18+LN19	$0.22
21			
22			$21.34
23	RTU Fee, per Port [3]	WP34, LN10	
24			$0.00
25	RTU Fees – Hunting	WP34, LN22	
26			
27			
28	Notes:		
29	[1] The non-traffic sensitive switch termination does not vary by class of service.		
30	The equipment required is the same for Residence, Business and PBX terminations.		
31			
32	[2] Cost of hunting functionality , only. Does not include termination.		
33			
34	[1] Note: The RTU fee can be amortized over the economic life of the switch.		
35	This unit recurring equivalent is (WP34, LN16):		$0.29

2-Wire Analog Port
Monthly Costs - Ports

State: Florida
Workpaper: 21
Page: 1 of 1
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LN	Description	Source	Amount
1	5ESS Calculations		
2	Investment - 377C	SCIS/MO - 5ESS Line Termination Report	
3	MDF & Protector		
4	NTS Switching Investment		
5	Investment per Port	LN3+LN4	
6			
7	Conversion Factor - Direct Cost	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.026506
8	Conversion Factor - TELRIC	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.031228
9	Directly Attributable Shared & Common Factor	LN8-LN7	0.004722
10			
11	5ESS Monthly Cost		
12	Direct	LN5*LN7	
13	Directly Attributable Shared & Common	LN5*LN9	
14	TELRIC	LN12+LN13	
15			
16	DMS Calculations		
17	Investment - 377C	SCIS/MO - DMS Line Termination Report	
18	MDF & Protector		
19	NTS Switching Investment		
20	Investment per Port	LN18+LN19	
21			
22	Conversion Factor - Direct Cost	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.026506
23	Conversion Factor - TELRIC	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.031228
24	Directly Attributable Shared & Common Factor	LN23-LN22	0.004722
25			
26	DMS Monthly Cost		
27	Direct	LN20*LN22	
28	Directly Attributable Shared & Common	LN20*LN24	
29	TELRIC	LN27+LN28	
30			
31	Mold Calculations		
32	Technology Distribution	D&F Database - NALs	
33	5ESS		68.5%
34	DMS		31.5%
35			
36	Molded Monthly Cost		
37	Direct	LN12*LN33+LN27*LN34	
38	Directly Attributable Shared & Common	LN13*LN33+LN28*LN34	
39	TELRIC	LN37+LN38	$1.916
40			

2– Wire Analog Port
5ESS Investment Calculations – Hunting

State: Florida
Workpaper: 22
Page: 1 of 1
Date: 10/07/96

LN	Description	Source	Amount
1	Series Completion		
2	EPHC		
3			
4	Multiline Hunt		
5	EPHC		
6			
7	Model Office Output	SCIS/MO Output (V2.1)	
8	MO2 SM Realtime Investment		
9			
10	User Input	Network	
11	IP1 BH Calls		6
12			
13	SCIS/IN Database Items		
14	AT3 Realtime per EPHC	Assumption Table Item #3	
15	RS21 Realtime per Series Completion	Realtime Table Item #21	
16	RS20 Realtime per MLH	Realtime Table Item #20	
17			
18	Distribution of Hunt Types	Product Team	
19	Series Completion		55%
20	Multiline Hunt		45%
21			
22	Molded 5ESS Investment	LN2*LN19+LN5*LN20	
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35	EPHC = Equivalent POTS Half Call.		
36			
37			
38			
39			
40			

2-Wire Analog Port
DMS Investment Calculations – Hunting

State: Florida
Workpaper: 23
Page: 1 of 1
Date: 10/07/96

LN	Description	Source	Amount
1	**Series Completion**		
2	**Getting Started**		
3	**Memory**		
4	**Program Store**		
5	**Data Store**		
6	**Data Fill**		
7	**Total Investment – Series Completion**	LN2+LN4+LN5+LN6	
8			
9	**Multiline Hunt**		
10	**Getting Started**		
11	**Memory**		
12	**Data Fill**		
13	**Total Investment – Multiline Hunt**	LN10+LN12	
14			
15	**Model Office Output**	SCIS/MO Output (V2.1)	
16	**MO1 Getting Started Investment**		
17			
18	**User Input**	Network	
19	**IP1 BH Calls**		6
20	**IP2 Lines per Group**		4
21			
22	**SCIS/IN Database Items**		
23	**IT14 Program Store**	Investment Table Item #14	
24	**IT15 Data Store**	Investment Table Item #15	
25	**IT16 Data Fill**	Investment Table Item #16	
26	**MD21 SC Data Store**	Memory Table Item #MD21	
27	**MF21 SC Data Fill**	Memory Table Item #MF21	
28	**MP21 SC Program Store**	Memory Table Item #MP21	
29	**RT21 Realtime SC**	Realtime Table Item #21	
30	**MF20 MLH Data Fill – per Group**	Memory Table Item #MF20	
31	**MF20.01 MLH Data Fill**	Memory Table Item #MF20.01	
32	**RT20 Realtime MLH**	Realtime Table Item #20	
33			
34	**Distribution of Hunt Types**	Product Team	
35	**Series Completion**		55%
36	**Multiline Hunt**		45%
37			
38			
39	**Molded DMS Investment**	LN7*LN35+LN13*LN36	
40			

2–Wire Analog Port
Calculation of Monthly Costs – Hunting

State: Florida
Workpaper: 24
Page: 1 of 1
Date: 10/07/96

LN	Description	Source	Amount
1	**Hunting Investments – 377C**		
2	5ESS	WP22, LN22	
3	DMS	WP23, LN39	
4			
5	**Meid Calculationn**		
6	Technology Distribution	D&F Database – NALs	
7	5ESS		68.5%
8	DMS		31.5%
9			
10	Melded Investment	LN2*LN7+LN3*LN8	$7.00
11			
12	Conversion Factor – Direct Cost	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.02651
13	Conversion Factor – TELRIC	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.03123
14	Directly Attributable Shared & Common Factor	LN8–LN7	0.00472
15			
16	**Monthly Cost**		
17	Direct	LN10*LN12	
18	Directly Attributable Shared & Common	LN10*LN14	
19	TELRIC	LN17+LN18	$0.22
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			

2-Wire Analog Port
Development of RTU Fees

State: Florida
Workpaper: 34
Page: 1 of 1
Date: 10/07/96

LN	Description	Source	Amount
1	Ports	Contract PR-6700-B	
2	5ESS		
3	DMS		
4			
5	Meld Calculations	D&F Database - NALs	
6	Technology Distribution		68.5%
7	5ESS		31.5%
8	DMS		$21.02
9	Melded RTU Fee	LN2*LN7+LN3*LN8	$21.34
10	Melded RTU Fee w/GRT	LN9*LN24	
11			
12	Port RTU Fee Expressed as Recurring		$21.02
13	Melded RTU Fee	LN9	0.89%
14	Monthly Interest Rate	Based on 11.25% Annual Interest Rate	120
15	Term (Months)	Digital Equipment Economic Life	$0.29
16	Unit Recurring Equivalent w/GRT	(@pmt(LN13,LN14,LN15))*LN24	
17			
18	Hunting		
19	5ESS		
20	DMS		$0.00
21		LN7*LN19+LN8*LN20	
22	Melded RTU Fee		1.0153
23		Fundamental Cost Group	
24	GRT Factor		
25	#		
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			

SECTION 4B

2W ISDN Digital Port
Summary of Monthly Costs

State: Florida
Workpaper: 20
Page: 1 of 1
Date: 10/08/96

LN	Description	Source	Amount
1	**Switching Costs – Port**		
2	Direct	WP21, LN31	
3	Directly Attributable Shared & Common	WP21, LN32	
4	TELRIC	LN2+LN3	$8.72
5			
6	RTU Fees [1]	WP22, LN103	$2.76
7			
8	Total Monthly Cost	LN4+LN6	$11.48
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30	[1] Note:		
31	The RTU fee is comprised of volume sensitive and volume insensitive costs expressed on a per termination basis.		
32	The volume sensitive cost is:		$0.857
33	The volume insensitive cost is:		$1.906
34			
35			
36			
37			
38			
39			
40			

2W ISDN Digital Port
Monthly Costs – Switching

State: Florida
Workpaper: 21
Page: 1 of 1
Date: 10/08/96

LN	Description	Source	Amount
1	**5ESS Calculations**		
2	Investment per ISDN Port (377C)	SCIS/MO – 5ESS ISDN Line Termination Report	
3			
4	Conversion Factor – Direct Cost	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.026506
5	Conversion Factor – TELRIC	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.031228
6	Directly Attributable Shared & Common Factor	LN5–LN4	0.004722
7			
8	**5ESS Monthly Cost**		
9	Direct	LN2*LN4	
10	Directly Attributable Shared & Common	LN2*LN6	
11	TELRIC	LN9+LN10	
12			
13	**DMS Calculations**		
14	Investment per ISDN Port (377C)	SCIS/MO – DMS ISDN Line Termination Report	
15			
16	Conversion Factor – Direct Cost	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.026506
17	Conversion Factor – TELRIC	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.031228
18	Directly Attributable Shared & Common Factor	LN17–LN16	0.004722
19			
20	**DMS Monthly Cost**		
21	Direct	LN2*LN4	
22	Directly Attributable Shared & Common	LN2*LN6	
23	TELRIC	LN21+LN22	
24			
25	**Meld Calculations**		
26	Technology Distribution	D&F Database – NALs	
27	5ESS		68.5%
28	DMS		31.5%
29			
30	**Melded Monthly Cost**		
31	Direct	LN9*LN27+LN21*LN28	
32	Directly Attributable Shared & Common	LN10*LN27+LN22*LN28	
33	TELRIC	LN31+LN32	$0.72
34			
35			
36			
37			
38			
39			
40			

2W ISDN Digital Port
Development of RTU Fee Costs

State: Florida
Workpaper: 22
Page: 1 of 3
Date: 10/08/96

LN	Description	Source	Amount
1	RTU Packages – Discounted Cost		
2	5ESS		
3	National ISDN I Package	Per Office	
4	NIS1BSW National ISDN Base		
5	NIS1SBB Standard BRI Base		
6	NIS1DAT Basic Data for Standard BRI		
7	NIS1CSD Deluxe CSD for Standard BRI		
8	NIS1PSD Deluxe PSD for BRI		
9	ISBRIDS BRI Data Service Package		
10	National ISDN II Package	Per Office	
11	Total per Office	LN3+LN10	
12	ISDNOAM ISDN OA&M Package	Per SM	
13	GX75RTU X.75' Packet Gateway Access	Per SM	
14	CCSQRTU Q931/SS7 Interworking	per SM	
15	Total per SM RTU Fees	LN12+LN13+LN14	
16	ISBRIDS BRI Data Services Package	Per BRI	
17			
18	DMS100		
19	NTX750AB ISDN Basic Access		
20	Per 2B+D		
21	Per 1B+D		
22	Per Switch		
23	NTX753AB ISDN Advanced Signalling		
24	NTX754AB ISDN EKTS		
25	NTX755AC ISDN Supplementary Services		
26	NTX758AA ISDN Display Services		
27	NTX767AA ISDN/ISUP Interworking		
28	NTX767AA ISDN Routing & Digital Analysis		
29	DMS–IPH Software Packages		
30	NTXP47AA – Packet Handler base		
31	NTXH77AA – Channalized Access on LPP/LIS		
32	NTXP75AA – DMS PH SERVORD		
33	NTX156AA ISDN Automatic Message Accounting		
34	NTXJ51AA ISDN Digital Test Access	Per Office	
35	NTXJ51AA ISDN Digital Test Access	Per BRI	
36	NTX119AA MDC Message Waiting		
37	NTXN89AA Testing ISDN Services		
38	NTXN91AA TL–1 Testing Interface Base		
39	NTXN93AA TL–1 Testing ISDN Services		
40	NTXR55AA TL–1 Parsing Interface Base		
41	NTX167AB CCS7 Trunk Signaling		
42	NTXF82AA ISDN OA&M Base		
43	NI2 National ISDN II		
44	Total per Switch Expenses	@SUM(LN19..LN43)–LN21–LN20–LN35	
45			

2W ISDN Digital Port
Development of RTU Fee Costs

State: Florida
Workpaper: 22
Page: 2 of 3
Date: 10/08/96

LN	Description	Source	Amount
46	Model Office Statistics	Network	
47			
48			
49	Total BRIs	Model Office Input	
50	1B+D		
51	2B+D		
52			
53	Technology Distribution	D&F Database – NALs	
54	5ESS		68.5%
55	DMS		31.5%
56			
57	Monthly Interest Rate	Based on Annual 11.25% Rate	0.89%
58			
59	Term (Months)	377C Economic Life	120
60			
61	Volume Sensitive RTU Fees		
62	5ESS		
63	Per BRI	LN16	
64	Per SM	LN15	
65			
66	Capacity per SM (Based on current CCS load)	Network	960
67			
68	Total 5ESS per BRI	LN63+LN64/LN66	
69			
70	DMS		
71	Per 1B+D	LN21	
72	Per 2B+D	LN20	
73			
74	Probability of 1B+D	LN50/LN49	8.1%
75	Probability of 2B+D	LN51/LN49	91.9%
76			
77	Melded 1B+D & 2B+D	LN71*LN74+LN72*LN75	
78			
79	Per BRI	LN35	
80			
81	Total DMS per BRI	LN77+LN79	
82			
83	Melded 5ESS & DMS	LN54*LN68+LN55*LN81	$62.10
84			
85	Volume Sensitive Expressed as Unit Recurring	@PMT(LN83,LN57,LN59)	$0.84
86			
87	Unit Recurring Equivalent w/GRT	LN85*LN105	$0.857
88			
89			
90			

2W ISDN Digital Port
Development of RTU Fee Costs

State: Florida
Workpaper: 22
Page: 3 of 3
Date: 10/08/96

LN	Description	Source	Amount
91	Volume Insensitive RTU Fee (per Office)		
92	5ESS	LN11	
93	DMS	LN44	
94			
95	Melded per Office	LN54*LN92+LN55*LN93	$175,755
96			
97	Volume Insensitive per BRI	LN95/LN49	$138.06
98			
99	Volume Insensitive Expressed as Unit Recurring	@PMT(LN97,LN57,LN59)	$1.88
100			
101	Unit Recurring w/GRT	LN99*LN105	$1.906
102			
103	Total RTU per BRI	LN87+LN101	$2.763
104			
105	GRT Factor	Fundamental Cost Group	1.0153
106			
107			
108			
109	Note:		
110	If left as a nonrecurring cost, the per BRI RTU Fee would be:		
111			
112	Volume Sensitive:	LN83*LN105	$63.05
113	Volume Insensitive:	LN97*LN105	$140.18
114			
115			
116			
117			
118			
119			
120			
121			
122			
123			
124			
125			
126			
127			
128			
129			
130			
131			
132			
133			
134			
135			

SECTION 4C

2W DID Port
Summary of Monthly Costs

State: Florida
Workpaper: 20
Page: 1 of 1
Date: 10/07/96

LN	Description	Source	Amount
1	**Summary of Monthly Costs**		
2	**Switching Costs**		
3	Direct	WP21, LN16	
4	Directly Attributable Shared & Common	WP21, LN17	
5	TELRIC	LN2+LN3	$6.29
6			
7	**Circuit Equipment**		
8	Direct	WP22, LN30	
9	Directly Attributable Shared & Common	WP22, LN31	
10	TELRIC	LN7+LN8	$5.98
11			
12			
13			
14	**Total Monthly Cost**		
15	Direct	LN3+LN8	
16	Directly Attributable Shared & Common	LN4+LN9	
17	TELRIC	LN15+LN16	$12.27
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			

2W DID Port
Calculation of Monthly Switching Costs

State: Florida
Workpaper: 21
Page: 1 of 1
Date: 10/07/96

LN	Description	Source	Amount
1	Investments per 2W DID Port – 377C		
2	5ESS	WP23, LN6	
3	DMS	WP24, LN10	
4			
5	Molded Investment	LN2*LN12 +LN3*LN13	$201.41
6			
7	Conversion Factor – Direct Cost	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.026506
8	Conversion Factor – TELRIC	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.031228
9	Directly Attributable Shared & Common Factor	LN8–LN7	0.004722
10			
11	Technology Distribution	D&F Database – NALs	
12	5ESS		68.5%
13	DMS		31.5%
14			
15	Monthly Cost		
16	Direct	LN5*LN7	
17	Directly Attributable Shared & Common	LN5*LN9	
18	TELRIC	LN16+LN17	$6.29
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			

2W DID Port
Monthly Costs – Circuit Equipment

State: Florida
Workpaper: 22
Page: 1 of 1
Date: 10/07/96

LN	Description	Source	Amount
1	**Circuit Equipment Required to Terminate 2W DID Port – 357C**		
2			
3	D4 Hardwire	Fundamental Study	
4	DSX Bay	Fundamental Study	
5	Total Hardwire Investment	LN3+LN4	
6			
7	Conversion Factor – Direct Cost [1]	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.028689
8	Conversion Factor – TELRIC [1]	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.033034
9	Directly Attributable Shared & Common Factor	LN8–LN7	0.004345
10			
11	Monthly Cost – Hardwire		
12	Direct	LN5*LN7	
13	Directly Attributable Shared & Common	LN5*LN9	
14	TELRIC	LN12+LN13	$2.34
15			
16	Common Plug–in	Fundamental Study	
17	2WR DPO Plug–in	Fundamental Study	
18	Total Plug–in Investment	LN16+LN17	
19			
20	Conversion Factor – Direct Cost [2]	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.022530
21	Conversion Factor – TELRIC [2]	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.025942
22	Directly Attributable Shared & Common Factor	LN21–LN20	0.003412
23			
24	Monthly Cost – Plug–in		
25	Direct	LN18*LN20	
26	Directly Attributable Shared & Common	LN18*LN22	
27	TELRIC	LN25+LN26	$3.64
28			
29	Total Circuit Equipment Monthly Cost		
30	Direct	LN12+LN25	
31	Directly Attributable Shared & Common	LN13+LN26	
32	TELRIC	LN30+LN31	$5.98
33			
34			
35			
36			
37	Notes:		
38	[1] Incorporates hardwire in–plant factor.		
39	[2] Incorporates plug–in in–plant factor.		
40			

2W DID Port
Development of 5ESS Investments

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LN	Description	Source	Amount
1	5ESS Investment Calculations		
2	EPHC		
3			
4	Hardware		
5			
6	Total Investment	LN2+LN4	
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18	Modal Office Outputs	SCIS/MO Output	
19	MO2 SM Realtime		
20			
21			
22			
23	User Input	Network	
24	IP1 BH DID Calls per Trunk		11.3
25	IP2 Number of Trunks		1
26			
27			
28			
29			
30	SCIS/IN Database Items		
31	AT3 Realtime per EPHC	Assumption Table Item 3	
32	RS22.03 DID Call per Trunk	Realtime Table Item 22.03	
33	ME6 Digital Trunk	Miscellaneous Equation Item 6	
34			
35			
36			
37			
38			
39	EPHC = Equivalent POTS half-call.		
40			

2W DID Port
Development of DMS Investment

State: Florida
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LN	Description	Source	Amount
1	DMS Investment Calculations		
2	Getting Started		
3			
4	Hardware		
5			
6	Memory		
7	Data Store		
8	Data Fill		
9			
10	Total Investment	LN2+LN4+LN7+LN8	
11			
12			
13	Model Office Outputs		
14	MO1 Getting Started	SCIS/MO Output	
15			
16			
17			
18	User Input	Network	
19	IP1 BH DID Calls per Trunk		11.3
20	IP2 Number of Trunks		1
21			
22			
23			
24			
25	SCIS/IN Database Items		
26	RT22 DID	Realtime Table Item 22	
27	MD22 DID Words	Memory Table Item MD22	
28	MF22 DID Words	Memory Table Item MF22	
29	IT15 Data Store Words	Investment Table Item 15	
30	IT16 Data Fill Words	Investment Table Item 16	
31	ME6 Digital Trunk	Miscellaneous Equation Item 6	
32			
33			
34			
35			
36			
37			
38			
39			
40			

2W DID Port
Development of RTU Fee Costs

State: Florida
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LN	Description	Source	Amount
1	DMS100 RTU Fees	Contract PR6900	
2	NTX100AA [1] – per office		
3			
4	RTU Fee Expressed as Unit Recurring Equivalent		
5	Average Lines per Office	Model Office Data	16,390
6	RTU Fee per Line	LN2/LN5	
7	Monthly Interest Rate	Based on 11.25% Annual	0.89%
8	Term (Months)	Economic Life of Switch	120
9	Unit Recurring Cost	@pmt(LN6,LN7,LN8)	
10			
11	5ESS RTU Fees		
12			
13	Technology Distribution	D&F Database – NALs	
14	5ESS		68.5%
15	DMS		31.5%
16			
17	Molded RTU Fee	LN3*LN13+LN9*LN12	$0.00
18			
19	GRT Tax Factor	Fundamental Cost Group	1.0153
20			
21	RTU w/GRT [2]	LN15*LN17	$0.00
22			
23			
24			
25			
26	Notes:		
27			
28			
29			
30	[2] This is the unit recurring equivalent. If left as a unit nonrecurring The	(LN6*LN15+LN11*LN14)*LN19	$0.00
31	expense would be:		
32			
33			
34			
35			
36			
37			
38			
39			
40			

SECTION 4D

4W DS1 DID Port
Summary of Monthly Costs

State: Florida
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LN	Description	Source	Amount
1	Switching Costs		
2	Direct	WP21, LN16	
3	Directly Attributable Shared & Common	WP21, LN17	$126.05
4	TELRIC	LN2+LN3	
5			
6	DSX		
7	Direct	WP22, LN8	
8	Directly Attributable Shared & Common	WP22, LN9	$0.81
9	TELRIC	LN7+LN8	
10			
11			
12	Total Monthly Cost		
13	Direct	LN2+LN7	
14	Directly Attributable Shared & Common	LN3+LN8	$126.86
15	TELRIC	LN13+LN14	
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
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37			
38			
39			
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4W DS1 DID Port
Calculation of Monthly Switching Costs

State: Florida
Workpaper: 21
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LN	Description	Source	Amount
1	**Investments per 4W DS1 DID Port – 377C**		
2	5ESS	WP23, LN6	
3	DMS	WP24, LN10	
4			
5	Melded Investment	LN2*LN12 +LN3*LN13	$4,036.54
6			
7	Conversion Factor – Direct Cost	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.026506
8	Conversion Factor – TELRIC	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.031228
9	Directly Attributable Shared & Common Factor	LN8 – LN7	0.004722
10			
11	Technology Distribution	D&F Database – NALs	
12	5ESS		68.5%
13	DMS		31.5%
14			
15	Monthly Cost		
16	Direct	LN5*LN7	
17	Directly Attributable Shared & Common	LN5*LN9	
18	TELRIC	LN16+LN17	$126.05
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			

4W DS1 DID Port
Monthly Costs – DSX

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LN	Description	Source	Amount
1	DSX Investment – 357C [1]	Fundamental Cost	
2			
3	Conversion Factor – Direct Cost [2]	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.028689
4	Conversion Factor – TELRIC [2]	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.033034
5	Directly Attributable Shared & Common Factor	LN4 – LN3	0.004345
6			
7	Monthly Cost		
8	Direct	LN1*LN3	
9	Directly Attributable Shared & Common	LN1*LN5	
10	TELRIC	LN8+LN9	$0.81
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30	Note:		
31	[1] This is for one DSX bay termination.		
32			
33	[2] Hardwire in – plant		
34			
35			
36			
37			
38			
39			
40			

4W DS1 DID Port
Development of 5ESS Investments

State: Florida
Workpaper: 23
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LN	Description	Source	Amount
1	5ESS Investment Calculations		
2	EPHC		
3			
4	Hardware		
5			
6	Total Investment	LN2+LN4	
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18	Model Office Outputs	SCIS/MO Output	
19	MO2 SM Realtime		
20			
21			
22			
23	User Input	Network	
24	IP1 BH DID Calls per Trunk		11.3
25	IP2 Number of Trunks		24
26			
27			
28			
29			
30	SCIS/IN Database Items		
31	AT3 Realtime per EPHC	Assumption Table Item 3	
32	RS22.03 DID Call per Trunk	Realtime Table Item 22.03	
33	ME6 Digital Trunk	Miscellaneous Equation Item 6	
34			
35			
36			
37			
38			
39			
40			

4W DS1 DID Port
Development of DMS Investment

State: Florida
Workpaper: 24
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LN	Description	Source	Amount
1	DMS Investment Calculations		
2	Getting Started		
3			
4	Hardware		
5			
6	Memory		
7	Data Store		
8	Data Fill		
9			
10	Total Investment	LN2+LN4+LN7+LN8	
11			
12			
13	Model Office Outputs		
14	MO1 Getting Started	SCIS/MO Output	
15			
16			
17			
18	User Input	Network	
19	IP1 BH DID Calls per Trunk		11.3
20	IP2 Number of Trunks		24
21			
22			
23			
24			
25	SCIS/IN Database Items		
26	RT22 DID	Realtime Table Item 22	
27	MD22 DID Words	Memory Table Item MD22	
28	MF22 DID Words	Memory Table Item MF22	
29	IT15 Data Store Words	Investment Table Item 15	
30	IT16 Data Fill Words	Investment Table Item 16	
31	ME6 Digital Trunk	Miscellaneous Equation Item 6	
32			
33			
34			
35			
36			
37			
38			
39			
40			

4W DS1 DID Port
Development of RTU Fee Costs

State: Florida
Workpaper: 33
Page: 1 of 1
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LN	Description	Source	Amount
1	DMS100 RTU Fees	Contract PR6900	
2	NTX100AA[1] – per office		-
3			
4	RTU Fee Expressed as Unit Recurring Equivalent		
5	Average Lines per Office	Model Office Data	16,390
6	RTU Fee per Line	LN2/LN5	
7	Monthly Interest Rate	Based on 11.25% Annual	0.89%
8	Term (Months)	Economic Life of Switch	120
9	Unit Recurring Cost	@pmt(LN6,LN7,LN8)	
10			
11	5ESS RTU Fees		
12			
13	Technology Distribution	D&F Database – NALs	
14	5ESS		68.5%
15	DMS		31.5%
16			
17	Molded RTU Fee	LN9*LN15+LN11*LN14	$0.00
18			
19	GRT Tax Factor	Fundamental Cost Group	1.0153
20			
21	RTU w/GRT[2]	LN15*LN17	$0.00
22			
23	RTU per DS1	LN21*24	$0.00
24			
25			
26			
27			
28	Notes:		
29			
30			
31			
32	[2] This is the unit recurring equivalent. If left as a unit nonrecurring the		
33	expense would be:	(LN6*LN15+LN11*LN14)*LN19*24	$0.00
34			
35			
36			
37			
38			
39			
40			

SECTION 4E

4W ISDN DS1 Port (PRI)
Summary of Monthly Costs

State: Florida
Workpaper: 20
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Date: 10/07/96

LN	Description	Source	Amount
1	**Switching Costs**[1]		
2	Direct	WP21, LN39	
3	Directly Attributable Shared & Common	WP21, LN40	
4	TELRIC	LN2+LN3	$233.87
5			
6	**DSX**		
7	Direct	WP22, LN9	
8	Directly Attributable Shared & Common	WP22, LN10	
9	TELRIC	LN7+LN8	$1.00
10			
11	**Total Recurring Costs**		
12	Direct	LN2+LN7	
13	Directly Attributable Shared & Common	LN3+LN8	
14	TELRIC	LN12+LN13	$234.87
15			
16			
17	RTU Fees [2]	WP33, LN45	$29.06
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30	**Notes:**		
31	[1] The switching costs only include the physical termination, i.e. call-by-call access and incoming call identification are not included.		
32			
33	[2] The RTU fee is compised of volume sensitive and volume insensitive costs. The breakdown, per month, per PRI is:		
34			
35	Volume Sensitive RTU Fee:		$23.62
36	Volume Insensitive RTU Fee:		$5.43
37			
38			
39			
40			

4W ISDN DS1 Port (PRI)
Monthly Costs

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LN	Description	Source	Amount
1	5ESS Calculations	SCIS/MO – 5ESS ISDN Line Termination Report	
2	Investment – 377C		
3	Minimum Cost per D Channel		
4	Minimum Cost per B Channel		
5	Number of B Channels	LN3+LN4*LN5	
6	Investment per Port		
7		ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.026506
8	Conversion Factor – Direct Cost	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.031228
9	Conversion Factor – TELRIC	LN9–LN8	0.004722
10	Directly Attributable Shared & Common Factor		
11			
12	5ESS Monthly Cost	LN6*LN8	
13	Direct	LN6*LN10	
14	Directly Attributable Shared & Common	LN13+LN14	
15	TELRIC		
16			
17	DMS Calculations	SCIS/MO – DMS ISDN Line Termination Report	
18	Investment – 377C		
19	Minimum Cost per D Channel		
20	Minimum Cost per B Channel		
21	Number of B Channels	LN19+LN20*LN21	
22	Investment per Port		
23		ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.026506
24	Conversion Factor – Direct Cost	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.031228
25	Conversion Factor – TELRIC	LN25–LN24	0.004722
26	Directly Attributable Shared & Common Factor		
27			
28	DMS Monthly Cost	LN22*LN24	
29	Direct	LN22*LN26	
30	Directly Attributable Shared & Common	LN28+LN30	
31	TELRIC		
32			
33	Meld Calculations	DLF Database – NALs	68.5%
34	Technology Distribution		31.5%
35	5ESS		
36	DMS		
37			
38	Melded Monthly Cost	LN13*LN35+LN29*LN36	
39	Direct	LN14*LN35+LN30*LN36	
40	Directly Attributable Shared & Common	LN39+LN40	$233.87
41	TELRIC		
42			
43			
44			
45			

4W ISDN DS1 Port (PRI)
Monthly Costs – DSX

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LN	Description	Source	Amount
1	DSX Investment – 257C[1]	Fundamental Cost	
2			
3	Conversion Factor – Direct Cost	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.035694
4	Conversion Factor – TELRIC	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.041043
5	Directly Attributable Shared & Common Factor	LN4–LN3	0.005349
6			
7			
8	Monthly Cost		
9	Direct	LN1*LN3	
10	Directly Attributable Shared & Common	LN1*LN5	
11	TELRIC	LN9+LN10	$1.00
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30	Note:		
31	[1] This is for one DSX bay termination.		
32			
33			
34			
35			
36			
37			
38			
39			
40			

4W ISDN DS1 Port (PRI)
Development of RTU Fee Costs

State: Florida
Workpaper: 33
Page: 1 of 1
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LN	Description	Source	Amount
1	DMS100 RTU Fees	Contract PR8900	
2	Per Office		
3	NTX760AB	PRI Interface Base	
4	NTX763AA	Integrated Services Access	
5	NTX764AA	PRI/CCS7 Interworking	
6	NTN53AA	D Channel Back-up	
7	Total per Office	LN3+LN4+LN5+LN6	
8			
9	Per PRI		
10	NTX760AB	PRI Interface Base	
11			
12	Average PRIs per office	Model Office Input	
13			
14	5ESS RTU Fees	Contract PR8700B	
15	Per PRI		
16	ISRIPRT (includes ISCCART)	ISDN Primary Rate Interface	
17	NISSPRI	NI2 -- Basic (1% of Interfaces)	
18	5ESS RTU per PRI		
19			
20	Volume Sensitive RTU Fees		
21	DMS	LN10	
22	5ESS	LN16	
23			
24	Molded Volume Sensitive RTU Fee	LN21*LN27+LN22*LN28	$1,711.[illegible]4
25			
26	Distribution	NALs	
27	DMS		31.5%
28	5ESS		68.5%
29			
30	Monthly Interest Rate	Based on Annual 11.25% Rate	0.89%
31	Term (Months)	Economic Life of 377C Account	120
32	GRT	Fundamental Cost Group	1.0153
33	Volume Sensitive Expressed as Unit Recurring	(@PMT(LN24,LN30,LN31))*LN32	$23.62
34			
35	Volume Insensitive RTU Fees		
36	DMS	LN7	
37	5ESS		
38			
39	Molded Volume Insensitive RTU Fee	LN27*LN36+LN28*LN37	$12,600.00
40			
41	Molded Volume Insensitive per PRI	LN30/LN12	$303.75
42			
43	Volume Insensitive Expressed as Unit Recurring	(@PMT(LN41,LN30,LN31))*LN32	$5.43
44			
45	Total RTU per PRI, per Month	LN33+LN43	$29.06
46			
47	Note: If left as a nonrecurring cost the per PRI RTU fee would be:		
48	Volume Sensitive:	LN24*LN32	$1,737.83
49	Volume Insensitive	LN32*LN41	$309.77
50			

SECTION 4F

Coin Analog Port
Monthly Costs

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Workpaper: 20
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LN	Description	Source	Amount
1	**5ESS Calculations**		
2	Investment – 377C	SCIS/MO – 5ESS Line Termination Report	
3	MDF & Protector		
4	NTS Switching Investment		
5	Screening Investment	WP22, LN9	
6	Investment per Port	LN3+LN4+LN5	
7			
8	Conversion Factor – Direct Cost	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.026506
9	Conversion Factor – TELRIC	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.031228
10	Directly Attributable Shared & Common Factor	LN9–LN8	0.004722
11			
12	**5ESS Monthly Cost**		
13	Direct	LN6*LN8	
14	Directly Attributable Shared & Common	LN6*LN10	
15	TELRIC	LN13+LN14	
16			
17			
18	**DMS Calculations**		
19	Investment – 377C	SCIS/MO – DMS Line Termination Report	
20	MDF & Protector		
21	NTS Switching Investment		
22	Incremental Cost for Type B Line Card	WP21, LN4	
23	Screening Investment	WP23, LN9	
24	Investment per Port	Sum(LN20...LN23)	
25			
26	Conversion Factor – Direct Cost	ACE Report 20, Total Monthly Cost/10,000 (Sect 7B)	0.026506
27	Conversion Factor – TELRIC	ACE Report 20, Total Monthly Cost/10,000 (Sect 7C)	0.031228
28	Directly Attributable Shared & Common Factor	LN9–LN8	0.004722
29			
30	**DMS Monthly Cost**		
31	Direct	LN24*LN26	
32	Directly Attributable Shared & Common	LN24*LN28	
33	TELRIC	LN31+LN32	
34			
35	**Meld Calculations**		
36	Technology Distribution	D&F Database – NALs	
37	5ESS		68.5%
38	DMS		31.5%
39			
40	**Melded Monthly Cost – Switching**		
41	Direct	LN13*LN37+LN31*LN38	
42	Directly Attributable Shared & Common	LN14*LN37+LN32*LN38	
43	TELRIC	LN41+LN42	$2.18
44			
45			

Coin Analog Port
Monthly Costs

State: Florida
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LN	Description	Source	Amount
1	DMS Incremental Investment		
2	Type A Line Card		
3	Type B Line Card		
4	Incremental Investment		
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			

Coin Analog Port
Billed Number Screening/Selective Class of Call Screening
SESS Investment Development

State: Florida
Workpaper: 22
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LN	Description	Source	Amount
1	SESS Investments		
2			
3	A. Getting Started		
4			
5	B. Line CCS		
6			
7	C. EPHC		
8			
9	D. Total Investment	LN3+LN5+LN7	
10			
11			
12	User Inputs	Network	
13	IP1 Busy Hour Calls per Line		0.01
14	IP2 Digits per Call		3
15			
16	Model Office Outputs	SCIS/MO V2.1	
17	MO1 Investment per Msec		
18	MO2 Switch Module Realtime per EPHC		
19	MO4 Investment per Line CCS		
20			
21	SCIS Database Items		
22	AT3 Realtime per average EPHC	Assumption Table Item #3	
23	AT4 Holding Tone for 12 Second Announcement	Assumption Table Item #4	
24	DT31 CCS per Digit	Default Table Item #31	
25	RS322 Code Restriction Call to Announcement	Realtime (SM) Table Item #322	
26	RT322 Code Restriction Call to Announcement	Realtime Table Item #322	
27			
28			
29			
30	Note: Assumes restricted call receives announcement.		
31			
32			
33			
34			
35			

Coin Analog Port
Billed Number Screening/Selective Class of Call Screening
DMS Investment Development

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LN	Description	Source	Amount
1	DMS Investments		
2			
3	A. Getting Started		
4			
5	B. Line CCS		
6			
7	C. Memory		
8			
9	D. Total Investment	LN3+LN5+LN7	
10			
11			
12	User Inputs	Network	
13	IP1 Busy Hour Calls per Line		0.01
14	IP2 Digits per Call		3
15	IP3 Restricted Lines per Office		100
16			
17	Model Office Outputs	SCIS/MO V2.1	
18	MO1 Investment per Msec		
19	MO4 Investment per Line CCS		
20			
21	SCIS Database Items		
22	DT49 CCS per Add'l Digit	Default Table Item #49	
23	IT14 Program Store $/Word	Investment Table Item #14	
24	IT15 Data Store $/Word	Investment Table Item #15	
25	MP322 Program Store Words	Memory Table Item #MP322	
26	MD322 Data Store Words	Memory Table Item #MD322	
27	RT322 Code Restriction Call to Announcement	Realtime Table Item #322	
28			
29			
30	Note: Assumes restricted call receives announcement.		
31			
32			
33			
34			
35			

Coin Analog Port
Development of RTU Fees

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LN	Description	Source	Amount
1	5ESS RTU per Line	Contract PR-6700-B	
2			
3	DMS		
4			
5	Meld Calculations		
6	Technology Distribution	D&F Database -- NALs	
7	5ESS		68.5%
8	DMS		31.5%
9			
10	Melded RTU fee	LN1*LN7+LN3*LN8	$21.02
11			
12	GRT Tax Factor	Fundamental Cost Group	1.0153
13			
14	Melded RTU w/GRT	LN10*LN12	$21.34
15			
16	RTU Expressed as Recurring		
17	PW of Expense	LN10	$21.02
18	Monthly Interest Rate	Based on 11.25% Annual Interest Rate	0.89%
19	Term (Months)	Digital Equipment Economic Life	120
20	Monthly Cost w/GRT	(@pmt(LN17,LN18,LN16))*LN12	$0.29
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			

SECTION 5

SECTION 5

COST STUDY DOCUMENTATION
COST DEVELOPMENT - NONRECURRING

UNBUNDLED EXCHANGE PORTS

These studies are currently in progress.

SECTION 6

SECTION 6

COST STUDY DOCUMENTATION
SPECIFIC STUDY ASSUMPTIONS

UNBUNDLED EXCHANGE PORTS

The cost studies are based on the Total Element Long Run Incremental Cost (TELRIC) methodology prescribed by FCC's First Report and Order in CC Docket 96-98 released August 8, 1996. Network deployment strategies, first choice provisioning guidelines, and equipment purchasing information are used to develop the Total Element Long Run Incremental Cost.

Cost study assumptions are as follows:

Ports

1. The physical connection to the switch is comprised of the main distributing frame (MDF), the protector on the MDF, and the non-traffic sensitive switch equipment. This arrangement does not provide any feature functionality.

2. Network usage is required to gain access to the switched network.

3. RTU fees have been included where applicable to account for the expense which must be paid to switch vendors upon termination.

4. Alternative Network Serving Arrangements, ANSA, have not been considered in the ISDN ports.

5. The coin port includes screening capabilities.

SECTION 7

SECTION 7

COST STUDY DOCUMENTATION
FACTORS AND LOADINGS

UNBUNDLED EXCHANGE PORTS

Following are the TELRIC annual cost factors, miscellaneous loadings and labor rates used in the Unbundled Exchange Ports cost study. Also included is the development of the conversion factor using the ACE model.

SECTION 7A

SECTION 7A
LABOR RATES, LABOR INFLATION, ETC.
FLORIDA

Nonrecurring study in progress. Labor Rates will be outlined when study is complete.

Loading Factors

Ports

Levelized Inflation	.9990
InPlant (Telco)	1.1705
Common Equipment & Power	1.0974
Building Loading	.0657
Land Loading	.0047

Annual Cost Factors

The ACFs for the ports are displayed on Report 20 of the ACE runs contained in Section 7B (Direct Cost) and 7C (TELRIC).

SECTION 7B

USOC INVESTMENT DETAILS

Study Number: 96XXX

Study Name: Conversion Factor

Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sens.	Economic Type	Investment Basis
FL		AAA			VS	D	

	PRIMARY INVESTMENT DATA				INVESTMENT LOADING FACTORS				SUPPORT STRUCTURE LOADINGS			BOOKED INVESTMENTS	
Field Code	Description	Capital Investment	Operating Investment	Date	FC Factor	InPlant Factor	InPlant Type	CE&P Factor	Loading Factor	Loading Type	Field Code	Capital Investment	Operating Investment
377C	Conversion Factor	10,000.00	10,000.00	9/23/96	.9990	1.1705	T	1.0974				12,832.22	12,832.22
377C	- Support Loading ----->			9/23/96					.0657	switch_bldg	10C	843.08	843.08
377C	- Support Loading ----->			9/23/96					.0047	switch_land	20C	60.31	60.31
										ADJUSTED TOTAL INVESTMENT:		13,735.61	13,735.61

NOTES: 1. The BOOKED INVESTMENT for PRIMARY INVESTMENTS is calculated by multiplying the PRIMARY INVESTMENT by the applicable INVESTMENT LOADING FACTORS.
2. The BOOKED INVESTMENT for SUPPORT STRUCTURE LOADINGS is calculated by multiplying the applicable Loading Factor by the sum of INVESTMENTS for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The FC factor is the levelized inflation factor for investments.

USOC INVESTMENT DETAILS
Study Number: 96XXX
Study Name: Conversion Factor
Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sens.	Economic Type	Investment Basis
FL		BBB			VS	D	

PRIMARY INVESTMENT DATA					INVESTMENT LOADING FACTORS				SUPPORT STRUCTURE LOADINGS			BOOKED INVESTMENTS	
Field Code	Description	Capital Investment	Operating Investment	Date	FC Factor	InPlant Factor	InPlant Type	CE&P Factor	Loading Factor	Loading Type	Field Code	Capital Investment	Operating Investment
357C	Conversion Factor	10,000.00	10,000.00	9/23/96	.9550	1.3498	H	1.0683				13,771.02	13,771.02
357C	- Support Loading ----->			9/23/96					.0657	circuit_bldg	10C	904.76	904.76
357C	- Support Loading ----->			9/23/96					.0047	circuit_land	20C	64.72	64.72
										ADJUSTED TOTAL INVESTMENT:		14,740.50	14,740.50

NOTES: 1. The BOOKED INVESTMENT for PRIMARY INVESTMENTS is calculated by multiplying the PRIMARY INVESTMENT by the applicable INVESTMENT LOADING FACTORS.
2. The BOOKED INVESTMENT for SUPPORT STRUCTURE LOADINGS is calculated by multiplying the applicable Loading Factor by the sum of INVESTMENTS for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The FC factor is the levelized inflation factor for investments.

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sens.	Economic Type	Investment Basis
FL		CCC			VS	D	

	PRIMARY INVESTMENT DATA				INVESTMENT LOADING FACTORS				SUPPORT STRUCTURE LOADINGS			BOOKED INVESTMENTS	
Field Code	Description	Capital Investment	Operating Investment	Date	PC Factor	InPlant Factor	InPlant Type	CE&P Factor	Loading Factor	Loading Type	Field Code	Capital Investment	Operating Investment
357C	Conversion Factor	10,000.00	10,000.00	9/23/96	.9550	1.0600	P	1.0683				10,814.40	10,814.40
357C	- Support Loading ----->			9/23/96					.0657	circuit_bldg	10C	710.51	710.51
357C	- Support Loading ----->			9/23/96					.0047	circuit_land	20C	50.83	50.83
										ADJUSTED TOTAL INVESTMENT:		11,575.73	11,575.73

NOTES: 1. The BOOKED INVESTMENT for PRIMARY INVESTMENTS is calculated by multiplying the PRIMARY INVESTMENT by the applicable INVESTMENT LOADING FACTORS.
2. The BOOKED INVESTMENT for SUPPORT STRUCTURE LOADINGS is calculated by multiplying the applicable Loading Factor by the sum of INVESTMENTS for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The PC factor is the levelized inflation factor for investments.

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sens.	Economic Type	Investment Basis
FL		DDD			VS	D	

	PRIMARY INVESTMENT DATA				INVESTMENT LOADING FACTORS				SUPPORT STRUCTURE LOADINGS			BOOKED INVESTMENTS	
Field Code	Description	Capital Investment	Operating Investment	Date	PC Factor	InPlant Factor	InPlant Type	CE&P Factor	Loading Factor	Loading Type	Field Code	Capital Investment	Operating Investment
257C	Conversion Factor	10,000.00	10,000.00	9/23/96	.9530	1.7842	H	1.0134				17,231.27	17,231.27
257C	- Support Loading ----->			9/23/96					.0657	circuit_bldg	10C	1,132.09	1,132.09
257C	- Support Loading ----->			9/23/96					.0047	circuit_land	20C	80.99	80.99
										ADJUSTED TOTAL INVESTMENT:		18,444.35	18,444.35

NOTES: 1. The BOOKED INVESTMENT for PRIMARY INVESTMENTS is calculated by multiplying the PRIMARY INVESTMENT by the applicable INVESTMENT LOADING FACTORS.
2. The BOOKED INVESTMENT for SUPPORT STRUCTURE LOADINGS is calculated by multiplying the applicable Loading Factor by the sum of INVESTMENTS for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The PC factor is the levelized inflation factor for investments.

USOC ANNUAL COST DETAILS
Study Number: 96XXX
Study Name: Conversion Factor
Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		AAA			VS	D	

INVESTMENT DATA			ANNUAL COST FACTORS							ANNUAL EXPENSES						
Field Code	St	Investment	Depr. Factor	C.O.M. Factor	Inc.Tax Factor	Mtce. Factor	Direct. Attrib. Shared	AdVal Factor	GRT Factor	Depr. Expense	C.O.M. Expense	Inc Tax Expense	Mtce. Expense	Directly Attributed Shared	Adval Expense	GRT Expense
10C	FL	843.08	.0330	.0826	.0369	.0061	0.0000	.0120	.0153	27.82	69.64	31.11	5.14	0.00	10.13	2.20
20C	FL	60.31	0.0000	.0947	.0426	0.0000	0.0000	.0120	.0153	0.00	5.71	2.57	0.00	0.00	.72	.14
377C	FL	12,832.22	.1157	.0555	.0254	.0236	0.0000	.0120	.0153	1,484.69	712.19	325.94	302.84	0.00	154.23	45.59

SUMMARY:		
	ADJUSTED TOTAL INVESTMENT	13,735.61
	ANNUAL CAPITAL COSTS:	
	Depreciation Expense	1,512.51
	Cost of Money	787.54
	Income Tax Expense	359.62
	ANNUAL OPERATING EXPENSES:	
	Maintenance Expense	307.98
	Directly Attributed Shared	0.00
	Ad Valorem and Other Taxes	165.09
	Gross Receipts Tax	47.93
	TOTAL ANNUAL COSTS	3,180.67

TOTAL MONTHLY COST: 265.06

NOTES: 1. Capital and Operating Investments are from ACE Report 10.
2. Gross Receipts Tax = Gross Receipts Tax Factor multiplied by the sum of Capital Costs and Operating Expenses.

USOC ANNUAL COST DETAILS

Study Number: 96XXX

Study Name: Conversion Factor

Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		BBB			VS	D	

INVESTMENT DATA			ANNUAL COST FACTORS							ANNUAL EXPENSES						
Field Code	St	Investment	Depr. Factor	C.O.M. Factor	Inc.Tax Factor	Mtce. Factor	Direct. Attrib. Shared	AdVal Factor	GRT Factor	Depr. Expense	C.O.M. Expense	Inc Tax Expense	Mtce. Expense	Directly Attributed Shared	Adval Expense	GRT Expense
10C	FL	904.76	.0330	.0826	.0369	.0061	0.0000	.0120	.0153	29.86	74.73	33.39	5.52	0.00	10.87	2.36
20C	FL	64.72	0.0000	.0947	.0426	0.0000	0.0000	.0120	.0153	0.00	6.13	2.76	0.00	0.00	.78	.15
357C	FL	13,771.02	.1314	.0564	.0252	.0093	0.0000	.0120	.0153	1,809.51	776.69	347.03	128.07	0.00	165.51	49.37

SUMMARY:	ADJUSTED TOTAL INVESTMENT		14,740.50		
	ANNUAL CAPITAL COSTS:	Depreciation Expense	1,839.37		
		Cost of Money	857.55		
		Income Tax Expense	383.17		
	ANNUAL OPERATING EXPENSES:	Maintenance Expense	133.59		
		Directly Attributed Shared	0.00		
		Ad Valorem and Other Taxes	177.17		
	Gross Receipts Tax		51.88		
	TOTAL ANNUAL COSTS		3,442.72	TOTAL MONTHLY COST:	286.89

NOTES: 1. Capital and Operating Investments are from ACE Report 10.

2. Gross Receipts Tax = Gross Receipts Tax Factor multiplied by the sum of Capital Costs and Operating Expenses.

USOC ANNUAL COST DETAILS
Study Number: 96XXX
Study Name: Conversion Factor
Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity VS	Economic Type	Investment Basis
FL		CCC				D	

Field Code	St	Investment	Depr. Factor	C.O.M. Factor	Inc.Tax Factor	Mtce. Factor	Direct. Attrib. Shared	AdVal Factor	GRT Factor	Depr. Expense	C.O.M. Expense	Inc Tax Expense	Mtce. Expense	Directly Attributed Shared	Adval Expense	GRT Expense
		INVESTMENT DATA	ANNUAL COST FACTORS							ANNUAL EXPENSES						
10C	FL	710.51	.0330	.0826	.0369	.0061	0.0000	.0120	.0153	23.45	58.69	26.22	4.33	0.00	8.54	1.85
20C	FL	50.83	0.0000	.0947	.0426	0.0000	0.0000	.0120	.0153	0.00	4.81	2.17	0.00	0.00	.61	.12
357C	FL	10,814.40	.1314	.0564	.0252	.0093	0.0000	.0120	.0153	1,421.01	609.93	272.52	100.57	0.00	129.98	38.77

SUMMARY:	ADJUSTED TOTAL INVESTMENT		11,575.73
	ANNUAL CAPITAL COSTS:	Depreciation Expense	1,444.46
		Cost of Money	673.43
		Income Tax Expense	300.91
	ANNUAL OPERATING EXPENSES:	Maintenance Expense	104.91
		Directly Attributed Shared	0.00
		Ad Valorem and Other Taxes	139.13
	Gross Receipts Tax		40.74
	TOTAL ANNUAL COSTS		2,703.58

TOTAL MONTHLY COST: 225.30

NOTES: 1. Capital and Operating Investments are from ACE Report 10.
2. Gross Receipts Tax = Gross Receipts Tax Factor multiplied by the sum of Capital Costs and Operating Expenses.

USOC ANNUAL COST DETAILS
Study Number: 96XXX
Study Name: Conversion Factor
Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		DDD			VS	D	

INVESTMENT DATA			ANNUAL COST FACTORS							ANNUAL EXPENSES						
Field Code	St	Investment	Depr. Factor	C.O.M. Factor	Inc.Tax Factor	Mtce. Factor	Direct. Attrib. Shared	AdVal Factor	GRT Factor	Depr. Expense	C.O.M. Expense	Inc Tax Expense	Mtce. Expense	Directly Attributed Shared	Adval Expense	GRT Expense
10C	FL	1,132.09	.0330	.0826	.0369	.0061	0.0000	.0120	.0153	37.36	93.51	41.77	6.91	0.00	13.61	2.96
20C	FL	80.99	0.0000	.0947	.0426	0.0000	0.0000	.0120	.0153	0.00	7.67	3.45	0.00	0.00	.97	.19
257C	FL	17,231.27	.1314	.0564	.0249	.0082	0.0000	.0120	.0153	2,264.19	971.84	429.06	141.30	0.00	207.10	61.41

SUMMARY:	ADJUSTED TOTAL INVESTMENT		18,444.35
	ANNUAL CAPITAL COSTS:	Depreciation Expense	2,301.55
		Cost of Money	1,073.02
		Income Tax Expense	474.28
	ANNUAL OPERATING EXPENSES:	Maintenance Expense	148.20
		Directly Attributed Shared	0.00
		Ad Valorem and Other Taxes	221.68
	Gross Receipts Tax		64.55
	TOTAL ANNUAL COSTS		4,283.29

TOTAL MONTHLY COST: 356.94

NOTES: 1. Capital and Operating Investments are from ACE Report 10.
2. Gross Receipts Tax = Gross Receipts Tax Factor multiplied by the sum of Capital Costs and Operating Expenses.

SECTION 7C

USOC INVESTMENT DETAILS
Study Number: 96XXX
Study Name: Conversion Factors
Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sens.	Economic Type	Investment Basis
FL		AAA			VS	D	

PRIMARY INVESTMENT DATA					INVESTMENT LOADING FACTORS				SUPPORT STRUCTURE LOADINGS			BOOKED INVESTMENTS	
Field Code	Description	Capital Investment	Operating Investment	Date	PC Factor	InPlant Factor	InPlant Type	CE&P Factor	Loading Factor	Loading Type	Field Code	Capital Investment	Operating Investment
377C	Conversion Factor	10,000.00	10,000.00	9/23/96	.9990	1.1705	T	1.0974				12,832.22	12,832.22
377C	- Support Loading ----->			9/23/96					.0657	switch_bldg	10C	843.08	843.08
377C	- Support Loading ----->			9/23/96					.0047	switch_land	20C	60.31	60.31
										ADJUSTED TOTAL INVESTMENT:		13,735.61	13,735.61

NOTES: 1. The BOOKED INVESTMENT for PRIMARY INVESTMENTS is calculated by multiplying the PRIMARY INVESTMENT by the applicable INVESTMENT LOADING FACTORS.
2. The BOOKED INVESTMENT for SUPPORT STRUCTURE LOADINGS is calculated by multiplying the applicable Loading Factor by the sum of INVESTMENTS for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The PC factor is the levelized inflation factor for investments.

USOC INVESTMENT DETAILS
Study Number: 96XXX
Study Name: Conversion Factors
Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sens.	Economic Type	Investment Basis
FL		BBB			VS	D	

PRIMARY INVESTMENT DATA					INVESTMENT LOADING FACTORS				SUPPORT STRUCTURE LOADINGS			BOOKED INVESTMENTS	
Field Code	Description	Capital Investment	Operating Investment	Date	PC Factor	InPlant Factor	InPlant Type	CE&P Factor	Loading Factor	Loading Type	Field Code	Capital Investment	Operating Investment
357C	Conversion Factor	10,000.00	10,000.00	9/23/96	.9550	1.3498	H	1.0683				13,771.02	13,771.02
357C	- Support Loading ----->			9/23/96					.0657	circuit_bldg	10C	904.76	904.76
357C	- Support Loading ----->			9/23/96					.0047	circuit_land	20C	64.72	64.72
										ADJUSTED TOTAL INVESTMENT:		14,740.50	14,740.50

NOTES: 1. The BOOKED INVESTMENT for PRIMARY INVESTMENTS is calculated by multiplying the PRIMARY INVESTMENT by the applicable INVESTMENT LOADING FACTORS.
2. The BOOKED INVESTMENT for SUPPORT STRUCTURE LOADINGS is calculated by multiplying the applicable Loading Factor by the sum of INVESTMENTS for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The PC factor is the levelized inflation factor for investments.

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sens.	Economic Type	Investment Basis
FL		CCC			VS	D	

	PRIMARY INVESTMENT DATA				INVESTMENT LOADING FACTORS				SUPPORT STRUCTURE LOADINGS			BOOKED INVESTMENTS	
Field Code	Description	Capital Investment	Operating Investment	Date	FC Factor	InPlant Factor	InPlant Type	CE&P Factor	Loading Factor	Loading Type	Field Code	Capital Investment	Operating Investment
3S7C	Conversion Factor	10,000.00	10,000.00	9/23/96	.9550	1.0600	P	1.0683				10,814.40	10,814.40
3S7C	- Support Loading ----->			9/23/96					.0657	circuit_bldg	10C	710.51	710.51
3S7C	- Support Loading ----->			9/23/96					.0047	circuit_land	20C	50.83	50.83
										ADJUSTED TOTAL INVESTMENT:		11,575.73	11,575.73

NOTES: 1. The BOOKED INVESTMENT for PRIMARY INVESTMENTS is calculated by multiplying the PRIMARY INVESTMENT by the applicable INVESTMENT LOADING FACTORS.
2. The BOOKED INVESTMENT for SUPPORT STRUCTURE LOADINGS is calculated by multiplying the applicable Loading Factor by the sum of INVESTMENTS for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The FC factor is the levelized inflation factor for investments.

USOC INVESTMENT DETAILS
Study Number: 96XXX
Study Name: Conversion Factors
Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sens.	Economic Type	Investment Basis
FL		DDD			VS	D	

	PRIMARY INVESTMENT DATA				INVESTMENT LOADING FACTORS				SUPPORT STRUCTURE LOADINGS			BOOKED INVESTMENTS	
Field Code	Description	Capital Investment	Operating Investment	Date	FC Factor	InPlant Factor	InPlant Type	CE&P Factor	Loading Factor	Loading Type	Field Code	Capital Investment	Operating Investment
257C	Conversion Factor	10,000.00	10,000.00	9/23/96	.9530	1.7842	H	1.0134				17,231.27	17,231.27
257C	- Support Loading ----->			9/23/96					.0657	circuit_bldg	10C	1,132.09	1,132.09
257C	- Support Loading ----->			9/23/96					.0047	circuit_land	20C	80.99	80.99
											ADJUSTED TOTAL INVESTMENT:	18,444.35	18,444.35

NOTES: 1. The BOOKED INVESTMENT for PRIMARY INVESTMENTS is calculated by multiplying the PRIMARY INVESTMENT by the applicable INVESTMENT LOADING FACTORS.
2. The BOOKED INVESTMENT for SUPPORT STRUCTURE LOADINGS is calculated by multiplying the applicable Loading Factor by the sum of INVESTMENTS for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The FC factor is the levelized inflation factor for investments.

USOC ANNUAL COST DETAILS
Study Number: 96XXX
Study Name: Conversion Factors
Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		AAA			VS	D	

INVESTMENT DATA			ANNUAL COST FACTORS							ANNUAL EXPENSES						
Field Code	St	Investment	Depr. Factor	C.O.M. Factor	Inc.Tax Factor	Mtce. Factor	Direct. Attrib. Shared	AdVal Factor	GRT Factor	Depr. Expense	C.O.M. Expense	Inc Tax Expense	Mtce. Expense	Directly Attributed Shared	Adval Expense	GRT Expense
10C	FL	843.08	.0330	.0826	.0369	.0061	.0014	.0120	.0153	27.82	69.64	31.11	5.14	1.18	10.13	2.22
20C	FL	60.31	0.0000	.0947	.0426	0.0000	0.0000	.0120	.0153	0.00	5.71	2.57	0.00	0.00	.72	.14
377C	FL	12,832.22	.1157	.0555	.0254	.0236	.0434	.0120	.0153	1,484.69	712.19	325.94	302.84	556.92	154.23	54.11

SUMMARY:			
	ADJUSTED TOTAL INVESTMENT		13,735.61
	ANNUAL CAPITAL COSTS:	Depreciation Expense	1,512.51
		Cost of Money	787.54
		Income Tax Expense	359.62
	ANNUAL OPERATING EXPENSES:	Maintenance Expense	307.98
		Directly Attributed Shared	558.10
		Ad Valorem and Other Taxes	165.09
	Gross Receipts Tax		56.47
	TOTAL ANNUAL COSTS		3,747.30

TOTAL MONTHLY COST: 312.28

NOTES: 1. Capital and Operating Investments are from ACE Report 10.
2. Gross Receipts Tax = Gross Receipts Tax Factor multiplied by the sum of Capital Costs and Operating Expenses.

USOC ANNUAL COST DETAILS
Study Number: 96XXX
Study Name: Conversion Factors
Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		BBB			VS	D	

INVESTMENT DATA			ANNUAL COST FACTORS							ANNUAL EXPENSES						
Field Code	St	Investment	Depr. Factor	C.O.M. Factor	Inc.Tax Factor	Mtce. Factor	Direct. Attrib. Shared	AdVal Factor	GRT Factor	Depr. Expense	C.O.M. Expense	Inc Tax Expense	Mtce. Expense	Directly Attributed Shared	Adval Expense	GRT Expense
10C	FL	904.76	.0330	.0826	.0369	.0061	.0014	.0120	.0153	29.86	74.73	33.39	5.52	1.27	10.87	2.38
20C	FL	64.72	0.0000	.0947	.0426	0.0000	0.0000	.0120	.0153	0.00	6.13	2.76	0.00	0.00	.78	.15
357C	FL	13,771.02	.1314	.0564	.0252	.0093	.0372	.0120	.0153	1,809.51	776.69	347.03	128.07	512.28	165.51	57.21

SUMMARY:			
ADJUSTED TOTAL INVESTMENT		14,740.50	
ANNUAL CAPITAL COSTS:	Depreciation Expense	1,839.37	
	Cost of Money	857.55	
	Income Tax Expense	383.17	
ANNUAL OPERATING EXPENSES:	Maintenance Expense	133.59	
	Directly Attributed Shared	513.55	
	Ad Valorem and Other Taxes	177.17	
Gross Receipts Tax		59.74	
TOTAL ANNUAL COSTS		3,964.13	TOTAL MONTHLY COST: 330.34

NOTES: 1. Capital and Operating Investments are from ACE Report 10.
2. Gross Receipts Tax = Gross Receipts Tax Factor multiplied by the sum of Capital Costs and Operating Expenses.

USOC ANNUAL COST DETAILS
Study Number: 96XXX
Study Name: Conversion Factors
Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		CCC			VS	D	

		INVESTMENT DATA	ANNUAL COST FACTORS						ANNUAL EXPENSES						
Field Code	St	Investment	Depr. Factor	C.O.M. Factor	Inc.Tax Factor	Mtce. Factor	Direct. Attrib. Shared	AdVal Factor	GRT Factor	Depr. Expense	C.O.M. Expense	Inc Tax Expense	Mtce. Expense	Directly Attributed Shared	Adval Expense	GRT Expense
10C	FL	710.51	.0330	.0826	.0369	.0061	.0014	.0120	.0153	23.45	58.69	26.22	4.33	.99	8.54	1.87
20C	FL	50.83	0.0000	.0947	.0426	0.0000	0.0000	.0120	.0153	0.00	4.81	2.17	0.00	0.00	.61	.12
357C	FL	10,814.40	.1314	.0564	.0252	.0093	.0372	.0120	.0153	1,421.01	609.93	272.52	100.57	402.30	129.98	44.93

SUMMARY:	ADJUSTED TOTAL INVESTMENT		11,575.73	
	ANNUAL CAPITAL COSTS:	Depreciation Expense	1,444.46	
		Cost of Money	673.43	
		Income Tax Expense	300.91	
	ANNUAL OPERATING EXPENSES:	Maintenance Expense	104.91	
		Directly Attributed Shared	403.29	
		Ad Valorem and Other Taxes	139.13	
	Gross Receipts Tax		46.91	
	TOTAL ANNUAL COSTS		3,113.04	TOTAL MONTHLY COST: 259.42

NOTES: 1. Capital and Operating Investments are from ACE Report 10.
2. Gross Receipts Tax = Gross Receipts Tax Factor multiplied by the sum of Capital Costs and Operating Expenses.

USOC ANNUAL COST DETAILS
Study Number: 96XXX
Study Name: Conversion Factors
Tariff Element: Conversion Factor

State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		DDD			VS	D	

INVESTMENT DATA			ANNUAL COST FACTORS							ANNUAL EXPENSES						
Field Code	St	Investment	Depr. Factor	C.O.M. Factor	Inc.Tax Factor	Mtce. Factor	Direct. Attrib. Shared	AdVal Factor	GRT Factor	Depr. Expense	C.O.M. Expense	Inc Tax Expense	Mtce. Expense	Directly Attributed Shared	Adval Expense	GRT Expense
10C	FL	1,132.09	.0330	.0826	.0369	.0061	.0016	.0120	.0153	37.36	93.51	41.77	6.91	1.58	13.61	2.98
20C	FL	80.99	0.0000	.0947	.0426	0.0000	0.0000	.0120	.0153	0.00	7.67	3.45	0.00	0.00	.97	.19
257C	FL	17,231.27	.1314	.0564	.0249	.0082	.0366	.0120	.0153	2,264.19	971.84	429.06	141.30	630.66	207.10	71.06

SUMMARY:			
	ADJUSTED TOTAL INVESTMENT		18,444.35
	ANNUAL CAPITAL COSTS:	Depreciation Expense	2,301.55
		Cost of Money	1,073.02
		Income Tax Expense	474.28
	ANNUAL OPERATING EXPENSES:	Maintenance Expense	148.20
		Directly Attributed Shared	632.25
		Ad Valorem and Other Taxes	221.68
	Gross Receipts Tax		74.22
	TOTAL ANNUAL COSTS		4,925.21

TOTAL MONTHLY COST: 410.43

NOTES: 1. Capital and Operating Investments are from ACE Report 10.
2. Gross Receipts Tax = Gross Receipts Tax Factor multiplied by the sum of Capital Costs and Operating Expenses.

DDC-11

FLORIDA

UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE

TELRIC COST STUDY DOCUMENTATION

SECTIONS A THRU 7

FLORIDA

UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE

COST STUDY DOCUMENTATION

CONTENTS

SECTION A

SECTION A

FLORIDA UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE

PROPRIETARY RATIONALE

The Unbundled Loop Channelization System and Central Office Channel Interface cost elements contain actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

Additionally, the study contains information which reflects vendor-specific prices negotiated by BellSouth. Public disclosure of this information would impair BellSouth's ability to contract for goods and/or services on favorable terms. For these reasons, the Unbundled Loop Channelization System and Central Office Channel Interface Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support the Unbundled Loop Channelization System and Central Office Channel Interface. The costs presented in the study are based on the TELRIC methodology established by the FCC's First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

The Unbundled Loop Channelization System and Central Office Channel Interface is an arrangement offered to the Alternative Local Exchange Companies (ALEC) for the purpose of channelizing multiple Digital Loop Carrier 1.544 Mbps channels on a non-concentrated or concentrated basis up to a maximum of 96 channels per system. These channels are only available for connection to Unbundled Voice Grade Access Loops. Included in this cost study and associated with the Unbundled Loop Channelization System is the Central Office Channel Interface. The Unbundled Loop Channelization System requires a Central Office Channel Interface for each channel of lesser (voice grade) capacity.

A long run analysis is performed to ensure that the time period is sufficient to capture all forward-looking costs affected by the business decision. Recurring costs presented in this study are levelized so as to be appropriate for the 1997-1999 study period. Nonrecurring costs follow the same convention and represent 1997-1999 level costs also. These costs are developed by using 1996 level TELRIC loadings, annual cost factors and labor rates designed to produce TELRIC results.

SECTION 2

SECTION 2

FLORIDA UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of Total Element Long Run Incremental Costs (TELRIC) supporting the Unbundled Loop Channelization System and Central Office Channel Interface.

The purpose of the TELRIC methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward-looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct costs caused by providing the particular network element being studied. TELRIC methodology anticipates pricing of elements in a wholesale network company; hence, many costs regarded as common or shared and, therefore, excluded from BellSouth's direct cost methodology would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward-looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. This TELRIC study includes both recurring (capital and operating expenses) and nonrecurring (provisioning) costs.

DEVELOPMENT OF RECURRING COSTS

The monthly costs to BellSouth Telecommunications, Inc., resulting from the capital investments necessary to provide a cost element are called recurring costs. Recurring costs represent a forward-looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is calculated on the TELRIC.

The first step in developing a TELRIC recurring cost study for the Unbundled Loop Channelization System and Central Office Channel Interface is to determine the forward-looking network architecture. Material prices for the equipment are defined. Next, account specific Telephone Plant Indices are applied, when necessary, to trend investments to the base study period. In-plant factors are applied to material prices to develop installed investments, which

include engineering and installation labor. The deployment probabilities and a reasonable projection of the actual fill utilization are also considered.

Plant account specific Levelized Investment Factors are applied to the installed investments to trend the base year, or study year, investments to levelized amounts that are valid for a three year planning period. Appropriate loadings for land, building, and miscellaneous common equipment and power are then applied.

Next, 1996 level TELRIC Annual Cost Factors are used to calculate the direct cost of capital, plant specific expenses and taxes. Account specific factors for each Uniform System of Accounts - Field Reporting Code (USOA - FRC) are applied to levelized investments by account code, yielding an annual cost per account code which includes directly attributable shared and common costs. Annual Total Element Long Run Incremental Costs by account codes are then summed and divided by twelve to arrive at a monthly cost per cost element.

The directly attributable shared and common cost components of the TELRIC annual cost factors are calculated as follows. First, a detailed analysis of the forward-looking direct costs is performed. The remaining costs of doing business are then analyzed to determine whether they are directly attributable shared and common costs that cannot be reasonably attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated by the functional areas to which they are related. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc. are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc. and attributed shared cost factors are developed. These attributed shared cost factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded.

The common cost allocation factor is applied to TELRIC to produce the forward-looking economic cost, as defined by the FCC Order, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting the Unbundled Loop Channelization System and Central Office Channel Interface. The first step in developing nonrecurring costs is to determine the cost elements related to the study. These cost elements are then described by all of the individual work functions required to provision the cost element. The work functions can be grouped into four categories. These are service order, engineering, connect and test, and technician travel time. The work function times, as identified by individuals knowledgeable about and/or responsible for performing these functions, are used to describe the flow of work within the various work centers involved. Installation and provisioning costs are developed by multiplying the work time for each work function by the TELRIC labor rate for the work group performing the function.

The TELRIC labor rates are calculated as follows. Salary and wages, as used in the determination of TELRIC annual cost factors, are accumulated on a basis consistent with specific force groups. Shared costs attributable to salaries and wages are then accumulated on a basis consistent with the development of the respective force group's labor rate. A factor is then developed for each force group by dividing the attributed shared costs (human resources, office equipment, motor vehicles, land and building space, etc.) by the related salaries and wages. This factor is then applied to the salary and wage portion of the incremental labor rate for each force group, and the result is added to the incremental labor rate to determine the TELRIC labor rate.

Utilizing work functions, work times, and TELRIC labor rates, disconnect costs are calculated in the same manner as the installation costs. Since the labor costs will occur in the future, the current TELRIC labor rates are inflated to that future period in time and then discounted to the present. The discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the nonrecurring cost.

The common cost allocation factor is applied to the nonrecurring TELRIC to produce the forward-looking economic cost, as defined by the FCC Order, which includes an appropriate share of common costs.

SECTION 3

SECTION 3

FLORIDA UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE

SUMMARY OF RESULTS

This section contains a cost summary for the 1997-1999 Total Element Long Run Incremental Costs (TELRIC) for both recurring and nonrecurring cost elements studied for the Unbundled Loop Channelization System and Central Office Channel Interface.

FLORIDA UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE

SUMMARY OF RESULTS

	Monthly Cost	Nonrecurring Cost First	Nonrecurring Cost Additional
Channelization System			
TELRIC	$389.02	In Progress	
Common Cost Allocation Factor	1.0804		
Total	$420.30		
Central Office Channel Interface - Voice			
TELRIC	$1.20	In Progress	
Common Cost Allocation Factor	1.0804		
Total	$1.30		

SECTION 4

SECTION 4

FLORIDA UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE

COST DEVELOPMENT - RECURRING

This section describes the development of the recurring Total Element Long Run Incremental Costs (TELRIC) for the Unbundled Loop Channelization System and Central Office Channel Interface.

Generally, cost development is outlined in Section 2. Network architecture is determined, the necessary equipment is identified, material prices are obtained, factors, utilization and loadings are applied and the result is levelized for the study period. TELRIC annual cost factors are then applied to convert the investment to cost.

Recurring costs are developed for the system and for the voice grade feature activation. The system is a TR303 96 capacity digital loop carrier remote terminal. Since the system is located in the central office, bulk power is not required. The system cost includes the hardwired equipment and the common plug-ins. The Voice (Unbundled Exchange Access) Central Office Channel Interface is based on a Plain Old Telephone (POTS) plug-in. Since the interface cost element is per circuit and the plug-in serves two voice grade circuits, the monthly cost is divided by two.

The following workpapers develop the investment, convert the investment to monthly costs, and summarize the results.

UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE
COST SUMMARY

State: Florida
Workpaper: 100
Page: 1 OF 1
Date: October 7, 1996

Ln	DESCRIPTION	DIRECT MONTHLY COST	DIRECTLY ATTRIBUTED SHARED COST	TELRIC MONTHLY COST	SOURCE
1					
2	(CONCENTRATED AND NON-CONCENTRATED)				
3					
4	System - Capacity 96 Voice Grade Circuits			$ 389.02	Wp200 Pg1 Ln 14
5					
6	Working Plug-in for 96 capacity system serves 2 POTS lines				
7	Cost per Circuit			$ 1.20	Wp200 Pg3 Ln 14
8					
9					
10					
11					
12					
13					
14					
15	Note:				
16	Concentrated is Mode II.				
17	Non-concentrated is Mode I.				
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					

UNBUNDLED LOOP CHANNELIZATION SYSTEM AND
CENTRAL OFFICE CHANNEL INTERFACE
MONTHLY UNIT COST DEVELOPMENT
TELRIC

State: Florida
Workpaper: 200
Page: 1 OF 4
Date: October 7, 1998

RATE ELEMENT: System Capacity 96 Voice Grade Circuits

Ln	A Description:	B Account Code	C Investment	D Source	ANNUAL COSTS E=C*FACTOR Depreciation	F=C*FACTOR COM	G=C*FACTOR Incr no Tax	H=E+F+G Capital Expense	I=C*FACTOR ACFC Plt Specific Exp	J=C*FACTOR Ad Val. Tax	K=C*FACTOR Directly Attributed Shared and Common	L=H+I+J+K Total TELRIC	MONTHLY COST M=L/12
1													
2	Installed investment per	357C	:	Wp300 Pg1 Ln 30	$								
3	96 capacity system												
4	(Mode I or Mode II)												
5													
6	Land	20C		Wp300 Pg1 Ln 33	$								
7													
8	Buildings	10C		Wp300 Pg1 Ln 36	$								
9													
10	Total			Total Ln 2, 6, 8	$								
11													
12	GRT Factor												1.0153
13													
14	Total per Circuit w/ GRT (Ln 10 Col M * Ln 12 Col M)												$ 389.02
15													
16													
17	NOTE:												
18	FACTOR = ACF Located in Wp201pg1												
19													
20													
21													
22													
23													
24													
25													
26													
27													
28													
29													
30													

UNBUNDLED LOOP CHANNELIZATION SYSTEM AND
CENTRAL OFFICE CHANNEL INTERFACE
MONTHLY UNIT COST DEVELOPMENT
TSLRIC

State: Florida
Workpaper: 200
Page: 2 OF 4
Date: October 7, 1996

RATE ELEMENT: System Capacity 96 Voice Grade Circuits

							ANNUAL COSTS					MONTHLY COST
	A	B	C	D	E=C*FACTOR	F=C*FACTOR	G=C*FACTOR	H=E+F+G	I=C*FACTOR	J=C*FACTOR	K=C*FACTOR	L=H+I+J+K	M=L/12
Ln	Description:	Account Code	Investment	Source	Depreciation	COM	Income Tax	Capital Expense	ACFC Plt Specific Exp	Ad Val. Tax		Total Direct Cost	
1													
2	Installed Investment per	357C		Wp300 Pg1 Ln 30									
3	96 capacity system												
4	(Mode I or Mode II)												
5													
6	Land	20C		Wp300 Pg1 Ln 33									
7													
8	Buildings	10C		Wp300 Pg1 Ln 36									
9													
10	Total			Total Ln 2, 6, 8									
11													
12													
13	NOTE:												
20	FACTOR = ACF Located in Wp201pg1												
21													
22													
23													
24													
26													
26													
27													
28													
29													
30													

UNBUNDLED LOOP CHANNELIZATION SYSTEM AND
CENTRAL OFFICE CHANNEL INTERFACE
MONTHLY UNIT COST DEVELOPMENT
TELRIC

State: Florida
Workpaper: 200
Page: 3 OF 4
Date: October 7, 1998

RATE ELEMENT: Working Plug-in for 96 capacity system - Serves 2 POTS lines

						ANNUAL COSTS								MONTHLY COST
	A	B	C	D	E=C*FACTOR	F=C*FACTOR	G=C*FACTOR	H=E+F+G	I=C*FACTOR	J=C*FACTOR	K=C*FACTOR	L=H+I+J+K	M=L/12
Ln	Description:	Account Code	Investment	Source	Depreciation	COM	Income Tax	Capital Expense	ACFC Plt Specific Exp	Ad Val. Tax	Directly Attributed Shared and Common	Total TELRIC	
1													
2	Installed investment	357(		Wp300 Pg2 Ln 2*									
3													
4	Land	20C		Wp300 Pg2 Ln 27									
5													
6	Buildings	10C		Wp300 Pg2 Ln 30									
7													
8	Total			Total Ln 2, 4, 6									
9													
10	Total per Circuit (Ln 8 Col M/2)												
11													
12	GRT Factor												1.0153
13													
14	Total per Circuit w/ GRT (Ln 10 Col M * Ln 12 Col M)												$ 1.20
15													
16	NOTE:												
17	FACTOR = ACF Located in Wp201pg1												
18													
19													
20													
21													
22													
23													
24													
25													
26													
27													
28													
29													
30													

UNBUNDLED LOOP CHANNELIZATION SYSTEM AND
CENTRAL OFFICE CHANNEL INTERFACE
MONTHLY UNIT COST DEVELOPMENT
TSLRIC

State: Florida
Workpaper: 200
Page: 4 OF 4
Date: October 7, 1996

RATE ELEMENT: Working Plug-in for 96 capacity system - Serves 2 POTS lines

						ANNUAL COSTS								MONTHLY COST
	A	B	C	D	E=C*FACTOR	F=C*FACTOR	G=C*FACTOR	H=E+F+G	I=C*FACTOR	J=C*FACTOR	K=C*FACTOR	L=H+I+J+K	M=L/12
Ln	Description:	Account Code	Investment	Source	Depreciation	COM	Income Tax	Capital Expense	ACFC PB Specific Exp	Ad Val. Tax		Total Direct Cost	
1													
2	Installed Investment	357C		Wp300 Pg2 Ln 24	$								
3													
4	Land	20C		Wp300 Pg2 Ln 27	$								
5													
6	Buildings	10C		Wp300 Pg2 Ln 30	$								
7													
8	Total			Total Ln 2, 4, 6	$								
9													
10	Total per Circuit (Ln 8 Col M/2)												$ 1.03
11													
16													
16	NOTE:												
17	FACTOR = ACF Located in Wp201pg1												
18													
19													
20													
21													
22													
23													
24													
25													
26													
27													
28													
29													
30													

UNBUNDLED LOOP CHANNELIZATION SYSTEM AND
CENTRAL OFFICE CHANNEL INTERFACE
ANNUAL COST FACTORS
TELRIC

State: Florida
Workpaper: 201
Page: 1 OF 1
Date: October 7, 1996

Ln	Description	Code	Depreciation	COM	Inc. Tax	Cap. Expense	ACFC Plt Specific Exp	Ad Val. Tax	Directly Attributed Shared and Common	Total TELRIC
1	A	B	C	D	E	F=C+D+E	G	H	I	J=F+G+H+I
2	Digital Circuit	357C	0.1314	0.0564	0.0252	0.2130	0.0093	0.0120	0.0372	0.2715
3	Buildings	10C	0.0330	0.0826	0.0369	0.1525	0.0061	0.0120	0.0014	0.1720
4	Land	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493
5										
6										
7										
8										
9										
10										
11										
12										
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UNBUNDLED LOOP CHANNELIZATION SYSTEM AND
CENTRAL OFFICE CHANNEL INTERFACE
Development of Investment
TELRIC

State Florida
Work Paper 300
Page 1 of 2
Date October 7, 1996

Ln	Description	Result	FRC	Source
1	**Material Price**			
2	Hardwired		357C	Network
3	Common Plug-Ins		357C	Network
4				
5	**Misc Material Loadings for Common Plug-Ins**	0.10		Network
6	Total Material Price for Common Plugs		357C	(1+Line 5)*Line 3
7				
8	**Telephone Plant Index**	0.9681	357C	Network
9	Hardwired Material Price-Base Year		357C	Line 2*Line 8
10	Common Plug-In Material Price-Base Year		357C	Line 6*Line 8
11				
12	**In-Plant-Factors**			
13	Hardwired	1.50	357C	Network
14	Common Plug-Ins	1.25	357C	Network
15				
16	**Installed Investment**			
17	Hardwired		357C	Line 13*Line 9
18	Common Plugs		357C	Line 14*Line 10
19	2 DSX-1 Terminations (Installed/Utilized)		357C	Fundamental Investment Model
20	Total Installed Investment		357C	Line 17+Line 18+Line 19
21				
22	**Levelization Factor (Inflation)**	0.9550	357C	Economic Analysis
23	Inflated Investment		357C	Line 20*Line 22
24				
25	**Utilization Factor**	1.00		Tariff Structure
26	Utilized/Inflated Circuit		357C	(Line 23)/Line 25
27				
28	**Misc. Common Equipment & Power Factor**	0.0683	357C	Economic Analysis
29	MCE&P Investment in CKT		357C	Line 26*Line 28
30	Total Investment in CKT		357C	Line 26+Line 29
31				
32	**Land Factor**	0.0047	20C	Economic Analysis
33	Land Investment			Line 30*Line 32
34				
35	**Building Factor**	0.0657	10C	Economic Analysis
36	Building Investment			Line 30*Line 35

UNBUNDLED LOOP CHANNELIZATION SYSTEM AND
CENTRAL OFFICE CHANNEL INTERFACE
Development of Investment
TELRIC

State: Florida
Work Paper: 300
Page: 2 of 2
Date: October 7, 1996

Ln	Description	Result	FRC	Source
1	**Material Price**			
2	POTS Plug-Ins		357C	Network
3				
4	**Telephone Plant Index**	0.9681	357C	Network
5	POTS Plug-In Material Cost-Base Year		357C	Line 2*Line 4
6				
7	**In-Plant-Factors**			
8	Deferrable Plug-Ins	1.17	357C	Network
9				
10	**Installed Investment**			
11	POTS		357C	Line 5*Line 8
12				
13	**Levelization Factor (Inflation)**	0.9550	357C	Economic Analysis
14	Inflated Investment		57C	Line 11*Line 13
15				
16	**Utilization Factor**	1.00	357C	Tariff Structure
17	Utilized/Inflated Circuit		357C	(Line 14)/Line 16
18				
19	**Spare Stock Factor**	0.0925	357C	Economic Analysis
20	Deferrable POTS Plugs		357C	Line 19*Line 17
21				
22	**Misc. Common Equipment & Power Factor**	0.0683	357C	Economic Analysis
23	MCE&P Investment in CKT		357C	(Line 17+Line 20)*Line 22
24	Total Investment in CKT		357C	Line 17+Line 20+Line 23
25				
26	**Land Factor**	0.0047	20C	Economic Analysis
27	Land Investment		20C	Line 26*Line 24
28				
29	**Building Factor**	0.0657	10C	Economic Analysis
30	Building Investment		10C	Line 29*Line 24

SECTION 5

FLORIDA UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE

COST DEVELOPMENT - NONRECURRING

In Progress

SECTION 6

SECTION 6

FLORIDA UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE

SPECIFIC STUDY ASSUMPTIONS

The cost study for the Unbundled Loop Channelization System and Central Office Channel Interface is based on Total Element Long Run Incremental Cost (TELRIC) methodology prescribed by the FCC's First Report and Order in CC Docket 96-98 released August 8, 1996. Network deployment strategies, first choice provisioning guidelines, and equipment purchasing information are used to develop the Total Element Long Run Incremental Cost.

Cost study assumptions are as follows.

1. The equipment that will be deployed is an AT&T TR303, 96 capacity.

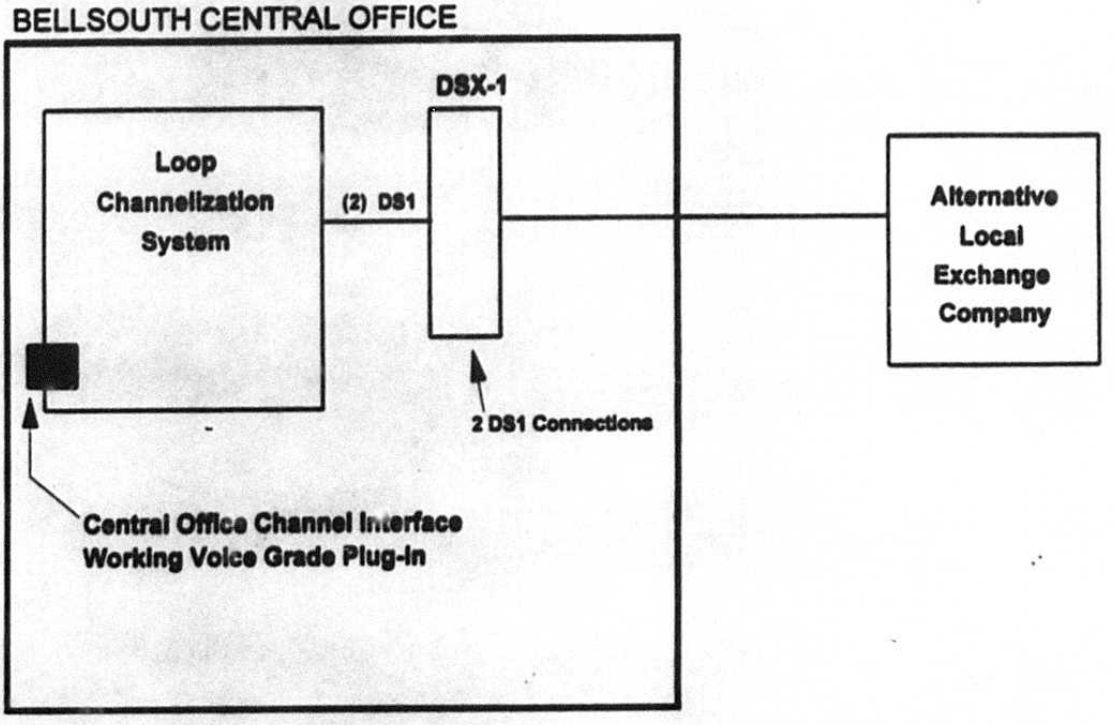
2. Only connection to Unbundled Exchange Access Voice Grade Loops will be allowed. Therefore, the deferrable plug-in is a voice grade Plain Old Telephone (POTS) plug-in.

3. Since the remote terminal is located in the central office, bulk power is not required.

4. The equipment will be predominantly concentrated at a 2:1 ratio. Two DSX-1 panel terminations are included.

A diagram of the architecture is found on the following page.

UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE



DSX-1 DS1 Digital Cross Connect Panel

SECTION 7

SECTION 7

FLORIDA UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE

FACTORS AND LOADINGS

Following are the Total Element Long Run Incremental Cost (TELRIC) annual cost factors, miscellaneous loadings and labor rates used in the Unbundled Loop Channelization System and Central Office Channel Interface.

FLORIDA UNBUNDLED LOOP CHANNELIZATION SYSTEM AND CENTRAL OFFICE CHANNEL INTERFACE

FACTORS AND LOADINGS

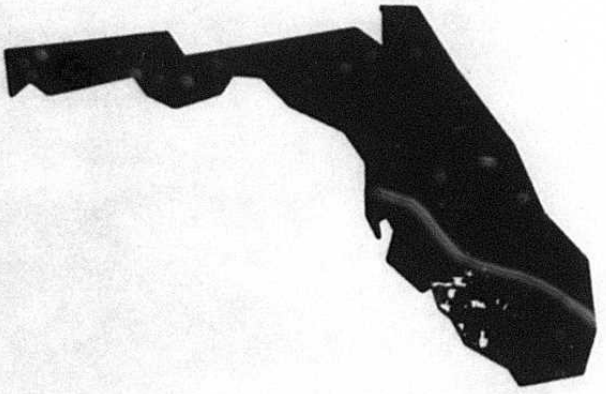
Telephone Plant Index	357C	0.9681
In Plant Factors	357C	
Hardwired		1.50
Common Plug-ins		1.25
Deferrable Plug-ins		1.17
Levelization Factor	357C	0.9550
Misc. Common Equipment and Power Factor	357C	0.0683
Misc. Material Loadings for Common Plug-Ins	357C	0.10
Gross Receipts Tax (Gross-up Factor)		0.0153
Land Loading	20C	0.0047
Building Loading	10C	0.0657
Spare Stock Factor	357C	0.0925

1996 FLORIDA
ACCOUNT AVERAGE ANNUAL COST FACTORS

	Field Code	Depreciation	ACFC COM	ACFC Inc Tax	Cap Exp	ACFC Plt Specific Exp	ACFC Adval Tax	Directly Attributed Shared and Common	TELRIC
		a	b	c	d	e	f	g	i
			11.25%		(a+b+c)				(d+e+f+g)
LAND - COE	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493
BUILDINGS - COE	10C, 110C	0.0330	0.0828	0.0369	0.1525	0.0061	0.0120	0.0014	0.1720
DIGITAL ELEC SWITCH	377C, 987C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.0434	0.2756
OPERATOR SYSTEMS	117C,417C	0.1157	0.0847	0.0298	0.2100	0.0033	0.0120	0.0500	0.2753
DIGTL CIRC-DDS	157C	0.1606	0.0575	0.0256	0.2439	0.0076	0.0120	0.0394	0.3029
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1314	0.0584	0.0249	0.2127	0.0082	0.0120	0.0366	0.2695
DIGTL CIRC-OTHER	357C,T357C,F357C,557C	0.1314	0.0584	0.0252	0.2130	0.0093	0.0120	0.0372	0.2715
POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0175	0.0120	0.0294	0.2163
AERIAL CA - METAL	22C, 12C	0.1023	0.0679	0.0254	0.1956	0.0705	0.0120	0.0619	0.3400
AERIAL CA - FIBER	822C, 812C,D22C, F22C,T22C,D12C,F12C,T12C	0.0748	0.0662	0.0281	0.1689	0.0029	0.0120	0.0299	0.2137
UNGROUND CA - METAL	5C	0.1184	0.0681	0.0283	0.2128	0.0192	0.0120	0.0351	0.2791
UNGROUND CA - FIBER	85C,D5C,F5C,T5C	0.0898	0.0655	0.0284	0.1625	0.0038	0.0120	0.0220	0.2001
BURIED CA - METAL	45C	0.0885	0.0678	0.0277	0.1840	0.0522	0.0120	0.0468	0.2950
BURIED CA - FIBER	845C, D45C, F45C, T45C	0.0813	0.0670	0.0295	0.1578	0.0040	0.0120	0.0235	0.1973
SUBMARINE CA-METAL	6C	0.0937	0.0688	0.0307	0.1932	0.0046	0.0120	0.0206	0.2304
SUBMARINE CA-FIBER	86C,D6C,F6C,T6C	0.0937	0.0688	0.0310	0.1935	0.0046	0.0120	0.0209	0.2310
INTRBLD NTWK-METAL	52C	0.0751	0.0689	0.0291	0.1711	0.0192	0.0120	0.0315	0.2338
INTRBLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0751	0.0689	0.0292	0.1712	0.0011	0.0120	0.0270	0.2113
CONDUIT SYSTEMS	4C	0.0205	0.0727	0.0325	0.1257	0.0031	0.0120	0.0146	0.1554

DDC -12

FLORIDA



SPECIAL ACCESS
VOICE GRADE SERVICE

INTEROFFICE CHANNEL VOICE-
UNBUNDLED EXCHANGE ACCESS

TELRIC
COST STUDY
DOCUMENTATION

SECTIONS A THRU 7

FLORIDA

SPECIAL ACCESS VOICE GRADE SERVICE
INTEROFFICE CHANNEL VOICE - UNBUNDLED EXCHANGE ACCESS

COST STUDY DOCUMENTATION

CONTENTS

SECTION A

SECTION A

FLORIDA SPECIAL ACCESS VOICE GRADE SERVICE
INTEROFFICE CHANNEL VOICE - UNBUNDLED EXCHANGE ACCESS

PROPRIETARY RATIONALE

The Special Access Voice Grade Service Interoffice Channel Voice - Unbundled Exchange Access Cost Study contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

Additionally, the study contains information which reflects vendor-specific prices negotiated by BellSouth. Public disclosure of this information would impair BellSouth's ability to contract for goods and/or services on favorable terms. For these reasons, the Special Access Voice Grade Service Interoffice Channel Voice - Unbundled Exchange Access Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA SPECIAL ACCESS VOICE GRADE SERVICE INTEROFFICE CHANNEL VOICE - UNBUNDLED EXCHANGE ACCESS

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support the Special Access Voice Grade Service Interoffice Channel Voice - Unbundled Exchange Access. The costs presented in the study are based on the TELRIC methodology established by the FCC's First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

The Special Access Voice Grade Service Interoffice Channel Voice - Unbundled Exchange Access is an arrangement offered to Alternative Local Exchange Companies (ALEC) for the purpose of providing a dedicated voice grade transmission path between two or more switching offices and/or serving wire centers of BellSouth. This network element is used to connect an Unbundled Exchange Access loop to another central office that is not the central office of the end user. The facility includes transmission equipment in both end offices, as well as the circuit equipment in the intermediate central offices. The per mile cost consists of aerial, buried and underground fiber cable as well as the associated pole and conduit support investments.

A long run analysis is performed to ensure that the time period is sufficient to capture all forward-looking costs affected by the business decision. Recurring costs presented in this study are levelized so as to be appropriate for the 1997-1999 study period. Nonrecurring costs follow the same convention and represent 1997-1999 level costs also. These costs are developed by using 1996 level TELRIC loadings, annual cost factors, and labor rates designed to produce TELRIC results.

SECTION 2

SECTION 2

FLORIDA SPECIAL ACCESS VOICE GRADE SERVICE
INTEROFFICE CHANNEL VOICE - UNBUNDLED EXCHANGE ACCESS

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of Total Element Long Run Incremental Costs (TELRIC) supporting the Special Access Voice Grade Service Interoffice Channel Voice - Unbundled Exchange Access.

The purpose of the TELRIC methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward-looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct costs caused by providing the particular network element being studied. TELRIC methodology anticipates pricing of elements in a wholesale network company; hence, many costs regarded as common or shared and, therefore, excluded from BellSouth's direct cost methodology would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward-looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. This TELRIC study includes both recurring (capital and operating expenses) and nonrecurring (provisioning) costs.

DEVELOPMENT OF RECURRING COSTS

The monthly costs to BellSouth Telecommunications, Inc., resulting from the capital investments necessary to provide a cost element are called recurring costs. Recurring costs represent a forward-looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is calculated on the TELRIC.

The first step in developing a TELRIC recurring cost study for the Special Access Voice Grade Service Interoffice Channel Voice - Unbundled Exchange Access is to determine the forward-looking network architecture. Material prices for the equipment are defined. Next, account specific Telephone Plant Indices are applied, when necessary, to trend investments to the base study period. In-plant factors are applied to material prices to develop installed investments, which include engineering and installation

labor. The deployment probabilities and a reasonable projection of the actual fill utilization are also considered.

Plant account specific Levelized Inflation Factors are applied to the installed investments to trend the base year, or study year, investments to levelized amounts that are valid for a three year planning period. Appropriate loadings for land, building, and miscellaneous common equipment and power are then applied to the electronic equipment. Support structure loadings are applied for poles and conduit to the aerial and underground fiber investments, respectively.

Next, 1996 level TELRIC Annual Cost Factors are used to calculate the direct cost of capital, plant specific expenses and taxes. Account specific factors for each Uniform System of Accounts - Field Reporting Code (USOA FRC) are applied to levelized investments by account code, yielding an annual cost per account code, which includes directly attributable shared and common costs. Annual Total Element Long Run Incremental Costs by account codes are then summed and divided by twelve to arrive at a monthly cost per cost element.

The directly attributable shared and common cost components of the TELRIC annual cost factors are calculated as follows. First, a detailed analysis of the forward-looking direct costs is performed. The remaining costs of doing business are then analyzed to determine whether they are directly attributable shared and common costs that cannot be reasonably attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated by the functional areas to which they are related. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc. are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc. and attributed shared cost factors are developed. These attributed shared cost factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded.

The common cost allocation factor is applied to TELRIC to produce the forward-looking economic cost, as defined by the FCC Order, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting the Special Access Voice Grade Service Interoffice Channel Voice - Unbundled Exchange Access. The first step in developing nonrecurring costs is to determine the cost elements related to the study. These cost elements are then described by all of the individual work functions required to provision the cost element. The work functions can be grouped into four categories. These are service order, engineering, connect and test, and technician travel time. The work function times, as identified by individuals knowledgeable about and/or responsible for performing these functions, are used to describe the flow of work within the various work centers involved. Installation and provisioning costs are developed by multiplying the work time for each work function by the TELRIC labor rate for the work group performing the function.

The TELRIC labor rates are calculated as follows. Salary and wages, as used in the determination of TELRIC annual cost factors, are accumulated on a basis consistent with specific force groups. Shared costs attributable to salaries and wages are then accumulated on a basis consistent with the development of the respective force group's labor rate. A factor is then developed for each force group by dividing the attributed shared costs (human resources, office equipment, motor vehicles, land and building space, etc.) by the related salaries and wages. This factor is then applied to the salary and wage portion of the incremental labor rate for each force group, and the result is added to the incremental labor rate to determine the TELRIC labor rate.

Utilizing work functions, work times, and TELRIC labor rates, disconnect costs are calculated in the same manner as the installation costs. Since the labor costs will occur in the future, the current TELRIC labor rates are inflated to that future period in time and then discounted to the present. The discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the nonrecurring cost.

The common cost allocation factor is applied to the nonrecurring TELRIC to produce the forward-looking nonrecurring economic cost, as defined by the FCC Order, which includes an appropriate share of common costs.

SECTION 3

SECTION 3

FLORIDA SPECIAL ACCESS VOICE GRADE SERVICE INTEROFFICE CHANNEL VOICE - UNBUNDLED EXCHANGE ACCESS

SUMMARY OF RESULTS

This section contains a cost summary for the 1997-1999 Total Element Long Run Incremental Costs (TELRIC) for both recurring and nonrecurring cost elements studied for the Special Access Voice Grade Service Interoffice Channel Voice - Unbundled Exchange Access.

FLORIDA SPECIAL ACCESS VOICE GRADE SERVICE
INTEROFFICE CHANNEL VOICE - UNBUNDLED EXCHANGE ACCESS

SUMMARY OF RESULTS

	Monthly Cost		Nonrecurring Cost	
	Fixed	Per Mile	First	Additional
Interoffice Channel Voice Unbundled Exchange Access				
0 thru 8 miles				
TELRIC	$15.59	$0.0116	In progress	
Common Cost Allocation Factor	1.0804	1.0804		
Total	$16.84	$0.0125		
9 thru 25 miles				
TELRIC	$15.75	$0.0125	In progress	
Common Cost Allocation Factor	1.0804	1.0804		
Total	$17.02	$0.0135		
Over 25 miles				
TELRIC	$15.75	$0.0125	In progress	
Common Cost Allocation Factor	1.0804	1.0804		
Total	$17.02	$0.0135		

SECTION 4

SECTION 4

FLORIDA SPECIAL ACCESS VOICE GRADE SERVICE
INTEROFFICE CHANNEL VOICE - UNBUNDLED EXCHANGE ACCESS

COST DEVELOPMENT - RECURRING

This section describes the development of the recurring Total Element Long Run Incremental Costs (TELRIC) for the Special Voice Grade Service Interoffice Channel Voice - Unbundled Exchange Access.

Generally, cost development is outlined in Section 2. Network architecture is determined, the necessary equipment is identified, material prices are obtained, factors, utilization and loadings are applied and the result is levelized for the study period. TELRIC annual cost factors are then applied to convert the investment to cost.

Recurring costs are developed for the fixed and per mile component of the interoffice transmission facility provided on SONET ring architecture, which is the forward-looking technology. Designs for the SONET rings were obtained from the Network Department.

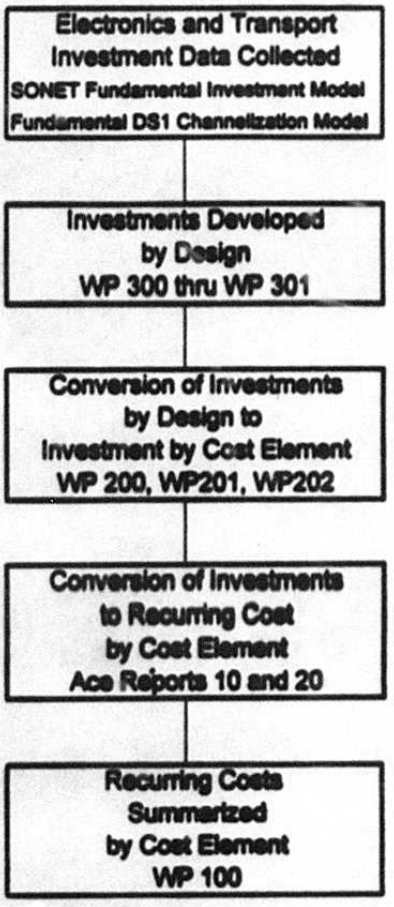
The fixed component includes the SONET multiplexer, the DS1 channelization card, a fiber splicing terminal, DSX-1 panel, a D4 Channel Bank and a voice grade activation plug-in at each end of the facility. Also included in the fixed component is the circuit equipment in the intermediate central office. The intermediate central office equipment includes the SONET multiplexer and a fiber splicing terminal. The per mile cost consists of aerial, buried and underground fiber cable as well as the associated pole and conduit support investments.

The SONET Fundamental Investment Model was used to develop the investments for the SONET lightwave multiplexing equipment, the DS1 channelization card, the fiber splicing terminal, the DSX-1 panel and per mile per strand investments for aerial, buried and underground fiber cable.

The Fundamental DS1 Channelization Model was used to develop the investments for the channel banks and associated plug-ins.

The following workpapers develop the investment, convert the investment to monthly costs, and summarize the results.

INTEROFFICE CHANNEL VOICE - UNBUNDLED EXCHANGE ACCESS



Interoffice Channel Voice - TELRIC Unbundled Exchange Access
Interoffice
Voice Grade

State: FLORIDA
Workpaper: 100
Page: 1 of 1
Date: 1-Oct-96

Monthly Recurring Costs

			Direct Cost	Directly Attributed Shared & Common Cost	TELRIC	Source
1						
2	Fixed					
3						
4						
5	0 thru 8 miles					
6		Building	$	$	$	Ace Report 20 Page 1
7		Land	$	$	$	Ace Report 20 Page 1
8		Circuit Eqpt.	$	$	$	Ace Report 20 Page 1
9						
10						
11	9 thru 25 miles					
12		Building	$	$	$	Ace Report 20 Page 3
13		Land	$	$	$	Ace Report 20 Page 3
14		Circuit Eqpt.	$	$	$	Ace Report 20 Page 3
15						
16	Over 25 miles					
17		Building	$	$	$	Ace Report 20 Page 5
18		Land	$	$	$	Ace Report 20 Page 5
19		Circuit Eqpt.	$	$	$	Ace Report 20 Page 5
20						
21	Total Annual Cost					
22	0 thru 8 miles		$	$	$	Ln6,7,&8
23	9 thru 25 miles		$	$	$	Ln12,13,&14
24	Over 25 miles		$	$	$	Ln17,18,&19
25						
26	Monthly Recurring Costs					
27	0 thru 8 miles		$	$	$ 15.59	Ln22/12
28	9 thru 25 miles		$	$	$ 15.75	Ln23/12
29	Over 25 miles		$	$	$ 15.75	Ln24/12
30						
31	Per Mile					
32						
33	0 thru 8 miles					
34		Pole Line	$	$	$	Ace Report 20 Page 2
35		Conduit	$	$	$	Ace Report 20 Page 2
36		Aerial Cable	$	$	$	Ace Report 20 Page 2
37		Buried Cable	$	$	$	Ace Report 20 Page 2
38		Underground Cable	$	$	$	Ace Report 20 Page 2
39						
40	9 thru 25 miles					
41		Pole Line	$	$	$	Ace Report 20 Page 4
42		Conduit	$	$	$	Ace Report 20 Page 4
43		Aerial Cable	$	$	$	Ace Report 20 Page 4
44		Buried Cable	$	$	$	Ace Report 20 Page 4
45		Underground Cable	$	$	$	Ace Report 20 Page 4
46						
47	Over 25 miles					
48		Pole Line	$	$	$	Ace Report 20 Page 6
49		Conduit	$	$	$	Ace Report 20 Page 6
50		Aerial Cable	$	$	$	Ace Report 20 Page 6
51		Buried Cable	$	$	$	Ace Report 20 Page 6
52		Underground Cable	$	$	$	Ace Report 20 Page 6
53						
54	Total Annual Cost					
55	0 thru 8 miles		$	$	$	Ln34,35,36,37,&38
56	9 thru 25 miles		$	$	$	Ln41,42,43,44,&45
57	Over 25 miles		$	$	$	Ln48,49,50,51,&52
58						
59	Monthly Recurring Costs					
60	0 thru 8 miles		$	$	$ 0.0116	Ln55/12
61	9 thru 25 miles		$	$	$ 0.0125	Ln56/12
62	Over 25 miles		$	$	$ 0.0125	Ln57/12

16

Channel Voice - Unbundled Exchange Access

Interoffice
Voice Grade

State: FLORIDA
Workpaper: 100
Page: 1 of 1
Date: 1-Oct-96

1	Monthly Recurring Costs		
2			
3	Fixed		Source
4			
5	0 thru 8 miles	$	Ace Report 20 Page 1
6	9 thru 25 miles	$	Ace Report 20 Page 3
7	Over 25 miles	$	Ace Report 20 Page 5
8			
9			
10	Per Mile		
11			
12	0 thru 8 miles	$	Ace Report 20 Page 2
13	9 thru 25 miles	$	Ace Report 20 Page 4
14	Over 25 miles	$	Ace Report 20 Page 6
15			
16			
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1 USOC ANNU. COST DETAILS — ACE REPORT 20

2 CSNUMBER:

3 CSNAME: IOC Voice-TELRIC — 1 of 6

4 TARIFF ELEMENT: Fixed 0-8 Miles — 10/1/96

6 State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		1	VG	SONET	VS	DIR	VG

9		INVESTMENT DATA	ANNUAL COST FACTORS						ANNUAL EXPENSES						
10		NOTE 1.							NOTE 2.				NOTE 3.		NOTE 4.
11 12 Field 13 Code 14 A	State B	Capital Investment C	Dep. Factor D	Levelized C.O.M E	Inc Tax Factor F	Plant. Specific G	Dir. Attrib. Shared & Common H	AdVal Factor I	GRT Rate J	Deprec. Expense K =(C*D)	C.O.M. Expense L =(C*E)	Inc Tax Expense M =(C*F)	Plant Specific N =(C*G)	Dir. Attrib. Shared & Common O =(C*H)	AdVal Expense P =(C*I)	GRT Expense Q
10C	FL		.0330	.0826	.0369	.0061	.0014	.0120	.0153							
20C	FL		0.0000	.0947	.0426	0.0000	0.0000	.0120	.0153							
357C	FL		.1314	.0564	.0252	.0093	.0372	.0120	.0153							

15 TOTALS

16

17

18 TOTAL ANNUAL COST.....

19

20

TOTAL MONTHLY COST.....

NOTES:

1. Capital Investments are the INVESTMENTS from ACE Report 10
2. Depreciation, Cost of Money and Income Tax Expense = Capital Investment multiplied by the corresponding Annual Cost Factor
3. Plant Specific, Directly Attributed Shared and common and Ad Valorem Expenses = Capital Investment multipled by the corresponding ACF
4. Gross Receipts Tax = Gross Receipts Tax Rate multipled by the sum of the Capital Costs & Operating Expenses (K thru P)

8

1 USOC ANNUAL COST DETAILS
2 CSNUMBER:
3 CSNAME: IOC Voice-TELRIC
4 TARIFF ELEMENT: Per Mile 0-8

6 State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		2	VG	SONET	VS	DIR	VG

9		INVESTMENT DATA	ANNUAL COST FACTORS							ANNUAL EXPENSES						
10		NOTE 1.								NOTE 2.				NOTE 3.	NOTE 4.	
11 12 Field 13 Code 14 A	State B	Capital Investment C	Dep. Factor D	Levelized C.O.M E	Inc Tax Factor F	Plant. Specific G	Dir. Attrib. Shared & Common H	AdVal Factor I	GRT Rate J	Deprec. Expense K =(C*D)	C.O.M. Expense L =(C*E)	Inc Tax Expense M =(C*F)	Plant Specific N =(C*G)	Dir. Attrib. Shared & Common O =(C*H)	AdVal Expense P =(C*I)	GRT Expense Q
1C	FL		.0721	.0599	.0254	.0175	.0294	.0120	.0153							
4C	FL		.0205	.0727	.0325	.0031	.0146	.0120	.0153							
822C	FL		.0746	.0662	.0281	.0029	.0299	.0120	.0153							
845C	FL		.0613	.0670	.0295	.0040	.0235	.0120	.0153							
85C	FL		.0686	.0655	.0284	.0036	.0220	.0120	.0153							

15 TOTALS
16
17
18 TOTAL ANNUAL COST.....
19
20

TOTAL MONTHLY COST.....

NOTES:
1. Capital Investments are the INVESTMENTS from ACE Report 10
2. Depreciation, Cost of Money and Income Tax Expense = Capital Investment multiplied by the corresponding Annual Cost Factor
3. Plant Specific, Directly Attributed Shared and common and Ad Valorem Expenses = Capital Investment multipled by the corresponding ACF
4. Gross Receipts Tax = Gross Receipts Tax Rate multipled by the sum of the Capital Costs & Operating Expenses (K thru P)

1 USOC ANNUAL COST DETAILS
2 CSNUMBER:
3 CSNAME: IOC Voice-TELRIC
4 TARIFF ELEMENT: Fixed 9-25 Miles

6 State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		3	VG	SONET	VS	DIR	VG

9		INVESTMENT DATA	ANNUAL COST FACTORS							ANNUAL EXPENSES						
10		NOTE 1.								NOTE 2.				NOTE 3.		NOTE 4.
11 12 Field 13 Code 14 A	State B	Capital Investment C	Dep. Factor D	Levelized C.O.M E	Inc Tax Factor F	Plant. Specific G	Dir. Attrib. Shared & Common H	AdVal Factor I	GRT Rate J	Deprec. Expense K =(C*D)	C.O.M. Expense L =(C*E)	Inc Tax Expense M =(C*F)	Plant Specific N =(C*G)	Dir. Attrib. Shared & Common O =(C*H)	AdVal Expense P =(C*I)	GRT Expense Q
10C	FL		.0330	.0826	.0369	.0061	.0014	.0120	.0153							
20C	FL		0.0000	.0947	.0426	0.0000	0.0000	.0120	.0153							
357C	FL		.1314	.0564	.0252	.0093	.0372	.0120	.0153							

15 TOTALS
16
17
18 TOTAL ANNUAL COST.....
19 TOTAL MONTHLY COST.....
20

NOTES:
1. Capital Investments are the INVESTMENTS from ACE Report 10
2. Depreciation, Cost of Money and Income Tax Expense = Capital Investment multiplied by the corresponding Annual Cost Factor
3. Plant Specific, Directly Attributed Shared and common and Ad Valorem Expenses = Capital Investment multipled by the corresponding ACF
4. Gross Receipts Tax = Gross Receipts Tax Rate multipled by the sum of the Capital Costs & Operating Expenses (K thru P)

1 USOC ANNU. COST DETAILS

2 CSNUMBER:

3 CSNAME: IOC Voice-TELRIC

4 TARIFF ELEMENT: Per Mile 9-25

6 State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		4	VG	SONET	VS	DIR	VG

9		INVESTMENT DATA	ANNUAL COST FACTORS							ANNUAL EXPENSES						
10		NOTE 1.								NOTE 2.				NOTE 3.		NOTE 4.
11 12 Field 13 Code 14 A	State B	Capital Investment C	Dep. Factor D	Levelized C.O.M E	Inc Tax Factor F	Plant. Specific G	Dir. Attrib. Shared & Common H	AdVal Factor I	GRT Rate J	Deprec. Expense K =(C*D)	C.O.M. Expense L =(C*E)	Inc Tax Expense M =(C*F)	Plant Specific N =(C*G)	Dir. Attrib. Shared & Common O =(C*H)	AdVal Expense P =(C*I)	GRT Expense Q
1C	FL		.0721	.0599	.0254	.0175	.0294	.0120	.0153							
4C	FL		.0205	.0727	.0325	.0031	.0146	.0120	.0153							
822C	FL		.0746	.0662	.0281	.0029	.0299	.0120	.0153							
845C	FL		.0613	.0670	.0295	.0040	.0235	.0120	.0153							
85C	FL		.0686	.0655	.0284	.0036	.0220	.0120	.0153							
15 TOTALS																

16

17

18 TOTAL ANNUAL COST.....

19

20 TOTAL MONTHLY COST.....

NOTES:

1. Capital Investments are the INVESTMENTS from ACE Report 10
2. Depreciation, Cost of Money and Income Tax Expense = Capital Investment multiplied by the corresponding Annual Cost Factor
3. Plant Specific, Directly Attributed Shared and common and Ad Valorem Expenses = Capital Investment multipled by the corresponding ACF
4. Gross Receipts Tax = Gross Receipts Tax Rate multipled by the sum of the Capital Costs & Operating Expenses (K thru P)

1 USOC ANNU. COST DETAILS — ACE , ORT 20
2 CSNUMBER: — 5 of 6
3 CSNAME: IOC Voice-TELRIC — 10/1/96
4 TARIFF ELEMENT: Fixed >25 Miles

6 State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		5	VG	SONET	VS	DIR	VG

9		INVESTMENT DATA	ANNUAL COST FACTORS						ANNUAL EXPENSES						
10		NOTE 1.							NOTE 2.				NOTE 3.		NOTE 4.
11 12 Field Code 13 14 A	State B	Capital Investment C	Dep. Factor D	Levelized C.O.M E	Inc Tax Factor F	Plant. Specific G	Dir. Attrib. Shared & Common H	AdVal Factor I	GRT Rate J	Deprec. Expense K =(C*D)	C.O.M. Expense L =(C*E)	Inc Tax Expense M =(C*F)	Plant Specific N =(C*G)	Dir. Attrib. Shared & Common O =(C*H)	AdVal Expense P =(C*I)	GRT Expense Q
10C	FL		.0330	.0826	.0369	.0061	.0014	.0120	.0153							
20C	FL		0.0000	.0947	.0426	0.0000	0.0000	.0120	.0153							
357C	FL		.1314	.0564	.0252	.0093	.0372	.0120	.0153							

15 TOTALS
16
17
18 TOTAL ANNUAL COST..... TOTAL MONTHLY COST.....
19
20

NOTES:
1. Capital Investments are the INVESTMENTS from ACE Report 10
2. Depreciation, Cost of Money and Income Tax Expense = Capital Investment multiplied by the corresponding Annual Cost Factor
3. Plant Specific, Directly Attributed Shared and common and Ad Valorem Expenses = Capital Investment multipled by the corresponding ACF
4. Gross Receipts Tax = Gross Receipts Tax Rate multipled by the sum of the Capital Costs & Operating Expenses (K thru P)

USOC ANNUAL COST DETAILS
CSNUMBER:
CSNAME: IOC Voice-TELRIC
TARIFF ELEMENT: Per Mile >25

State	Tariff Ref	USOC	Modifier	Technology	Volume Sensitivity	Economic Type	Investment Basis
FL		6	VG	SONET	VS	DIR	VG

	INVESTMENT DATA	ANNUAL COST FACTORS							ANNUAL EXPENSES						
	NOTE 1.								NOTE 2.				NOTE 3.		NOTE 4.
Field Code A	State B	Capital Investment C	Dep. Factor D	Levelized C.O.M E	Inc Tax Factor F	Plant. Specific G	Dir. Attrib. Shared & Common H	AdVal Factor I	GRT Rate J	Deprec. Expense K =(C*D)	C.O.M. Expense L =(C*E)	Inc Tax Expense M =(C*F)	Plant Specific N =(C*G)	Dir. Attrib. Shared & Common O =(C*H)	AdVal Expense P =(C*I)	GRT Expense Q
1C	FL		.0721	.0599	.0254	.0175	.0294	.0120	.0153							
4C	FL		.0205	.0727	.0325	.0031	.0146	.0120	.0153							
822C	FL		.0746	.0662	.0281	.0029	.0299	.0120	.0153							
845C	FL		.0613	.0670	.0295	.0040	.0235	.0120	.0153							
85C	FL		.0686	.0655	.0284	.0036	.0220	.0120	.0153							

TOTALS

TOTAL ANNUAL COST.....

TOTAL MONTHLY COST.....

NOTES:
1. Capital Investments are the INVESTMENTS from ACE Report 10
2. Depreciation, Cost of Money and Income Tax Expense = Capital Investment multiplied by the corresponding Annual Cost Factor
3. Plant Specific, Directly Attributed Shared and common and Ad Valorem Expenses = Capital Investment multipled by the corresponding ACF
4. Gross Receipts Tax = Gross Receipts Tax Rate multipled by the sum of the Capital Costs & Operating Expenses (K thru P)

USOC INVESTMENT DETAILS

CSNUMBER :

CSNAME : IOC Voice-TELRIC

TARIFF ELEMENT : Fixed 0-8 Miles

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sen.	Economic Type	Investment Basis
FL		1	VG	SONET	VS	DIR	VG

PRIMARY INVESTMENT DATA | INVESTMENT LOADING FACTORS | SUPPORT STRUCTURE LOADINGS | INVESTMENT

Field Code	Description	Capital Investment	Date	FC Factor	InPlant Factor	InPlant Type	CP&E Factor	Loading Factor	Loading Type	Field Code	Capital Investment
357C	Circuit Equipment		10/1/96	1.00			1.0683				
357C	~ Support Loading---->							0.0657	circuit_bldg	10C	
357C	~ Support Loading---->							0.0047	circuit_land	20C	

Initial Total Investment

Adjusted Total Investment $

NOTES: 1. The Investment for Primary Investments is calculated by multiplying the primary investment by the applicable investment loading factors.
2. The Investment for Support Structure Loadings is calculated by multiplying the applicable loading factor by the sum of investments for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The FC factor is the levelized inflation factor for investments.

USOC INVESTMENT DETAILS

CSNUMBER :

CSNAME : IOC Voice-TELRIC

TARIFF ELEMENT : Per Mile 0-8

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sen.	Economic Type	Investment Basis
FL		2	VG	SONET	VS	DIR	VG

PRIMARY INVESTMENT DATA | INVESTMENT LOADING FACTORS | SUPPORT STRUCTURE LOADINGS | INVESTMENT

Field Code	Description	Capital Investment	Date	FC Factor	InPlant Factor	InPlant Type	CP&E Factor	Loading Factor	Loading Type	Field Code	Capital Investment
822C	Aerial Cable - Fiber		10/1/96	1.00							
822C	~ Support Loading---->							0.2523	pole_fib	1C	
845C	Buried Cable-Fiber		10/1/96	1.00							
85C	Underground Cable-Fiber		10/1/96	1.00							
85C	~ Support Loading---->							0.3894	cond_fib	4C	

Initial Total Investment

Adjusted Total Investment

NOTES: 1. The Investment for Primary Investments is calculated by multiplying the primary investment by the applicable investment loading factors.
2. The Investment for Support Structure Loadings is calculated by multiplying the applicable loading factor by the sum of investments for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The FC factor is the levelized inflation factor for investments.

USOC INVESTMENT DETAILS

CSNUMBER :

CSNAME : IOC Voice-TELRIC

TARIFF ELEMENT : Fixed 9-25 Miles

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sen.	Economic Type	Investment Basis
FL		3	VG	SONET	VS	DIR	VG

PRIMARY INVESTMENT DATA | INVESTMENT LOADING FACTORS | SUPPORT STRUCTURE LOADINGS | INVESTMENT

Field Code	Description	Capital Investment	Date	FC Factor	InPlant Factor	InPlant Type	CP&E Factor	Loading Factor	Loading Type	Field Code	Capital Investment
357C	Circuit Equipment		10/1/96	1.00			1.0683				
357C	~ Support Loading----->							0.0657	circuit_bldg	10C	
357C	~ Support Loading----->							0.0047	circuit_land	20C	

Initial Total Investment

Adjusted Total Investment

NOTES: 1. The Investment for Primary Investments is calculated by multiplying the primary investment by the applicable investment loading factors.
2. The Investment for Support Structure Loadings is calculated by multiplying the applicable loading factor by the sum of investments for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The FC factor is the levelized inflation factor for investments.

USOC INVESTMENT DETAILS
CSNUMBER :
CSNAME : IOC Voice-TELRIC
TARIFF ELEMENT : Per Mile 9-25

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sen.	Economic Type	Investment Basis
FL		4	VG	SONET	VS	DIR	VG

	PRIMARY INVESTMENT DATA							INVESTMENT LOADING FACTORS		SUPPORT STRUCTURE LOADINGS		INVESTMENT
Field Code	Description	Capital Investment	Date	FC Factor	InPlant Factor	InPlant Type	CP&E Factor	Loading Factor	Loading Type	Field Code	Capital Investment	
822C	Aerial Cable - Fiber		10/1/96	1.00								
822C	~ Support Loading---->							0.2523	pole_fib	1C		
845C	Buried Cable - Fiber		10/1/96	1.00								
85C	Underground Cable - Fiber		10/1/96	1.00								
85C	~ Support Loading---->							0.3894	cond_fib	4C		

Initial Total Investment

Adjusted Total Investment

NOTES: 1. The Investment for Primary Investments is calculated by multiplying the primary investment by the applicable investment loading factors.
2. The Investment for Support Structure Loadings is calculated by multiplying the applicable loading factor by the sum of investments for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The FC factor is the levelized inflation factor for investments.

USOC INVESTMENT DETAILS

ACE REPORT 10

CSNUMBER :

CSNAME : IOC Voice-TELRIC

TARIFF ELEMENT : Fixed >25 Miles

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sen.	Economic Type	Investment Basis
FL		5	VG	SONET	VS	DIR	VG

	PRIMARY INVESTMENT DATA							INVESTMENT LOADING FACTORS		SUPPORT STRUCTURE LOADINGS		INVESTMENT
Field Code	Description	Capital Investment	Date	FC Factor	InPlant Factor	InPlant Type	CP&E Factor	Loading Factor	Loading Type	Field Code	Capital Investment	
357C	Circuit Equipment	$	10/1/96	1.00			1.0683				$	
357C	~ Support Loading——>							0.0657	circuit_bldg	10C		
357C	~ Support Loading——>							0.0047	circuit_land	20C		

Initial Total Investment

Adjusted Total Investment

NOTES: 1. The Investment for Primary Investments is calculated by multiplying the primary investment by the applicable investment loading factors.
2. The Investment for Support Structure Loadings is calculated by multiplying the applicable loading factor by the sum of investments for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The FC factor is the levelized inflation factor for investments.

USOC INVESTMENT DETAILS

ACE REPORT 10

CSNUMBER :

CSNAME : IOC Voice-TELRIC

TARIFF ELEMENT : Per Mile >25

10/1/96

State	Tariff Ref	USOC	Modifier	Technology	Vol. Sen.	Economic Type	Investment Basis
FL		6	VG	SONET	VS	DIR	VG

PRIMARY INVESTMENT DATA | INVESTMENT LOADING FACTORS | SUPPORT STRUCTURE LOADINGS | INVESTMENT

Field Code	Description	Capital Investment	Date	FC Factor	InPlant Factor	InPlant Type	CP&E Factor	Loading Factor	Loading Type	Field Code	Capital Investment
822C	Aerial Cable - Fiber		10/1/96	1.00							
822C	~ Support Loading---->							0.2523	pole_fib	1C	
845C	Buried Cable - Fiber		10/1/96	1.00							
85C	Underground Cable Fiber		10/1/96	1.00							
85C	~ Support Loading---->							0.3894	cond_fib	4C	

Initial Total Investment

Adjusted Total Investment

NOTES: 1. The Investment for Primary Investments is calculated by multiplying the primary investment by the applicable investment loading factors.
2. The Investment for Support Structure Loadings is calculated by multiplying the applicable loading factor by the sum of investments for each primary Field Code.
3. InPlant Factor types: T = Telco, C = Material Composite, H = Material Hardwire, P = Material Plugin
4. The FC factor is the levelized inflation factor for investments.

Interoffice Channel Voice - TELRIC Unbundled Exchange Access
Interoffice
Voice Grade

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1	Fixed	Investment Per DS1					Source
2							
3				357C			
4		Design 1	$				WP300, Ln37
5		Design 2	$				WP301, Ln45
6							
7							
8	Band 0 - 8 Miles Investment Per Voice Grade						
9		Design 1	$				Ln 4 / 24 VG per DS1
10		Probability of Occurrence		0.18			Network Area Staff
11		Total Investment	$				Ln9 * Ln10
12							
13		Design 2	$				Ln 5 / 24 VG per DS1
14		Probability of Occurrence		0.82			Network Area Staff
15		Total Investment	$				Ln13 * Ln14
16							
17							
18							
19							
20							
21		Band 0 - 8 Miles Investment	$				Ln11 + Ln15
22		DS0 Utilization		0.657			VG Utilization
23		Utilized Investment	$				Ln21 / Ln22
24		D4 Chan. Bnk & Cm. Pigs +DSX-1 Termination +FX Plug	$				Fundamental DS1 Channelization Model
25		Total Investment	$				Ln 23 + Ln24
26							
27	Per Mile	Investment Per DS1					Source
28				822C	845C	85C	
29		Design 1	$				WP300, Ln38, Ln39, Ln40
30		Design 2	$				WP301, Ln46, Ln47, Ln48
31							
32							
33	Band 0 - 8 Miles Investment Per Voice Grade						
34		Design 1	$				Ln 29/24 VG per DS1
35		Probability of Occurrence		0.18	0.18	0.18	Network Area Staff
36		Total Investment - Route Distance	$				Ln34 * Ln35
37							
38		Design 2	$				Ln 30/24 VG per DS1
39		Probability of Occurrence		0.82	0.82	0.82	Network Area Staff
40		Total Investment - Route Distance	$				Ln38 * Ln39
41							
42							
43							
44							
45							
46		Band Total Investment - Route Miles	$				Ln36 + Ln40
47		Average Distance - Air Miles		23.58	23.58	23.58	1995 Annual Filing
48		Investment Per Air Mile	$				Ln46 / Ln47
49		DS0 Utilization		0.657	0.657	0.657	VG Utilization
50		Utilized Investment	$				Ln48 / Ln49

Interoffice Channel Voice - TELRIC Unbundled Exchange Access
Interoffice
Voice Grade

State: FLORIDA
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1	Fixed	Investment Per DS1			Source
2				357C	
3		Design 1			WP300, Ln37
4		Design 2			WP301, Ln45
5					
6					
7					
8					
9	Band 9 - 25 Miles Per Voice Grade				
10		Design 2	$		Ln 4 / 24 VG Per DS1
11		Probability of Occurrence		1.00	Network Area Staff
12		Total Investment	$		Ln10 * Ln11
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30		Band 9-25 Miles Investment	$		Ln12
31		DS0 Utilization		0.657	VG Utilization
32		Utilized Investment	$		Ln 30 / Ln31
33		D4 Chan. Bnk & Cm. Pigs +DSX-1 Termination +FX Plug	$		Fundamental DS1 Channelization Model
34		Total Investment	$		Ln32 + Ln33
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					

Interoffice Channel Voice - TELRIC Unbundled Exchange Access
Interoffice
Voice Grade

State: FLORIDA
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			822C	845C	85C	
1	Per Mile Investment Per DS1					
2						
3						
4	Design 1	$		$	$	WP300, Ln38, Ln39, Ln40
5	Design 2	$		$	$	WP301, Ln46, Ln47, Ln48
6						
7						
8						
9	Band 9 - 25 Miles Per Voice Grade					
10						
11						
12						
13						
14						
15	Design 2	$				Ln 5/24 VG Per DS1
16	Probability of Occurrence		1.00	1.00	1.00	Network Area Staff
17	Total Investment	$				Ln15 * Ln16
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31	Band Total - Route Miles	$				Ln17
32	Average Distance - Air Miles		23.58	23.58	23.58	1995 Annual Filing
33	Investment Per Air Mile	$				Ln31 / Ln32
34	Utilization		0.657	0.657	0.657	VG Utilization
35	Utilized Investment	$				Ln33/ Ln34
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						

...ce Channel Voice - TELRIC Unbundled Exchange Access
Interoffice
Voice Grade

State: FLORIDA
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1	Fixed	Investment Per DS1					Source
2				357C			
3		Design 1					WP300, Ln37
4		Design 2					WP301, Ln45
5							
6							
7	Band >25 Miles Investment Per Voice Grade						
8		Design 2	$				Ln 4 / 24 VG Per DS1
9		Probability of Occurrence		1.00			Network Area Staff
10		Total Investment	$				Ln8 * Ln9
11							
12							
13							
14							
15							
16							
17							
18							
19							
20		Band > 25 Miles Investment	$				Ln10
21		Utilization		0.657			VG Utilization
22		Utilized Investment	$				Ln20 / Ln 21
23		D4 Chan. Bnk & Cm. Pigs +DSX-1 Termination +FX Plug	$	485.06			Fundamental DS1 Channelization Model
24		Total Investment	$	614.65			Ln22 + Ln23
25							
26							
27							
28	Per Mile	Investment Per DS1					
29				822C	845C	85C	
30		Design 2	$				WP301, Ln46, Ln47, Ln48
31							
32							
33							
34							
35		Design 2	$				Ln30/24 VG Per DS1
36		Probability of Occurrence		1.00	1.00	1.00	Network Area Staff
37		Total Investment	$				Ln35 * Ln36
38							
39							
40							
41							
42							
43							
44							
45							
46							
47		Band Total -Route Miles	$				Ln37
48		Average Distance - Air Miles		23.58	23.58	23.58	1995 Annual Filing
49		Investment Per Air Mile	$				Ln47 / Ln48
50		DS0 Utilization		0.657	0.657	0.657	VG Utilization
51		Utilized Investment	$				Ln49 / Ln50

Interoffice Channel Voice - TELRIC Unbundled Exchange Access
Interoffice
Voice Grade

State: FLORIDA
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Design 1

Line	A Description	B FRC	C Equipment Investment	Source
1				
2	C.O. Node - OC-48 BLSR	357C	$	SONET Fundamental Investment Model
3	Number Required		2	Network
4	Total Investment		$	Line 2 * Line 3
5				
6	C.O. Node - OC-48 (BLSR) Intermediate	357C	$	SONET Fundamental Investment Model
7	Number Required		1	Network
8	Total Investment		$	Line 6 * Line 7
9				
10	C.O. Interface DS1 on OC-48-Mux & Protect	357C	$	SONET Fundamental Investment Model
11	Number Required		2	Network
12	Total Investment		$	Line 10 * Line 11
13				
14	C.O. Interface DS1 on OC-48-Working	357C	$	SONET Fundamental Investment Model
15	Number Required		2	Network
16	Total Investment		$	Line 14 * Line 15
17				
18	Data Communications - OC-48	357C	$	SONET Fundamental Investment Model
19	Number Required		1	Network
20	Total Investment		$	Line 18 * Line 19
21				
22	Fiber - OC-48 BLSR Per Mile Per Strand	822C	$	SONET Fundamental Investment Model
23	Number Strands		3	Network
24	Number Miles		16	Network
25	Total Investment		$	Line 22 * (Line 23 * Line 24)
26				
27	Fiber - OC-48 BLSR Per Mile Per Strand	845C	$	SONET Fundamental Investment Model
28	Number Strands		3	Network
29	Number Miles		16	Network
30	Total Investment		$	Line 27 * (Line 28 * Line 29)
31				
32	Fiber - OC-48 BLSR Per Mile Per Strand	85C	$	SONET Fundamental Investment Model
33	Number Strands		3	Network
34	Number Miles		16	Network
35	Total Investment		$	Line 32 * (Line 33 * Line 34)
36				
37	Total Investment - Design 1	357C	$	Ln4 + Ln8 + Ln12 + Ln16 + Ln20
38		822C	$	Line 25
39		845C	$	Line 30
40		85C	$	Line 35
41				
42				
43				
44				
45				
46				
47				
48				
49				
50				

Interoffice Channel Voice - TELRIC Unbundled Exchange Access
Interoffice
Voice Grade

State: FLORIDA
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Design 2 - OC-48 Ring

Line	A Description	B FRC	C Equipment Investment	Source
1				
2	C.O. Node - OC-48 BLSR	357C	$	SONET Fundamental Investment Model
3	Number Required		4	Network
4	Total Investment		$	Line 2 * Line 3
5				
6	C.O. Node - OC-48 (BLSR) Intermediate	357C	$	SONET Fundamental Investment Model
7	Number Required		2	Network
8	Total Investment		$	Line 6 * Line 7
9				
10	C.O. Interface DS1 on OC-48-Mux & Protect	357C	$	SONET Fundamental Investment Model
11	Number Required		4	Network
12	Total Investment		$	Line 10 * Line 11
13				
14	C.O. Interface DS1 on OC-48-Working	357C	$	SONET Fundamental Investment Model
15	Number Required		2	Network
16	Total Investment		$	Line 14 * Line 15
17				
18	Data Communications - OC-48	357C	$	SONET Fundamental Investment Model
19	Number Required		2	Network
20	Total Investment		$	Line 18 * Line 19
21				
22	C.O. Connection STS-1 on OC-48-Mux & Protect	357C	$	SONET Fundamental Investment Model
23	Number Required		2	Network
24	Total Investment		$	Line 22 * Line 23
25				
26	C.O. Connection STS-1 on OC-48-Working	357C	$	SONET Fundamental Investment Model
27	Number Required		2	Network
28	Total Invesument		$	Line 26 * Line 27
29				
30	Fiber - OC-48 BLSR Per Mile Per Strand	822C	$	SONET Fundamental Investment Model
31	Number Strands		3	Network
32	Number Miles		32	Network
33	Total Investment		$	Line 30 * (Line 31 * Line 32)
34				
35	Fiber - OC-48 BLSR Per Mile Per Strand	845C	$	SONET Fundamental Investment Model
36	Number Strands		3	Network
37	Number Miles		32	Network
38	Total Investment		$	Line 35 * (Line 36 * Line 37)
39				
40	Fiber - OC-48 BLSR Per Mile Per Strand	85C	$	SONET Fundamental Investment Model
41	Number Strands		3	Network
42	Number Miles		32	Network
43	Total Investment		$	Line 40 * (Line 41 * Line 42)
44				
45	Design 2 - OC-48 Ring Total Investment	357C	$	Ln4+Ln8+Ln12+Ln16+Ln20+Ln24+Ln28
46		822C	$	Line 33
47		845C	$	Line 38
48		85C	$	Line 43
49				
50				

SECTION 5

FLORIDA SPECIAL ACCESS VOICE GRADE SERVICE
INTEROFFICE CHANNEL VOICE - UNBUNDLED EXCHANGE ACCESS

COST DEVELOPMENT - NONRECURRING

In progress

SECTION 6

SECTION 6

FLORIDA SPECIAL ACCESS VOICE GRADE SERVICE
INTEROFFICE CHANNEL VOICE - UNBUNDLED EXCHANGE ACCESS

SPECIFIC STUDY ASSUMPTIONS

The cost study for the Special Access Voice Grade Service Interoffice Channel Voice - Unbundled Exchange Access is based on the Total Element Long Run Incremental Cost (TELRIC) methodology prescribed by the FCC's First Report and Order in CC Docket 96-98 released August 8, 1996. Network deployment strategies, first choice provisioning guidelines, and equipment purchasing information are used to develop the Total Element Long Run Incremental Cost.

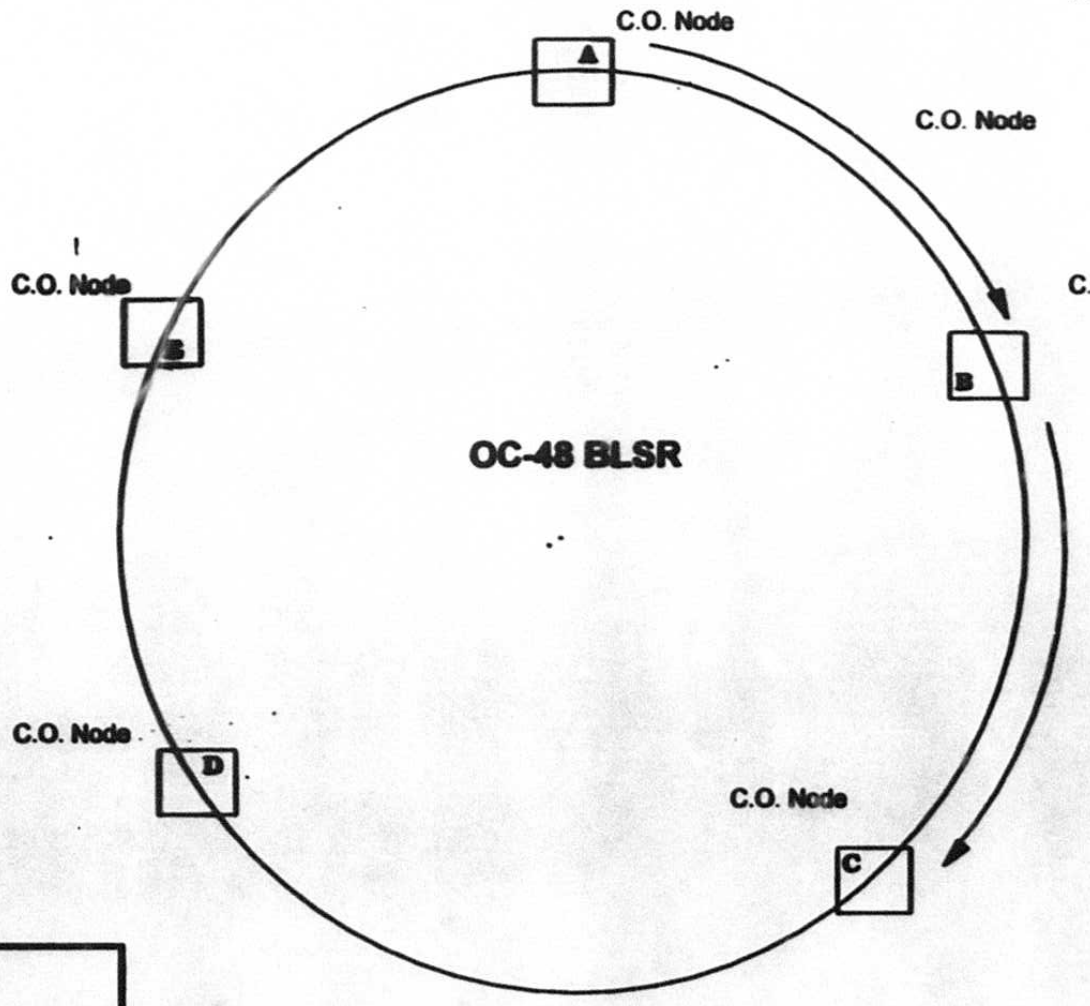
Cost study assumptions are as follows.

1. Two architectures are studied to develop these costs. The 0 thru 8 mile band includes Design One and Design Two, weighted 18% and 82%, respectively. The 9 to 25 mile band and the greater than 25 mile band use Design Two only.

Diagrams of the two architectures are found on the following pages.

DESIGN #1

FLORIDA



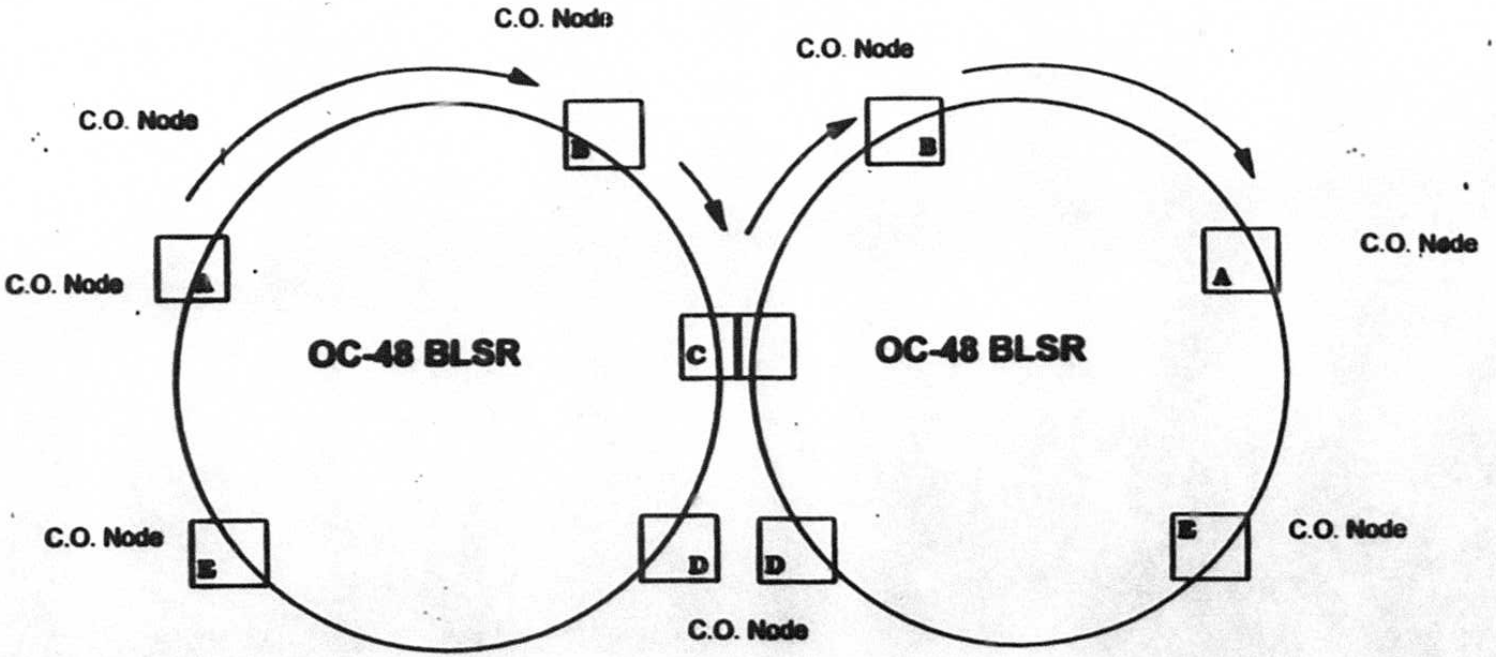
Equipment

OC-48 (BLSR) C.O. Node
OC-48 (BLSR) C.O. Node Intermediate
C.O. Interface
Data Communications Equipment
Fiber

Nodes	=	5
Circumference	=	40 mi
No. Traffic Segments	=	2
Avg. Segment Distanc	=	8 mi

DESIGN #2

FLORIDA



Equipment

- OC-48(BLSR) C.O. Node
- OC-48(BLSR) C.O. Node Intermediate
- C.O. Interface
- Data Communications Equipment
- Fiber
- Ring Connection

Nodes	=	5
Circumference	=	40 mi
No. Traffic Segments	=	2
Avg. Segment Distanc	=	8 mi

Nodes	=	5
Circumference	=	40 mi
No. Traffic Segments	=	2
Avg. Segment Distanc	=	8 mi

SECTION 7

SECTION 7

FLORIDA SPECIAL ACCESS VOICE GRADE SERVICE
INTEROFFICE CHANNEL VOICE - UNBUNDLED EXCHANGE ACCESS

FACTORS AND LOADINGS

Following are the Total Element Long Run Incremental Cost (TELRIC) annual cost factors, miscellaneous loadings and labor rates used in the Special Access Voice Grade Service Interoffice Channel Voice - Unbundled Exchange Access.

FLORIDA SPECIAL ACCESS VOICE GRADE SERVICE
INTEROFFICE CHANNEL VOICE - UNBUNDLED EXCHANGE ACCESS

FACTORS AND LOADINGS

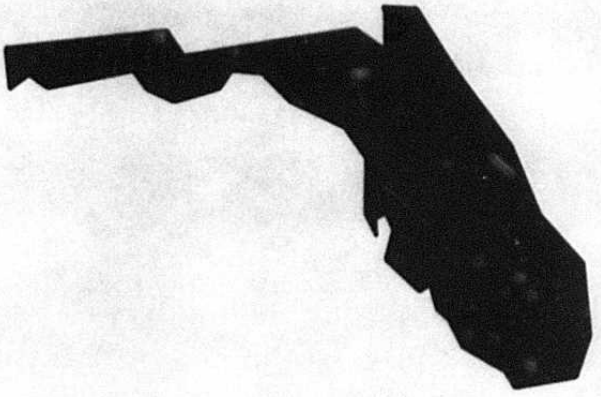
In-Plant Factors	357C	
Hardwired		1.3498
Common Plug-ins		1.0600
Deferrable Plug-ins		1.0600
Investment Inflation Factors		
	357C	0.955
	822C	0.999
	845C	1.038
	85C	0.980
Misc. Common Equipment and Power Factor	357C	0.0683
Land Loading	20C	0.0047
Building Loading	10C	0.0657
Pole Loading	1C	0.2523
Conduit Loading	4C	0.3894
Gross Receipts Tax (Gross-up Factor)		0.0153

1998 FLORIDA
ACCOUNT AVERAGE ANNUAL COST FACTORS

	Field Code	Depreciation	ACFC COM	ACFC Inc Tax	Cap Exp	ACFC Plt Specific Exp	ACFC Adval Tax	Directly Attributed Shared and Common	TELRIC
		a	b	c	d	e	f	g	i
			11.25%		(a+b+c)				(d+e+f+g)
LAND - COE	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493
BUILDINGS - COE	10C, 110C	0.0330	0.0826	0.0369	0.1525	0.0061	0.0120	0.0014	0.1720
DIGITAL ELEC SWITCH	377C, 587C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.0434	0.2756
OPERATOR SYSTEMS	117C,417C	0.1157	0.0847	0.0296	0.2100	0.0033	0.0120	0.0500	0.2753
DIGTL CIRC-DDS	157C	0.1608	0.0575	0.0256	0.2439	0.0076	0.0120	0.0394	0.3029
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1314	0.0584	0.0249	0.2127	0.0082	0.0120	0.0366	0.2695
DIGTL CIRC-OTHER	357C,T357C,F357C,557C	0.1314	0.0584	0.0252	0.2130	0.0093	0.0120	0.0372	0.2715
POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0175	0.0120	0.0294	0.2163
AERIAL CA - METAL	22C, 12C	0.1023	0.0679	0.0254	0.1956	0.0705	0.0120	0.0619	0.3400
AERIAL CA - FIBER	822C, 812C,D22C, F22C,T22C,D12C,F12C,T12C	0.0746	0.0662	0.0281	0.1689	0.0029	0.0120	0.0299	0.2137
UNGROUND CA - METAL	5C	0.1184	0.0681	0.0283	0.2128	0.0192	0.0120	0.0351	0.2791
UNGROUND CA - FIBER	85C,D5C,F5C,T5C	0.0686	0.0655	0.0284	0.1625	0.0036	0.0120	0.0220	0.2001
BURIED CA - METAL	45C	0.0885	0.0578	0.0277	0.1840	0.0522	0.0120	0.0468	0.2950
BURIED CA - FIBER	845C, D45C, F45C, T45C	0.0613	0.0670	0.0295	0.1578	0.0040	0.0120	0.0235	0.1973
SUBMARINE CA-METAL	6C	0.0937	0.0688	0.0307	0.1932	0.0046	0.0120	0.0206	0.2304
SUBMARINE CA-FIBER	86C,D6C,F6C,T6C	0.0937	0.0688	0.0310	0.1935	0.0046	0.0120	0.0209	0.2310
INTRBLD NTWK-METAL	52C	0.0751	0.0669	0.0291	0.1711	0.0192	0.0120	0.0315	0.2338
INTRBLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0751	0.0669	0.0292	0.1712	0.0011	0.0120	0.0270	0.2113
CONDUIT SYSTEMS	4C	0.0205	0.0727	0.0325	0.1257	0.0031	0.0120	0.0146	0.1554

DDC 13

FLORIDA



OPERATOR CALL PROCESSING ACCESS SERVICE

TELRIC COST STUDY DOCUMENTATION

SECTIONS A THRU 6

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERVICE

COST STUDY DOCUMENTATION

CONTENTS

SECTION A

SECTION A

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERVICE

PROPRIETARY RATIONALE

The Operator Call Processing Access Service Study contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

Additionally, the study contains information which reflects vendor-specific prices negotiated by BellSouth. Public disclosure of this information would impair BellSouth's ability to contract for goods and/or services on favorable terms. For these reasons, the Operator Call Processing Access Service Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERVICE

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support Operator Call Processing Access Service. The costs presented in this study are based on the TELRIC methodology established by the Federal Communications Commission's (FCC) First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

Operator Call Processing Access Service is an optional service available to Local Exchange service providers, hereafter referred to as customers. The Company will provide Operator Call Processing to end users on behalf of the Local Exchange service provider.

Operator Call Processing Access Service consists of (1) Operator Provided Call Handling and (2) Fully Automated Call Handling.

Operator Provided Call Handling provides the following services at the end user's request:

- alternate billing services, i.e., collect, calling card, and third number billing
- person-to-person calling
- dialing assistance and instructions
- verification of a busy line
- interruption of a busy line
- emergency call trace
- general operator assistance

Processing alternately billed calls requires accessing a database to verify the correctness of the billing information. BellSouth Telecommunications (BST) will store customers' end user billing verification information in the BST Line Information DataBase (LIDB) or customers may choose to store their billing verification information in a foreign LIDB.

These costs are comprised of: (1) Operator Labor, (2) the operators' position hardware, software, and dedicated circuits associated with the Operator Service Center (OSC), (3) the software providing Operator Service functionality in the Operator Service System (OSS), (4) switching and transport, (5) the Automated Alternative Billing Services system which provides functionality for automated call handling, and (6) the Line Identification DataBase system providing calling card verification and screening on collect and bill-to-third calls.

A long run analysis is performed to ensure that the time period studied is sufficient to capture all forward looking costs affected by the business decision.

The recurring costs presented in this study are levelized so as to be appropriate for the 1997 - 1999 study period. These costs are developed by using 1996 level TELRIC loadings, annual cost factors and labor rates designed to produce TELRIC results.

SECTION 2

SECTION 2

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERVICE

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of the Total Element Long Run Incremental Cost (TELRIC) supporting Operator Call Processing Access Service.

The purpose of the TELRIC methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct costs caused by providing the particular network element being studied. TELRIC methodology anticipates pricing of elements in a wholesale network company. Many costs regarded as common or shared would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. TELRIC includes both recurring (capital and operating expenses) and nonrecurring (service provisioning) costs. There are no nonrecurring costs associated with Operator Call Processing Access Service.

THE DEVELOPMENT OF RECURRING COSTS

The per unit costs to BellSouth Telecommunications, Inc. resulting from the capital investments necessary to provide a service are called recurring costs. Recurring costs represent a forward looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Recurring costs may also be noninvestment related, such as expensed labor, feature specific software and contract expenses. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is calculated on the TELRIC.

The first step in developing a TELRIC study for Operator Call Processing Access Service is to determine the forward looking network architecture. Prices for the software and equipment are defined. Next, account specific Telephone Plant Indexes are applied, when necessary, to trend investments to the base study period. In-plant factors are applied to material prices to develop installed investments which include engineering and installation labor.

Appropriate loadings for land, building and miscellaneous common equipment and power are then applied to the electronic equipment.

Next, 1996 level TELRIC Annual Cost Factors are used to calculate the direct cost of capital, plant specific expenses and taxes. Account specific factors for each Uniform System of Accounts - Field Reporting Code (USOA - FRC) are applied to levelized investments by account code, yielding an annual cost per account code which includes directly attributable shared and common costs. Annual Total Element Long Run Incremental Costs by account codes are then summed and divided by the associated demand to arrive at a cost per cost element.

The directly attributable shared and common cost components of the TELRIC annual cost factors are calculated as follows. First, a detailed analysis of the forward looking directly assigned costs associated with the interconnect or unbundled network element is performed. The remaining costs of doing business are then analyzed to determine whether they are directly attributable shared and common costs that can be reasonably attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated by the functional areas to which they are related. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc., are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc., and attributed shared cost factors are developed. These attributed shared cost factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded.

The common cost allocation factor is applied to TELRIC to produce the forward looking economic cost, as defined in the FCC Order, Appendix B, Section 51.505, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

SECTION 3

SECTION 3

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERIVCE

SUMMARY OF RESULTS

This section contains a unit cost summary for the Total Element Long Run Incremental Cost (TELRIC) for Operator Call Processing Access Service.

OPERATOR PROVIDED COST PER MINUTE	
USING BST LIDB	
TELRIC	$1.2293
Common Cost Allocation Factor	1.0804
Total Cost	$1.3281
USING FOREIGN LIDB	
TELRIC	$1.2450
Common Cost Allocation Factor	1.0804
Total Cost	$1.3451
FULLY AUTOMATED COST PER CALL	
USING BST LIDB	
TELRIC	$0.0547
Common Cost Allocation Factor	1.0804
Total Cost	$0.0591
USING FOREIGN LIDB	
TELRIC	$0.0748
Common Cost Allocation Factor	1.0804
Total Cost	$0.0808

SECTION 4

SECTION 4

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERVICE

COST DEVELOPMENT

This section defines the cost development for Operator Call Processing Access Service.

Generally, economic cost development is outlined in Section 2. Network architecture is determined, the necessary equipment is identified, material prices are obtained, utilization and loading factors are applied. Annual TELRIC factors are applied to convert the investment to cost. Labor expense is directly identified.

Workpaper 1

Total Element Long Run Incremental Costs (TELRIC) are summarized. These unit costs are per minute for operator handled and per call for fully automated.

Workpaper 2

The volume sensitive and volume insensitive costs per call are summarized for each individual call type. Where costs for individual components are developed per minute, they are converted to a cost per minute using the Actual Work Time (shown in seconds) or Facility Work Seconds (for automated calls).

Workpaper 3

The operator cost per minute is developed using the labor cost per productive hour. The cost per hour is divided by 60 minutes and then adjusted by the ratio of productive hours to call processing hours.

Workpaper 4

The Operator Service Center (OSC) software cost per minute is derived by multiplying the equivalent annual cost per position times the number of positions and dividing it by the projected demand in minutes.

The hardware investment per position is loaded for incremental common equipment, power, land, and building investment. The investments are multiplied by the number of positions and their corresponding annual cost factors to calculate the associated annual cost. The annual cost is divided by the projected annual minutes to develop the hardware cost per minute. The circuit and mileage quantities for the message and data circuits from the positions were multiplied by their

fixed and mileage sensitive unit investments and associated annual cost factors to calculate the annual cost. The mileage for each route was calculated from the vertical and horizontal coordinates of the Operator Service Center locations and the host Operator Service System. As with the hardware, the annual cost was divided by the annual minutes to produce the cost per minute.

The total cost per minute for the Operator Service Center (OSC) is the sum of the software, hardware and circuit cost per minute.

Workpaper 5

The equivalent annual cost for the software in the Operator Service Systems is divided by the projected calls to develop the OSS cost per call.

Workpaper 6

The fundamental switching and transport cost per minute is used to develop usage costs to the Host Tandem.

The cost for the verification and emergency interrupt calls from the operator to the line to be monitored are developed using the switching and transport cost per minute and the estimated time required for the verification and emergency interrupt functions.

Workpaper 7

The Automated Alternative Billing Service (AABS) System is comprised of Gateway Switches for routing and control, Interactive Voice Systems for voice prompts and recording, and associated circuits. This System provides automated call processing functionality for 0+ Calling Card, Collect and Billed-to-Third calls.

The hardware investment for the Gateway switches to the Interactive Voice Systems (IVS) and the Systems themselves were multiplied by the associated annual cost factor. The annual costs for the data circuits, the Gateway and IVS hardware were summed along with the annual software expense. These costs were divided by the systems average demand to calculate the cost per automated call. The Gateway hardware and system software is volume insensitive. AABS is a Regional study.

Workpaper 8

The cost of calling card validation and billed number screening is developed by weighting the costs to BellSouth's Line Identification DataBases (LIDBs) with the charges from foreign LIDBs (e.g., to Bell Atlantic to validate their Calling Card).

As with AABS, this is a Regional study of Regional Systems.

The following workpapers detail this development.

1.		**FLORIDA**		WORKPAPER 1
2.				10/08/96
3.	**OPERATOR CALL PROCESSING ACCESS SERVICE**			PAGE 1 OF 5
4.				
5.		**SUMMARY**		
6.				
7.				
8.	**OPERATOR PROVIDED COST PER MINUTE**			
9.				
10.	**USING BST LIDB**			
11.		DIRECT COST	WP1,PG2,LN55	$0.9714
12.		DIRECTLY ATTRIBUTED SHARED & COMMON COST	WP1,PG3,LN55	$0.2579
13.		TELRIC	LN11+LN12	$1.2293
14.				
15.	**USING FOREIGN LIDB**			
16.		DIRECT COST	WP1,PG4,LN55	$0.9871
17.		DIRECTLY ATTRIBUTED SHARED & COMMON COST	WP1,PG5,LN55	$0.2579
18.		TELRIC	LN16+LN17	$1.2450
19.				
20.	**FULLY AUTOMATED COST PER CALL**			
21.				
22.	**USING BST LIDB**			
23.		DIRECT COST	WP1,PG2,LN67	$0.0527
24.		DIRECTLY ATTRIBUTED SHARED & COMMON COST	WP1,PG3,LN67	$0.0020
25.		TELRIC	LN23+LN24	$0.0547
26.				
27.	**USING FOREIGN LIDB**			
28.		DIRECT COST	WP1,PG4,LN67	$0.0728
29.		DIRECTLY ATTRIBUTED SHARED & COMMON COST	WP1,PG5,LN67	$0.0020
30.		TELRIC	LN28+LN29	$0.0748

FLORIDA

OPERATOR CALL PROCESSING
ACCESS SERVICE

SUMMARY
OPERATOR PROVIDED AND
FULLY AUTOMATED USING BST LIDB

DIRECT COST	AWT/ FWS 6/96	COST PER CALL	CALLS 6/96	TOTAL MINUTES	TOTAL COST	UNIT COST
OPERATOR HANDLED						
STATION-TO-STATION						
0+ CALLING CARD - VOLUME SENSITIVE						
0+ CALLING CARD - VOLUME INSENSITIVE						
0- CALLING CARD - VOLUME SENSITIVE						
0- CALLING CARD - VOLUME INSENSITIVE						
0- BILL-TO-THIRD - VOLUME SENSITIVE						
0- BILL-TO-THIRD - VOLUME INSENSITIVE						
0- COLLECT - VOLUME SENSITIVE						
0- COLLECT - VOLUME INSENSITIVE						
0- NO ATTEMPT - VOLUME SENSITIVE						
0- NO ATTEMPT - VOLUME INSENSITIVE						
0+ BILL-TO-THIRD - VOLUME SENSITIVE						
0+ BILL-TO-THIRD - VOLUME INSENSITIVE						
0+ COLLECT - VOLUME SENSITIVE						
0+ COLLECT - VOLUME INSENSITIVE						
SENT PAID - VOLUME SENSITIVE						
SENT PAID - VOLUME INSENSITIVE						
VERIFICATION - VOLUME SENSITIVE						
VERIFICATION -VOLUME INSENSITIVE						
VERIFICATION-NON REVENUE-VOL. SENS.						
VERIFICATION-NON REVENUE-VOL.INSENS.						
VERIFICATION & INTERRUPT-VOL.SENS.						
VERIFICATION & INTERRUPT-VOL.INSENS.						
PERSON-TO-PERSON						
0- CALLING CARD - VOLUME SENSITIVE						
0- CALLING CARD - VOLUME INSENSITIVE						
0- BILL-TO-THIRD - VOLUME SENSITIVE						
0- BILL-TO-THIRD - VOLUME INSENSITIVE						
0- COLLECT - VOLUME SENSITIVE						
0- COLLECT - VOLUME INSENSITIVE						
0+ CALLING CARD - VOLUME SENSITIVE						
0+ CALLING CARD - VOLUME INSENSITIVE						
0+ BILL-TO-THIRD - VOLUME SENSITIVE						
0+ BILL-TO-THIRD - VOLUME INSENSITIVE						
0+ COLLECT - VOLUME SENSITIVE						
0+ COLLECT - VOLUME INSENSITIVE						
COST PER MINUTE - VOLUME SENSITIVE						$0.9036
COST PER MINUTE - VOLUME INSENSITIVE						$0.0678
DIRECT COST, PER MINUTE						$0.9714
FULLY AUTOMATED						
CALLING CARD - VOLUME SENSITIVE						
CALLING CARD - VOLUME INSENSITIVE						
BILL-TO-THIRD - VOLUME SENSITIVE						
BILL-TO-THIRD - VOLUME INSENSITIVE						
COLLECT- VOLUME SENSITIVE						
COLLECT - VOLUME INSENSITIVE						
COST PER CALL - VOLUME SENSITIVE						$0.0182
COST PER CALL - VOLUME INSENSITIVE						$0.0345
DIRECT COST, PER CALL						$0.0527

FLORIDA

OPERATOR CALL PROCESSING
ACCESS SERVICE

SUMMARY
OPERATOR PROVIDED AND FULLY AUTOMATED USING BST LIDB

DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)	AWT/ FWS 6/96	COST PER CALL	CALLS 6/96	TOTAL MINUTES	TOTAL COST	UNIT COST
OPERATOR HANDLED						
STATION-TO-STATION						
0+ CALLING CARD - VOLUME SENSITIVE						
0+ CALLING CARD - VOLUME INSENSITIVE						
0- CALLING CARD - VOLUME SENSITIVE						
0- CALLING CARD - VOLUME INSENSITIVE						
0- BILL-TO-THIRD - VOLUME SENSITIVE						
0- BILL-TO-THIRD - VOLUME INSENSITIVE						
0- COLLECT - VOLUME SENSITIVE						
0- COLLECT - VOLUME INSENSITIVE						
0- NO ATTEMPT - VOLUME SENSITIVE						
0- NO ATTEMPT - VOLUME INSENSITIVE						
0+ BILL-TO-THIRD - VOLUME SENSITIVE						
0+ BILL-TO-THIRD - VOLUME INSENSITIVE						
0+ COLLECT - VOLUME SENSITIVE						
0+ COLLECT - VOLUME INSENSITIVE						
SENT PAID - VOLUME SENSITIVE						
SENT PAID - VOLUME INSENSITIVE						
VERIFICATION - VOLUME SENSITIVE						
VERIFICATION -VOLUME INSENSITIVE						
VERIFICATION-NON REVENUE-VOL. SENS.						
VERIFICATION-NON REVENUE-VOL.INSENS.						
VERIFICATION & INTERRUPT-VOL.SENS.						
VERIFICATION & INTERRUPT-VOL.INSENS.						
PERSON-TO-PERSON						
0- CALLING CARD - VOLUME SENSITIVE						
0- CALLING CARD - VOLUME INSENSITIVE						
0- BILL-TO-THIRD - VOLUME SENSITIVE						
0- BILL-TO-THIRD - VOLUME INSENSITIVE						
0- COLLECT - VOLUME SENSITIVE						
0- COLLECT - VOLUME INSENSITIVE						
0+ CALLING CARD - VOLUME SENSITIVE						
0+ CALLING CARD - VOLUME INSENSITIVE						
0+ BILL-TO-THIRD - VOLUME SENSITIVE						
0+ BILL-TO-THIRD - VOLUME INSENSITIVE						
0+ COLLECT - VOLUME SENSITIVE						
0+ COLLECT - VOLUME INSENSITIVE						
COST PER MINUTE - VOLUME SENSITIVE						$0.2579
COST PER MINUTE - VOLUME INSENSITIVE						$0.0000
DASCC, PER MINUTE						$0.2579
FULLY AUTOMATED						
CALLING CARD - VOLUME SENSITIVE						
CALLING CARD - VOLUME INSENSITIVE						
BILL-TO-THIRD - VOLUME SENSITIVE						
BILL-TO-THIRD - VOLUME INSENSITIVE						
COLLECT- VOLUME SENSITIVE						
COLLECT - VOLUME INSENSITIVE						
COST PER CALL - VOLUME SENSITIVE						$0.0015
COST PER CALL - VOLUME INSENSITIVE						$0.0005
DASCC, PER CALL						$0.0020

FLORIDA

OPERATOR CALL PROCESSING
ACCESS SERVICE

SUMMARY
OPERATOR PROVIDED AND
FULLY AUTOMATED USING FOREIGN LIDB

DIRECT COST	AWT/ FWS 6/96	COST PER CALL	CALLS 6/96	TOTAL MINUTES	TOTAL COST	UNIT COST
OPERATOR HANDLED						
STATION-TO-STATION						
0+ CALLING CARD - VOLUME SENSITIVE						
0+ CALLING CARD - VOLUME INSENSITIVE						
0- CALLING CARD - VOLUME SENSITIVE						
0- CALLING CARD - VOLUME INSENSITIVE						
0- BILL-TO-THIRD - VOLUME SENSITIVE						
0- BILL-TO-THIRD - VOLUME INSENSITIVE						
0- COLLECT - VOLUME SENSITIVE						
0- COLLECT - VOLUME INSENSITIVE						
0- NO ATTEMPT - VOLUME SENSITIVE						
0- NO ATTEMPT - VOLUME INSENSITIVE						
0+ BILL-TO-THIRD - VOLUME SENSITIVE						
0+ BILL-TO-THIRD - VOLUME INSENSITIVE						
0+ COLLECT - VOLUME SENSITIVE						
0+ COLLECT - VOLUME INSENSITIVE						
SENT PAID - VOLUME SENSITIVE						
SENT PAID - VOLUME INSENSITIVE						
VERIFICATION - VOLUME SENSITIVE						
VERIFICATION -VOLUME INSENSITIVE						
VERIFICATION-NON REVENUE-VOL. SENS.						
VERIFICATION-NON REVENUE-VOL.INSENS.						
VERIFICATION & INTERRUPT-VOL.SENS.						
VERIFICATION & INTERRUPT-VOL.INSENS.						
PERSON-TO-PERSON						
0- CALLING CARD - VOLUME SENSITIVE						
0- CALLING CARD - VOLUME INSENSITIVE						
0- BILL-TO-THIRD - VOLUME SENSITIVE						
0- BILL-TO-THIRD - VOLUME INSENSITIVE						
0- COLLECT - VOLUME SENSITIVE						
0- COLLECT - VOLUME INSENSITIVE						
0+ CALLING CARD - VOLUME SENSITIVE						
0+ CALLING CARD - VOLUME INSENSITIVE						
0+ BILL-TO-THIRD - VOLUME SENSITIVE						
0+ BILL-TO-THIRD - VOLUME INSENSITIVE						
0+ COLLECT - VOLUME SENSITIVE						
0+ COLLECT - VOLUME INSENSITIVE						
COST PER MINUTE - VOLUME SENSITIVE						$0.9231
COST PER MINUTE - VOLUME INSENSITIVE						$0.0640
DIRECT COST, PER MINUTE						$0.9671
FULLY AUTOMATED						
CALLING CARD - VOLUME SENSITIVE						
CALLING CARD - VOLUME INSENSITIVE						
BILL-TO-THIRD - VOLUME SENSITIVE						
BILL-TO-THIRD - VOLUME INSENSITIVE						
COLLECT- VOLUME SENSITIVE						
COLLECT - VOLUME INSENSITIVE						
COST PER CALL - VOLUME SENSITIVE						$0.0433
COST PER CALL - VOLUME INSENSITIVE						$0.0295
DIRECT COST, PER CALL						$0.0728

FLORIDA

OPERATOR CALL PROCESSING
ACCESS SERVICE

SUMMARY
OPERATOR PROVIDED AND
FULLY AUTOMATED USING FOREIGN LIDB

	AWT/ FWS 6/96	COST PER CALL	CALLS 6/96	TOTAL MINUTES	TOTAL COST	UNIT COST
DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)						
OPERATOR HANDLED						
STATION-TO-STATION						
0+ CALLING CARD - VOLUME SENSITIVE						
0+ CALLING CARD - VOLUME INSENSITIVE						
0- CALLING CARD - VOLUME SENSITIVE						
0- CALLING CARD - VOLUME INSENSITIVE						
0- BILL-TO-THIRD - VOLUME SENSITIVE						
0- BILL-TO-THIRD - VOLUME INSENSITIVE						
0- COLLECT - VOLUME SENSITIVE						
0- COLLECT - VOLUME INSENSITIVE						
0- NO ATTEMPT - VOLUME SENSITIVE						
0- NO ATTEMPT - VOLUME INSENSITIVE						
0+ BILL-TO-THIRD - VOLUME SENSITIVE						
0+ BILL-TO-THIRD - VOLUME INSENSITIVE						
0+ COLLECT - VOLUME SENSITIVE						
0+ COLLECT - VOLUME INSENSITIVE						
SENT PAID - VOLUME SENSITIVE						
SENT PAID - VOLUME INSENSITIVE						
VERIFICATION - VOLUME SENSITIVE						
VERIFICATION -VOLUME INSENSITIVE						
VERIFICATION-NON REVENUE-VOL. SENS.						
VERIFICATION-NON REVENUE-VOL.INSENS.						
VERIFICATION & INTERRUPT-VOL.SENS.						
VERIFICATION & INTERRUPT-VOL.INSENS.						
PERSON-TO-PERSON						
0- CALLING CARD - VOLUME SENSITIVE						
0- CALLING CARD - VOLUME INSENSITIVE						
0- BILL-TO-THIRD - VOLUME SENSITIVE						
0- BILL-TO-THIRD - VOLUME INSENSITIVE						
0- COLLECT - VOLUME SENSITIVE						
0- COLLECT - VOLUME INSENSITIVE						
0+ CALLING CARD - VOLUME SENSITIVE						
0+ CALLING CARD - VOLUME INSENSITIVE						
0+ BILL-TO-THIRD - VOLUME SENSITIVE						
0+ BILL-TO-THIRD - VOLUME INSENSITIVE						
0+ COLLECT - VOLUME SENSITIVE						
0+ COLLECT - VOLUME INSENSITIVE						
COST PER MINUTE - VOLUME SENSITIVE						$0.2579
COST PER MINUTE - VOLUME INSENSITIVE						$0.0000
DASCC, PER MINUTE						$0.2579
FULLY AUTOMATED						
CALLING CARD - VOLUME SENSITIVE						
CALLING CARD - VOLUME INSENSITIVE						
BILL-TO-THIRD - VOLUME SENSITIVE						
BILL-TO-THIRD - VOLUME INSENSITIVE						
COLLECT- VOLUME SENSITIVE						
COLLECT - VOLUME INSENSITIVE						
COST PER CALL - VOLUME SENSITIVE						$0.0015
COST PER CALL - VOLUME INSENSITIVE						$0.0005
DASCC, PER CALL						$0.0020

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERVICE

SUMMARY OF COST BY CALL TYPE
OPERATOR PROVIDED AND
FULLY AUTOMATED USING BST LIDB

DIRECT COST	AWT/ FWS 6/96	OPR. LABOR	OSC	OSS	SWITCHING AND TRANSPORT	AABS	LIDB	GROSS RECEIPTS 0.0153	DIRECT COST PER CALL
0+CALLING CARD									
0+ CALLING CARD - VOLUME SENSITIVE		$0.3731	$0.0459	$0.0000	$0.0007	$0.0000	$0.0088	$0.0066	$0.4351
0+ CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0065	$0.0004	$0.0291
AUTOMATED CALLING CARD - VOLUME SENSITIVE		$0.0000	$0.0000	$0.0000	$0.0004	$0.0083	$0.0088	$0.0003	$0.0178
AUTOMATED CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0053	$0.0065	$0.0005	$0.0345
STATION-TO-STATION									
0- CALLING CARD - VOLUME SENSITIVE		$0.4693	$0.0578	$0.0000	$0.0009	$0.0000	$0.0088	$0.0082	$0.5450
0- CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0065	$0.0004	$0.0291
0- BILL-TO-THIRD - VOLUME SENSITIVE		$0.6031	$0.0743	$0.0000	$0.0011	$0.0000	$0.0088	$0.0105	$0.6978
0- BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0065	$0.0004	$0.0291
0- COLLECT - VOLUME SENSITIVE		$0.3931	$0.0484	$0.0000	$0.0007	$0.0000	$0.0088	$0.0069	$0.4579
0- COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0065	$0.0004	$0.0291
0- NO ATTEMPT - VOLUME SENSITIVE		$0.2153	$0.0265	$0.0000	$0.0004	$0.0000	$0.0000	$0.0037	$0.2459
0- NO ATTEMPT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0000	$0.0003	$0.0225
0+ BILL-TO-THIRD - VOLUME SENSITIVE		$0.3410	$0.0420	$0.0000	$0.0006	$0.0000	$0.0088	$0.0060	$0.3984
0+ BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0065	$0.0004	$0.0291
AUTOMATED BILL-TO-THIRD - VOLUME SENSITIVE		$0.0000	$0.0000	$0.0000	$0.0009	$0.0083	$0.0088	$0.0003	$0.0183
AUTOMATED BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0053	$0.0065	$0.0005	$0.0345
0+ COLLECT - VOLUME SENSITIVE		$0.2741	$0.0338	$0.0000	$0.0005	$0.0000	$0.0088	$0.0049	$0.3221
0+ COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0065	$0.0004	$0.0291
AUTOMATED COLLECT - VOLUME SENSITIVE		$0.0000	$0.0000	$0.0000	$0.0009	$0.0083	$0.0088	$0.0003	$0.0183
AUTOMATED COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0053	$0.0065	$0.0005	$0.0345
SENT PAID - VOLUME SENSITIVE		$0.3677	$0.0453	$0.0000	$0.0007	$0.0000	$0.0000	$0.0063	$0.4200
SENT PAID - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0000	$0.0003	$0.0225
VERIFICATION - VOLUME SENSITIVE		$0.0000	$0.0700	$0.0000	$0.0013	$0.0000	$0.0000	$0.0011	$0.0724
VERIFICATION -VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0000	$0.0003	$0.0225
VERIFICATION-NON REVENUE-VOL. SENS.		$0.5950	$0.0733	$0.0000	$0.0013	$0.0000	$0.0000	$0.0102	$0.6798
VERIFICATION-NON REVENUE-VOL.INSENS.		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0000	$0.0003	$0.0225
VERIFICATION & INTERRUPT-VOL.SENS.		$0.6178	$0.0761	$0.0000	$0.0015	$0.0000	$0.0000	$0.0106	$0.7060
VERIFICATION & INTERRUPT-VOL.INSENS.		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0000	$0.0003	$0.0225
PERSON-TO-PERSON									
0- CALLING CARD - VOLUME SENSITIVE		$0.9748	$0.1200	$0.0000	$0.0018	$0.0000	$0.0088	$0.0169	$1.1223
0- CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0065	$0.0004	$0.0291
0- BILL-TO-THIRD - VOLUME SENSITIVE		$1.3305	$0.1638	$0.0000	$0.0025	$0.0000	$0.0088	$0.0230	$1.5286
0- BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0065	$0.0004	$0.0291
0- COLLECT - VOLUME SENSITIVE		$0.6659	$0.0820	$0.0000	$0.0012	$0.0000	$0.0088	$0.0116	$0.7695
0- COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0065	$0.0004	$0.0291
0+ CALLING CARD - VOLUME SENSITIVE		$0.8839	$0.1088	$0.0000	$0.0017	$0.0000	$0.0088	$0.0153	$1.0185
0+ CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0065	$0.0004	$0.0291
0+ BILL-TO-THIRD -VOLUME SENSITIVE		$0.9868	$0.1215	$0.0000	$0.0018	$0.0000	$0.0088	$0.0171	$1.1360
0+ BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0065	$0.0001	$0.0288
0+ COLLECT - VOLUME SENSITIVE		$0.4185	$0.0515	$0.0000	$0.0008	$0.0000	$0.0088	$0.0073	$0.4869
0+ COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0065	$0.0004	$0.0291

FLORIDA

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OPERATOR CALL PROCESSING ACCESS SERVICE

SUMMARY OF COST BY CALL TYPE
OPERATOR PROVIDED AND
FULLY AUTOMATED USING BST LIDB

DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)	AWT/ FWS 6/96	OPR. LABOR	OSC	AABS	GROSS RECEIPTS 0.0153	DASCC COST PER CALL
CALLING CARD						
0+ CALLING CARD - VOLUME SENSITIVE		$0.1176	$0.0033	$0.0000	$0.0018	$0.1227
0+ CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
AUTOMATED CALLING CARD - VOLUME SENSITIVE		$0.0000	$0.0000	$0.0015	$0.0000	$0.0015
AUTOMATED CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0005	$0.0000	$0.0005
STATION-TO-STATION						
0- CALLING CARD - VOLUME SENSITIVE		$0.1480	$0.0041	$0.0000	$0.0023	$0.1544
0- CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0- BILL-TO-THIRD - VOLUME SENSITIVE		$0.1902	$0.0053	$0.0000	$0.0030	$0.1985
0- BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0- COLLECT - VOLUME SENSITIVE		$0.1240	$0.0034	$0.0000	$0.0019	$0.1293
0- COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0- NO ATTEMPT - VOLUME SENSITIVE		$0.0679	$0.0019	$0.0000	$0.0011	$0.0709
0- NO ATTEMPT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0+ BILL-TO-THIRD - VOLUME SENSITIVE		$0.1075	$0.0030	$0.0000	$0.0017	$0.1122
0+ BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
AUTOMATED BILL-TO-THIRD - VOLUME SENSITIVE		$0.0000	$0.0000	$0.0015	$0.0000	$0.0015
AUTOMATED BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0005	$0.0000	$0.0005
0+ COLLECT - VOLUME SENSITIVE		$0.0864	$0.0024	$0.0000	$0.0014	$0.0902
0+ COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
AUTOMATED COLLECT - VOLUME SENSITIVE		$0.0000	$0.0000	$0.0015	$0.0000	$0.0015
AUTOMATED COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0005	$0.0000	$0.0005
SENT PAID - VOLUME SENSITIVE		$0.1160	$0.0032	$0.0000	$0.0018	$0.1210
SENT PAID - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
VERIFICATION - VOLUME SENSITIVE		$0.0000	$0.0050	$0.0000	$0.0001	$0.0051
VERIFICATION -VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
VERIFICATION-NON REVENUE-VOL. SENS.		$0.1876	$0.0052	$0.0000	$0.0029	$0.1957
VERIFICATION-NON REVENUE-VOL.INSENS.		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
VERIFICATION & INTERRUPT-VOL.SENS.		$0.1948	$0.0054	$0.0000	$0.0031	$0.2033
VERIFICATION & INTERRUPT-VOL.INSENS.		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
PERSON-TO-PERSON						
0- CALLING CARD - VOLUME SENSITIVE		$0.3074	$0.0085	$0.0000	$0.0048	$0.3207
0- CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0- BILL-TO-THIRD - VOLUME SENSITIVE		$0.4196	$0.0116	$0.0000	$0.0066	$0.4378
0- BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0- COLLECT - VOLUME SENSITIVE		$0.2100	$0.0058	$0.0000	$0.0033	$0.2191
0- COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0+ CALLING CARD - VOLUME SENSITIVE		$0.2787	$0.0077	$0.0000	$0.0044	$0.2908
0+ CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0+ BILL-TO-THIRD -VOLUME SENSITIVE		$0.3112	$0.0086	$0.0000	$0.0049	$0.3247
0+ BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0+ COLLECT - VOLUME SENSITIVE		$0.1320	$0.0037	$0.0000	$0.0021	$0.1378
0+ COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERVICE

SUMMARY OF COST BY CALL TYPE
OPERATOR PROVIDED AND
FULLY AUTOMATED USING FOREIGN LIDB

DIRECT COST	AWT/ FWS 6/96	OPR. LABOR	OSC	OSS	SWITCHING AND TRANSPORT	AABS	LIDB	GROSS RECEIPTS 0.0153	DIRECT COST PER CALL
0+CALLING CARD									
0+ CALLING CARD - VOLUME SENSITIVE		$0.3731	$0.0459	$0.0000	$0.0007	$0.0000	$0.0335	$0.0069	$0.4601
0+ CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0016	$0.0004	$0.0242
AUTOMATED CALLING CARD - VOLUME SENSITIVE		$0.0000	$0.0000	$0.0000	$0.0004	$0.0083	$0.0335	$0.0006	$0.0428
AUTOMATED CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0053	$0.0016	$0.0004	$0.0295
STATION-TO-STATION									
0- CALLING CARD - VOLUME SENSITIVE		$0.4693	$0.0578	$0.0000	$0.0009	$0.0000	$0.0335	$0.0086	$0.5701
0- CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0016	$0.0004	$0.0242
0- BILL-TO-THIRD - VOLUME SENSITIVE		$0.6031	$0.0743	$0.0000	$0.0011	$0.0000	$0.0335	$0.0109	$0.7229
0- BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0016	$0.0004	$0.0242
0- COLLECT - VOLUME SENSITIVE		$0.3931	$0.0484	$0.0000	$0.0007	$0.0000	$0.0335	$0.0073	$0.4830
0- COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0016	$0.0004	$0.0242
0- NO ATTEMPT - VOLUME SENSITIVE		$0.2153	$0.0265	$0.0000	$0.0004	$0.0000	$0.0000	$0.0037	$0.2459
0- NO ATTEMPT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0000	$0.0003	$0.0225
0+ BILL-TO-THIRD - VOLUME SENSITIVE		$0.3410	$0.0420	$0.0000	$0.0006	$0.0000	$0.0335	$0.0064	$0.4235
0+ BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0016	$0.0004	$0.0242
AUTOMATED BILL-TO-THIRD - VOLUME SENSITIVE		$0.0000	$0.0000	$0.0000	$0.0009	$0.0083	$0.0335	$0.0007	$0.0434
AUTOMATED BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0053	$0.0016	$0.0004	$0.0295
0+ COLLECT - VOLUME SENSITIVE		$0.2741	$0.0338	$0.0000	$0.0005	$0.0000	$0.0335	$0.0052	$0.3471
0+ COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0016	$0.0004	$0.0242
AUTOMATED COLLECT - VOLUME SENSITIVE		$0.0000	$0.0000	$0.0000	$0.0009	$0.0083	$0.0335	$0.0007	$0.0434
AUTOMATED COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0053	$0.0016	$0.0004	$0.0295
SENT PAID - VOLUME SENSITIVE		$0.3677	$0.0453	$0.0000	$0.0007	$0.0000	$0.0000	$0.0063	$0.4200
SENT PAID - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0000	$0.0003	$0.0225
VERIFICATION - VOLUME SENSITIVE		$0.0000	$0.0700	$0.0000	$0.0013	$0.0000	$0.0000	$0.0011	$0.0724
VERIFICATION -VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0000	$0.0003	$0.0225
VERIFICATION-NON REVENUE-VOL. SENS.		$0.5950	$0.0733	$0.0000	$0.0013	$0.0000	$0.0000	$0.0102	$0.6798
VERIFICATION-NON REVENUE-VOL.INSENS.		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0000	$0.0003	$0.0225
VERIFICATION & INTERRUPT-VOL.SENS.		$0.6178	$0.0761	$0.0000	$0.0015	$0.0000	$0.0000	$0.0106	$0.7060
VERIFICATION & INTERRUPT-VOL.INSENS.		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0000	$0.0003	$0.0225
PERSON-TO-PERSON									
0- CALLING CARD - VOLUME SENSITIVE		$0.9748	$0.1200	$0.0000	$0.0018	$0.0000	$0.0335	$0.0173	$1.1474
0- CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0016	$0.0004	$0.0242
0- BILL-TO-THIRD - VOLUME SENSITIVE		$1.3305	$0.1638	$0.0000	$0.0025	$0.0000	$0.0335	$0.0234	$1.5537
0- BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0016	$0.0004	$0.0242
0- COLLECT - VOLUME SENSITIVE		$0.6659	$0.0820	$0.0000	$0.0012	$0.0000	$0.0335	$0.0120	$0.7946
0- COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0016	$0.0004	$0.0242
0+ CALLING CARD - VOLUME SENSITIVE		$0.8839	$0.1088	$0.0000	$0.0017	$0.0000	$0.0335	$0.0157	$1.0436
0+ CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0016	$0.0004	$0.0242
0+ BILL-TO-THIRD -VOLUME SENSITIVE		$0.9868	$0.1215	$0.0000	$0.0018	$0.0000	$0.0335	$0.0175	$1.1611
0+ BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0016	$0.0000	$0.0238
0+ COLLECT - VOLUME SENSITIVE		$0.4185	$0.0515	$0.0000	$0.0008	$0.0000	$0.0335	$0.0077	$0.5120
0+ COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0222	$0.0000	$0.0000	$0.0016	$0.0004	$0.0242

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERVICE

SUMMARY OF COST BY CALL TYPE
OPERATOR PROVIDED AND
FULLY AUTOMATED USING FOREIGN LIDB

DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)	AWT/ FWS 6/96	OPR. LABOR	OSC	AABS	GROSS RECEIPTS 0.0153	DASCC COST PER CALL
0+CALLING CARD						
0+ CALLING CARD - VOLUME SENSITIVE		$0.1176	$0.0033	$0.0000	$0.0018	$0.1227
0+ CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
AUTOMATED CALLING CARD - VOLUME SENSITIVE		$0.0000	$0.0000	$0.0015	$0.0000	$0.0015
AUTOMATED CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0005	$0.0000	$0.0005
STATION-TO-STATION						
0- CALLING CARD - VOLUME SENSITIVE		$0.1480	$0.0041	$0.0000	$0.0023	$0.1544
0- CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0- BILL-TO-THIRD - VOLUME SENSITIVE		$0.1902	$0.0053	$0.0000	$0.0030	$0.1985
0- BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0- COLLECT - VOLUME SENSITIVE		$0.1240	$0.0034	$0.0000	$0.0019	$0.1293
0- COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0- NO ATTEMPT - VOLUME SENSITIVE		$0.0679	$0.0019	$0.0000	$0.0011	$0.0709
0- NO ATTEMPT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0+ BILL-TO-THIRD - VOLUME SENSITIVE		$0.1075	$0.0030	$0.0000	$0.0017	$0.1122
0+ BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
AUTOMATED BILL-TO-THIRD - VOLUME SENSITIVE		$0.0000	$0.0000	$0.0015	$0.0000	$0.0015
AUTOMATED BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0005	$0.0000	$0.0005
0+ COLLECT - VOLUME SENSITIVE		$0.0864	$0.0024	$0.0000	$0.0014	$0.0902
0+ COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
AUTOMATED COLLECT - VOLUME SENSITIVE		$0.0000	$0.0000	$0.0015	$0.0000	$0.0015
AUTOMATED COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0005	$0.0000	$0.0005
SENT PAID - VOLUME SENSITIVE		$0.1160	$0.0032	$0.0000	$0.0018	$0.1210
SENT PAID - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
VERIFICATION - VOLUME SENSITIVE		$0.0000	$0.0050	$0.0000	$0.0001	$0.0051
VERIFICATION -VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
VERIFICATION-NON REVENUE-VOL. SENS.		$0.1876	$0.0052	$0.0000	$0.0029	$0.1957
VERIFICATION-NON REVENUE-VOL.INSENS.		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
VERIFICATION & INTERRUPT-VOL.SENS.		$0.1948	$0.0054	$0.0000	$0.0031	$0.2033
VERIFICATION & INTERRUPT-VOL.INSENS.		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
PERSON-TO-PERSON						
0- CALLING CARD - VOLUME SENSITIVE		$0.3074	$0.0085	$0.0000	$0.0048	$0.3207
0- CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0- BILL-TO-THIRD - VOLUME SENSITIVE		$0.4196	$0.0116	$0.0000	$0.0066	$0.4378
0- BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0- COLLECT - VOLUME SENSITIVE		$0.2100	$0.0058	$0.0000	$0.0033	$0.2191
0- COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0+ CALLING CARD - VOLUME SENSITIVE		$0.2787	$0.0077	$0.0000	$0.0044	$0.2908
0+ CALLING CARD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0+ BILL-TO-THIRD -VOLUME SENSITIVE		$0.3112	$0.0086	$0.0000	$0.0049	$0.3247
0+ BILL-TO-THIRD - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
0+ COLLECT - VOLUME SENSITIVE		$0.1320	$0.0037	$0.0000	$0.0021	$0.1378
0+ COLLECT - VOLUME INSENSITIVE		$0.0000	$0.0000	$0.0000	$0.0000	$0.0000

1.	**FLORIDA**		WORKPAPER 3
2.			10/08/96
3.	**OPERATOR CALL PROCESSING ACCESS SERVICE**		PAGE 1 OF 2
4.			
5.	**DIRECT COST**		
6.	**OPERATOR LABOR**		
7.	OPERATOR LABOR PER PRODUCTIVE HOUR - 1997-1999		$32.09
8.			
9.	RATIO PRODUCTIVE TO CALL PROCESSING HOURS		1.50
10.			
11.	OPERATOR DIRECT COST PER MINUTE - VOLUME SENSITIVE	(LN7/60) x (LN9)	$0.8023

1.	**FLORIDA**		WORKPAPER 3
2.			10/08/96
3.	**OPERATOR CALL PROCESSING ACCESS SERVICE**		PAGE 2 OF 2
4.			
5.	**DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)**		
6.	**OPERATOR LABOR**		
7.	OPERATOR LABOR PER PRODUCTIVE HOUR - 1997-1999		$10.12
8.			
9.	RATIO PRODUCTIVE TO CALL PROCESSING HOURS		1.50
10.			
11.	OPERATOR DASCC COST PER MINUTE - VOLUME SENSITIVE	(LN7/60) x (LN9)	$0.2530

3. OPERATOR CALL PROCESSING ACCESS SERVICE

DIRECT COST

OPERATOR SERVICE CENTER (OSC)

8.	POSITIONS				136
9.	DEMAND - MINUTES, 1996				
11.	SOFTWARE				
12.	WORKSTATION SOFTWARE, PER POSITION				
13.	OPEN POSITION PROTOCOL, PER POSITION				
14.	ANNUITY FACTOR				0.2723
15.	EQUIVALENT ANNUAL COST		((LN8xLN14) x (LN12+LN13))		
16.	SOFTWARE COST PER MINUTE		(LN15)/(LN9)		
18.	HARDWARE				
19.	INVESTMENT PER POSITION				$18,827
20.	MCE&P FACTOR (377C)				1.0974
21.	LAND FACTOR (20C)				0.0047
22.	BUILDING FACTOR (10C)				0.0657
23.	DIRECT ANNUAL COST FACTOR - POSITION (377C)				0.2322
24.	DIRECT ANNUAL COST FACTOR - LAND (20C)				0.1493
25.	DIRECT ANNUAL COST FACTOR - BUILDING (10C)				0.1706
26.	ANNUAL COST - POSITION		LN8xLN19xLN20xLN23		
27.	ANNUAL COST - LAND		LN8xLN19xLN20xLN21xLN24		
28.	ANNUAL COST - BUILDING		LN8xLN19xLN20xLN22xLN25		
29.	TOTAL ANNUAL COST		LN26+LN27+LN28		$685,916
30.	HARDWARE COST PER MINUTE		LN29/LN9		$0.0381
32.	VOICE AND DATA CIRCUITS				

34. CIRCUIT TERMINATION	CIRCUITS/ MILES	UNIT INVESTMENT	ANNUAL COST FACTOR	ANNUAL COST
36. CIRCUIT (357C)	272	$134.45	0.2343	$8,568
37. LAND (20C)	272	$0.34	0.1493	$14
38. BUILDING (10C)	272	$5.58	0.1706	$259
40. CIRCUIT MILEAGE				
41. AERIAL (822C)	28,119	$0.08	0.1838	$413
42. BURIED (845C)	28,119	$0.32	0.1738	$1,564
43. UNDERGROUND (85C)	28,119	$0.08	0.1781	$401
44. POLE (1C)	28,119	$0.02	0.1869	$105
45. CONDUIT (4C)	28,119	$0.05	0.1408	$198
46. CIRCUIT (357C)	28,119	$1.40	0.2343	$9,224
47. BUILDING (10C)	28,119	$0.06	0.1706	$288
49. CIRCUIT ANNUAL COST		SUM LN36..LN47		$21,034
51. COST PER MINUTE		LN49/LN9		$0.0012
53. DIRECT COST PER MINUTE - VOLUME SENSITIVE		LN16+LN30+LN51		$0.0988

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERVICE

DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)

OPERATOR SERVICE CENTER (OSC)

POSITIONS					136
DEMAND - MINUTES, 1996					
HARDWARE					
INVESTMENT PER POSITION					
MCE&P FACTOR (377C)					1.0974
LAND FACTOR (20C)					0.0047
BUILDING FACTOR (10C)					0.0657
DASCC ANNUAL COST FACTOR - POSITION (377C)					0.0434
DASCC ANNUAL COST FACTOR - LAND (20C)					0.0000
DASCC ANNUAL COST FACTOR - BUILDING (10C)					0.0014
ANNUAL COST - POSITION			LN12xLN19xLN20xLN23		
ANNUAL COST - LAND			LN12xLN19xLN20xLN21xLN24		
ANNUAL COST - BUILDING			LN12xLN19xLN20xLN22xLN25		
TOTAL ANNUAL COST			LN26+LN27+LN28		$122,206
HARDWARE COST PER MINUTE			LN29/LN15		$0.0066
VOICE AND DATA CIRCUITS					
CIRCUIT TERMINATION	CIRCUITS/ MILES		UNIT INVESTMENT	ANNUAL COST FACTOR	ANNUAL COST
CIRCUIT (357C)	272		$134.45	0.0372	$1,360
LAND (20C)	272		$0.34	0.0000	$0
BUILDING (10C)	272		$5.58	0.0014	$2
CIRCUIT MILEAGE					
AERIAL (822C)	28,119		$0.08	0.0299	$67
BURIED (845C)	28,119		$0.32	0.0235	$211
UNDERGROUND (85C)	28,119		$0.08	0.0220	$49
POLE (1C)	28,119		$0.02	0.0294	$17
CONDUIT (4C)	28,119		$0.05	0.0146	$21
CIRCUIT (357C)	28,119		$1.40	0.0372	$1,464
BUILDING (10C)	28,119		$0.06	0.0014	$2
CIRCUIT ANNUAL COST			SUM LN36..LN47		$3,193
COST PER MINUTE			LN49/LN15		$0.0002
DASCC COST PER MINUTE - VOLUME SENSITIVE			LN30+LN51		$0.0070

1.	**FLORIDA**			WORKPAPER 5
2.				10/08/96
3.	**OPERATOR CALL PROCESSING ACCESS SERVICE**			PAGE 1 OF 1
4.				
5.	**DIRECT COST**			
6.	**OPERATOR SERVICE SYSTEM (OSS)**			
7.	DEMAND - CALLS, 1996			
8.	TOLL AND ASSIST			
9.				
10.	SOFTWARE PER TANDEM		A:HOST (1)	B:REMOTE(8)
11.	BASIC			
12.	AABS			
13.	TOTAL	LN11+LN12		
14.				
15.	ANNUITY FACTOR			0.2723
16.				
17.	TOTAL COST	(LN13A+(8xLN13B))		$9,375,561
18.				
19.	ANNUALIZED COST	LN15 x LN17		$2,552,965
20.				
21.	DIRECT COST PER CALL - VOLUME INSENSITIVE	LN19/LN8		$0.0222

1.	**FLORIDA**		WORKPAPER 6
2.	**OPERATOR CALL PROCESSING ACCESS SERVICE**		10/08/96
3.			PAGE 1 OF 1
4.	**DIRECT COST**		
5.	**SWITCH AND TRANSPORT**		
6.	**COST PER MINUTE - VOLUME SENSITIVE**		$0.0015
7.			
8.	**VERIFY/INTERRUPT FUNCTIONS**		
9.			
10.	**VERIFICATION FUNCTION - MINUTES**		0.10
11.			
12.	**VERIFICATION & INTERRUPT FUNCTION - MINUTES**		0.20
13.			
14.	**DIRECT COST PER CALL - VERIFICATION**		
15.	**VOLUME SENSITIVE**	LN6xLN10	$0.0002
16.			
17.	**DIRECT COST PER CALL - VERIFICATION & INTERRUPT**		
18.	**VOLUME SENSITIVE**	LN6xLN12	$0.0003

1.	**FLORIDA**				WORKPAPER 7
2.					10/08/96
3.	**OPERATOR CALL PROCESSING ACCESS SERVICE**				PAGE 1 OF 2
4.					
5.	**AABS - REGIONAL**				
6.					
7.	**DIRECT COST**				
8.					
9.	**DATA CIRCUITS**	CIRCUITS/	UNIT	ANNUAL	ANNUAL
10.		MILES	INVESTMENT	COST FACTOR	COST
11.	**CIRCUIT TERMINATION**				
12.	CIRCUIT (357C)	2,875	$134.45	0.2327	$89,949
13.	LAND (20C)	2,875	$0.34	0.1486	$145
14.	BUILDING (10C)	2,875	$5.58	0.1679	$2,694
15.					
16.	**CIRCUIT MILEAGE**				
17.	AERIAL (822C)	483,925	$0.08	0.1849	$7,158
18.	BURIED (845C)	483,925	$0.32	0.1747	$27,053
19.	UNDERGROUND (85C)	483,925	$0.08	0.1781	$6,895
20.	POLE (1C)	483,925	$0.02	0.1922	$1,860
21.	CONDUIT (4C)	483,925	$0.05	0.1395	$3,375
22.	CIRCUIT (357C)	483,925	$1.40	0.2327	$157,653
23.	BUILDING (10C)	483,925	$0.06	0.1679	$4,875
24.					
25.	TOTAL ANNUAL COST, DATA CIRCUITS - VOLUME SENSITIVE		SUM LN12...LN23		$301,657
26.					
27.	INVESTMENT - GATEWAY AND IVS				
28.	VOLUME SENSITIVE				
29.	VOLUME INSENSITIVE				
30.					
31.	ANNUAL COST FACTOR (377C)				0.2412
32.					
33.	ANNUAL COST - GATEWAY AND IVS				
34.	VOLUME SENSITIVE	LN28xLN31			
35.	VOLUME INSENSITIVE	LN29xLN31			
36.					
37.	ANNUAL SOFTWARE EXPENSE				
38.	GATEWAY AND IVS - VOLUME INSENSITIVE				
39.					
40.	1996 ANNUAL CALLS				238,750,000
41.					
42.	AABS DIRECT COST PER AUTOMATED CALL				
43.	VOLUME SENSITIVE	(LN25+LN34)/LN40			$0.0083
44.	VOLUME INSENSITIVE	(LN35+LN38)/LN40			$0.0053

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERVICE

AABS - REGIONAL

DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)

	CIRCUITS/ MILES	UNIT INVESTMENT	ANNUAL COST FACTOR	ANNUAL COST
DATA CIRCUITS				
CIRCUIT TERMINATION				
CIRCUIT (357C)	2,875	$134.45	0.0372	$14,379
LAND (20C)	2,875	$0.34	0.0000	$0
BUILDING (10C)	2,875	$5.58	0.0014	$22
CIRCUIT MILEAGE				
AERIAL (822C)	483,925	$0.08	0.0299	$1,158
BURIED (845C)	483,925	$0.32	0.0235	$3,639
UNDERGROUND (85C)	483,925	$0.08	0.0220	$852
POLE (1C)	483,925	$0.02	0.0294	$285
CONDUIT (4C)	483,925	$0.05	0.0146	$353
CIRCUIT (357C)	483,925	$1.40	0.0372	$25,203
BUILDING (10C)	483,925	$0.06	0.0014	$41
TOTAL ANNUAL COST, DATA CIRCUITS - VOLUME SENSITIVE		SUM LN12...LN23		$45,932
INVESTMENT - GATEWAY AND IVS				
VOLUME SENSITIVE				
VOLUME INSENSITIVE				
ANNUAL COST FACTOR (377C)				0.0434
ANNUAL COST - GATEWAY AND IVS				
VOLUME SENSITIVE	LN28xLN31			
VOLUME INSENSITIVE	LN29xLN31			
1996 ANNUAL CALLS				238,750,000
AABS DASCC COST PER AUTOMATED CALL				
VOLUME SENSITIVE	(LN25+LN34)/LN40			$0.0015
VOLUME INSENSITIVE	LN35/LN40			$0.0005

1.	FLORIDA			WORKPAPER 8
2.				10/08/96
3.	OPERATOR CALL PROCESSING ACCESS SERVICE			PAGE 1 OF 1
4.				
5.	LIDB - REGIONAL			
6.				
7.	DIRECT COST			
8.	BST LIDB STORAGE			
9.	RATIO BST OSS QUERIES TO BST LIDB PER MONTH			0.80
10.	RATIO BST OSS QUERIES TO FOREIGN LIDB PER MONTH			0.20
11.				
12.	AVERAGE COST PER QUERY, BST LIDB - VOLUME SENSITIVE			$0.0006
13.	AVERAGE COST PER QUERY, BST LIDB - VOLUME INSENSITIVE			$0.0081
14.	AVERAGE CHARGE PER QUERY, FOREIGN LIDB - VOLUME SENSITIVE			$0.0417
15.				
16.	WEIGHTED AVERAGE, VOLUME SENSITIVE	(LN9xLN12)+(LN10xLN14)		$0.0088
17.	WEIGHTED AVERAGE, VOLUME INSENSITIVE	LN9xLN13		$0.0065
18.				
19.	FOREIGN LIDB STORAGE			
20.	RATIO BST OSS QUERIES TO BST LIDB PER MONTH			0.20
21.	RATIO BST OSS QUERIES TO FOREIGN LIDB PER MONTH			0.80
22.				
23.	AVERAGE COST PER QUERY, BST LIDB - VOLUME SENSITIVE			$0.0006
24.	AVERAGE COST PER QUERY, BST LIDB - VOLUME INSENSITIVE			$0.0081
25.	AVERAGE CHARGE PER QUERY, FOREIGN LIDB - VOLUME SENSITIVE			$0.0417
26.				
27.	WEIGHTED AVERAGE, VOLUME SENSITIVE	(LN20xLN23)+(LN21xLN25)		$0.0335
28.	WEIGHTED AVERAGE, VOLUME INSENSITIVE	LN20xLN24		$0.0016

SECTION 5

SECTION 5

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERVICE

SPECIFIC STUDY ASSUMPTIONS

Cost study assumptions are as follows:

Software expenses were projected to the 1997-1999 study period using the telephone plant indexes and investment inflation factors of the associated (377C) investment.

Software expenses such as Right-To-Use fees are amortized over five years to develop an equivalent annual cost.

SECTION 6

SECTION 6

FLORIDA

OPERATOR CALL PROCESSING ACCESS SERVICE

FACTORS AND LOADINGS

Following are the annual TELRIC factors, miscellaneous loadings and labor rates used in the Operator Call Processing Access Service cost study.

	1996	1997-1999
Labor Cost per Hour (Regional)		
Directly Assigned Operator, JFC 2120	$30.04	$32.09
Directly Attributed Shared and Common Operator, JFC 2120	$ 9.47	$10.12

Operator Labor Inflation Rate From 1996 (Attached)		1.0683
Hardware Inflation Rate 377C (Regional)		1.000
Amortization Factor (5 Years @ 11.25%)		0.2723
Miscellaneous Common Equipment and Power Factor	377C (Florida)	1.0974
Gross Receipts Tax Factor (Florida)		1.0153
Land Loading	20C (Florida)	0.0047
Building Loading	10C (Florida)	0.0657

Annual TELRIC Factors (Florida), Attached

Annual TELRIC Factors (Regional), Attached

Labor Levelization Factor
Base Year 1996

Labor Inflation Factors

1. 1997	1.034
2. 1998	1.035
3. 1999	1.036

Present Worth Factors @ 11.25%

4. 1997	0.8989
5. 1998	0.8080
6. 1999	0.7263

Labor Levelization Factor
((LN1 x LN4) + (LN1 x LN2 x LN5) + (LN1 x LN2 x LN3 x LN6))/
(LN4 + LN5 + LN6) 1.0683

Image Table: ACF.WK1

1996 BELLSOUTH TELECOMMUNICATIONS
ACCOUNT AVERAGE ANNUAL COST FACTORS

23-Sep-96

* FOR USE IN SERVICE COST STUDIES ONLY *

	Field Code	Depreciation	ACFC COM	ACFC Inc Tax	Cap Exp	ACFC Plt Specific Exp	ACFC Adval Tax	Directly Attributed Shared and Common	TELRIC
		a	b	c	d	e	f	g	i
			11.25%		(a+b+c)				(d+e+f+g)
LAND - COE	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0113	0.0000	0.1486
BUILDINGS - COE	10C, 110C	0.0330	0.0826	0.0369	0.1525	0.0041	0.0113	0.0014	0.1693
DIGITAL ELEC SWITCH	377C, 587C	0.1157	0.0555	0.0254	0.1966	0.0333	0.0113	0.0434	0.2846
OPERATOR SYSTEMS	117C,417C	0.1157	0.0647	0.0296	0.2100	0.0071	0.0113	0.0500	0.2784
DIGTL CIRC-DDS	157C	0.1608	0.0575	0.0256	0.2439	0.0060	0.0113	0.0394	0.3006
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0113	0.0366	0.2688
DIGTL CIRC-OTHER	357C,T357C,F357C,557C	0.1314	0.0564	0.0252	0.2130	0.0084	0.0113	0.0372	0.2699
POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0235	0.0113	0.0294	0.2216
AERIAL CA - METAL	22C, 12C	0.1023	0.0679	0.0254	0.1956	0.0461	0.0113	0.0619	0.3149
AERIAL CA - FIBER	822C, 812C,D22C, F22C,T22C,D12C,F12C,T12C	0.0746	0.0662	0.0281	0.1689	0.0047	0.0113	0.0299	0.2148
UNGROUND CA - METAL	5C	0.1184	0.0681	0.0263	0.2128	0.0172	0.0113	0.0351	0.2764
UNGROUND CA - FIBER	85C,D5C,F5C,T5C	0.0686	0.0655	0.0284	0.1625	0.0043	0.0113	0.0220	0.2001
BURIED CA - METAL	45C	0.0885	0.0678	0.0277	0.1840	0.0391	0.0113	0.0468	0.2812
BURIED CA - FIBER	845C, D45C, F45C, T45C	0.0613	0.0670	0.0295	0.1578	0.0056	0.0113	0.0235	0.1982
SUBMARINE CA-METAL	6C	0.0937	0.0688	0.0307	0.1932	0.0026	0.0113	0.0206	0.2277
SUBMARINE CA-FIBER	86C,D6C,F6C,T6C	0.0937	0.0688	0.0310	0.1935	0.0026	0.0113	0.0209	0.2283
INTRBLD NTWK-METAL	52C	0.0751	0.0669	0.0291	0.1711	0.0138	0.0113	0.0315	0.2277
INTRBLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0751	0.0669	0.0292	0.1712	0.0041	0.0113	0.0270	0.2136
CONDUIT SYSTEMS	4C	0.0205	0.0727	0.0325	0.1257	0.0025	0.0113	0.0146	0.1541

23-Sep-96

Image Table: ACF.WK1

1996 FLORIDA
ACCOUNT AVERAGE ANNUAL COST FACTORS

* FOR USE IN SERVICE COST STUDIES ONLY *

	Field Code	Depreciation	ACFC COM	ACFC Inc Tax	Cap Exp	ACFC Plt Specific Exp	ACFC Adval Tax	Directly Attributed Shared and Common	TELRIC
		a	b	c	d	e	f	g	i
			11.25%		(a+b+c)				(d+e+f+g)
LAND - COE	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493
BUILDINGS - COE	10C, 110C	0.0330	0.0826	0.0369	0.1525	0.0061	0.0120	0.0014	0.1720
DIGITAL ELEC SWITCH	377C, 587C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.0434	0.2756
OPERATOR SYSTEMS	117C,417C	0.1157	0.0647	0.0296	0.2100	0.0033	0.0120	0.0500	0.2753
DIGTL CIRC-DDS	157C	0.1608	0.0575	0.0256	0.2439	0.0076	0.0120	0.0394	0.3029
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0120	0.0366	0.2695
DIGTL CIRC-OTHER	357C,T357C,F357C,557C	0.1314	0.0564	0.0252	0.2130	0.0093	0.0120	0.0372	0.2715
POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0175	0.0120	0.0294	0.2163
AERIAL CA - METAL	22C, 12C	0.1023	0.0679	0.0254	0.1956	0.0705	0.0120	0.0619	0.3400
AERIAL CA - FIBER	822C, 812C,D22C, F22C,T22C,D12C,F12C,T12C	0.0746	0.0662	0.0281	0.1689	0.0029	0.0120	0.0299	0.2137
UNGROUND CA - METAL	5C	0.1184	0.0681	0.0263	0.2128	0.0192	0.0120	0.0351	0.2791
UNGROUND CA - FIBER	85C,D5C,F5C,T5C	0.0686	0.0655	0.0284	0.1625	0.0036	0.0120	0.0220	0.2001
BURIED CA - METAL	45C	0.0885	0.0678	0.0277	0.1840	0.0522	0.0120	0.0468	0.2950
BURIED CA - FIBER	845C, D45C, F45C, T45C	0.0613	0.0670	0.0295	0.1578	0.0040	0.0120	0.0235	0.1973
SUBMARINE CA-METAL	6C	0.0937	0.0688	0.0307	0.1932	0.0046	0.0120	0.0206	0.2304
SUBMARINE CA-FIBER	86C,D6C,F6C,T6C	0.0937	0.0688	0.0310	0.1935	0.0046	0.0120	0.0209	0.2310
INTRBLD NTWK-METAL	52C	0.0751	0.0669	0.0291	0.1711	0.0192	0.0120	0.0315	0.2338
INTRBLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0751	0.0669	0.0292	0.1712	0.0011	0.0120	0.0270	0.2113
CONDUIT SYSTEMS	4C	0.0205	0.0727	0.0325	0.1257	0.0031	0.0120	0.0146	0.1554

DDC-14

FLORIDA

INWARD OPERATOR SERVICES ACCESS SERVICE

TELRIC COST STUDY DOCUMENTATION

SECTIONS A THRU 6

FLORIDA

INWARD OPERATOR SERVICES ACCESS SERVICE

COST STUDY DOCUMENTATION

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SECTION A

SECTION A

FLORIDA

INWARD OPERATOR SERVICES ACCESS SERVICE

PROPRIETARY RATIONALE

The Inward Operator Services Access Service Study contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

Additionally, the study contains information which reflects vendor-specific prices negotiated by BellSouth. Public disclosure of this information would impair BellSouth's ability to contract for goods and/or services on favorable terms. For these reasons, the Inward Operator Services Access Service Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA

INWARD OPERATOR SERVICES ACCESS SERVICE

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support Inward Operator Services Access Service. The costs presented in this study are based on the TELRIC methodology established by the Federal Communication Commission's (FCC's) First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

Inward Operator Services provide Verification and Emergency Interrupt Service and is an optional service provided on a stand alone basis and available to Local Exchange service providers for whom BellSouth does not provide Operator Call Processing Service. Operator Call Processing Service includes Verification and Emergency Interrupt as part of that service.

A Local Exchange service provider seeking to verify the status of a local exchange subscriber line will access the BellSouth Operator Services System (OSS) serving the Local Access Transport Area (LATA) of the subscriber line to be verified via an application specific dedicated Inward Operator Services (IOS) access trunk group for each IOS location specified by the Local Exchange service provider. The Local Exchange service provider operator will ask the BellSouth operator to verify that the subscriber line in question is in use. The BellSouth operator will monitor the status of the subscriber line and report this status to the Local Exchange service provider operator. The Local Exchange service provider operator will relay this information to the end user. If the line is in use, the Local Exchange service provider end user may request that the call in progress be interrupted to inform the local exchange subscriber of any emergency need to reach that number. In this case, the Local Exchange service provider operator will ask the BellSouth operator to interrupt the subscriber's call in progress. BellSouth's operator will interrupt the call in progress, inform the subscriber that the Local Exchange service provider end user has an emergency need to reach that line, and ask the subscriber if he/she is willing to terminate the call in progress. If the local exchange subscriber agrees to hang up, BellSouth's operator will inform the Local Exchange service provider operator. The Local Exchange service provider operator can then inform the end user that the subscriber line in question will be free momentarily, and the end user may redial the local exchange subscriber's number to complete the emergency call.

The costs are comprised of: (1) Operator Labor, (2) the operators' position hardware, software, and dedicated circuits associated with the Operator Service Center (OSC), (3) the software providing Operator Service functionality in the Operator Service System (OSS), and (4) the Verification/Interrupt calls.

The Operator Service System is a software package that allows a tandem switch to act as an automated call distributor and directs Operator calls to the active operator position that has been idle for the longest period. The operator position is a workstation that ties the operator to both the customer and the line called for verification/interrupt.

A long run analysis is performed to ensure that the time period studied is sufficient to capture all forward looking costs affected by the business decision. The recurring costs presented in this study are levelized so as to be appropriate for the 1997 - 1999 study period. These costs are developed by using 1996 level TELRIC loadings, annual cost factors and labor rates designed to produce TELRIC results.

SECTION 2

SECTION 2

FLORIDA

INWARD OPERATOR SERVICES ACCESS SERVICE

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of the Total Element Long Run Incremental Cost (TELRIC) supporting Inward Operator Services Access Service.

The purpose of the TELRIC methodology established by the FCC order, is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct costs caused by providing the particular network element being studied. TELRIC methodology anticipates pricing of elements in a wholesale network company. Many costs regarded as common or shared would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. TELRIC includes both recurring (capital and operating expenses) and nonrecurring (service provisioning) costs. There are no nonrecurring costs associated with Inward Operator Services Access Service.

THE DEVELOPMENT OF RECURRING COSTS

The monthly costs to BellSouth Telecommunications, Inc. resulting from the capital investments necessary to provide a service are called recurring costs. Recurring costs represent a forward looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Recurring costs may also be noninvestment related, such as expensed labor, feature specific software and contract expenses. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is calculated on the TELRIC.

The first step in developing a TELRIC study for Inward Operator Services Access Service is to determine the forward looking network architecture. Prices for the software and equipment are defined. Next, account specific Telephone Plant Indexes are applied, when necessary, to trend investments to the base study period. In-plant factors are applied to material prices to develop installed investments which include engineering and installation labor.

Plant account specific Investment Inflation Factors are applied to the installed investments to trend the base year, or study year, investments to levelized amounts that are valid for a three year planning period. Miscellaneous loadings are then applied.

Next, 1996 level TELRIC Annual Cost Factors are used to calculate the direct cost of capital, plant specific expenses and taxes. Account specific factors for each Uniform System of Accounts - Field Reporting Code (USOA - FRC) are applied to levelized investments by account code, yielding an annual cost per account code which includes directly attributable shared and common costs. Annual Total Element Long Run Incremental Costs by account codes are then summed and divided by the associated demand to arrive at a cost per cost element.

The directly attributable shared and common cost components of the TELRIC annual cost factors are calculated as follows. First, a detailed analysis of the forward looking directly assigned costs associated with the interconnect or unbundled network element is performed. The remaining costs of doing business are then analyzed to determine whether they are directly attributable shared and common costs that can be reasonably attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated to functional areas to which they are related. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc., are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc., and attributed shared cost factors are developed. These attributed shared cost factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded. The common cost allocation factor is applied to TELRIC to produce the total element cost/price, which includes an appropriate share of common costs.

The common cost allocation factor is applied to TELRIC to produce the forward looking economic cost, as defined in the FCC order, Appendix B, Section 51.505 which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directory assignable and directly attributable wholesale costs.

SECTION 3

SECTION 3

FLORIDA

INWARD OPERATOR SERVICES ACCESS SERVICE

SUMMARY OF RESULTS

This section contains a unit cost summary for the Total Element Long Run Incremental Cost (TELRIC) for Inward Operator Services Access Service.

	COST PER CALL
Verification	
TELRIC	$0.8587
Common Cost Allocation Factor	1.0804
Total Cost	$0.9277
Emergency Interrupt	
TELRIC	$0.9316
Common Cost Allocation Factor	1.0804
Total Cost	$1.0065

SECTION 4

SECTION 4

FLORIDA

INWARD OPERATOR SERVICES ACCESS SERVICE

COST DEVELOPMENT

This section defines the Total Element Long Run Incremental Cost (TELRIC) development for Inward Operator Services Access Service.

Generally, economic cost development is outlined in Section 2. Network architecture is determined, the necessary equipment is identified, material prices are obtained, utilization and loading factors are applied. Annual TELRIC factors are applied to convert the investment to cost. Labor expense is directly identified.

Workpaper 1

The verification and emergency interrupt volume sensitive and volume insensitive costs per call are summarized, and the Total Element Long Run Incremental Costs (TELRIC) per call are calculated.

Workpaper 2

The volume sensitive and volume insensitive costs per call are summarized for verification and emergency interrupt. Where costs for individual components are developed per minute, they are converted to a cost per call using the Actual Work Time (shown in seconds).

Workpaper 3

The operator cost per minute is developed using the labor cost per productive hour. The cost per hour is divided by 60 minutes and then adjusted by the ratio of productive hours to call processing hours.

Workpaper 4

The Operator Service Center (OSC) software cost per minute is derived by multiplying the equivalent annual cost per position times the number of positions and dividing it by the projected demand in minutes.

The hardware investment per position is loaded for incremental common equipment, power, land and building investment. The investments are multiplied by the number of positions and their corresponding annual cost factors to calculate the associated annual cost. The annual cost is

divided by the projected annual minutes to develop the hardware cost per minute. The circuit and mileage quantities for the message and data circuits from the positions were multiplied by their fixed and mileage sensitive unit investments and associated annual cost factors to calculate the annual cost. The mileage for each route was calculated from the vertical and horizontal coordinates of the Operator Service Center locations and the host Operator Service System. As with the hardware, the annual cost was divided by the annual minutes to produce the cost per minute. The total cost per minute for the Operator Service Center (OSC) is the sum of the software, hardware and circuit cost per minute.

Workpaper 5

The equivalent annual cost for the software in the Operator Service Systems is divided by the projected calls to develop the OSS cost per call.

Workpaper 6

The cost for the verification and emergency interrupt calls from the operator to the line to be monitored is developed using the switching and transport cost per minute (for access) and the estimated time required for the actual verification and emergency interrupt functions.

1.		FLORIDA		WORKPAPER 1
2.				PAGE 1 0F 1
3.	INWARD OPERATOR SERVICES ACCESS SERVICE			10/08/96
4.				
5.				
10.		SUMMARY OF COST PER CALL		
11.				
12.				COST PER
13.				CALL
14.	VERIFICATION			
15.		DIRECT COST	WP2,PG1,LN15	$0.6717
16.		DIRECTLY ATTRIBUTED SHARED & COMMON COST	WP2,PG2,LN15	$0.1870
17.	TELRIC		LN11+LN12	$0.8587
18.				
19.				
20.	EMERGENCY INTERRUPT			
21.		DIRECT COST	WP2,P1,LN21	$0.7282
22.		DIRECTLY ATTRIBUTED SHARED & COMMON COST	WP2,P2,LN21	$0.2034
23.	TELRIC		LN17+LN18	$0.9316

FLORIDA
INWARD OPERATOR SERVICES
ACCESS SERVICE

SUMMARY OF COST BY CALL TYPE

DIRECT COST	AWT	OPERATOR LABOR	OSC	OSS	VERIFICATION/ INTERRUPT CALL	GROSS RECEIPTS 0.0153	COST PER CALL
VERIFICATION							
VOLUME SENSITIVE UNIT COST		$0.5683	$0.0707		$0.0002	$0.0098	$0.6490
VOLUME INSENSITIVE UNIT COST				$0.0224		$0.0003	$0.0227
DIRECT COST		**$0.5683**	**$0.0707**	**$0.0224**	**$0.0002**	**$0.0101**	**$0.6717**
EMERGENCY INTERRUPT							
VOLUME SENSITIVE UNIT COST		$0.6178	$0.0768		$0.0003	$0.0106	$0.7055
VOLUME INSENSITIVE UNIT COST				$0.0224		$0.0003	$0.0227
DIRECT COST		**$0.6178**	**$0.0768**	**$0.0224**	**$0.0003**	**$0.0109**	**$0.7282**

FLORIDA
INWARD OPERATOR SERVICES
ACCESS SERVICE

SUMMARY OF COST BY CALL TYPE

DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)	AWT	OPERATOR LABOR	OSC	GROSS RECEIPTS 0.0153	COST PER CALL
VERIFICATION					
VOLUME SENSITIVE UNIT COST		$0.1792	$0.0050	$0.0028	$0.1870
VOLUME INSENSITIVE UNIT COST				$0.0000	$0.0000
DASCC		$0.1792	$0.0050	$0.0028	$0.1870
EMERGENCY INTERRUPT					
VOLUME SENSITIVE UNIT COST		$0.1948	$0.0055	$0.0031	$0.2034
VOLUME INSENSITIVE UNIT COST				$0.0000	$0.0000
DASCC		$0.1948	$0.0055	$0.0031	$0.2034

1.		FLORIDA		WORKPAPER 3
2.				PAGE 1 OF 2
3.		INWARD OPERATOR SERVICES ACCESS SERVICE		10/08/96
4.				
5.		OPERATOR LABOR		
6.				
7.		DIRECT COST		-
8.				
9.				
10.	OPERATOR LABOR PER PRODUCTIVE HOUR - 1997-1999		JFC: 2120	$32.09
11.				
12.	RATIO PRODUCTIVE TO CALL PROCESSING HOURS			1.50
13.				
14.	OPERATOR DIRECT COST PER MINUTE, VOLUME SENSITIVE		(LN10/60) x (LN12)	$0.8023

1.	FLORIDA		WORKPAPER 3
2.			PAGE 2 OF 2
3.	INWARD OPERATOR SERVICES ACCESS SERVICE		10/08/96
4.			
5.	OPERATOR LABOR		
6.			
7.	DIRECTLY ATTRIBUTED SHARED AND COMMON COST		-
8.			
9.	OPERATOR LABOR PER PRODUCTIVE HOUR - 1997-1999	JFC: 2120	$10.12
10.			
11.	RATIO PRODUCTIVE TO CALL PROCESSING HOURS		1.50
12.			
13.	OPERATOR DIRECTLY ATTRIBUTED SHARED & COMMON		
14.	COST PER MINUTE, VOLUME SENSITIVE	(LN9/60) x (LN11)	$0.2530

1.	FLORIDA				WORKPAPER 4
2.					PAGE 1 OF 2
3.	INWARD OPERATOR SERVICES ACCESS SERVICE				10/08/96
4.					
5.	OPERATOR SERVICE CENTER (OSC)				
6.					
7.	DIRECT COST				-
8.					
9.	POSITIONS				136
10.	DEMAND - MINUTES, 1996				
11.					
12.	SOFTWARE				
13.	WORKSTATION SOFTWARE, PER POSITION				
14.	OPEN POSITION PROTOCOL, PER POSITION				
15.	ANNUITY FACTOR				0.2723
16.	ANNUALIZED COST		(LN13 + LN14) x (LN9)xLN15		
17.	SOFTWARE COST PER MINUTE		(LN16) / LN10		
18.					
19.	HARDWARE				
20.	INVESTMENT PER POSITION				
21.	MCE&P FACTOR				1.0974
22.	LAND FACTOR				0.0047
23.	BUILDING FACTOR				0.0657
24.	DIRECT ANNUAL COST FACTOR (377C)				0.2322
25.	DIRECT ANNUAL COST FACTOR (20C)				0.1493
26.	DIRECT ANNUAL COST FACTOR (10C)				0.1706
27.	ANNUAL COST - POSITION		(LN9)(LN20)(LN21)(LN24)		
28.	ANNUAL COST - LAND		(LN9)(LN20)(LN21)(LN22)(LN25)		
29.	ANNUAL COST - BUILDING		(LN9)(LN20)(LN21)(LN23)(LN26)		
30.	TOTAL ANNUAL COST		(LN27+LN28+LN29)		
31.	HARDWARE COST PER MINUTE		(LN30)/(LN10)		
32.					
33.	VOICE AND DATA CIRCUITS				
34.		CIRCUITS/	UNIT	ANNUAL	ANNUAL
35.	CIRCUIT TERMINATION	MILES	INVESTMENT	COST FACTOR	COST
36.	CIRCUIT (357C)	272	$134.45	0.2343	$8,568
37.	LAND (20C)	272	$0.34	0.1493	$14
38.	BUILDING (10C)	272	$5.58	0.1706	$259
39.					
40.	CIRCUIT MILEAGE				
41.	AERIAL (822C)	28,119	$0.08	0.1838	$413
42.	BURIED (845C)	28,119	$0.32	0.1738	$1,564
43.	UNDERGROUND (85C)	28,119	$0.08	0.1781	$401
44.	POLE (1C)	28,119	$0.02	0.1869	$105
45.	CONDUIT (4C)	28,119	$0.05	0.1408	$198
46.	CIRCUIT (357C)	28,119	$1.40	0.2343	$9,224
47.	BUILDING (10C)	28,119	$0.06	0.1706	$288
48.					
49.	TOTAL ANNUAL COST		SUM LN 36..LN47		$21,034
50.					
51.	CIRCUIT COST PER MINUTE		LN49/LN10		$0.0012
52.					
53.	DIRECT COST PER MINUTE - VOLUME SENSITIVE		(LN17 + LN31 + LN51)		$0.0998

	FLORIDA				WORKPAPER 4 PAGE 2 OF 2
	INWARD OPERATOR SERVICES ACCESS SERVICE				10/08/96
	OPERATOR SERVICE CENTER (OSC)				
	DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)				
	POSITIONS				136
	DEMAND - MINUTES, 1996				
	HARDWARE				
	INVESTMENT PER POSITION				
	MCE&P FACTOR				1.0974
	LAND FACTOR				0.0047
	BUILDING FACTOR				0.0657
	DASCC ANNUAL COST FACTOR (377C)				0.0434
	DASCC ANNUAL COST FACTOR (20C)				0.0000
	DASCC ANNUAL COST FACTOR (10C)				0.0014
	ANNUAL COST - POSITION		(LN12)(LN20)(LN21)(LN24)		
	ANNUAL COST - LAND		(LN12)(LN20)(LN21)(LN22)(LN25)		
	ANNUAL COST - BUILDING		(LN12)(LN20)(LN21)(LN23)(LN26)		
	TOTAL ANNUAL COST		(LN27+LN28+LN29)		
	HARDWARE COST PER MINUTE		(LN30)/(LN15)		
	VOICE AND DATA CIRCUITS				
	CIRCUIT TERMINATION	CIRCUITS/ MILES	UNIT INVESTMENT	ANNUAL COST FACTOR	ANNUAL COST
	CIRCUIT (357C)	272	$134.45	0.0372	$1,360
	LAND (20C)	272	$0.34	0.0000	$0
	BUILDING (10C)	272	$5.58	0.0014	$2
	CIRCUIT MILEAGE				
	AERIAL (822C)	28,119	$0.08	0.0299	$67
	BURIED (845C)	28,119	$0.32	0.0235	$211
	UNDERGROUND (85C)	28,119	$0.08	0.0220	$49
	POLE (1C)	28,119	$0.02	0.0294	$17
	CONDUIT (4C)	28,119	$0.05	0.0146	$21
	CIRCUIT (357C)	28,119	$1.40	0.0372	$1,464
	BUILDING (10C)	28,119	$0.06	0.0014	$2
	TOTAL ANNUAL COST		SUM LN 36..LN47		$3,193
	CIRCUIT COST PER MINUTE		LN49/LN15		$0.0002
	DASCC COST PER MINUTE - VOLUME SENSITIVE		LN31 + LN51		$0.0071

1.	**FLORIDA**			WORKPAPER 5
2.				PAGE 1 OF 1
3.	**INWARD OPERATOR SERVICES ACCESS SERVICE**			10/08/96
4.				
5.	**DIRECT COST**			
6.				
7.	**OPERATOR SERVICE SYSTEM (OSS)**			
8.	DEMAND - CALLS, 1996			
9.	TOLL AND ASSIST			
10.				
11.				
12.	SOFTWARE PER TANDEM		A:HOST(1)	B:REMOTE(8)
13.	BASIC			
14.	AABS			
15.	TOTAL			
16.				
17.	ANNUITY FACTOR			0.2723
18.				
19.	ANNUALIZED COST	((LN15A) + (8xLN15B)) x LN17		$2,578,644
20.				
21.	**DIRECT COST PER CALL - VOLUME INSENSITIVE**	**LN19/LN9**		**$0.0224**

1.		FLORIDA		WORKPAPER 6
2.				PAGE 1 OF 1
3.		INWARD OPERATOR SERVICES ACCESS SERVICE		10/08/96
4.				
5.		DIRECT COST		
6.				
7.		VERIFICATION/INTERRUPT CALLS		
8.		OSC TO LATA		
9.				
10.		COST PER MINUTE		$0.0015
11.		MINUTES PER CALL - VERIFICATION FUNCTION		0.10
12.		MINUTES PER CALL - VERIFICATION & INTERRUPT FUNCTION		0.20
13.				
14.		DIRECT COST PER CALL,		
15.		VERIFICATION - VOLUME SENSITIVE	LN10xLN11	$0.0002
16.				
17.		DIRECT COST PER CALL,		
18.		EMERGENCY INTERRUPT - VOLUME SENSITIVE	LN10xLN12	$0.0003

SECTION 5

SECTION 5

FLORIDA

INWARD OPERATOR SERVICES ACCESS SERVICE

SPECIFIC STUDY ASSUMPTIONS

Cost study assumptions are as follows:

Software expenses were projected to the 1997-1999 study period using the telephone plant indexes and investment inflation factors of the associated (377C) investment.

Software expenses such as Right-To-Use fees are amortized over five years to develop an equivalent annual cost.

SECTION 6

SECTION 6

FLORIDA

INWARD OPERATOR SERVICES ACCESS SERVICE

FACTORS AND LOADINGS

Following are the annual TELRIC factors, miscellaneous loadings and labor rates used in the Inward Operator Services Access Service cost study.

	1996	1997-1999
Directly Assigned Hourly Labor Rates: (Regional) Operator, JFC 2120	$30.04	$32.09
Directly Attributed Shared and Common Hourly Labor Rates: (Regional) Operator, JFC 2120	$9.47	$10.12
Labor Levelization Factor From 1996 (Attached)	1.0683	
Hardware Inflation Rate 377C (Regional)	1.000	
Amortization Factor (5 Years @ 11.25%)	0.2723	
Miscellaneous Common Equipment and Power Factor 377C (Florida)	1.0974	
Gross Receipts Tax Factor (Florida)	1.0153	
Land Loading 20C (Florida)	0.0047	
Building Loading 10C (Florida)	0.0657	
Annual TELRIC Factors (Attached)		

Labor Levelization Factor
Base Year 1996

Labor Inflation Factors

1. 1997	1.034
2. 1998	1.035
3. 1999	1.036

Present Worth Factors @ 11.25%

4. 1997	0.8989
5. 1998	0.8080
6. 1999	0.7263

Labor Levelization Factor ((LN1 x LN4) + (LN1 x LN2 x LN5) + (LN1 x LN2 x LN3 x LN6))/ (LN4 + LN5 + LN6)	1.0683

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FLORIDA

EMERGENCY CALL TRACE

TELRIC COST STUDY DOCUMENTATION

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EMERGENCY CALL TRACE

COST STUDY DOCUMENTATION

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SECTION A

SECTION A

FLORIDA
EMERGENCY CALL TRACE

PROPRIETARY RATIONALE

The Emergency Call Trace Cost Study contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

For these reasons the Emergency Call Trace Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA
EMERGENCY CALL TRACE

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support Emergency Call Trace. The costs presented in this study are based on the TELRIC methodology established by the FCC's First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

Emergency Call Trace is an arrangement offered to Alternative Local Exchange Company (ALECs) for the purpose of allowing emergency agencies to trace live calls originating from central offices belonging to BellSouth and terminating in the ALEC's central office.

When an emergency agency requests a live call trace, the BellSouth operator immediately transfers the call to the In-Charge supervisor. The In-Charge supervisor uses BellSouth's Corporate network to call the Network Reliability Center and request a live call trace. After the number being traced is determined, this information is relayed to the emergency agency.

SECTION 2

SECTION 2

FLORIDA
EMERGENCY CALL TRACE

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of Total Element Long Run Incremental Costs (TELRIC) supporting the Emergency Call Trace.

The purpose of the TELRIC methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct costs caused by providing the particular network element being studied. TELRIC methodology anticipates pricing of elements in a wholesale network company; hence, many costs regarded as common or shared and, therefore, excluded from BellSouth's direct cost methodology would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward-looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. This TELRIC study includes both recurring (capital and operating expenses) and nonrecurring (provisioning) costs.

THE DEVELOPMENT OF USAGE COSTS

The study utilizes Bellcore's Network Analysis Tool (NCAT) model to develop these costs. The version used in this study is 4.1. Refer to Section 4 for a detailed explanation of the NCAT model.

The usage cost per minute to BellSouth Telecommunications, Inc., results from the capital investments necessary to provide Emergency Call Trace. These costs represent a forward-looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Also included in TELRIC usage are shared and common costs directly attributable to the network element. Gross receipts tax is calculated on the TELRIC.

The first step in developing a TELRIC study for Emergency Call Trace is to determine Network usage on a per minute basis. This is accomplished through the use of Bellcore's NCAT model (Network Cost Analysis Tool Version 4.1).

Next, Network usage on a per minute basis is multiplied by the Gross Receipts Tax Factor to develop the TELRIC Network Usage Cost per minute for Emergency Call Trace.

The directly attributable shared and common cost components of the TELRIC annual cost factors are calculated as follows. First, a detailed analysis of the forward-looking direct costs is performed. The remaining costs of doing business are then analyzed to determine whether they are directly attributable shared and common costs that cannot be reasonable attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated by the functional areas to which they are related. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc. are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc. and attributed shared cost factors are developed. These attributed share cost factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded.

The common cost allocation factor is applied to TELRIC to produce the forward looking economic cost, as defined by the FCC Order, Appendix B, Section 51.505, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonable attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning Emergency Call Trace. The first step in developing nonrecurring costs is to determine the cost elements related to the study. These cost elements are then defined by all of the individual work functions required to provision the cost element. The work functions can be grouped into four categories. These are service order, engineering, connect and test, and technician travel time. The work function times, as identified by individuals knowledgeable about and/or responsible for performing these functions, are used to describe the flow of work within the various work centers involved. Provisioning costs are developed by multiplying the work time for each work function by the TELRIC labor rate for the work group performing the function. The gross receipts tax is applied to develop the total nonrecurring cost.

The TELRIC labor rates are calculated as follows. Salary and wages, as used in the determination of TELRIC annual labor rates, are accumulated on a basis consistent with specific force groups. Shared costs attributable to salaries and wages are then accumulated on a basis consistent with the development of the respective force group's labor rate. A factor is then developed for each force group by dividing the attributed shared costs (human resources, office equipment, motor vehicles, land and building space, etc.) by the related salaries and wages. This factor is then applied to the salary and wage portion of the incremental labor rate to determine the TELRIC labor rate.

The common cost allocation factor is applied to the nonrecurring TELRIC to produce the forward looking nonrecurring economic cost, as defined by the FCC Order, Appendix B, Section 51.505, which includes an appropriate share of common costs.

SECTION 3

SECTION 3

FLORIDA
EMERGENCY CALL TRACE

SUMMARY OF RESULTS

This section contains a cost summary for the Total Element Long Run Incremental Cost (TELRIC) per minute for Emergency Call Trace.

Emergency Call Trace

	TELRIC
Call Trace Cost / minute	$2.92
Common Cost Allocation Factor	1.0804
TELRIC COST PER MINUTE	$3.15

SECTION 4

SECTION 4

FLORIDA
EMERGENCY CALL TRACE

COST DEVELOPMENT - RECURRING

This section defines the cost development of the recurring Total Element Long Run Incremental Costs (TELRIC) for Emergency Call Trace.

Generally, economic cost development is outlined in Section 2. Network architecture is determined; the necessary equipment is identified; and material prices are obtained. TELRIC annual cost factors are then applied to convert the investment to cost.

Workpaper 1 develops the volume sensitive costs, which include the network components used by Emergency Call Trace. Note that the cost for Operator Handled is used as a surrogate for the cost for corporate network.

Network Usage Cost Development

Network Cost Analysis Tool - Production Module (NCAT), Version 4.1 is used to develop TELRIC for Operated Handled Network Usage. NCAT is a large scale personal computer system, maintained and developed by Bellcore. NCAT calculates the incremental cost of traffic on the public switched telephone network on a per minute and message charging basis.

NCAT calculates the cost (capital related and operation) of traffic, starting with the originating switch, over the network through the available trunk groups, the tandem switches, and ends at the terminating switch. Costs are calculated for all possible network routes, and a composite cost is developed on the overflow traffic characteristic of the network.

Emergency Call Trace
Development of Usage Cost

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LEVEL 1997 - 1999

	Description	Source	Direct Cost	Directly Attributed Shared & Common Costs	TELRIC
1	Cost per min for Network Usage	NCAT(Operator Handled)			
2					
3	Gross Receipts Tax Factor	BST Fundamental Cost	1.0153		1.0153
4					
5	Total Cost per minute	Ln 1 x Ln 3			
6					
7	Network and Operator Services cost/min	Wp2 Ln9			
8					
9	Call Trace Cost / Minute	Ln5 + Ln7			$2.92
10					
11					
12					

*Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

SECTION 5

SECTION 5

FLORIDA
EMERGENCY CALL TRACE

COST DEVELOPMENT - NONRECURRING

Nonrecurring Total Element Long Run Incremental Costs (TELRIC) are one-time costs incurred as a result of provisioning and completion of orders initiated by a customer requesting Emergency Call Trace. The first step in developing nonrecurring costs is to determine the cost elements related to the study. These cost elements are then defined by all of the individual work functions required to provision the cost element. The work function times, as identified by individuals knowledgeable about and/or responsible for performing these functions, are used to describe the flow of work within the Network Reliability Center (NRC) and Operator Services. In order to arrive at the nonrecurring cost for the element studied, the work time for each work function required is multiplied by the appropriate levelized TELRIC labor rate. The labor inflation factors (LIF) are used to bring the labor rates to the appropriate study period. The labor rates and the labor inflation factors are shown in Section 7.

	Description	(Hours) a	Rate b	Tax Factor c	Cost a*b*c
1	Network Reliability Center (NRC)		$76.51	1.0153	
2					
3	Operator Services		$57.38	1.0153	
4					
5	Total Nonrecurring Cost				
6					
7	Average Trace (minutes)				
8					
9	Emergency Call Trace Cost per minute				

SECTION 6

SECTION 6

FLORIDA
EMERGENCY CALL TRACE

SPECIFIC STUDY ASSUMPTIONS

The cost study for Emergency Call Trace is based on Total Element Long Run Incremental Cost (TELRIC) methodology prescribed by the FCC's First Report and Order in CC Docket 96-98 released August 8, 1996, in addition to Network deployment strategies.

Cost study assumptions are as follows:

- The call to be traced must terminate in a central office belonging to the ALEC.
- The cost for the corporate network is the same as the cost for Operator Handled Service on a per minute basis.

SECTION 7

SECTION 7

FLORIDA
EMERGENCY CALL TRACE

FACTORS AND LOADINGS

Following are the Total Element Long Run Incremental Cost (TELRIC) factors and loadings used in the Emergency Call Trace cost study:

Gross Receipts Tax Factor 0.0153

Directly Assigned Hourly Labor Rates

	1996	Levelized
Network Reliability Center (NRC)	$71.62	$76.51
Operator Services	$53.71	$57.38

To create a levelized labor rate from a 1996 Labor Rate:

1996 Labor Rate * [((1+InflYr1)/(1+COM)^1) + ((1+InflYr2)/(1+COM)^2) + ((1+InflYr3)/(1+COM)^3)] / (1/(1+COM)^1) + (1/(1+COM)^2) + (1/(1+COM)^3)

NOTE: Infl = Labor Inflation
COM = Cost of Money

Labor Inflation

Year 1	3.4%
Year 2	3.5%
Year 3	3.6%

FLORIDA
EMERGENCY CALL TRACE

FACTORS AND LOADINGS (continued)

Following are the Total Element Long Run Incremental Cost (TELRIC) annual cost factors and loadings used by NCAT in the development of Network Usage Cost used in the Emergency Call Trace cost study:

Annual Cost Factors excluding Gross Receipts Tax Factor:

	Direct	TELRIC
10C	0.1706	0.1720
20C	0.1493	0.1493
357C	0.2343	0.2715
377C	0.2322	0.2756
811C	0.1869	0.2163
822C	0.1838	0.2137
845C	0.1738	0.1973
84C	0.1408	0.1554
85C	0.1781	0.2001

In-Plant Factor:

Telco	377C	1.1705

Miscellaneous Common Equipment and Power Loadings:

377C	1.0974

Land and Building COE Loadings:

10C	0.0657
20C	0.0047

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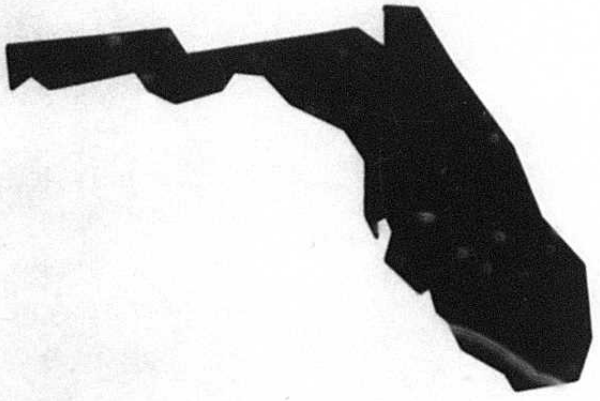

DIRECTORY ASSISTANCE ACCESS SERVICE

TELRIC COST STUDY DOCUMENTATION

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DIRECTORY ASSISTANCE ACCESS SERVICE

COST STUDY DOCUMENTATION

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SECTION A

SECTION A

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DIRECTORY ASSISTANCE ACCESS SERVICE

PROPRIETARY RATIONALE

The Directory Assistance Access Study contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

Additionally, the study contains information which reflects vendor-specific prices negotiated by BellSouth. Public disclosure of this information would impair BellSouth's ability to contract for goods and/or services on favorable terms. For these reasons, the Directory Assistance Access Service Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA

DIRECTORY ASSISTANCE ACCESS SERVICE

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support Directory Assistance Access Service. The costs presented in this study are based on the TELRIC methodology established by the Federal Communication Commission's (FCC's) First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

Directory Assistance (DA) Access Service will be offered for the purpose of allowing a facilities based Local Exchange service provider end user to access a BellSouth DA location for telephone number listing requests.

Directory Assistance will be provided to facilities based Local Exchange service providers via modified Feature Group C "traditional signaling". Local Exchange service provider subscribers will deliver DA calls to a BellSouth Directory Assistance Location(s) via application specific interconnection trunks. Traffic types other than DA calls may not originate via these trunks. BellSouth will only provide those listings which reside in our Directory Assistance DataBase. Addresses provided via Directory Assistance may not reflect the location of the phone.

The rate for Directory Assistance Access Service for Local Exchange service providers will be on a per call basis. A call is defined as a call which reaches a BellSouth DA Location.

The basic DA Access Service offering does not include the following:

- Access to Non-Pub, Non-List numbers
- Reverse Search

Directory Assistance Access Service costs are comprised of: (1) Operator Labor, (2) the operators' position hardware, software, and dedicated circuits associated with the Operator Service Center (OSC), (3) the software providing Directory Assistance functionality in the Operator Service System (OSS), and (4) the Directory Assistance Database System. Operator labor, positions, circuits to the positions and the operations databases are sized as a function of demand and are, accordingly, volume sensitive. The DA software in the OSS and the administrative database are insensitive to demand.

From a cost methodology perspective, the difference in intraLATA DA Service and DA Access Service is that transport is a separate rate element for the latter. This study develops the cost of all components, with the exception of transport, using the total demand for Directory Assistance. The Directory Assistance Transport costs are developed with the Switched Access Studies.

The Operator Service System is a software package that allows a tandem switch to act as an automated call distributor and direct a DA call to the active operator position that has been idle for the longest period.

The operator position is a workstation that ties the operator to both the customer and the DA Database.

The DA Database System and associated equipment holds the customer records (name, telephone number and address). An administrative database monitors the pair of operations databases and downloads listing changes to both.

A long run analysis is performed to ensure that the time period studied is sufficient to capture all forward looking costs affected by the business decision.

The recurring costs presented in this study are levelized so as to be appropriate for the 1997 - 1999 study period. These costs are developed by using 1996 level TELRIC loadings and labor rates designed to produce TELRIC results.

SECTION 2

SECTION 2

FLORIDA

DIRECTORY ASSISTANCE ACCESS SERVICE

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of the Total Element Long Run Incremental Costs (TELRIC) supporting Directory Assistance Access Service.

The purpose of the TELRIC methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct costs caused by providing the particular network element being studied. TELRIC methodology anticipates pricing of elements in a wholesale network company. Many costs regarded as common or would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. TELRIC includes both recurring (capital and operating expenses) and nonrecurring (service provisioning) costs. There are no nonrecurring costs associated with Directory Assistance Access Service.

The per unit costs to BellSouth Telecommunications, Inc. resulting from the capital investments necessary to provide a service are called recurring costs. Recurring costs represent a forward-looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Recurring costs may also be noninvestment related, such as expensed labor, feature specific software and contract expenses. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is calculated on the TELRIC.

The first step in developing a TELRIC study for Directory Assistance is to determine the forward-looking network architecture. Prices for the equipment are defined. Next, account specific Telephone Plant Indexes are applied, when necessary, to trend investments and non-investment related expenses to the base study period. In-plant factors are applied to material prices to develop installed investments which include engineering and installation labor. The deployment probabilities, capacity, spare stock and utilization of the equipment are also considered.

Appropriate loadings for land, building and miscellaneous common equipment and power are then applied to the electronic equipment.

Next, 1996 level TELRIC Annual Cost Factors are used to calculate the direct cost of capital, plant specific expenses and taxes. Account specific factors for each Uniform System of Accounts - Field Reporting Code (USOA - FRC) are applied to levelized investments by account code, yielding an annual cost per account code which includes directly attributable shared and common costs. Annual Total Element Long Run Incremental Costs by account codes are then summed and divided by the associated demand to arrive at a cost per cost element.

The directly attributable shared and common cost components of the annual TELRIC factors are calculated as follows. First, a detailed analysis of the forward looking directly assigned costs associated with the interconnect or unbundled network element is performed. The remaining costs of doing business are then analyzed to determine whether they are directly attributable shared and common costs that can be reasonably attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated to the appropriate functional areas. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc., are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc., and attributed shared cost factors are developed. These attributed shared cost factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded.

The common cost allocation factor is applied to TELRIC to produce the forward looking economic cost, as defined in the FCC Order, Appendix B, Section 51.505, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

SECTION 3

SECTION 3

FLORIDA

DIRECTORY ASSISTANCE ACCESS SERVICE

SUMMARY OF RESULTS

This section contains a cost summary for the Total Element Long Run Incremental Cost (TELRIC) for Directory Assistance Access Service..

	COST PER CALL
DIRECTORY ASSISTANCE ACCESS SERVICE CALLS	
TELRIC	$0.2816
Common Cost Allocation Factor	1.0804
Total Cost	$0.3042

SECTION 4

SECTION 4

FLORIDA

DIRECTORY ASSISTANCE ACCESS SERVICE

COST DEVELOPMENT

This section defines the cost development for Directory Assistance Access Service.

Generally, economic cost development is outlined in Section 2. Network architecture is determined, the necessary equipment is identified, material prices are obtained, utilization and loading factors are applied. Annual TELRIC factors are applied to convert the investment to cost. Operator labor expense is directly identified.

Workpaper 1

Provides the summary of the Total Element Long Run Incremental Cost (TELRIC) for Directory Assistance Access Service.

Workpaper 2

Cost components on a per minute basis are converted to a per call basis using the Actual Work Time (AWT), the average call processing time in seconds.

Workpaper 3

The operator cost per minute is developed using the labor cost per productive hour. The cost per hour is divided by 60 minutes and then adjusted by the ratio of productive hours to call processing hours.

Workpaper 4

The Operator Service Center (OSC) software cost per minute is derived by multiplying the equivalent annual cost per position times the number of positions and dividing it by the demand in minutes.

The hardware investment per position was loaded for incremental common equipment, power, land, and building investment. These investments were multiplied by the number of positions and their corresponding annual cost factors to calculate the associated annual cost. This annual cost was divided by the annual minutes to develop the hardware cost per minute. The circuit and mileage quantities for the message and data circuits from the positions were multiplied by their fixed and mileage sensitive unit investments, and associated annual cost factors to calculate the

annual cost. The mileage for each route was calculated from the vertical and horizontal coordinates of the Operator Service Center locations and the host Operator Service System. As with the hardware, this annual cost was divided by the annual minutes to produce the cost per minute.

The total cost per minute for the Operator Service Center (OSC) is the sum of the software, hardware and circuit cost per minute.

Workpaper 5

The equivalent annual cost for the DA software in the Operator Service Systems is divided by the 1996 calls to develop the OSS cost per call. The expense for this software is volume insensitive.

Workpaper 6

The individual hardware and software components for the Regional Directory Assistance DataBase System are developed.

Cost for the Administrative Database is developed separately from the Operations Databases, the Interactive Voice System (IVS) and the 1.544 MBit per second links from the Operator Service Centers to the Operations Databases.

The Hardware investment is loaded for land, building, and miscellaneous power and common equipment. These investments are multiplied by their associated annual cost factors to calculate the annual cost.

The software expenses are multiplied by an amortization factor to calculate an equivalent annual cost.

The number of links and the mileages between the OSC and the Operations Database Locations are multiplied by fundamental unit investments and associated annual cost factors to calculate the annual cost.

These costs are divided by the annual DA calls to develop the cost per call.

The following Workpapers detail this cost development.

DIRECTORY ASSISTANCE ACCESS SERVICE

SUMMARY OF COSTS

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WORKPAPER 1
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LINE	DESCRIPTION	SOURCE	AMOUNT
1.	DIRECTORY ASSISTANCE SERVICE CALL		
2.	OPERATOR LABOR		
3.	DIRECT COST	WP2,PG1,LN5	$0.1808
4.	DIRECTLY ATTRIBUTED SHARED & COMMON COST	WP2,PG2,LN5	$0.0578
5.			
6.	OPERATOR SERVICE CENTER		
7.	DIRECT COST	WP2,PG1,LN9	$0.0325
8.	DIRECTLY ATTRIBUTED SHARED & COMMON COST	WP2,PG2,LN9	$0.0023
9.			
10.	OPERATOR SERVICE SYSTEM		
11.	DIRECT COST	WP2,PG1,LN12	$0.0007
12.			
13.	DA DATABASE		
14.	DIRECT COST	WP2,PG1,LN15	$0.0030
15.	DIRECTLY ATTRIBUTED SHARED & COMMON COST	WP2,PG2,LN12	$0.0003
16.			
17.	GROSS RECEIPTS TAX (GRT) FACTOR		1.0153
18.			
19.	DIRECT COST PER CALL W/ GRT	(LN3+LN7+LN11+LN14)xLN17	$0.2203
20.			
21.	DIRECTLY ATTRIBUTED SHARED & COMMON COST		
22.	PER CALL W/ GRT	(LN4+LN8+LN15)xLN17	$0.0613
23.			
24.	TELRIC, PER CALL W/GRT	LN19+LN22	$0.2816

DIRECTORY ASSISTANCE ACCESS SERVICE
DEVELOPMENT OF COST PER DA CALL

FLORIDA
WORKPAPER 2
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DIRECT COST

LINE	DESCRIPTION	SOURCE	AMOUNT
1.	ACTUAL WORK TIME (AWT), SECONDS - 1996		
2.			
3.	OPERATOR LABOR		
4.	DIRECT COST PER MINUTE	WP3,PG1,LN5	$0.6062
5.	DIRECT COST PER DA CALL - VOLUME SENSITIVE	(LN1/60)xLN4	$0.1808
6.			
7.	OSC		
8.	DIRECT COST PER MINUTE	WP4,PG1,LN45	$0.1091
9.	DIRECT COST PER DA CALL - VOLUME SENSITIVE	(LN1/60)xLN8	$0.0325
10.			
11.	OSS		
12.	DIRECT COST PER DA CALL - VOLUME INSENSITIVE	WP5,LN13	$0.0007
13.			
14.	DA DATABASE		
15.	DIRECT COST PER DA CALL - VOLUME SENSITIVE	WP6,PG1,LN52	$0.0030

6.			
7.	OSC		
8.	DASCC COST PER MINUTE	WP4,PG2,LN45	$0.0076
9.	DASCC COST PER DA CALL - VOLUME SENSITIVE	(LN1/60)xLN8	$0.0023
10.			
11.	DA DATABASE		
12.	DASCC COST PER DA CALL - VOLUME SENSITIVE	WP6,PG2,LN50	$0.0003

DIRECTORY ASSISTANCE ACCESS SERVICE
OPERATOR LABOR

FLORIDA
WORKPAPER 3

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DIRECT COST

LINE	DESCRIPTION	SOURCE	AMOUNT
1.	OPERATOR LABOR PER PRODUCTIVE HOUR - 1997-1999		$27.98
2.			
3.	RATIO PRODUCTIVE TO CALL PROCESSING HOURS		1.30
4.			
5.	OPERATOR DIRECT COST PER MINUTE - VOLUME SENSITIVE	(LN1/60) x LN3	$0.6062

DIRECTORY ASSISTANCE ACCESS SERVICE
OPERATOR LABOR

DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)

LINE	DESCRIPTION	SOURCE	AMOUNT
1.	OPERATOR LABOR PER PRODUCTIVE HOUR - 1997-1999		$8.95
2.			
3.	RATIO PRODUCTIVE TO CALL PROCESSING HOURS		1.30
4.			
5.	OPERATOR DASCC COST PER MINUTE - VOLUME SENSITIVE	(LN1/60) x LN3	$0.1939

DIRECTORY ASSISTANCE ACCESS SERVICE
OPERATOR SERVICE CENTER (OSC)

FLORIDA
WORKPAPER 4
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DIRECT COST

LINE	DESCRIPTION	SOURCE	CIRCUITS/ MILES	UNIT INVESTMENT	ANNUAL COST FACTOR	ANNUAL COST	AMOUNT
1.	POSITIONS, 1996						681
2.	DEMAND - MINUTES, 1996						
3.							
4.	SOFTWARE (1997-1999)						
5.	WORKSTATION SOFTWARE, PER POSITION						
6.	OPEN POSITION PROTOCOL, PER POSITION						
7.	AMORTIZATION FACTOR						0.2723
8.	SOFTWARE COST PER MINUTE	((LN1xLN7) x (LN5+LN6))/LN2					
9.							
10.	HARDWARE (1997-1999)						
11.	INVESTMENT PER POSITION						
12.	MCE&P FACTOR (377C)						1.0974
13.	LAND FACTOR (20C)						0.0047
14.	BUILDING FACTOR (10C)						0.0657
15.	DIRECT ANNUAL COST FACTOR - DIGITAL SWITCH (377C)						0.2322
16.	DIRECT ANNUAL COST FACTOR - LAND (20C)						0.1493
17.	DIRECT ANNUAL COST FACTOR - BUILDING (10C)						0.1706
18.	ANNUAL COST - POSITION (377C)	(LN1x(LN11xLN12))xLN15					
19.	ANNUAL COST - LAND (20C)	(LN1x(LN11xLN12xLN13))xLN16					
20.	ANNUAL COST - BUILDING (10C)	(LN1x(LN11xLN12xLN14))xLN17					
21.	TOTAL ANNUAL COST	LN18+LN19+LN20					
22.	HARDWARE COST PER MINUTE	LN21/LN2					
23.							
24.	VOICE AND DATA CIRCUITS (1997-1999)						
25.							
26.	CIRCUIT TERMINATION (FRC)						
27.							
28.	CIRCUIT (357C)		1,022	$134.45	0.2343	$32,195	
29.	LAND (20C)		1,022	$0.34	0.1493	$52	
30.	BUILDING (10C)		1,022	$5.58	0.1706	$973	
31.							
32.	CIRCUIT MILEAGE (FRC)						
33.	AERIAL (822C)		90,103	$0.08	0.1838	$1,325	
34.	BURIED (845C)		90,103	$0.32	0.1738	$5,011	
35.	UNDERGROUND (85C)		90,103	$0.08	0.1781	$1,284	
36.	POLE (1C)		90,103	$0.02	0.1869	$337	
37.	CONDUIT (4C)		90,103	$0.05	0.1408	$634	
38.	CIRCUIT (357C)		90,103	$1.40	0.2343	$29,556	
39.	BUILDING (10C)		90,103	$0.06	0.1706	$922	
40.							
41.	TOTAL ANNUAL COST	SUM LN28..LN39				$72,289	
42.							
43.	CIRCUIT COST PER MINUTE	LN41/LN2				$0.0009	
44.							
45.	DIRECT COST PER MINUTE - VOLUME SENSITIVE	LN8+LN22+LN43					$0.1091

DIRECTORY ASSISTANCE ACCESS SERVICE
OPERATOR SERVICE CENTER (OSC)

DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)

LINE	DESCRIPTION	SOURCE	CIRCUITS/ MILES	UNIT INVESTMENT	ANNUAL COST FACTOR	ANNUAL COST
1.	POSITIONS, 1996					681
2.						
3.						
4.	DEMAND - MINUTES, 1996					
5.						
6.						
7.						
8.						
9.	HARDWARE (1997-1999)					
10.						
11.	INVESTMENT PER POSITION					
12.	MCE&P FACTOR (377C)					1.0974
13.	LAND FACTOR (20C)					0.0047
14.	BUILDING FACTOR (10C)					0.0657
15.	DASCC ANNUAL COST FACTOR - DIGITAL SWITCH (377C)					0.0434
16.	DASCC ANNUAL COST FACTOR - LAND (20C)					0.0000
17.	DASCC ANNUAL COST FACTOR - BUILDING (10C)					0.0014
18.	ANNUAL COST - POSITION (377C)	(LN1x(LN11xLN12))xLN15				
19.	ANNUAL COST - LAND (20C)	(LN1x(LN11xLN12xLN13))xLN16				
20.	ANNUAL COST - BUILDING (10C)	(LN1x(LN11xLN12xLN14))xLN17				
21.	TOTAL ANNUAL COST	LN18+LN19+LN20				
22.	HARDWARE COST PER MINUTE	LN21/LN4				
23.						
24.	VOICE AND DATA CIRCUITS (1997-1999)					
25.						
26.	CIRCUIT TERMINATION (FRC)					
27.						
28.	CIRCUIT (357C)		1,022	$134.45	0.0372	$5,112
29.	LAND (20C)		1,022	$0.34	0.0000	$0
30.	BUILDING (10C)		1,022	$5.58	0.0014	$8
31.						
32.	CIRCUIT MILEAGE (FRC)					
33.	AERIAL (822C)		90,103	$0.08	0.0299	$216
34.	BURIED (845C)		90,103	$0.32	0.0235	$678
35.	UNDERGROUND (85C)		90,103	$0.08	0.0220	$159
36.	POLE (1C)		90,103	$0.02	0.0294	$53
37.	CONDUIT (4C)		90,103	$0.05	0.0146	$66
38.	CIRCUIT (357C)		90,103	$1.40	0.0372	$4,693
39.	BUILDING (10C)		90,103	$0.06	0.0014	$8
40.						
41.	TOTAL ANNUAL COST	SUM LN28..LN39				$10,993
42.						
43.	CIRCUIT COST PER MINUTE	LN41/LN4				$0.0001
44.						
45.	DASCC COST PER MINUTE - VOLUME SENSITIVE	LN22+LN43				$0.0076

DIRECTORY ASSISTANCE ACCESS SERVICE
OPERATOR SERVICE SYSTEM (OSS)

DIRECT COST

LINE	DESCRIPTION	SOURCE	AMOUNT
1.	DEMAND - 1996		
2.	DIRECTORY ASSISTANCE CALLS		
3.			
4.	DA		
5.	SOFTWARE EXPENSE PER TANDEM (1997-1999)		
6.			
7.	TANDEM SWITCHES		9
8.			
9.	DA SOFTWARE EXPENSE	LN5 x LN7	$745,542
10.			
11.	AMORTIZATION FACTOR		0.2723
12.			
13.	DIRECT COST PER DA CALL - VOLUME INSENSITIVE	(LN9xLN11)/LN2	$0.0007

DIRECTORY ASSISTANCE ACCESS SERVICE
REGIONAL DA DATABASE SYSTEM

DIRECT COST

1.	ADMINISTRATIVE DATABASE (1997-1999)					
2.	HARDWARE INVESTMENT - VOLUME INSENSITIVE					
3.	SOFTWARE EXPENSE - VOLUME INSENSITIVE					
4.	OPERATIONS DATABASES (1997-1999)					
5.	HARDWARE INVESTMENT - VOLUME SENSITIVE					
6.	IVS HARDWARE - VOLUME SENSITIVE					
7.	SOFTWARE EXPENSE - VOLUME SENSITIVE					
8.	IVS SOFTWARE - VOLUME SENSITIVE					
9.	LAND FACTOR (20C)					0.0042
10.	BUILDING FACTOR (10C)					0.0706
11.	MISCELLANEOUS POWER & COMMON EQUIP. FACTOR (377C)					1.0980
12.	DIRECT ANNUAL COST FACTOR (377C)					0.2412
13.	DIRECT ANNUAL COST FACTOR (20C)					0.1486
14.	DIRECT ANNUAL COST FACTOR (10C)					0.1679
15.	AMORTIZATION FACTOR					0.2723
16.	ANNUAL COST					
17.	ADMINISTRATIVE DATABASE					
18.	HARDWARE	LN2xLN11xLN12				
19.	SOFTWARE	LN3xLN15				
20.	LAND	LN2xLN11xLN9xLN13				
21.	BUILDING	LN2xLN11xLN10xLN14				
22.	OPERATIONS DATABASE					
23.	HARDWARE	(LN5+LN6)xLN11xLN12				
24.	SOFTWARE	(LN7+LN8)xLN15				
25.	LAND	(LN5+LN6)xLN11xLN9xLN13				
26.	BUILDING	(LN5+LN6)xLN11xLN10xLN14				
27.						
28.	1.544 MB/S LINKS, ADMIN AND					
29.	OSC TO DATABASE (1997-1999)	CIRCUITS/ MILES	UNIT INVESTMENT	ANNUAL COST FACTOR	ANNUAL COST	
30.						
31.	CIRCUIT TERMINATION (FRC)					
32.	CIRCUIT (357C)	73	$1,748.56	0.2327	$29,703	
33.	LAND (20C)	73	$4.34	0.1486	$47	
34.	BUILDING (10C)	73	$72.48	0.1679	$888	
35.						
36.	CIRCUIT MILEAGE (FRC)					
37.	AERIAL (822C)	24,022	$1.86	0.1849	$8,262	
38.	BURIED (845C)	24,022	$6.59	0.1747	$27,656	
39.	UNDERGROUND (85C)	24,022	$1.86	0.1781	$7,958	
40.	POLE (1C)	24,022	$0.44	0.1922	$2,031	
41.	CONDUIT (4C)	24,022	$1.10	0.1395	$3,686	
42.	CIRCUIT (357C)	24,022	$29.84	0.2327	$166,8[illegible]	
43.	BUILDING (10C)	24,022	$1.24	0.1679	$5,001	
44.						
45.	TOTAL ANNUAL COST	(LN32...LN43)			$252,035	
46.						
47.	ANNUAL CALLS, REGIONAL - 1996					
48.						
49.	COST PER CALL					
50.	VOLUME SENSITIVE	(LN23+LN24+LN25+LN26)/LN47			$0.0018	
51.	VOLUME INSENSITIVE	(LN18+LN19+LN20+LN21+LN45)/LN47			$0.0012	
52.	DIRECT COST PER CALL	LN50+LN51			$0.0030	

DIRECTORY ASSISTANCE ACCESS SERVICE
REGIONAL DA DATABASE SYSTEM

DIRECTLY ATTRIBUTED SHARED & COMMON COST (DASCC)

1.	ADMINISTRATIVE DATABASE (1997-1999)				
2.	HARDWARE INVESTMENT - VOLUME INSENSITIVE				
3.					
4.	OPERATIONS DATABASES (1997-1999)				
5.	HARDWARE INVESTMENT - VOLUME SENSITIVE				
6.	IVS HARDWARE - VOLUME SENSITIVE				
7.					
8.	LAND FACTOR (20C)				0.0042
9.	BUILDING FACTOR (10C)				0.0706
10.	MISCELLANEOUS POWER & COMMON EQUIP. FACTOR (377C)				1.0980
11.	DASCC ANNUAL COST FACTOR (377C)				0.0434
12.	DASCC ANNUAL COST FACTOR (20C)				0.0000
13.	DASCC ANNUAL COST FACTOR (10C)				0.0014
14.					
15.	ANNUAL COST				
16.					
17.	ADMINISTRATIVE DATABASE				
18.	HARDWARE	LN2xLN10xLN11			
19.	LAND	LN2xLN10xLN8xLN12			
20.	BUILDING	LN2xLN10xLN9xLN13			
21.					
22.	OPERATIONS DATABASE				
23.	HARDWARE	(LN5+LN6)xLN10xLN11			
24.	LAND	(LN5+LN6)xLN10xLN8xLN12			
25.	BUILDING	(LN5+LN6)xLN10xLN9xLN13			
26.					
27.					
28.	1.544 MB/S LINKS, ADMIN AND				
29.	OSC TO DATABASE (1997-1999)	CIRCUITS/ MILES	UNIT INVESTMENT	ANNUAL COST FACTOR	ANNUAL COST
30.					
31.	CIRCUIT TERMINATION (FRC)				
32.	CIRCUIT (357C)	73	$1,748.56	0.0372	$4,748
33.	LAND (20C)	73	$4.34	0.0000	$0
34.	BUILDING (10C)	73	$72.48	0.0014	$7
35.					
36.	CIRCUIT MILEAGE (FRC)				
37.	AERIAL (822C)	24,022	$1.86	0.0299	$1,336
38.	BURIED (845C)	24,022	$6.59	0.0235	$3,720
39.	UNDERGROUND (85C)	24,022	$1.86	0.0220	$983
40.	POLE (1C)	24,022	$0.44	0.0294	$311
41.	CONDUIT (4C)	24,022	$1.10	0.0146	$386
42.	CIRCUIT (357C)	24,022	$29.84	0.0372	$26,666
43.	BUILDING (10C)	24,022	$1.24	0.0014	$42
44.					
45.	TOTAL ANNUAL COST	(LN32...LN43)			$38,199
46.					
47.	ANNUAL CALLS, REGIONAL - 1996				
48.					
49.	DASCC COST PER CALL				
50.	VOLUME SENSITIVE	(LN18+LN19+LN20+LN23+LN24+LN25+LN45)/LN47			$0.0003

SECTION 5

SECTION 5

FLORIDA

DIRECTORY ASSISTANCE ACCESS SERVICE

SPECIFIC STUDY ASSUMPTIONS

Cost study assumptions are as follows:

Software expenses were projected to the 1997-1999 study period using the Telephone Plant Indexes and Labor Inflation Rates of its associated (377C) investment.

Software expenses such as Right-To-Use fees are amortized over five years to develop an equivalent annual cost.

SECTION 6

SECTION 6

FLORIDA

DIRECTORY ASSISTANCE ACCESS SERVICE

FACTORS AND LOADINGS

Following are the annual TELRIC factors, miscellaneous loadings and labor rates used in the Directory Assistance Access Service cost study.

	1996	1997-1999
Directly Assigned Hourly Labor Rates: (Regional)		
Directory Assistance (DA) Operator, JFC 2940	$26.19	$27.98
Directly Attributed Shared and Common Hourly Labor Rates: (Regional)		
Directory Assistance (DA) Operator, JFC 2940	$8.38	$8.95
Operator Labor Inflation Rate From 1996 (Attached)	1.0683	
Hardware Inflation Rate 377C (Regional)	1.000	
Amortization Factor (5 Years @ 11.25%)	0.2723	
Miscellaneous Common Equipment and Power Factor 377C (Florida)	1.0974	
Miscellaneous Common Equipment and Power Factor 377C (Regional)	1.0980	
Gross Receipts Tax Factor (Florida)	1.0153	
Land Loading 20C (Florida)	0.0047	
Land Loading 20C (Regional)	0.0042	
Building Loading 10C (Florida)	0.0657	
Building Loading 10C (Regional)	0.0706	

Annual TELRIC Factors, Regional (See following spreadsheet)
Annual TELRIC Factors, Florida (See following spreadsheet)

Labor Levelization Factor
Base Year 1996

Labor Inflation Factors

1. 1997	1.034
2. 1998	1.035
3. 1999	1.036

Present Worth Factors @ 11.25%

4. 1997	0.8989
5. 1998	0.8080
6. 1999	0.7263

Labor Levelization Factor ((LN1 x LN4) + (LN1 x LN2 x LN5) + (LN1 x LN2 x LN3 x LN6))/ (LN4 + LN5 + LN6)	1.0683

Image Table: ACF.WK1

1996 BELLSOUTH TELECOMMUNICATIONS
ACCOUNT AVERAGE ANNUAL COST FACTORS

23-Sep-96

* FOR USE IN SERVICE COST STUDIES ONLY *

	Field Code	Depreciation	ACFC COM	ACFC Inc Tax	Cap Exp	ACFC Plt Specific Exp	ACFC Adval Tax	Directly Attributed Shared and Common	TELRIC
		a	b	c	d	e	f	g	i
			11.25%		(a+b+c)				(d+e+f+g)
LAND - COE	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0113	0.0000	0.1486
BUILDINGS - COE	10C, 110C	0.0330	0.0826	0.0369	0.1525	0.0041	0.0113	0.0014	0.1693
DIGITAL ELEC SWITCH	377C, 587C	0.1157	0.0555	0.0254	0.1966	0.0333	0.0113	0.0434	0.2846
OPERATOR SYSTEMS	117C,417C	0.1157	0.0647	0.0296	0.2100	0.0071	0.0113	0.0500	0.2784
DIGTL CIRC-DDS	157C	0.1608	0.0575	0.0256	0.2439	0.0060	0.0113	0.0394	0.3006
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0113	0.0366	0.2688
DIGTL CIRC-OTHER	357C,T357C,F357C,557C	0.1314	0.0564	0.0252	0.2130	0.0084	0.0113	0.0372	0.2699
POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0235	0.0113	0.0294	0.2216
AERIAL CA - METAL	22C, 12C	0.1023	0.0679	0.0254	0.1956	0.0461	0.0113	0.0619	0.3149
AERIAL CA - FIBER	822C, 812C,D22C, F22C,T22C,D12C,F12C,T12C	0.0746	0.0662	0.0281	0.1689	0.0047	0.0113	0.0299	0.2148
UNGROUND CA - METAL	5C	0.1184	0.0681	0.0263	0.2128	0.0172	0.0113	0.0351	0.2764
UNGROUND CA - FIBER	85C,D5C,F5C,T5C	0.0686	0.0655	0.0284	0.1625	0.0043	0.0113	0.0220	0.2001
BURIED CA - METAL	45C	0.0885	0.0678	0.0277	0.1840	0.0391	0.0113	0.0468	0.2812
BURIED CA - FIBER	845C, D45C, F45C, T45C	0.0613	0.0670	0.0295	0.1578	0.0056	0.0113	0.0235	0.1982
SUBMARINE CA-METAL	6C	0.0937	0.0688	0.0307	0.1932	0.0026	0.0113	0.0206	0.2277
SUBMARINE CA-FIBER	86C,D6C,F6C,T6C	0.0937	0.0688	0.0310	0.1935	0.0026	0.0113	0.0209	0.2283
INTRBLD NTWK-METAL	52C	0.0751	0.0669	0.0291	0.1711	0.0138	0.0113	0.0315	0.2277
INTRBLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0751	0.0669	0.0292	0.1712	0.0041	0.0113	0.0270	0.2136
CONDUIT SYSTEMS	4C	0.0205	0.0727	0.0325	0.1257	0.0025	0.0113	0.0146	0.1541

23-Sep-96

Image Table: ACF.WK1

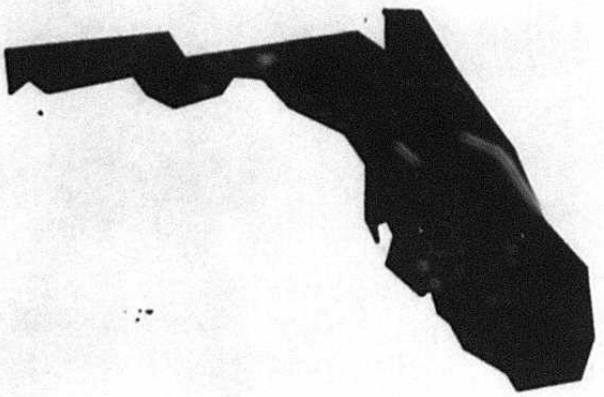
1996 FLORIDA
ACCOUNT AVERAGE ANNUAL COST FACTORS

* FOR USE IN SERVICE COST STUDIES ONLY *

	Field Code	Depreciation	ACFC COM	ACFC Inc Tax	Cap Exp	ACFC Plt Specific Exp	ACFC Adval Tax	Directly Attributed Shared and Common	TELRIC
		a	b	c	d	e	f	g	i
			11.25%		(a+b+c)				(d+e+f+g)
LAND - COE	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493
BUILDINGS - COE	10C, 110C	0.0330	0.0828	0.0369	0.1525	0.0061	0.0120	0.0014	0.1720
DIGITAL ELEC SWITCH	377C, 587C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.0434	0.2756
OPERATOR SYSTEMS	117C,417C	0.1157	0.0647	0.0296	0.2100	0.0033	0.0120	0.0500	0.2753
DIGTL CIRC-DDS	157C	0.1608	0.0575	0.0256	0.2439	0.0076	0.0120	0.0394	0.3029
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0120	0.0366	0.2695
DIGTL CIRC-OTHER	357C,T357C,F357C,557C	0.1314	0.0564	0.0252	0.2130	0.0093	0.0120	0.0372	0.2715
POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0175	0.0120	0.0294	0.2163
AERIAL CA - METAL	22C, 12C	0.1023	0.0679	0.0254	0.1956	0.0705	0.0120	0.0619	0.3400
AERIAL CA - FIBER	822C, 812C,D22C, F22C,T22C,D12C,F12C,T12C	0.0746	0.0662	0.0281	0.1689	0.0029	0.0120	0.0299	0.2137
UNGROUND CA - METAL	5C	0.1184	0.0681	0.0263	0.2128	0.0192	0.0120	0.0351	0.2791
UNGROUND CA - FIBER	85C,D5C,F5C,T5C	0.0686	0.0655	0.0284	0.1625	0.0036	0.0120	0.0220	0.2001
BURIED CA - METAL	45C	0.0885	0.0678	0.0277	0.1840	0.0522	0.0120	0.0468	0.2950
BURIED CA - FIBER	845C, D45C, F45C, T45C	0.0813	0.0670	0.0295	0.1578	0.0040	0.0120	0.0235	0.1973
SUBMARINE CA-METAL	6C	0.0937	0.0688	0.0307	0.1932	0.0046	0.0120	0.0206	0.2304
SUBMARINE CA-FIBER	86C,D6C,F6C,T6C	0.0937	0.0688	0.0310	0.1935	0.0046	0.0120	0.0209	0.2310
INTRBLD NTWK-METAL	52C	0.0751	0.0669	0.0291	0.1711	0.0192	0.0120	0.0315	0.2338
INTRBLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0751	0.0669	0.0292	0.1712	0.0011	0.0120	0.0270	0.2113
CONDUIT SYSTEMS	4C	0.0205	0.0727	0.0325	0.1257	0.0031	0.0120	0.0146	0.1554

DDC-17

FLORIDA



DIRECTORY ASSISTANCE DATABASE SERVICE

TELRIC COST STUDY DOCUMENTATION

SECTIONS A THRU 6

1

FLORIDA

DIRECTORY ASSISTANCE DATABASE SERVICE (DADS)

COST STUDY DOCUMENTATION

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SECTION A

SECTION A

FLORIDA

DIRECTORY ASSISTANCE DATABASE SERVICE (DADS)

PROPRIETARY RATIONALE

The Directory Assistance Database Service (DADS) study contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth. For these reasons, the Directory Assistance Database Service (DADS) Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA

DIRECTORY ASSISTANCE DATABASE SERVICE (DADS)

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support Directory Assistance Database Service (DADS). The costs presented in this study are based on the TELRIC methodology established by the Federal Communication Commission's (FCC's) First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

DADS provides a Local Exchange service provider with the right to use BellSouth's subscriber listing information (listed names, addresses, telephone numbers) solely for setting up its own directory assistance type services. Nonpublished listings and listings that are requested to be omitted by BellSouth customers are not provided. Other local exchange company subscriber listings are not provided unless a contract is in effect between BellSouth and the local exchange company to do so.

A long run analysis is performed to ensure that the time period studied is sufficient to capture all forward looking costs affected by the business decision. The recurring costs presented in this study are levelized so as to be appropriate for the 1997 - 1999 study period. These costs are developed by using 1996 level TELRIC loadings and labor rates designed to produce TELRIC results.

Directory Assistance Database Service is provided on a Regional basis and the study is, accordingly, a Regional Study.

SECTION 2

SECTION 2

FLORIDA

DIRECTORY ASSISTANCE DATABASE SERVICE (DADS)

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of the Total Element Long Run Incremental Costs (TELRIC) supporting Directory Assistance Database Service (DADS).

The purpose of the TELRIC methodology established by the FCC order, is to set the rates for interconnection and unbundled network elements. The basis for the TELRIC study is forward looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct costs caused by providing the particular network element being studied. TELRIC methodology anticipates pricing of elements in a wholesale network company. Many costs regarded as common or shared would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. TELRIC includes both recurring (capital and operating expenses) and nonrecurring (service provisioning) costs. There are no nonrecurring costs associated with Directory Assistance Database Service.

THE DEVELOPMENT OF RECURRING COSTS

The recurring and per unit cost associated with Directory Assistance Database Service consists of computer Central Processing Utilization (CPU) time for file extracts and updates, the cost for magnetic tapes and shipping, and labor required to administer and operate the service.

The estimates for both the CPU time and the labor were provided by knowledgeable individuals responsible for Directory Assistance Database Service.

The TELRIC is produced using the direct expense of material prices and TELRIC labor rates.

The TELRIC labor rates are calculated as follows. Salary and wages, as used in the determination of TELRIC annual cost factors, are accumulated on a basis consistent with specific force groups. Shared costs attributable to salaries and wages are then accumulated on a basis consistent with the development of the respective force group's labor rate. A factor is then developed for each force group by dividing the attributed shared costs (human resources, office equipment, motor vehicles, land and building space, etc.) by the related salaries and wages. This

factor is then applied to the salary and wage portion of the incremental labor rate for each force group, and the result is added to the incremental labor rate to determine the TELRIC labor rate.

The common cost allocation factor is applied to TELRIC to produce the forward looking economic cost, as defined in the FCC Order, Appendix B, Section 51.505, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

SECTION 3

SECTION 3

FLORIDA

DIRECTORY ASSISTANCE DATABASE SERVICE (DADS)

SUMMARY OF RESULTS

This section contains a cost summary for the Total Element Long Run Incremental Cost (TELRIC) for Directory Assistance Database Service.

DADS, Cost per Listing	
TELRIC	$0.0181
Common Cost Allocation Factor	1.0804
Total Cost	$ 0.0196
DADS, Monthly Recurring Cost	
TELRIC	$113.04
Common Cost Allocation Factor	1.0804
Total Cost	$122.13

SECTION 4

SECTION 4

FLORIDA

DIRECTORY ASSISTANCE DATABASE SERVICE (DADS)

COST DEVELOPMENT - RECURRING

As outlined in Section 2, the cost of Directory Assistance Database Service is comprised of computer CPU, magnetic tape material and shipping expense, and labor involved with administration and operations.

Workpaper 1 summarizes the TELRIC unit cost per listing and cost per month.

Workpaper 2 develops the per listing requested and monthly costs.

The per listing requested cost is based on the average end user listings requested for each customer, the estimated CPU time for the initial extract and twenty-five monthly updates, and the tape material and shipping expense.

The monthly recurring cost is developed by dividing the monthly labor cost required for administration, customer inquiries and auditing by the forecasted number of customers. An individual customer requesting listings in two different state jurisdictions is shown as two customers.

The following workpapers detail this development.

1.	DIRECTORY ASSISTANCE		FLORIDA
2.	DATABASE SERVICE (DADS)		WORKPAPER 1
3.			10/7/96
4.	SUMMARY OF COST PER LISTING		
5.	AND MONTHLY RECURRING COST		
6.			
7.			
8.			
9.	COST PER LISTING REQUESTED		
10.	DIRECT	WP2 LN23	$0.0181
11.	DIRECTLY ATTRIBUTED SHARED AND COMMON		$0.0000
12.	TELRIC	LN10 + LN11	$0.0181
13.			
14.			
15.	MONTHLY RECURRING COST		
16.	DIRECT	WP2 LN30	$85.27
17.	DIRECTLY ATTRIBUTED SHARED AND		
18.	COMMON	WP2 LN39	$27.77
19.	TELRIC	LN16 + LN18	$113.04

1.	DIRECTORY ASSISTANCE			FLORIDA
2.	DATABASE SERVICE (DADS)			WORKPAPER 2
3.				10/7/96
4.	DEVELOPMENT OF COST PER LISTING REQUESTED			
5.	AND MONTHLY RECURRING COST			
6.				
7.	DIRECT COST			
8.	COST PER END USER REQUEST, PER CUSTOMER			
9.	INITIAL FILE			
10.	CPU PER FILE	.28 HRS x $29.44		$8.24
11.	MAG TAPE (2) AND SHIPPING	2 x $24.50		$49.00
12.	TOTAL COST	LN10 + LN11		$57.24
13.	ANNUITY FACTOR			0.2723
14.	EQUIVALENT MONTHLY COST	((LN12)x(LN13))/12		$1.30
15.				
16.	FILE UPDATE			
17.	MONTHLY CPU - UPDATES	.17 HRS x $29.44		$5.00
18.	MAG TAPE (25) AND SHIPPING	25 x $ 24.50		$612.50
19.	MONTHLY COST	LN17+LN18		$617.50
20.	TOTAL MONTHLY COST	LN14+LN19		$618.80
21.	GROSS RECEIPTS TAX FACTOR			1.0153
22.	AVERAGE LISTINGS REQUESTED PER MONTH			34,800
23.	PER LISTING, REQUESTED VOLUME SENSITIVE	(LN20 x LN21)/LN22		$0.0181
24.				
25.	MONTHLY RECURRING COST			
26.	ADMINISTRATION AND OPERATIONS			
27.	PER MONTH	HRS x	$ 47.99	$3,359.30
28.	NUMBER OF CUSTOMERS			
29.				
30.	DIRECT, MONTHLY RECURRING COST	(LN21 x LN27)/LN28		$85.27
31.				
32.				
33.	DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)			
34.	MONTHLY RECURRING COST			
35.	ADMINISTRATION AND OPERATIONS			
36.	PER MONTH	HRS x	$ 15.63	$1,094.10
37.	NUMBER OF CUSTOMERS			
38.				
39.	DASCC, MONTHLY RECURRING COST	(LN21 x LN36)/LN37		$27.77

SECTION 5

SECTION 5

FLORIDA

DIRECTORY ASSISTANCE DATABASE SERVICE (DADS)

SPECIFIC STUDY ASSUMPTIONS

Cost study assumptions are as follows:

Number of Customers	
Average End User Requests per Month	34,800

SECTION 6

SECTION 6

FLORIDA

DIRECTORY ASSISTANCE DATABASE SERVICE (DADS)

FACTORS AND LOADINGS

Following are the labor rates and other factors used in the Directory Assistance Database Service cost study.

Labor Cost per Hour (Regional)	1996	1997-1999
Directly Assigned Marketing, Payband 58	$44.92	$47.99
Directly Attributed Shared and Common Marketing, Payband 58	$14.63	$15.63

Labor Levelization Factor (Attached)	1.0683
Fundamental Computer Cost per CPU Hour	$29.44
Gross Receipts Tax Factor (Florida)	1.0153
Amortization Factor (5 Years @ 11.25%)	0.2723

Labor Levelization Factor
Base Year 1996

Labor Inflation Factors

1. 1997	1.034
2. 1998	1.035
3. 1999	1.036

Present Worth Factors @ 11.25%

4. 1997	0.8989
5. 1998	0.8080
6. 1999	0.7263

Labor Levelization Factor
((LN1 x LN4) + (LN1 x LN2 x LN5) + (LN1 x LN2 x LN3 x LN6))/
(LN4 + LN5 + LN6) 1.0683

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DACC ACCESS SERVICE

TELRIC COST STUDY DOCUMENTATION

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FLORIDA

DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE

COST STUDY DOCUMENTATION

CONTENTS

SECTION A

SECTION A

FLORIDA
DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE

PROPRIETARY RATIONALE

The Directory Assistance Call Completion Access Cost Study contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

For these reasons the Directory Assistance Call Completion Access Service Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA
DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support Directory Assistance Call Completion (DACC) Access Service. The costs presented in this study are based on the TELRIC methodology established by the FCC's First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

Directory Assistance Call Completion Access Service is an arrangement offered to Alternative Local Exchange Companies (ALECs) for the purpose of allowing the end user calls originating from central offices belonging to ALECs to automatically (i.e., without having to dial the number) complete his/her call after obtaining the desired number from Directory Assistance.

A standard announcement is made following a request by the end user to Directory Assistance for a Local Exchange Subscriber telephone number. This announcement advises the customer of the option to have the call completed automatically for a specified charge. It also instructs the customer on how to select whether or not he/she wishes to use the service.

The charge to the ALEC for this service is in addition to other applicable Directory Assistance charges to the ALEC.

SECTION 2

SECTION 2

FLORIDA
DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of Total Element Long Run Incremental Costs (TELRIC) supporting the Directory Assistance Call Completion Access Service.

The purpose of the TELRIC methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct costs caused by providing the particular network element being studied. TELRIC methodology anticipates pricing of elements in a wholesale network company; hence, many costs regarded as common or shared and, therefore, excluded from BellSouth's direct cost methodology would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. This TELRIC study contains recurring (capital and operating expenses) costs.

DEVELOPMENT OF RECURRING COSTS

Annual costs to BellSouth Telecommunications, Inc., resulting from the capital investments necessary to provide a service are called recurring costs. Recurring costs represent a forward-looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is included in the TELRIC for this study.

The first step in developing a TELRIC recurring cost study for the Directory Assistance Call Completion Access Service is to determine the forward-looking network architecture. Material prices for the equipment are defined. A Miscellaneous Common Equipment and Power Factor is applied to material prices to develop investments which include miscellaneous common equipment and power.

FLORIDA
DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE

DESCRIPTION OF STUDY PROCEDURES (Cont'd)

Next, 1996 level TELRIC Annual Cost Factors are used to calculate the direct cost of capital, plant specific expenses and taxes.

The directly attributable shared and common cost components of the TELRIC annual cost factors are calculated as follows. First, a detailed analysis of the forward-looking direct costs is performed. The remaining costs of doing business are then analyzed to determine whether they are directly attributable shared and common costs that cannot be reasonably attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated by the functional areas to which they are related. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc. are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc. and attributed shared cost factors are developed. These attributed shared cost factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded.

The common cost allocation factor is applied to TELRIC to produce the forward looking economic cost, as defined by the FCC Order, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning this service. This one-time cost is for establishing or changing an announcement which is recorded and stored on an per audio unit basis. To develop nonrecurring costs, estimates have been obtained regarding the labor costs involved for the function of making a recording and for loading the announcement.

The common cost allocation factor is applied to the nonrecurring TELRIC to produce the forward looking nonrecurring economic cost, as defined by the FCC Order, which includes an appropriate share of common costs.

SECTION 3

SECTION 3

FLORIDA
DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE

SUMMARY OF RESULTS

This section contains a cost summary for the Total Element Long Run Incremental Cost (TELRIC) for both recurring and nonrecurring cost elements.

Directory Assistance Call Completion Access Service

TELRIC per Call Attempt

TELRIC	Common Cost Allocation Factor	Total
$.0157	1.0804	$.0170

Recording Cost per Announcement

TELRIC	Common Cost Allocation Factor	Total
$1,535	1.0804	$1,658.41

Loading cost per audio unit

TELRIC	Common Cost Allocation Factor	Total
$225	1.0804	$243.09

SECTION 4

SECTION 4

FLORIDA
DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE

COST DEVELOPMENT - RECURRING

This section defines the cost development of the recurring Total Element Long Run Incremental Costs (TELRIC) for Directory Assistance Call Completion Access Service.

Generally, economic cost development is outlined in Section 2. Network architecture is determined, the necessary equipment is identified and material prices are obtained. TELRIC annual cost factors are then applied to convert the investment to cost.

The following workpapers develop the volume sensitive costs, which include hardware and software expenses associated with Interactive Voice Systems, and volume insensitive software costs. These results are then summarized and converted to an average cost per call attempt.

Workpaper 2 develops volume sensitive costs for DACC Access Service on a per call attempt basis. Volume sensitive costs for this service are investment related costs and software costs associated with the Interactive Voice System (IVS).

To develop the investment related cost, the Miscellaneous Common Equipment & Power factor is applied to the Interactive Voice System (IVS) investment per IVS. The time in seconds per DACC call attempt and the Digital Electronic Switch annual cost factor are then applied to the hardware investment per IVS divided by the annual engineered traffic volume per IVS to develop a Digital Electronic Switch Cost per call attempt. Land and Building Loading factors are applied to the investment to develop land and building investment. Land and Building annual cost factors are then applied to develop Land and Building costs.

To develop the volume sensitive software cost, an annuity factor is applied to the IVS software expense to amortize the software costs over a five-year period. The Gross Receipts Tax Factor is applied to the investment related and software expense to develop the volume sensitive cost per call attempt.

Workpaper 3 develops the volume insensitive costs. Volume insensitive costs for this service are software costs for the Operator Service System switch and Gateway. These software costs are amortized over a five-year period. The Gross Receipts Tax factor is also applied. The annual volume insensitive costs are then divided by the annual demand to develop an average volume insensitive cost per call attempt.

DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE
FLORIDA

WORKPAPER 1
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SUMMARY OF RECURRING TELRIC

Line	Description	Source	Direct Cost	Directly Attributed Shared & Common Cost*	TELRIC
	A	B	C	D	E
1.	DACC Cost per Call Attempt - Volume Sensitive Cost	WP2 Ln36			
2.					
3.	DACC Cost per Call Attempt - Avg Volume Insensitive Cost	WP3 Ln14			
4.					
5.	TELRIC Unit DACC Access Cost per Call Attempt	Ln 1 + Ln 3			$0.0167

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE
FLORIDA

COST PER CALL ATTEMPT
DEVELOPMENT OF VOLUME SENSITIVE COSTS

Line	Description (A)	Source (B)	Direct Cost (C)	Directly Attributed Shared & Common Cost* (D)	TELRIC (E)
1.	Volume Sensitive Investment Related Cost per Call Attempt				
2.					
3.	Interactive Voice System (IVS) Investment per IVS	Fundamental IVS Inv & Exp Study			
4.	Misc. Common Eqpt. & Power Factor	BST Fundamental Cost	1.0974		1.0974
5.	Total Investment w/MCE&P per IVS	Ln 3 * Ln 4			
6.	Annual Engineered Traffic Volume per IVS (seconds)	Fundamental IVS Inv & Exp Study			
7.	Seconds per DACC call attempt	Operator Services			
8.	Dig Elec Switch Annual Cost Factor	BST Fundamental Cost	0.2322		0.2756
9.	Dig Elec Switch Cost per call attempt	(Ln 5/Ln 6) * Ln 7 * Ln 8			
10.					
11.					
12.	Land Loading Factor	BST Fundamental Cost	0.0047		0.0047
13.	Land Investment per IVS	Ln 5 * Ln 12			
14.	Land Annual Cost Factor	BST Fundamental Cost	0.1493		0.1493
15.	Land Cost per call attempt	(Ln 13/Ln 6) * Ln 7 * Ln 14			
16.					
17.					
18.	Building Loading Factor	BST Fundamental Cost	0.0857		0.0857
19.	Building Investment per IVS	Ln 5 * Ln 18			
20.	Building Annual Cost Factor	BST Fundamental Cost	0.1706		0.1720
21.	Building Cost per call attempt	(Ln 19/Ln 6) * Ln 7 * Ln 20			
22.					
23.					
24.	Investment Related Cost per Call Attempt	Ln 9 + Ln 15 + Ln 21			
25.					
26.					
27.	Volume Sensitive Software Cost per Call Attempt				
28.					
29.	RTU IVS software expense per IVS	Fundamental IVS Inv & Exp Study			
30.	Annuity Factor	BST Fundamental Cost	0.2723		0.2723
31.	Software Cost per Call Attempt	(Ln 29/Ln 6) * Ln 7 * Ln 30			
32.					
33.					
34.	Volume Sensitive Cost per Call Attempt w/o GRT	Ln 24 + Ln 31			
35.	Gross Receipts Tax Factor	BST Fundamental Cost	1.0153		1.0153
36.	Volume Sensitive Cost per Call Attempt w/GRT	Ln 34 * Ln 35			

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE
FLORIDA

WORKPAPER 3
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COST PER CALL ATTEMPT
DEVELOPMENT OF VOLUME INSENSITIVE COSTS

Line	Description	Source	Direct Cost	Directly Attributed Shared & Common Cost*	TELRIC
		A	B	C	D	E
1.	Volume Insensitive Costs				
2.					
3.	DACC Software				
4.	RTU software for Switch	Operator Services			
5.	RTU software for Gateway	Operator Services			
6.	Total Volume Insensitive Software Cost	Ln4 + Ln5			
7.					
8.	Annuity Factor	BST Fundamental Cost	0.2723		0.2723
9.	Gross Receipts Tax Factor	BST Fundamental Cost	1.0153		1.0153
10.	Annual Volume Insensitive Cost	Ln6 * Ln8 * Ln9			
11.					
12.	Annual Demand - DACC Call Attempts	Operator Services			
13.					
14.	Average Vol Insensitive Cost per Call Attempt	Ln 10 / Ln 12			

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

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FLORIDA
DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE

COST DEVELOPMENT - NONRECURRING

Nonrecurring Total Element Long Run Incremental Costs (TELRIC) are one-time costs incurred as a result of the work functions required to establish or change a recording of the company name and rate information and installing the recording in each audio box. In order to develop the nonrecurring cost for the work functions required, estimates have been obtained regarding the labor costs involved for these functions.

The following workpaper reflects the cost summary for establishing or changing a recording of the company name and rate information for Directory Assistance Call Completion Access Service. These nonrecurring costs are for recording a company name and rate information with a surcharge phrase of 20 cents to $2.55 in penny increments.

DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE
FLORIDA

COST PER RECORDING ANNOUNCEMENT
SUMMARY OF NONRECURRING TELRIC

Line	Description	Source	Direct Cost	Directly Attributed Shared & Common Cost*	TELRIC
	A	B	C	D	E
1.	Recording cost per announcement	Operator Services			$1,535
2.					
3.	Loading cost per audio unit	Operator Services			$225

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

SECTION 6

SECTION 6

FLORIDA
DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE

SPECIFIC STUDY ASSUMPTIONS

The cost study for Directory Assistance Call Completion Access Service is based on the Total Element Long Run Incremental Cost (TELRIC) methodology prescribed by the FCC's First Report and Order in CC Docket 96-98 released August 8, 1996. Network deployment strategies and equipment purchasing information are used to develop the Total Element Long Run Incremental Cost.

Cost study assumptions are as follows:

Directory Assistance Call Completion Access Service is available to facility-based ALECs subject to the following conditions:

- The incoming call from the ALEC must arrive at our Directory Assistance equipment via separate identifiable trunk groups.
- The ALEC must subscribe to BellSouth Directory Assistance Service.
- ANI must be available.
- The requested listing must be a published number.
- The number retrieved from the data base must be intraLATA with respect to the originating line number.
- DACC Access Service is provided via mechanized means. No live Operator assistance will be provided in conjunction with DACC.
- End Users must indicate via Dual Tone Multi-Frequency (DTMF) input the desire to complete or the ALEC must agree that all intraLATA calls should attempt to complete.

SECTION 7

SECTION 7

FLORIDA
DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE

FACTORS AND LOADINGS

Following are the factors and loadings used in the Directory Assistance Call Completion Access cost study:

Gross Receipts Tax Factor	0.0153
Annuity Factor (based on 5 yrs & 11.25% COM)	0.2723
Annual Cost Factors:	
Digital Electronic Switch	0.2756
Land	0.1493
Building	0.1720
Loading Factors:	
Land	0.0047
Building	0.0657
Miscellaneous Common Equipment & Power	0.0974

DDE
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FLORIDA

DIRECTORY TRANSPORT

TELRIC COST STUDY DOCUMENTATION

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FLORIDA

DIRECTORY TRANSPORT

COST STUDY DOCUMENTATION

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SECTION A

SECTION A

FLORIDA
DIRECTORY TRANSPORT

PROPRIETARY RATIONALE

The Directory Transport Cost Study contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

For these reasons the Directory Transport Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA
DIRECTORY TRANSPORT

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support Directory Transport for Directory Assistance Access Service. The costs presented in this study are based on the TELRIC methodology established by the FCC's First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

Directory Transport provides for the transport facilities and termination between the Alternative Local Exchange Company's (ALEC's) premises and the Directory Assistance location as part of providing Directory Assistance Access Service. The charge to the ALEC for Directory Transport is in addition to other applicable Directory Assistance charges to the ALEC.

SECTION 2

SECTION 2

FLORIDA
DIRECTORY TRANSPORT

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of Total Element Long Run Incremental Costs (TELRIC) supporting Directory Transport.

The purpose of the TELRIC methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward-looking long run economic cost methodology. TELRIC methodology anticipates pricing of elements in a wholesale network company; hence, many costs regarded as common or shared and, therefore, excluded from BellSouth's direct cost methodology would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. This TELRIC study includes both recurring (capital and operating expenses) and nonrecurring (service provisioning) costs.

DEVELOPMENT OF RECURRING COSTS

Annual costs to BellSouth Telecommunications, Inc., resulting from the capital investments necessary to provide a service are called recurring costs. Recurring costs represent a forward-looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is included in the TELRIC for this study.

Costs for Directory Transport are developed using costs for Switched Common Transport - Facilities Termination Cost per Minute, Switched Common Transport Cost per Minute per Mile and Access Tandem Switching Cost per Minute from the Network Interconnection Service Cost Study. Directory Transport costs have been developed on a per call and per mile basis.

DESCRIPTION OF STUDY PROCEDURES (Cont'd)

DEVELOPMENT OF RECURRING COSTS (Cont'd)

The common cost allocation factor is applied to TELRIC to produce the forward looking economic cost, as defined by the FCC Order, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

SECTION 3

SECTION 3

FLORIDA
DIRECTORY TRANSPORT

SUMMARY OF RESULTS

This section contains a cost summary for the Total Element Long Run Incremental Cost (TELRIC) for providing Directory Transport.

Directory Transport

Switched Common Transport per DA Service Call

TELRIC	Common Cost Allocation Factor	Total
$.000141	1.0804	$.000152

Switched Common Transport per DA Service Call Mile

TELRIC	Common Cost Allocation Factor	Total
$.000008	1.0804	$.000009

Access Tandem Switching per DA Service Call

TELRIC	Common Cost Allocation Factor	Total
$.000884	1.0804	$.000955

SECTION 4

SECTION 4

FLORIDA
DIRECTORY TRANSPORT

COST DEVELOPMENT - RECURRING

This section defines the cost development of the recurring Total Element Long Run Incremental Costs (TELRIC) for Directory Transport.

Generally, economic cost development is outlined in Section 2. Network architecture is determined; the necessary equipment is identified; material prices are obtained; and factors, utilization and loadings are applied. TELRIC annual cost factors are then applied to convert the investment to cost.

The following workpapers develop the volume sensitive costs for Directory Transport on a per call and per mile basis. The results are summarized in Workpaper 1.

Workpaper 2 develops costs for Directory Transport for Switched Common Transport per DA Service Call, Switched Common Transport per DA Service Call Mile and Access Tandem Switching per DA Service Call. These costs were developed using costs for Switched Common Transport - Facilities Termination Cost per Minute, Switched Common Transport Cost per Minute per Mile and Access Tandem Switching Cost per Minute from the Network Interconnection Service Cost Study.

DIRECTORY TRANSPORT
FLORIDA

WORKPAPER 1
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SUMMARY OF TELRIC

Line	Description	Source	Direct Cost	Directly Attributed Shared & Common Cost*	TELRIC
	A	B	C	D	E
1.	Switched Common Transport per DA Service Call	WP 2 Ln 13			$0.000141
2.					
3.	Switched Common Transport per DA Service Call Mile	WP 2 Ln 15			$0.000008
4.					
5.	Access Tandem Switching per DA Service Call	WP 2 Ln 17			$0.000884

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

DIRECTORY TRANSPORT
FLORIDA

DEVELOPMENT OF TELRIC

Line	Description	Source	Direct Cost C	Directly Attributed Shared & Common Cost* D	TELRIC E
1.	Switched Common Transport - Facilities Term Cost per Min.	Ntwk Interconnection Svc Cost Study			
2.					
3.	Switched Common Transport Cost per Min. per Mile	Ntwk Interconnection Svc Cost Study			
4.					
5.	Access Tandem Switching Cost per Min.	Ntwk Interconnection Svc Cost Study			
6.					
7.					
8.	Holding Time (in seconds) per DA Call	Operator Services			
9.					
10.	Holding Time as a percent of a minute	Ln 8 / 60			
11.					
12.					
13.	Switched Common Transport per DA Service Call	Ln 1 * Ln 10			$0.000141
14.					
15.	Switched Common Transport per DA Service Call Mile	Ln 3 * Ln 10			$0.000008
16.					
17.	Access Tandem Switching per DA Service Call	Ln 5 * Ln 10			$0.000034

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

SECTION 5

SECTION 5

FLORIDA
DIRECTORY TRANSPORT

COST DEVELOPMENT - NONRECURRING

Not Applicable

SECTION 6

SECTION 6

FLORIDA
DIRECTORY TRANSPORT

SPECIFIC STUDY ASSUMPTIONS

The cost study for Directory Transport is based on the Total Element Long Run Incremental Cost (TELRIC) methodology prescribed by the FCC's First Report and Order in CC Docket 96-98 released August 8, 1996. Network deployment strategies, first choice provisioning guidelines, and equipment purchasing information are used to develop the Total Element Long Run Incremental Cost.

Cost study assumptions are as follows:

Holding Time (in seconds) per DA Call	42

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FLORIDA
DIRECTORY TRANSPORT

FACTORS AND LOADINGS

Following are the Total Element Long Run Incremental Cost (TELRIC) annual cost factors and loadings used in the development of costs for Directory Transport:

Annual Cost Factors (including Gross Receipts Tax):

10C	0.1747
20C	0.1516
357C	0.2757
377C	0.2798
811C	0.2196
822C	0.2170
845C	0.2003
84C	0.1578
85C	0.2032

In-Plant Factor:

Telco	377C	0.1705

Miscellaneous Common Equipment and Power Loadings:

377C	0.0974

Land and Building COE Loadings:

10C	0.0657
20C	0.0047

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NUMBER SERVICES INTERCEPT ACCESS SERVICE

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NUMBER SERVICES INTERCEPT ACCESS SERVICE

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FLORIDA NUMBER SERVICES INTERCEPT ACCESS SERVICE

PROPRIETARY RATIONALE

The Number Services Intercept Access Cost Study contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

For these reasons, the Number Services Intercept Access Service Cost Study is considered proprietary.

SECTION 1

SECTION 1

FLORIDA NUMBER SERVICES INTERCEPT ACCESS SERVICE

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support the Number Services Intercept Access Service. The costs presented in this study are based on the TELRIC methodology established by the FCC's First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

Number Services Intercept Access Service is an arrangement offered to Alternative Local Exchange Companies (ALECs) for the purpose of providing a recorded announcement for calls placed to discontinued or non-working numbers originating from central offices belonging to ALECs.

A separate, dedicated trunk facility to the TOPS switch is required for Intercept. Standard trunk signaling is used to send the intercepted number to the Number Services switch and a database retrieval is performed to obtain the referral number. The referral number is provided to the calling party by a mechanized audio announcement. The subscribing ALEC must provide the updates to the Intercept database to support the service.

SECTION 2

SECTION 2

FLORIDA NUMBER SERVICES INTERCEPT ACCESS SERVICE

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of Total Element Long Run Incremental Costs (TELRIC) supporting the Number Services Intercept Access Service.

The purpose of the TELRIC methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct costs caused by providing the particular network element being studied. TELRIC methodology anticipates pricing of elements in a wholesale network company; hence, many costs regarded as common or shared and, therefore, excluded from BellSouth's direct cost methodology would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. This TELRIC study includes both recurring (capital and operating expenses) and nonrecurring (service provisioning) costs.

DEVELOPMENT OF RECURRING COSTS

Annual costs to BellSouth Telecommunications, Inc., resulting from the capital investments necessary to provide a service are called recurring costs. Recurring costs represent a forward-looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is included in the TELRIC for this study.

The first step in developing a TELRIC recurring cost study for the Number Services Intercept Access Service is to determine the forward-looking network architecture. Material prices for the equipment are defined. A Miscellaneous Common Equipment and Power Factor is applied to material prices to develop investments which include miscellaneous common equipment and power.

FLORIDA NUMBER SERVICES INTERCEPT ACCESS SERVICE

DESCRIPTION OF STUDY PROCEDURES (Cont'd)

Next, 1996 level TELRIC Annual Cost Factors are used to calculate the direct cost of capital, plant specific expenses and taxes. Account specific factors for each Uniform System of Accounts - Field Reporting Code (USOA - FRC) are applied to investments by account code, yielding an annual cost per account code which includes directly attributable shared and common costs.

The directly attributable shared and common cost components of the TELRIC annual cost factors are calculated as follows. First, a detailed analysis of the forward-looking direct costs is performed. The remaining costs of doing business are then analyzed to determine whether they are directly attributable shared and common costs that cannot be reasonably attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated by the functional areas to which they are related. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc. are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc. and attributed shared cost factors are developed. These attributed shared cost factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded.

The common cost allocation factor is applied to TELRIC to produce the forward looking economic cost, as defined by the FCC Order, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

SECTION 3

SECTION 3

FLORIDA NUMBER SERVICES INTERCEPT ACCESS SERVICE

SUMMARY OF RESULTS

This section contains a cost summary for the Total Element Long Run Incremental Cost (TELRIC) for providing Number Services Intercept.

Number Services Intercept Access Service

	TELRIC	Common Cost Allocation Factor	Total
TELRIC per Intercept Query	$0.0193	1.0804	$0.0209

SECTION 4

SECTION 4

FLORIDA NUMBER SERVICES INTERCEPT ACCESS SERVICE

COST DEVELOPMENT - RECURRING

This section defines the cost development of the recurring Total Element Long Run Incremental Costs (TELRIC) for Number Services Intercept Access.

Generally, economic cost development is outlined in Section 2. Network architecture is determined, the necessary equipment is identified and material prices are obtained. TELRIC annual cost factors are then applied to convert the investment to cost. The common cost allocation factor is applied to TELRIC to produce the forward looking economic cost, as defined by the FCC Order, Appendix B, Section 51.505, which includes an appropriate share of common costs.

Recurring costs are developed for the fixed and per mile component of the facilities. The following workpapers develop the volume sensitive costs and volume insensitive costs. These results are then summarized and converted to an average cost per Intercept query.

Workpaper 2 develops volume sensitive costs for Number Services Intercept Access Service on a per Intercept Query basis.

To develop the investment related cost, the Miscellaneous Common Equipment & Power factor is applied to the Interactive Voice System (IVS) Investment per IVS. The time in seconds per Intercept query and the Digital Electronic Switch Annual Cost Factor are then applied to the hardware investment per IVS divided by the annual engineered traffic volume per IVS to develop a Digital Electronic Switch Cost per Query. Land and Building Loading factors are applied to the investment to develop land and building investment. Land and Building annual cost factors are then applied to develop Land and Building costs.

To develop the volume sensitive software cost, an annuity factor is applied to the IVS software expense to amortize the software costs over a five-year period. The Gross Receipts Tax Factor is applied to the IVS investment related and software expense per query to develop the Volume Sensitive Cost per query.

Workpaper 3 develops the Average Volume Insensitive Costs on a per Intercept Query basis. The cost components are Line Information for Open Network (LION) hardware and software, Central Administrative and Maintenance (CAM) system hardware and software, and expenses for data links and voice links. The annual volume insensitive costs are summed and then divided by annual demand to develop an average volume insensitive cost per intercept query.

FLORIDA NUMBER SERVICES INTERCEPT ACCESS SERVICE

COST DEVELOPMENT - RECURRING (Cont'd)

Workpaper 4 develops volume insensitive costs related to the LION system. To develop the investment related annual cost, the Miscellaneous Common Equipment & Power factor and Digital Electronic Switch Annual Cost Factor are applied to the hardware investment. Land and Building Loading factors are applied to the investment to develop land and building investment. Land and Building annual cost factors are then applied to develop Land and Building annual costs. The Gross Receipts Tax Factor is then applied to develop the Investment Related Annual Cost for the LION system.

To develop the volume insensitive software cost, the RTU expense for software is amortized over a five-year period. The Gross Receipts Tax Factor is also applied.

Workpaper 5 develops volume insensitive costs related to the Central Administrative and Maintenance (CAM) system. To develop the investment related cost associated with CAMS, the Miscellaneous Common Equipment & Power factor and Digital Electronic Switch Annual Cost Factor are applied to the hardware investment. Land and Building Loading factors are applied to the investment to develop land and building investment. Land and Building annual cost factors are then applied to develop Land and Building annual costs. The Gross Receipts Tax Factor is then applied to develop the Investment Related Annual Cost for CAMS.

To develop the software cost, the RTU expense for software is amortized over a five-year period. The Gross Receipts Tax Factor is also applied.

Workpaper 6 develops the annual cost for data links between the TOPS and LION systems and between the LION and IVS system. The investments, by component, are multiplied by their associated annual cost factors and are summed to calculate the annual cost for these facilities. Gross Receipts Tax factor is then applied to calculate the annual cost for the facilities with Gross Receipts included.

Workpaper 7 develops the annual cost for voice links between the TOPS and IVS systems. The investments, by component, are multiplied by their associated annual cost factors and are summed to calculate the annual cost for these facilities. Gross Receipts Tax factor is then applied to calculate the annual cost for the facilities with Gross Receipts included.

FLORIDA NUMBER SERVICES INTERCEPT ACCESS SERVICE

COST DEVELOPMENT - RECURRING (Cont'd)

Workpaper 8 develops the cost for updating the Intercept Database with discontinued or non-working numbers on a per query basis. These costs represent costs incurred as a result of the work functions required to update the Intercept database. In order to develop the cost for the work function required, the work time for the work function is multiplied by the appropriate labor rate. The labor inflation factor is used to bring the labor rate to the appropriate study period. The Gross Receipts Tax Factor is also applied. Workpaper 8 reflects the cost development for updating the Intercept database with discontinued or non-working numbers. The cost is developed on a per Intercept query basis.

NUMBER SERVICES INTERCEPT ACCESS SERVICE
FLORIDA

SUMMARY OF RECURRING TELRIC

Line	Description	Source	Direct Cost	Directly Attributed Shared & Common Cost*	TELRIC
	A	B	C	D	E
1.	Volume Sensitive Cost per Intercept Query	WP2 Ln35			
2.	Volume Insensitive Cost per Intercept Query	WP3 Ln 14			
3.	Database update cost per Query	WP8 Ln 7			
4.					
5.	TELRIC Unit Intercept Access Cost per Query	Ln 1+Ln 2+Ln 3			$0.0193

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

NUMBER SERVICES INTERCEPT ACCESS SERVICE
FLORIDA

COST PER INTERCEPT QUERY
DEVELOPMENT OF VOLUME SENSITIVE COSTS
Development of Cost for Interactive Voice System (IVS)

Line	Description	Source	Direct Cost	Directly Attributed Shared & Common Cost*	TELRIC
	A	B	C	D	E
1.	**Volume Sensitive Inv & Related Cost per Query**				
2.					
3.	Interactive Voice System (IVS) Investment per IVS	Fundamental IVS Inv & Exp Study			
4.	Misc. Common Eqpt. & Power Factor	BST Fundamental Cost	1.0974		1.0974
5.	Total Investment w/MCE&P per IVS	Ln 3 * Ln 4			
6.	Annual Eng Traffic volume per IVS (seconds)	Fundamental IVS Inv & Exp Study			
7.	Seconds per Intercept query	Operator Services			
8.	Dig Elec Switch Annual Cost Factor	BST Fundamental Cost	0.2322		0.2756
9.	**Dig Elec Switch Cost per Query**	(Ln 5/Ln 6) * Ln 7 * Ln 8			
10.					
11.					
12.	Land Loading Factor	BST Fundamental Cost	0.0047		0.0047
13.	Land Investment per IVS	Ln 5 * Ln 12			
14.	Land Annual Cost Factor	BST Fundamental Cost	0.1493		0.1493
15.	**Land Cost per Query**	(Ln 13/Ln 6) * Ln 7 * Ln 14			
16.					
17.					
18.	Building Loading Factor	BST Fundamental Cost	0.0657		0.0657
19.	Building Investment per IVS	Ln 5 * Ln 18			
20.	Bulding Annual Cost Factor	BST Fundamental Cost	0.1706		0.1720
21.	**Building Cost per Query**	(Ln 19/Ln 6) * Ln 7 * Ln 20			
22.					
23.					
24.	**Total Investment Related Cost per Query**	Ln9 + Ln15 + Ln21			
25.					
26.					
27.	**Volume Sensitive Software Cost per Query**				
28.	RTU IVS software expense per IVS	Fundamental IVS Inv & Exp Study			
29.	Annuity Factor	BST Fundamental Cost	0.2723		0.2723
30.	**Software Cost for IVS per Query**	(Ln 28/Ln 6) * Ln 7 * Ln 29			
31.					
32.	Volume Sensitive Cost per Intercept Query w/o GRT	Ln 24 + Ln 30			
33.	Gross Receipts Tax Factor	BST Fundamental Cost	1.0153		1.0153
34.					
35.	**Volume Sensitive Cost per Intercept Query w/GRT**	Ln32 * Ln33			

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

NUMBER SERVICES INTERCEPT ACCESS SERVICE
FLORIDA

SUMMARY OF VOLUME INSENSITIVE COSTS

Line	Description	Source	Direct Cost	Directly Attributed Shared & Common Cost*	TELRIC
	A	B	C	D	E
1.	**Annual Cost**				
2.					
3.	LION Hardware	WP 4 Ln 24			
4.	LION Software	WP 4 Ln 32			
5.	CAMS Hardware	WP 5 Ln 24			
6.	CAMS Software	WP 5 Ln 32			
7.	TOPS/LION Data Links	WP 6 Ln 17			
8.	LION/IVS Data Links	WP 6 Ln 36			
9.	TOPS/IVS Voice Links	WP 7 Ln 17			
10.	Annual Volume Insensitive Cost	Sum Ln 3..Ln 9			
11.					
12.	Annual Demand - Intercept Queries	Operator Services			
13.					
14.	Avg Vol Insensitive Cost per Intercept Query	Ln 10 / Ln 12			

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

NUMBER SERVICES INTERCEPT ACCESS SERVICE
FLORIDA

COST PER CALL
DEVELOPMENT OF VOLUME INSENSITIVE COSTS
Development of Cost for LION System

Line	Description	Source	Direct Cost	Directly Attributed Shared & Common Cost*	TELRIC
	A	B	C	D	E
1.	**Hardware**				
2.					
3.	LION Investment - Installed	Operator Services			
4.	Misc. Common Eqpt. & Power Factor	BST Fundamental Cost	1.0974		1.0974
5.	Total Investment w/MCE&P	Ln 3 * Ln 4			
6.					
7.					
8.	Dig Elec Switch Annual Cost Factor	BST Fundamental Cost	0.2322		0.2756
9.	**Dig Elec Switch Annual Cost**	Ln 5 * Ln 8			
10.					
11.					
12.	Land Loading Factor	BST Fundamental Cost	0.0047		0.0047
13.	Land Investment	Ln 5 * Ln 12			
14.	Land Annual Cost Factor	BST Fundamental Cost	0.1493		0.1493
15.	**Land Annual Cost**	Ln 13 * Ln 14			
16.					
17.					
18.	Building Loading Factor	BST Fundamental Cost	0.0657		0.0657
19.	Building Investment	Ln 5 * Ln 18			
20.	Bulding Annual Cost Factor	BST Fundamental Cost	0.1706		0.1720
21.	**Building Annual Cost**	Ln 19 * Ln 20			
22.	Total Inv Related Annual Cost - LION w/o GRT	Ln9 + Ln15 + Ln21			
23.	Gross Receipts Tax factor	BST Fundamental Cost	1.0153		1.0153
24.	**Total Inv Related Annual Cost - LION w/GRT**	Ln 22 * Ln 23			
25.					
26.					
27.	**Software**				
28.					
29.	Software Expense - Installed	Operator Services			
30.	Annuity Factor	BST Fundamental Cost	0.2723		0.2723
31.	Gross Receipts Tax Factor	BST Fundamental Cost	1.0153		1.0153
32.	**Annual Software Cost for LION w/GRT**	Ln29*Ln30*Ln31			

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

NUMBER SERVICES INTERCEPT ACCESS SERVICE
FLORIDA

COST PER CALL
DEVELOPMENT OF VOLUME INSENSITIVE COSTS
Development of Cost for CAMS

Line	Description	Source	Direct Cost	Directly Attributed Shared & Common Cost*	TELRIC
	A	B	C	D	E
1.	**Hardware**				
2.					
3.	Investment - Installed	Operator Services			
4.	Misc. Common Eqpt. & Power Factor	BST Fundamental Cost	1.0974		1.0974
5.	Total Investment w/MCE&P	Ln 3 * Ln 4			
6.					
7.					
8.	Dig Elec Switch Annual Cost Factor	BST Fundamental Cost	0.2322		0.2756
9.	Dig Elec Switch Annual Cost	Ln 5 * Ln 8			
10.					
11.					
12.	Land Loading Factor	BST Fundamental Cost	0.0047		0.0047
13.	Land Investment	Ln 5 * Ln 12			
14.	Land Annual Cost Factor	BST Fundamental Cost	0.1493		0.1493
15.	Land Annual Cost	Ln 13 * Ln 14			
16.					
17.					
18.	Building Loading Factor	BST Fundamental Cost	0.0657		0.0657
19.	Building Investment	Ln 5 * Ln 18			
20.	Bulding Annual Cost Factor	BST Fundamental Cost	0.1706		0.1720
21.	Building Annual Cost	Ln 19 * Ln 20			
22.	Total Inv Related Annual Cost - CAMS w/o GRT	Ln9 + Ln15 + Ln21			
23.	Gross Receipts Tax Factor	BST Fundamental Cost	1.0153		1.0153
24.	Total Inv Related Annual Cost - CAMS w/GRT	Ln 22 * Ln 23			
25.					
26.					
27.	**Software**				
28.					
29.	Software Expense - Installed	Operator Services			
30.	Annuity Factor	BST Fundamental Cost	0.2723		0.2723
31.	Gross Receipts Tax Factor	BST Fundamental Cost	1.0153		1.0153
32.	Annual Software Cost for CAMS	Ln29*Ln30*Ln31			

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

NUMBER SERVICES INTERCEPT ACCESS SERVICE
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COST PER CALL
DEVELOPMENT OF VOLUME INSENSITIVE COSTS
Development of Annual Cost for Data Links

Line	Data Links	Links/Miles a	Unit Investment b	Annual Cost Factor c	TELRIC Annual Cost Factor d	Annual Direct Cost e=a*b*c	Directly Attributed Shared & Common Cost* f=g-e	TELRIC g=a*b*d
1.	**TOPS/LION DATA LINKS**							
2.								
3.	Termination							
4.	Circuit			0.2327	0.2699			
5.	Land			0.1486	0.1486			
6.	Building			0.1679	0.1693			
7.								
8.	Mileage							
9.	Aerial Fiber			0.1849	0.2148			
10.	Buried Fiber			0.1747	0.1982			
11.	Underground Fiber			0.1781	0.2001			
12.	Pole			0.1922	0.2216			
13.	Conduit			0.1395	0.1541			
14.	Circuit			0.2327	0.2699			
15.	Building			0.1679	0.1693			
16.	Total Annual Cost - TOPS/LION Data Links w/o GRT							
17.	**Total Annual Cost - TOPS/LION Data Links with GRT**							
18.								
19.								
20.	**LION/IVS DATA LINKS**							
21.								
22.	Termination							
23.	Circuit			0.2327	0.2699			
24.	Land			0.1486	0.1486			
25.	Building			0.1679	0.1693			
26.								
27.	Mileage							
28.	Aerial Fiber			0.1849	0.2148			
29.	Buried Fiber			0.1747	0.1982			
30.	Underground Fiber			0.1781	0.2001			
31.	Pole			0.1922	0.2216			
32.	Conduit			0.1395	0.1541			
33.	Circuit			0.2327	0.2699			
34.	Building			0.1679	0.1693			
35.	Total Annual Cost - LION/IVS Data Links w/o GRT							
36.	**Total Annual Cost - LION/IVS Data Links with GRT**							

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

NUMBER SERVICES INTERCEPT ACCESS SERVICE
FLORIDA

COST PER CALL
DEVELOPMENT OF VOLUME INSENSITIVE COSTS
Development of Annual Cost for Voice Links

Line	DS1 Voice Links	Links/Miles a	Unit Investment b	Annual Cost Factor c	TELRIC Annual Cost Factor d	Annual Direct Cost e=a*b*c	Directly Attributed Shared & Common Cost* f=g-e	TELRIC g=a*b*d
1.	TOPS/IVS VOICE LINKS							
2.								
3.	Termination							
4.	Circuit			0.2327	0.2699			
5.	Land			0.1486	0.1486			
6.	Building			0.1679	0.1693			
7.								
8.	Mileage							
9.	Aerial Fiber			0.1849	0.2148			
10.	Buried Fiber			0.1747	0.1982			
11.	Underground Fiber			0.1781	0.2001			
12.	Pole			0.1922	0.2216			
13.	Conduit			0.1395	0.1541			
14.	Circuit			0.2327	0.2699			
15.	Building			0.1679	0.1693			
16.	Total Annual Cost - TOPS/IVS Voice Links w/o GRT							
17.	Total Annual Cost - TOPS/IVS Voice Links with GRT							

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

NUMBER SERVICES INTERCEPT ACCESS SERVICE
FLORIDA

COST FOR UPDATING INTERCEPT DATABASE
DEVELOPMENT OF TELRIC

Line	Description	Worktime (Hours) a	Labor Rate b	TELRIC Labor Rate c	Gross Receipts Tax Factor d	Annual Direct Cost e=a*b*d	Directly Attributed Shared & Common Cost* f=g-e	TELRIC g=a*c*d
1	Data Base Administrative Ctr (DBAC)		$31.06	$40.85	1.0153			
2								
3	Total Annual Labor Cost							

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

Line	Description	Source	Direct Cost	Directly Attributed Shared & Common Cost*	TELRIC
4	Number of Database Changes per Year	Operator Services			
5	Cost per Database Change	Ln 3 / Ln 4			
6	Number of Intercept Queries per Listing	Operator Services			
7	**Database Update Cost per Query**	Ln 5 / Ln 6			

* Directly Attributed Shared & Common Costs are developed by calculating the difference between TELRIC costs and Direct costs.

SECTION 5

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FLORIDA NUMBER SERVICES INTERCEPT ACCESS SERVICE

COST DEVELOPMENT - NONRECURRING

Not applicable

SECTION 6

SECTION 6

FLORIDA NUMBER SERVICES INTERCEPT ACCESS SERVICE

SPECIFIC STUDY ASSUMPTIONS

The cost study for Number Services Intercept Access is based on the Total Element Long Run Incremental Cost (TELRIC) methodology prescribed by the FCC's First Report and Order in CC Docket 96-98 released August 8, 1996. Network deployment strategies and equipment purchasing information are used to develop the Total Element Long Run Incremental Cost.

Cost study assumptions are as follows:

1. The equipment that will be deployed is Nortel equipment.

2. The Line Information for Open Network (LION) is the database for Number Services Intercept. This database contains the non-working numbers along with information on referrals.

3. The Central Administrative and Maintenance (CAM) is the monitoring system which monitors the LION and IVS.

4. The Interactive Voice System (IVS) provides the audio response to the calling party.

5. Voice and data links interconnect the Traffic Operator Position System, the LION system, the CAMS and the IVS.

6. ALECs must provide updates to BellSouth's Intercept database in order for number referrals for their customers be provided.

7. This study assumes 20,000 Intercept changes annually, 30 changes per page and 15 Intercept queries per disconnected or non-working number.

SECTION 7

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FLORIDA NUMBER SERVICES INTERCEPT ACCESS SERVICE

FACTORS AND LOADINGS

Following are the factors and loadings used for IVSs, CAMS and LION system in the Number Services Intercept Access cost study for Florida:

Gross Receipts Tax Factor	0.0153
Annuity Factor (based on 5 yrs & 11.25% COM)	0.2723

Annual Cost Factors:

Digital Electronic Switch	0.2756
Land	0.1493
Building	0.1720

Loadings Factors:

Land	0.0047
Building	0.0657
Misc. Common Equipment & Power Factor	0.0974

****

Following are the annual cost factors used for the TOPS/LION data links, LION/IVS data links and TOPS/IVS voice links in the Number Services Intercept Access cost study. Because the links cross state boundaries, the following is based on BellSouth Regional Annual Cost Factors and Florida's Gross Receipts Tax Factor:

Gross Receipts Tax Factor	0.0153

Annual Cost Factors:

Digital Circuit 357C	0.2699
Land	0.1486
Building	0.1693
Aerial Cable Fiber	0.2148
Buried Cable Fiber	0.1982
Underground Cable Fiber	0.2001
Poles	0.2216
Conduit	0.1541

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CCS7 SIGNALING TRANSPORT SERVICE

TELRIC COST STUDY DOCUMENTATION

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3. DOCUMENT TITLE: CCS7 Signaling Transport Service
4. DOCUMENT SUMMARY: Provides procedures and supporting documentation for the cost development of CCS7 Signaling Transport Service. _____ _____
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FLORIDA

CCS7 SIGNALING TRANSPORT SERVICE

COST STUDY DOCUMENTATION

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SECTION A

SECTION A

FLORIDA

CCS7 SIGNALING TRANSPORT SERVICE

PROPRIETARY RATIONALE

The CCS7 Signaling Transport Service contains actual unit cost information for discrete cost elements. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

Additionally, the study contains information which reflects vendor-specific prices negotiated by BellSouth. Public disclosure of this information would impair BellSouth's ability to contract for goods and/or services on favorable terms. For these reasons, the CCS7 Signaling Transport Service Cost Study is considered proprietary.

SECTION 1

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CCS7 SIGNALING TRANSPORT SERVICE

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support CCS7 Signaling Transport Service. The costs presented in this study are based on the TELRIC methodology established by the Federal Communication Commission's (FCC'S) First Report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

This cost study develops the Total Element Long Run Incremental Cost (TELRIC) for a Common Channel Signaling/System Signaling 7 (CCS7) Signaling Connection (a signaling link), Signaling Termination and Signaling Usage. The latter is developed on both a per signaling message and per signaling connection basis. The study also develops the nonrecurring cost for establishment of the Signaling Connection.

CCS7 Signaling Transport Service is available to the Local Exchange service provider for the purpose of providing call set-up and noncall set-up capabilities and the completion of Transaction Capabilities Application Part (TCAP) queries. Call set-up can be between the Local Exchange service provider and any BellSouth central office or between the Local Exchange service provider and any other network provider connected to BellSouth's SS7 network.

TCAP messages can be transported to the BellSouth Intelligent Network or Advanced Intelligent Network in which the Local Exchange service provider has purchased the appropriate use. Queries to central offices for provision of Intelligent Network services will also be permitted.

The service provides access to the Common Channel Signaling Network and transport of signaling messages used for call set-up and database query/response. The primary components of the network are Signal Transfer Points (STPs) and Signaling Links. The STPs are packet switches which route signaling messages through the network. The Signaling Links connect end and tandem office switches to the STPs, and the STPs to Service Control Points (SCPs). The SCPs are databases used for specific services such as Line Identification DataBase service.

The study has been developed on a Regional basis. The service is ordered through a Regional Service Center and the architecture is common throughout the Region.

A long run analysis is performed to ensure that the time period studied is sufficient to capture all forward looking costs affected by the business decision.

The recurring and nonrecurring costs presented in this study are levelized so as to be appropriate for the 1997-1999 study period. These costs are developed by using 1996 level TELRIC loadings, annual cost factors and labor rates designed to produce TELRIC results.

SECTION 2

SECTION 2

FLORIDA

CCS7 SIGNALING TRANSPORT SERVICE

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of Total Element Long Run Incremental Cost (TELRIC) supporting CCS7 Signaling Transport Service.

The purpose of the TELRIC methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward looking long run economic cost methodology. Volume sensitive and volume insensitive costs are identified to develop the direct costs caused by providing the particular network element being studied. TELRIC methodology anticipates pricing of elements in a wholesale network company. Many costs regarded as common or shared would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward looking common costs that cannot be directly attributed to any particular network element will be allocated among the cost elements. TELRIC includes both recurring (capital and operating expenses) and nonrecurring (service provisioning) costs.

THE DEVELOPMENT OF RECURRING COSTS

The per unit costs to BellSouth Telecommunications, Inc., resulting from the capital investments necessary to provide a service are called recurring costs. Recurring costs represent a forward looking view to technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing costs to the Company associated with the initial capital investment. Recurring costs may also be noninvestment related, such as expensed labor, feature specific software and contract expenses. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is calculated on the TELRIC.

The first step in developing a TELRIC study for CCS7 Signaling Transport Service is to determine the forward-looking network architecture. Prices for the software and equipment are defined. Next, account specific Telephone Plant Indexes are applied, when necessary, to trend investments and noninvestment related expenses to the study period. In-plant factors are applied to material prices to develop installed investments which include engineering and installation labor.

Appropriate loadings for land, building and miscellaneous common equipment and power are then applied to the electronic equipment.

Next, 1996 level TELRIC Annual Cost Factors are used to calculate the direct cost of capital, plant specific expenses and taxes. Account specific factors for each Uniform System of Accounts - Field Reporting Code (USOA - FRC) are applied to levelized investments by account code, yielding an annual cost per account code which includes directly attributable shared and common costs. Annual TELRIC by account codes are then summed and divided by the associated demand to arrive at a cost per cost element.

The directly attributable shared and common cost components of the TELRIC annual cost factors are calculated as follows. First, a detailed analysis of the forward looking directly assigned costs associated with the interconnect or unbundled network elements is performed. The remaining costs of doing business are then analyzed to determine whether they are directly attributable shared and common costs that can be reasonably attributed to network elements.

Next, the directly attributable shared and common costs are projected forward and segregated by the functional areas to which they are related. The functional areas are wholesale operations, retail services operations, and combined wholesale and retail services operations. Attribution factors based on the specific wholesale functional area, such as central office equipment (COE) investment, COE salary and wages, etc., are then developed and applied to the respective costs. These attributed costs are accumulated by related network investment category, such as pair gain equipment, buried cable, etc., and attributed shared cost factors are developed. These attributed shared cost factors are then included as a component of the TELRIC annual cost factors by investment category. All directly attributed costs related to retail services operations are excluded.

The common cost allocation factor is applied to TELRIC to produce the forward looking economic cost, as defined in the FCC Order, Appendix B, Section 51.505, which includes an appropriate share of common costs. The common cost allocation factor is calculated by summing all wholesale costs that cannot be reasonably attributed to specific elements, services or functions and dividing by the sum of the directly assignable and directly attributable wholesale costs.

THE DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting the CCS7 Signaling Transport Service. The first step in developing nonrecurring costs is to determine the cost elements related to the study. These cost elements are then described by all of the individual work functions required to provision the cost element. The work functions can be grouped into five categories. These are service order, initiate/administer circuit orders, develop circuit specifications, develop software translations and update the circuit database. The work function times, identified by subject matter experts, are used to describe the flow of work within the various work centers. Installation and provisioning costs are developed by multiplying the work time for each work function by the TELRIC labor rate for the work group performing the function.

The TELRIC labor rates are calculated as follows: Salary and wages, as used in the determination of TELRIC annual cost factors, are accumulated on a basis consistent with specific force groups. Shared costs attributable to salaries and wages are then accumulated on a basis consistent with the development of the respective force group's labor rate. A factor is then developed for each force group by dividing the attributed shared costs (human resources, office equipment, motor vehicles, land and building space, etc.) by the related salaries and wages. This factor is then applied to the salary and wage portion of the incremental labor rate for each force group, and the result is added to the incremental labor rate to determine the TELRIC labor rate.

Utilizing work functions, work times and TELRIC labor rates, disconnect costs are calculated in the same manner as the installation costs. Since the labor costs will occur in the future, the current TELRIC labor rates are inflated to that future period in time and then discounted to the present. The discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the nonrecurring cost.

The common cost allocation factor is applied to the nonrecurring TELRIC to produce the forward looking economic cost, as defined in the FCC Order, Appendix B, Section 51.505, which includes an appropriate share of common costs.

SECTION 3

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CCS7 SIGNALING TRANSPORT SERVICE

SUMMARY OF RESULTS

This section contains a cost summary for the Total Element Long Run Incremental Cost (TELRIC) for CCS7 Signaling Transport Service.

CCS7 SIGNALING CONNECTION	
Per 56 Kbps Facility, Per Month	
TELRIC	$ 4.42
Common Cost Allocation Factor	1.0804
Total Cost	$ 4.78
Per 56 Kbps Facility, Non-Recurring	In Progress
TELRIC	
Common Cost Allocation Factor	
Total Cost	
CCS7 SIGNALING TERMINATION	
Per STP Port, Per Month	
TELRIC	$111.30
Common Cost Allocation Factor	1.0804
Total Cost	$120.25
CCS7 SIGNALING USAGE	
Per Call Setup Message	
TELRIC	$0.000026
Common Cost Allocation Factor	1.0804
Total Cost	$0.000028
Per TCAP Message	
TELRIC	$0.000092
Common Cost Allocation Factor	1.0804
Total Cost	$0.000099
CCS7 SIGNALING USAGE SURROGATE	
Per 56 Kbps Facility, Per Month	
TELRIC	$410.51
Common Cost Allocation Factor	1.0804
Total Cost	$443.52

SECTION 4

SECTION 4

FLORIDA

CCS7 SIGNALING TRANSPORT SERVICE

COST DEVELOPMENT - RECURRING

This section defines the recurring Total Element Long Run Incremental Cost (TELRIC) development for Common Channel Signaling/System Signaling 7 (CCS7) Signaling Transport Service.

Generally, economic cost development is outlined in Section 2. Network architecture is determined, the necessary equipment is identified, software and material prices are obtained, and utilization and loading factors are applied. Annual TELRIC factors are applied to convert the investment to cost. Labor expense is directly identified.

The signaling connection and termination costs are comprised of an access link facility from a customer's location and the termination of that facility at the Signal Transfer Point (STP - a packet switch in the common channel signaling network).

For the access link on Workpaper 2, the investment for each facility component in the link is multiplied by its associated annual cost factor and summed to determine the annual cost. The annual cost is multiplied by the gross receipts tax factor and divided by twelve to derive the monthly cost.

For the termination of the access link on Workpaper 3, the annual cost of each vendor's hardware and the equivalent annual cost of the software (where applicable) for the termination of the access facility at the STP is developed using current vendor prices. These costs are divided by twelve and the resulting monthly costs are averaged in proportion to the relative number of ports.

The signaling usage is developed by first developing the CCS7 Signaling Transport cost per octet, followed by per signal message and finally per 56 Kbps Common Channel Signaling Access Facility per month.

An octet is an eight bit binary word. It is the basic element that composes the Signal Units that are used to convey information over the Common Channel Signaling network.

The cost per octet is based on the network infrastructure that provides signaling transport:

- The Signal Transfer Points (STPs), the packet switches that route signal units from one signaling link to another.
- The Cross Links and associated Port Terminations that connect mated STP pairs.
- The Access Links and associated Port Terminations that connect Service Switching Points (SSP) end offices to their home pair of STPs.

This study excludes the cost of network facilities and software feature packages that are specific to an individual service, e. g., Advanced Intelligent Network Services, 800 DataBase Service, etc.

On Workpaper 7, the average utilization and the expected monthly octets carried by Common Channel Signaling Access (CCSAC) Links are calculated.

Then on Workpaper 6, the cost per octet for Local STP Cross Links and SSP Access Links is calculated. The mileage-related investment for each facility component was multiplied by the average miles per link and added to the fixed investments. Fundamental unit investments for 56 kilobit per second interoffice facilities were used. The investments were then multiplied by their associated annual cost and summed to determine the annual cost.

The monthly cost divided by the link's average utilization in octets produces the cost per octet for the link.

Next on Workpaper 5, the cost per octet for the Port Termination of a link is developed. The annual cost of each vendor's hardware prices and the equivalent annual cost of the software prices (where applicable) are first calculated. The monthly costs are then averaged in proportion to the relative number of ports. The resulting average port cost is divided by the link's monthly utilization in octets to develop the cost per octet.

The STP costs on Workpaper 4 are developed similarly to the Port costs. The investment and software expense for each vendor is first calculated per link pair. An octet will be received over one link and then transmitted over another. An STP's octet throughput is then a function of the number of link pairs and the utilization of a signaling link.

The vendor specific investments and software expense per link pair are averaged in proportion to the relative number of STPs.

The capitalized (Company) engineering, installation, common equipment and power are added to the investment and the land and building investments are calculated. These are multiplied by their associated annual cost factors, summed and divided by the monthly utilization in octets for a link pair.

The software expense is annualized and a cost per octet is also calculated.

The monthly cost of the average Cross Links and Ports for an STP are calculated similarly. These C Links and Ports tie STPs together for administrative communication.

On Workpaper 1, using the average octets per message, the Integrated Service Digital Network - User Part (ISUP, trunk set-up signaling messages) and the Transactions Capabilities Application Part (TCAP, information transfer messages) costs per message are developed.

The cost per octet and the average octets per 56 Kbps CCSAC facility are then used to develop the monthly signaling usage per facility.

The following Workpapers detail the cost development.

1	**CCS7 SIGNALING**		**FLORIDA**
2	**TRANSPORT SERVICE COST SUMMARY**		**WORKPAPER 1**
3	**RECURRING COST**		**PAGE 1 OF 1**
4			
5			
6	**DESCRIPTION**	**SOURCE**	**AMOUNT**
7			-
8	**CCS7 Signaling Connection**		
9	**Per 56 Kbps Facility, per mo -**		
10	Direct	WP2, Pg 1 Ln 31	**$3.83**
11	Directly Attributable Shared and Common Cost (DASCC)	WP2, Pg 2 Ln 31	**$0.59**
12	TELRIC	Ln 10 + Ln 11	**$4.42**
13			
14	**CCS7 Signaling Termination**		
15	**Per STP Port, per mo.**		
16	Direct STP Port, per mo.	WP3, Pg 1 Ln 35	**$97.57**
17	DASCC STP Port, per mo.	WP3, Pg 2 Ln 35	**$13.73**
18	TELRIC	Ln 16 + Ln 17	**$111.30**
19			
20	**CCS7 Signaling Usage**		
21	Direct C Links & Port	WP4, Pg 1, Ln32	$0.00000079
22	DASCC C Links & Port	WP4, Pg 2, Ln32	$0.00000012
23			
24			
25	A Links and Ports - Direct	WP5,Pg 1 Ln35+WP6,Pg 1 Ln21	$0.00000015
26	A Links and Ports - DASCC	WP5,Pg 2 Ln35+WP6,Pg 2 Ln21	$0.00000002
27	Gross Receipts Tax Factor		1.0153
28			
29	Direct Cost Per Octet	(Ln21+Ln25)xLn27	$0.00000095
30	DASCC Per Octet	(Ln22+Ln26)xLn27	$0.00000014
31	TELRIC		
32	Average Octets per setup(ISUP) Message		24.5
33	Average Octets per TCAP Message		84.5
34			
35	**CCS7 Usage Per Call SetUp (ISUP)Message**		
36	Direct	Ln29 x Ln 32	$0.000023
37	DASCC	Ln30 x Ln 32	$0.000003
38	TELRIC	Ln36 + Ln37	$0.000026
39			
40	**CCS7 Usage Per TCAP Message**		
41	Direct	Ln29 x Ln33	$0.000080
42	DASCC	Ln30 x Ln33	$0.000012
43	TELRIC	Ln41 + Ln42	$0.000092
44			
45	Average Monthly Octets per 56 Kbps Facility	Workpaper 7 Ln 27	376,610,798
46			
47	**CCS7 Signaling Usage Surrogate per 56 Kbps Facility**		
48	Direct	Ln29 x Ln45	$357.78
49	DASCC	Ln30 x Ln45	$52.73
50	TELRIC	Ln48 + Ln49	$410.51

1	**CCS7 SIGNALING**			**FLORIDA**
2	**CONNECTION**			**WORKPAPER 2**
3				**PAGE 1 OF 2**
4	**DIRECT**			
5				
6	**DESCRIPTION**		**SOURCE**	**AMOUNT**
7				
8	**Investment**			
9	Land		WP6 Ln 10, Investment	$0.34
10	Building		WP6 Ln 11, Investment	$7.38
11	Digital Circuit		WP6 Ln 12, Investment	$176.45
12	Aerial		WP6 Ln 13, Investment	$2.40
13	Buried		WP6 Ln 14, Investment	$9.60
14	Underground		WP6 Ln 15, Investment	$2.40
15	Poles		WP6 Ln 16, Investment	$0.60
16	Conduit		WP6 Ln 17, Investment	$1.50
17	Total		Sum Ln 9 - Ln 16	$200.67
18				
19	**Direct Annual Cost Factor**			
20	Land	20C		0.1486
21	Building	10C		0.1679
22	Digital Circuit	357C		0.2327
23	Aerial	822C		0.1849
24	Buried	845C		0.1747
25	Underground	85C		0.1781
26	Poles	1C		0.1922
27	Conduit	4C		0.1395
28				
29	Annual Cost		Algorithm 1	$45.23
30	Gross Receipts Tax Factor			1.0153
31	**Direct Monthly Cost**		**(Ln29xLn30)/12**	**$3.83**
	Algorithm 1: (L9xL20) + (Ln10xLn21) + (Ln11xLn22) + (Ln12xLn23) + (Ln13xLn24) + (Ln14xLn25) + (Ln15xLn26) + (Ln16xLn27)			
	PRIVATE/PROPRIETARY			
	Contains Private and/or Proprietary Information			
	May not be used or Disclosed Outside The BellSouth Companies			
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1	**CCS7 SIGNALING**		**FLORIDA**	
2	**CONNECTION**		**WORKPAPER 2**	
3			**PAGE 2 OF 2**	
4	**DIRECTLY ATTRIBUTABLE SHARED AND COMMON COST (DASCC)**			
5				
6	**DESCRIPTION**	**SOURCE**	**AMOUNT**	
7				
8	**Investment**			
9	Land	WP6 Ln 10, Investment	$0.34	
10	Building	WP6 Ln 11, Investment	$7.38	
11	Digital Circuit	WP6 Ln 12, Investment	$176.45	
12	Aerial	WP6 Ln 13, Investment	$2.40	
13	Buried	WP6 Ln 14, Investment	$9.60	
14	Underground	WP6 Ln 15, Investment	$2.40	
15	Poles	WP6 Ln 16, Investment	$0.60	
16	Conduit	WP6 Ln 17, Investment	$1.50	
17	Total	Sum Ln 9 - Ln 16	$200.67	
18				
19	**DASCC Annual Cost Factor**			
20	Land 20C		0.0000	
21	Building 10C		0.0014	
22	Digital Circuit 357C		0.0372	
23	Aerial 822C		0.0299	
24	Buried 845C		0.0235	
25	Underground 85C		0.0220	
26	Poles 1C		0.0294	
27	Conduit 4C		0.0146	
28				
29	Annual Cost	Algorithm 1	$6.96	
30	Gross Receipts Tax Factor		1.0153	
31	**DASCC Monthly Cost**	**(Ln29xLn30)/12**	**$0.59**	
	Algorithm 1: (L9xL20)+(Ln10xLn21)+(Ln11xLn22)+(Ln12xLn23)+(Ln13xLn24)+(Ln14xLn25)+ (Ln15xLn26)+(Ln16xLn27)			
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1	**CCS7 SIGNALING**			**FLORIDA**
2	**TERMINATION**			**WORKPAPER 3**
3				**PAGE 1 OF 2**
4	**DIRECT**			
5				
6	**DESCRIPTION**		**SOURCE**	**AMOUNT**
7				
8	**VENDOR A**			
9	Investment per Port			
10	Hardware Discount Factor			
11	Total Investment		Ln 9 x Ln 10	
12	Direct Annual Cost Factor	(377C)		0.2412
13	Monthly Cost Per Port		(Ln 11 x Ln 12)/12	
14				
15	**VENDOR B**			
16	Investment per Port			
17	Hardware Discount Factor			
18	Total Investment		Ln 16 x Ln 17	
19	Direct Annual Cost Factor	(377C)		0.2412
20	Monthly Cost Per Port		(Ln 18 x Ln 19)/12	
21				
22	Software per Port			
23	Software Discount Factor			
24	Total Software Expense		Ln 22 x Ln 23	
25	Annuity Factor			0.2723
26	Equivalent Monthly Cost per Port		(Ln 24 x Ln 25)/12	
27	Total Monthly Cost per Port		Ln 20 + 26	
28				
29	Port Ratio, Vendor A			0.53
30	Port Ratio, Vendor B			0.47
31	Average Monthly Cost per Port		(Ln13xLn29) + (Ln27xLn30)	$96.10
32				
33	Gross Receipts Tax Factor			1.0153
34				
35	**Direct Monthly Cost per Port**		**Ln 31 x Ln 33**	**$97.57**
	Note : There is no software Port expense associated with Vendor A			
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1	**CCS7 SIGNALING**		**FLORIDA**
2	**TERMINATION**		**WORKPAPER 3**
3			**PAGE 2 OF 2**
4	**DIRECTLY ATTRIBUTABLE SHARED AND COMMON COST (DASCC)**		
5			
6	**DESCRIPTION**	**SOURCE**	**AMOUNT**
7			
8	**VENDOR A**		
9	Investment per Port		$13,315.00
10	Hardware Discount Factor	(1 - 0.65)	0.35
11	Total Investment	Ln 9 x Ln 10	$4,660.25
12	DASCC Annual Cost Factor (377C)		0.0434
13	Monthly Cost Per Port	(Ln 11 x Ln 12)/12	$16.85
14			
15	**VENDOR B**		
16	Investment per Port		$5,621.00
17	Hardware Discount Factor	(1 - 0.52)	0.48
18	Total Investment	Ln 16 x Ln 17	$2,698.08
19	DASCC Annual Cost Factor (377C)		0.0434
20	Monthly Cost Per Port	(Ln 18 x Ln 19)/12	$9.76
21			
22			
23			
24			
25			
26			
27			
28			
29	Port Ratio, Vendor A		0.53
30	Port Ratio, Vendor B		0.47
31	Average Monthly Cost per Port	(Ln13xLn29) + (Ln20xLn30)	$13.52
32			
33	Gross Receipts Tax Factor		1.0153
34			
35	**DASCC Monthly Cost per Port**	**Ln 31 x Ln 33**	**$13.73**
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1	**DEVELOPMENT OF CCS7 SIGNALING COST**		**FLORIDA**
2	**PER OCTET FOR STP'S AND C LINKS**		**WORKPAPER 4**
3			**PAGE 1 OF 4**
4	**DIRECT COST**		
5			
6	**DESCRIPTION**	**SOURCE**	**AMOUNT**
7	**STP**		
8	Investment per Link Pair (Excluding Port Term.)	WP 4 Pg 4 Ln 33	$17,064.32
9	Company Engineering and Installation		1.1652
10	Miscellaneous Common Equipment and Power		1.0980
11	**Total Investment per Link Pair (Hardware)**	**Ln8xLn9xLn10**	**$21,831.91**
12	Land Factor		0.0042
13	Building Factor		0.0706
14	Direct Annual Cost Factor, Hardware (377C)		0.2412
15	Direct Annual Cost Factor, Land (20C)		0.1486
16	Direct Annual Cost Factor, Building (10C)		0.1679
17	Annual Cost Hardware	Ln 11 x Ln 14	$5,265.86
18	Annual Cost Land	Ln 11 x Ln 12 x Ln 15	$13.63
19	Annual Cost Building	Ln 11 x Ln 13 x Ln 16	$258.79
20	**Annual Cost per Link Pair (Hardware) (VS)**	Ln 17 + Ln18 + Ln19	$5,538.28
21	Software Expense per Link Pair (Excluding Port Termination)	WP 4 Pg 4 Ln 34	$3,633.53
22	Annuity Factor		0.2723
23	**Equivalent Annual Cost per Link Pair (Software) (VIS)**	**Ln 21 x Ln 22**	**$989.41**
24	**Monthly Cost per Link Pair**		
25	-Hardware, Land & Building - Volume Sensitive	Ln 20 / 12	$461.52
26	-Software - Volume Insensitive	Ln 23 / 12	$82.45
27			
28	Average Pair Links		72
29	Monthly Cost per Port Pair & C Link	(2)(WP5 Pg1 Ln 31) + (WP6 Pg1 Ln19)	$196.01
30	Monthly Cost per Link Pair, (Volume Insensitive)	Ln 29 / Ln 28	$2.72
31	Octets per month per Link Pair	WP 7 Ln 18	689,472,000
32	**Direct Cost per Octet**	**(Ln 25 + Ln26 + Ln30)/Ln31**	**$0.00000079**
	PRIVATE/PROPRIETARY		
	Contains Private and/or Proprietary Information		
	May not be used or Disclosed Outside The BellSouth Companies		
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1	**DEVELOPMENT OF CCS7 SIGNALING COST**		**FLORIDA**
2	**PER OCTET FOR STP'S AND C LINKS**		**WORKPAPER 4**
3			**PAGE 2 OF 4**
4	**DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)**		
5			
6	**DESCRIPTION**	**SOURCE**	**AMOUNT**
7	**STP**		
8	Investment per Link Pair (Excluding Port Term.)	WP 4 Pg 4 Ln 33	$17,064.32
9	Company Engineering and Installation		1.1652
10	Miscellaneous Common Equipment and Power		1.0980
11	**Total Investment per Link Pair (Hardware)**	**Ln8xLn9xLn10**	**$21,831.91**
12	Land Factor		0.0042
13	Building Factor		0.0706
14	DASCC Annual Cost Factor, Hardware (377C)		0.0434
15	DASCC Annual Cost Factor, Land (20C)		0.0000
16	DASCC Annual Cost Factor, Building (10C)		0.0014
17	Annual Cost Hardware	Ln 11 x Ln 14	$947.50
18	Annual Cost Land	Ln 11 x Ln 12 x Ln 15	$0.00
19	Annual Cost Building	Ln 11 x Ln 13 x Ln 16	$2.16
20	**Annual Cost per Link Pair (Hardware) (VS)**	Ln 17 + Ln18 + Ln19	$949.66
21			
22			
23			
24	**Monthly Cost per Link Pair**		
25	Hardware, Land & Building - Volume Sensitive	Ln 20 / 12	$79.14
26			
27			
28	Average Pair Links		72
29	Monthly Cost per Port Pair & C Link	(2)(WP5 pg2 Ln 31) + (WP6 pg2 Ln19)	$27.64
30	Monthly Cost per Link Pair, (Volume Insensitive)	Ln 29 / Ln 28	$0.38
31	Octets per month per Link Pair	WP 7 Ln 18	689,472,000
32	**DASCC per Octet**	**(Ln 25 + Ln30)/Ln31**	**$0.00000012**
	PRIVATE/PROPRIETARY		
	Contains Private and/or Proprietary Information		
	May not be used or Disclosed Outside The BellSouth Companies		
	Except Pursuant to a Written Agreement		

1	**DEVELOPMENT OF CCS7 SIGNALING COST**		**FLORIDA**
2	**PER LINK PAIR FOR STP'S**		**WORKPAPER 4**
3			**PAGE 3 OF 4**
4			
5			
6	**DESCRIPTION**	**SOURCE**	**AMOUNT**
7	**VENDOR A**		
8	Required Switches		16
9	Ratio to Total		0.53
10	Average Link Pairs (Excluding C Links)		72
11			
12	Hardware Investment		
13	Capitalized Software		
14	Engineering Investment		
15	Installation Investment		
16	Hardware Discount Factor		
17	Software Discount Factor		
18	Engineering Discount Factor		0
19	Installation Discount Factor		0
20	Total Hardware Investment	Ln 12 x Ln 16	
21	Total Software Investment	Ln 13 x Ln 17	
22	Total Engineering Investment	Ln 14	
23	Total Installation Investment	Ln 15	
24	**Total Investment**	**Sum(Ln20-Ln 23)**	
25			
26	Software Expense		
27	Software Discount Factor		
28	**Total Software Expense**	**Ln 26 x Ln 27**	
29			
30	**Investment per Link Pair (Volume Sensitive)**	**Ln 24/ Ln 10**	
31	**Software Expense per Link Pair (Volume Insensitive)**	**Ln 28 / Ln 10**	
	PRIVATE/PROPRIETARY		
	Contains Private and/or Proprietary Information		
	May not be used or Disclosed Outside The BellSouth Companies		
	Except Pursuant to a Written Agreement		

1	**DEVELOPMENT OF CCS7 SIGNALING COST**		**FLORIDA**
2	**PER LINK PAIR FOR STP'S**		**WORKPAPER 4**
3			**PAGE 4 OF 4**
4			
5			
6	**DESCRIPTION**	**SOURCE**	**AMOUNT**
7	**VENDOR B**		
8	Required Switches		14
9	Ratio to Total		0.47
10	Average Link Pairs (Excluding C Links)		72
11			
12	Hardware Investment		
13	Software Investment		
14	Engineering Investment		
15	Installation Investment		
16	Hardware Discount Factor		
17	Software Discount Factor		
18	Engineering Discount Factor		0
19	Installation Discount Factor		0
20	Total Hardware Investment	Ln 12 x Ln 16	
21	Total Software Investment	Ln 13 x Ln 17	
22	Total Engineering Investment	Ln 14	
23	Total Installation Investment	Ln 15	
24	**Total Investment**	**Sum(Ln20-Ln23)**	
25			
26	Software Expense		
27	Software Discount Factor		
28	**Total Software Expense**	**Ln 26 x Ln 27**	
29			
30	**Investment per Link Pair (Volume Sensitive)**	**Ln 24/ Ln 10**	
31	**Software Expense per Link Pair (Volume Insensitive)**	**Ln 28 / Ln 10**	
32			
33	**Weighted Avg Investment per Link Pair (Volume Sensitive)**	**WP4 pg 3 (Ln9xLn30) + (Ln9xLn30)**	**$17,064.32**
34	**Weighted Avg Software Expense per Link Pair (Volume Insensitive)**	**WP4 pg 3 (Ln9xLn31) + (Ln9xLn31)**	**$3,633.53**
	PRIVATE/PROPRIETARY		
	Contains Private and/or Proprietary Information		
	May not be used or Disclosed Outside The BellSouth Companies		
	Except Pursuant to a Written Agreement		

1	**DEVELOPMENT OF CCS7 SIGNALING COST**			**FLORIDA**
2	**PER OCTET FOR STP PORTS**			**WORKPAPER 5**
3				**PAGE 1 OF 2**
4	**DIRECT COST**			
5				
6	**DESCRIPTION**		**SOURCE**	**AMOUNT**
7				
8	**VENDOR A**			
9	Investment per Port			
10	Hardware Discount Factor			
11	Total Investment		Ln 9 x Ln 10	
12	Direct Annual Cost Factor	377C		0.2412
13	**Monthly Cost Per Port**		(Ln 11 x Ln 12)/12	
14				
15	**VENDOR B**			
16	Investment per Port			
17	Hardware Discount Factor			
18	Total Investment		Ln 16 x Ln 17	
19	Direct Annual Cost Factor	377C		0.2412
20	**Monthly Cost Per Port**		**(Ln 18 x Ln 19)/12**	
21				
22	Software per Port			
23	Software Discount Factor			
24	Total Software Expense		Ln 22 x Ln 23	
25	Annuity Factor			0.2723
26	Equivalent Monthly Cost per Port		(Ln 24 x Ln 25)/12	
27	**Total Monthly Cost per Port**		Ln 20 + 26	
28				
29	Port Ratio, Vendor A			0.53
30	Port Ratio, Vendor B			0.47
31	**Average Monthly cost per Port**		**(Ln13xLn29) + (Ln27xLn30)**	**$96.12**
32				
33	**Octets per Month per Port**		**WP 7 Ln 18**	**689,472,000**
34				
35	**Direct Cost per Octet per Port**		**Ln 31/ Ln 33**	**$0.00000014**
	NOTE: There is no software Port expense associated with Vendor A.			
	PRIVATE/PROPRIETARY			
	Contains Private and/or Proprietary Information			
	May not be used or Disclosed Outside The BellSouth Companies			
	Except Pursuant to a Written Agreement			

1	**DEVELOPMENT OF CCS7 SIGNALING COST**		**FLORIDA**
2	**PER OCTET FOR STP PORTS**		**WORKPAPER 5**
3			**PAGE 2 OF 2**
4	**DIRECTLY ATTRIBUTED SHARED AND COMMON COST (DASCC)**		
5			
6	**DESCRIPTION**	**SOURCE**	**AMOUNT**
7			
8	**VENDOR A**		
9	Investment per Port		$13,315.00
10	Hardware Discount Factor	(1 - 0.65)	0.35
11	Total Investment	Ln 9 x Ln 10	$4,660.25
12	DASCC Annual Cost Factor 377C		0.0434
13	**Monthly Cost Per Port**	(Ln 11 x Ln 12)/12	**$16.86**
14			
15	**VENDOR B**		
16	Investment per Port		$5,621.00
17	Hardware Discount Factor	(1 - 0.52)	0.48
18	Total Investment	Ln 16 x Ln 17	$2,698.08
19	DASCC Annual Cost Factor 377C		0.0434
20	**Monthly Cost Per Port**	**(Ln 18 x Ln 19)/12**	**$9.76**
21			
22			
23			
24			
25			
26			
27			
28			
29	Port Ratio, Vendor A		0.53
30	Port Ratio, Vendor B		0.47
31	**Average Monthly cost per Port**	**(Ln13xLn29) + (Ln20xLn30)**	**$13.53**
32			
33	**Octets per Month per Port**	**WP 7 Ln 18**	**689,472,000**
34			
35	**DASCC per Octet per Port**	**Ln 31/ Ln 33**	**$0.00000002**
	PRIVATE/PROPRIETARY		
	Contains Private and/or Proprietary Information		
	May not be used or Disclosed Outside The BellSouth Companies		
	Except Pursuant to a Written Agreement		

1	**CCS7 COST**						**FLORIDA**
2	**PER OCTET FOR C LINKS AND SSP A LINKS**						**WORKPAPER 6**
3							**PAGE 1 OF 2**
4	DIRECT COST						
5							
6	**C LINK/SSP A LINK, 30 AIR MILES**						
7							
8			PER			DIRECT	TOTAL
9		FIXED	MILE	MILES	INVESTMENT	ACF	ANNUAL COST
10	LAND 20C	0.34	0	30	$0.34	0.1486	$0.05
11	BUILDING 10C	5.58	0.06	30	$7.38	0.1679	$1.24
12	CIRCUIT 357C	134.45	1.4	30	$176.45	0.2327	$41.06
13	AERIAL 822C		0.08	30	$2.40	0.1849	$0.44
14	BURIED 845C		0.32	30	$9.60	0.1747	$1.68
15	UNDERGROUND 85C		0.08	30	$2.40	0.1781	$0.43
16	POLES 1C		0.02	30	$0.60	0.1922	$0.12
17	CONDUIT 4C		0.05	30	$1.50	0.1395	$0.21
18	TOTAL				$200.67		$45.23
19	TOTAL MO. COST						$3.77
20	OCTETS/MO - WP 7 Ln 18						689,472,000
21	DIRECT COST PER OCTET (VOLUME SENSITIVE)						$0.0000000055
	PRIVATE/PROPRIETARY						
	Contains Private and/or Proprietary Information						
	May not be used or Disclosed Outside The BellSouth Companies						
	Except Pursuant to a Written Agreement						

1	**CCS7 COST**						FLORIDA
2	PER OCTET FOR C LINKS AND SSP A LINKS						WORKPAPER 6
3							PAGE 2 OF 2
4	**DIRECTLY ATTRIBUTABLE SHARED AND COMMON COST (DASCC)**						
5							
6	**C LINK/SSP A LINK, 30 AIR MILES**						
7							
8			PER			DASCC	TOTAL
9		FIXED	MILE	MILES	INVESTMENT	ACF	ANNUAL COST
10	LAND 20C	0.34	0	30	$0.34	0.0000	$0.00
11	BUILDING 10C	5.58	0.06	30	$7.38	0.0014	$0.01
12	CIRCUIT 357C	134.45	1.4	30	$176.45	0.0372	$6.56
13	AERIAL 822C		0.08	30	$2.40	0.0299	$0.07
14	BURIED 845C		0.32	30	$9.60	0.0235	$0.23
15	UNDERGROUND 85C		0.08	30	$2.40	0.0220	$0.05
16	POLES 1C		0.02	30	$0.60	0.0294	$0.02
17	CONDUIT 4C		0.05	30	$1.50	0.0146	$0.02
18	TOTAL				$200.67		$6.96
19	TOTAL MO. COST						$0.58
20	OCTETS/MO - WP 7 Ln 18						689,472,000
21	DASCC PER OCTET (VOLUME SENSITIVE)						$0.0000000009
	PRIVATE/PROPRIETARY						
	Contains Private and/or Proprietary Information						
	May not be used or Disclosed Outside The BellSouth Companies						
	Except Pursuant to a Written Agreement						

1	**CCS7 SIGNALING TRANSPORT SERVICE**		**FLORIDA**
2			**WORKPAPER 7**
3	**DEMAND**		**PAGE 1 OF 1**
4			
5			
6			
7	**DESCRIPTION**	**SOURCE**	**AMOUNT**
8			
9	**LINK OCTET UTILIZATION**		
10	CCS7 bits per second		56,000
11	Bits per Octet		8
12	Total octets per second	Ln 10 / Ln 11	7,000
13	Average Utilization		0.10
14	Total Average Octets per sec	Ln 12 x Ln 13	700
15	Seconds per busy hour		3,600
16	Total octets per busy hour	Ln 14 x Ln 15	2,520,000
17	Ratio, Avg. Calendar day to busy hour		9
18	Octets per month per link	Ln 16xLn17x30.4	689,472,000
19			
20	**OCTETS - CCSAC LINKS**		
21	Access MOU - 1996		86,347,735,000
22	CCSAC Links - 1996		646
23	Monthly MOU per CCSAC Link	(Ln 21/ Ln 22)/12	11,138,769
24	MOU per Message		3.7
25	Monthly Messages per CCSAC Link	Ln 23 / Ln 24	3,010,478
26	Octets per Message		125.1
27	Monthly Octets per CCSAC Link	Ln 25 x Ln 26	376,610,798
	PRIVATE/PROPRIETARY		
	Contains Private and/or Proprietary Information		
	May not be used or Disclosed Outside The BellSouth Companies		
	Except Pursuant to a Written Agreement		

SECTION 5

SECTION 5

FLORIDA

CCS7 SIGNALING TRANSPORT SERVICE

COST DEVELOPMENT - NONRECURRING

IN PROGRESS

SECTION 6

SECTION 6

FLORIDA

CCS7 SIGNALING TRANSPORT SERVICE

SPECIFIC STUDY ASSUMPTIONS

Cost study assumptions are as follows:

Software expenses were projected to the 1997-1999 study period using Telephone Plant Indexes and investment inflation factors for their associated Digital Switching Equipment (377C).

Software expenses such as Right-To-Use fees are amortized over five years to develop an equivalent annual cost.

SECTION 7

SECTION 7

FLORIDA

CCS7 SIGNALING TRANSPORT SERVICE

FACTORS AND LOADINGS

Following are the Annual TELRIC factors, miscellaneous loadings and labor rates used in the Common Channel Signaling Transport Service cost study.

Hardware Inflation Rate From 1996 (Regional)		1.0000
Amortization Factor (5 Years @ 11.25%)		0.2723
Engineering & Installation Factor	377C (Regional)	1.1652
Land Factor	20C (Regional)	0.0042
Building Factor	10C (Regional)	0.0706
Miscellaneous Common Equipment and Power Factor	377C (Regional)	1.0980
Gross Receipts Tax Factor (Florida)		1.0153
Annual TELRIC Factors	(Attached)	

Image Table: ACF.WK1

23-Sep-96

1996 BELLSOUTH TELECOMMUNICATIONS
ACCOUNT AVERAGE ANNUAL COST FACTORS

* FOR USE IN SERVICE COST STUDIES ONLY *

	Field Code	Depreciation	ACFC COM	ACFC Inc Tax	Cap Exp	ACFC Plt Specific Exp	ACFC Adval Tax	Directly Attributed Shared and Common	TELRIC
		a	b	c	d	e	f	g	i
			11.25%		(a+b+c)				(d+e+f+g)
LAND - COE	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0113	0.0000	0.1486
BUILDINGS - COE	10C, 110C	0.0330	0.0826	0.0369	0.1525	0.0041	0.0113	0.0014	0.1693
DIGITAL ELEC SWITCH	377C, 587C	0.1157	0.0555	0.0254	0.1966	0.0333	0.0113	0.0434	0.2846
OPERATOR SYSTEMS	117C,417C	0.1157	0.0647	0.0296	0.2100	0.0071	0.0113	0.0500	0.2784
DIGTL CIRC-DDS	157C	0.1608	0.0575	0.0256	0.2439	0.0060	0.0113	0.0394	0.3006
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0113	0.0366	0.2688
DIGTL CIRC-OTHER	357C,T357C,F357C,557C	0.1314	0.0564	0.0252	0.2130	0.0084	0.0113	0.0372	0.2699
POLES	1C	0.0721	0.0599	0.0254	0.1574	0.0235	0.0113	0.0294	0.2216
AERIAL CA - METAL	22C, 12C	0.1023	0.0679	0.0254	0.1956	0.0461	0.0113	0.0619	0.3149
AERIAL CA - FIBER	822C, 812C,D22C, F22C,T22C,D12C,F12C,T12C	0.0746	0.0662	0.0281	0.1689	0.0047	0.0113	0.0299	0.2148
UNGROUND CA - METAL	5C	0.1184	0.0681	0.0263	0.2128	0.0172	0.0113	0.0351	0.2764
UNGROUND CA - FIBER	85C,D5C,F5C,T5C	0.0686	0.0655	0.0284	0.1625	0.0043	0.0113	0.0220	0.2001
BURIED CA - METAL	45C	0.0885	0.0678	0.0277	0.1840	0.0391	0.0113	0.0468	0.2812
BURIED CA - FIBER	845C, D45C, F45C, T45C	0.0613	0.0670	0.0295	0.1578	0.0056	0.0113	0.0235	0.1982
SUBMARINE CA-METAL	6C	0.0937	0.0688	0.0307	0.1932	0.0026	0.0113	0.0206	0.2277
SUBMARINE CA-FIBER	86C,D6C,F6C,T6C	0.0937	0.0688	0.0310	0.1935	0.0026	0.0113	0.0209	0.2283
INTRBLD NTWK-METAL	52C	0.0751	0.0669	0.0291	0.1711	0.0138	0.0113	0.0315	0.2277
INTRBLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0751	0.0669	0.0292	0.1712	0.0041	0.0113	0.0270	0.2136
CONDUIT SYSTEMS	4C	0.0205	0.0727	0.0325	0.1257	0.0025	0.0113	0.0146	0.1541

DDC-25

FLORIDA

UNBUNDLED LOCAL USAGE

TELRIC COST STUDY DOCUMENTATION

SECTIONS A THRU 7

Florida
Unbundled Local Usage

COST STUDY DOCUMENTATION

CONTENTS

SECTION A

Florida
Unbundled Local Usage

PROPRIETARY RATIONALE

The Florida Unbundled Local Usage Cost Study contains costs which reflect BellSouth's long run incremental cost of providing this service on a going forward basis. Public disclosure of this information would provide BellSouth's competitors with an advantage. The data is valuable to competitors and potential competitors in formulating strategic plans for entry, pricing, marketing and overall business strategies. This information relates to the competitive interests of BellSouth and disclosure would impair the competitive business of BellSouth.

For these reasons the Florida Unbundled Local Usage Cost Study is considered proprietary.

SECTION 1

Florida
Unbundled Local Usage

INTRODUCTION AND OVERVIEW

This Total Element Long Run Incremental Cost (TELRIC) study is being provided to support Local Measured Usage. The costs presented in this study are based on TELRIC methodology established by the FCC's First report and Order in CC Docket 96-98 (FCC Order) released August 8, 1996.

Unbundled Local Usage provide Alternate Local Exchange Companies (ALECs) with the ability to access the local switched network, and usage of the local switched network. Use of the local switched network consumes additional resources, such as traffic sensitive switching resources and if necessary, interoffice facilities. The costs for network usage are included in this study.

The study methodology uses the Network Analysis Tool (NCAT) model to develop the incremental cost involved in the provisioning of Local Measured Usage. This model was developed and is maintained by Bellcore. The version used to develop the study results is 4.1. All costs are calculated on a forward-looking basis. This implies that the most cost-effective technology approved for use will be deployed.

A long run analysis is performed to ensure that the time period studied is sufficient to capture all forward looking costs affected by the business decision. Recurring costs developed in this study are levelized to be appropriate for the 1997-1999 study period. These costs are developed by using 1996 level TELRIC loadings and annual cost factors designed to produce TELRIC results.

SECTION 2

Florida
Unbundled Local Usage

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of Total Element Long Run Incremental Costs (TELRIC) supporting the Unbundled Local Usage Cost Study.

The purpose of the TELRIC methodology established by the FCC order is to set the rates for interconnection and unbundled network elements. The basis for a TELRIC study is forward-looking long run economic cost methodology. TELRIC methodology anticipates pricing of network elements in a wholesale network company. Many costs regarded as common or shared would be included as directly attributable in a TELRIC study. The FCC pricing methodology also specifies that, over and above TELRIC, the additional portion of forward-looking common costs that cannot be directly attributed to any particular network element will be allocated among cost elements. This TELRIC study include both recurring (capital and operating expenses) and nonrecurring (provisioning) costs.

THE DEVELOPMENT OF RECURRING COSTS

Recurring costs represent a forward-looking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs consist of plant specific expenses and ad valorem taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Also included in the recurring TELRIC are shared and common costs directly attributable to the network element. Gross receipts tax is calculated on the TELRIC.

The study utilizes Bellcore's Network Cost Analysis Tool (NCAT) model to develop these costs. The version used in this study is 4.1. Refer to Section 4 for a detailed explanation of the NCAT model.

SECTION 3

Florida
Unbundled Local Usage

SUMMARY OF RESULTS

This section contains a cost summary for the Total Element Long Run Incremental Cost (TELRIC).

TELRIC- **End Office Switching per Conv. Min. per Switch**	**$0.002273**
Common Cost Allocation Factor	**1.0804**
Total	**$0.002456**
TELRIC- **Tandem Switching per Conv. Min. per Switch**	**$0.001326**
Common Cost Allocation Factor	**1.0804**
Total	**$0.001433**
TELRIC- **Common Transport per Conv. Min. per Link**	**$0.000297**
Common Cost Allocation Factor	**1.0804**
Total	**$0.000321**

SECTION 4

Florida
Unbundled Local Usage

COST DEVELOPMENT - RECURRING

Network Cost Analysis Tool - Production Module (NCAT), Version 4.1, is used to develop TELRIC for Local Usage. NCAT is a large scale personal computer system, maintained and developed by Bellcore. NCAT calculates the incremental cost of traffic on the public switched telephone network on a per minute and message charging basis.

NCAT calculates the cost (capital related and operation) of traffic, starting with the originating switch, over the network through the available trunk groups, the tandem switches, and ends at the terminating switch. Costs are calculated for all possible network routes, and a composite cost is developed on the overflow traffic characteristics of the network.

Workpaper 100 page 1 of 3 develops End Office switching costs per minute. Note that End Office switching cost includes measurement costs.

Workpaper 100 page 2 of 3 develops Tandem switching costs per minute.

Workpaper 100 page 3 of 3 develops Common Transport cost per minute. Note that common transport cost includes facility, terminating and SS7 costs.

Unbundled Local Usage Costs
End Office Switching Cost per Minute

State: Florida
Workpaper: 100
Page: 1 of 3
Date: 4-OCT-96

Source		Workpaper 200 P 1, Ln 23, Col E	Workpaper 200 P 2, Ln 21, Col D		Workpaper 200 P 3, Ln 24, Col D		Workpaper 200 P 2, Ln 21, Col F				
	(a)	(b)	(c)	(d)=(c/b)	(e)	(f)=(d+e)	(g)	(h)=(g/b)	(i)=(h+f)	(j)	(k)=(i*j)
LN	Distance Band	Avg. Min./Msg.	End Office Set-up Cost/Msg.	End Office Set-up Cost/Min.	End Office Duration Cost/Min.	End Office Switching Cost/Min.	Set-up Meas. Cost/Msg.	Set-up Meas. Cost/Min.	E.O. Meas. & Switching Cost/Min.	Conv.** Factor	End Office Switching Cost per Min. per Switch
1	**Direct Cost**										
2	ALL										$0.001930
3											
4	**Directly Attributed Shared & Common Cost**										
5	ALL										$0.000343
6											
7	**TELRIC**										
8	ALL										$0.002273
9											

Note:
** Conversion factor must be applied to the per minute switching costs in order to account for the fact that inter-office switching costs are shared between each end office. This factor is developed by taking the total minutes of use and dividing by the IAO minutes of use plus 2 times the inter-office minutes of use.

Conversion factor = (Total Minutes/(Intraoffice Minutes+(2*Interoffice Minutes))

Unbundled Local Usage Costs
Tandem Switching Cost Per Minute

State: Florida
Workpaper: 100
Page: 2 of 3
Date: 4-OCT-96

Ln	(A) Item	(B) Source	(C) Direct Cost	(D) Directly Attributed Shared & Common Cost	(E) TELRIC
1	Tandem Costs	WP 200, P 4, L2			
2	Common Minutes	WP 200, P 4, L3			
3	Access Tandem Cost Per Minute without adj.	L 1/L 2			
4	Conversion Factor **				
5	Switching Tandem Cost Per Minute Per Switch	L 3* L 4	$0.001126	$0.000200	$0.001326
6					

Note:
** Conversion factor must be applied to the Access Tandem Cost per Minute in order to convert cost per access minute to cost per conversation minute.

Unbundled Local Usage Costs
Common Transport Cost per Minute

State: Florida
Workpaper: 100
Page: 3 of 3
Date: 4-OCT-96

Source		Workpaper 200 P 1, Ln 23, Col E	Workpaper 200 P 2, Ln 21, Col G		Workpaper 200 P 3, Ln 24, Col F		Workpaper 200 P 2, Ln 21, Col I		Workpaper 200 P 2, Ln 21, Col H		Workpaper 200 P 3, Ln 24, Col G					
	(a)	(b)	(c)	(d)=(c/b)	(e)	(f)=(d+e)	(g)	(h)=(g/b)	(i)	(j)=(i/b)	(k)	(l)=(g+k)	(m)=(f+h+l)	(n)	(o)=(m*n)
LN	Distance Band	Avg. Min./Msg.	Facility Set-up Cost/Msg.	Facility Set-up Cost/Min.	Facility Duration Cost/Min.	Facility Cost/Min.	SS7 Set-up Cost/Msg.	SS7 Set-up Cost/Min.	Terminations Set-up Cost/Msg.	Terminations Set-up Cost/Min.	Terminations Duration Cost/Min.	Terminations Cost/Min.	Com. Transport Cost/Min. without adj.	Conversion Factor**	Com. Transport Cost/Min./Link***
1	Direct Cost														
2	ALL														
3															
4	Directly Attributed Shared & Common Cost														
5	ALL														
6															
7	TELRIC														
8	ALL														
9															

Note:
** Conversion factor must be applied to the per minute common transport costs in order to account for the fact that common transport costs are only applicable to interoffice calls. This factor is developed by taking the total minutes of use and dividing by the inter-office minutes of use.

Conversion factor = (Total Minutes/Interoffice Minutes)

*** This assumes that each transport link, "EO-EO", "EO-TDM", "TDM-TDM" would be rated and billed separately.

NETWORK COST ANALYSIS TOOL (NCAT)
TELRIC

STATE: FLORIDA
WORKPAPER: 200
PAGE: 1 OF 4
DATE: 04-OCT-96

ANNUALIZED INCREMENTAL MESSAGES AND MINUTES
BY DISTANCE BAND BY RATE PERIOD

	(A)	(B)	(C)	(D)	(E) =(D/C)
1	DISTANCE	RATE		TOTAL	
2	BAND	PERIOD	MESSAGES	MINUTES	AVG MIN./MSG
3					
4	IAO	09-11			
5		14-20			
6		08			
7		12-13			
8		21-07			
9		TOTAL			
10					
11	0.0-9999.9	09-11			
12		14-20			
13		08			
14		12-13			
15		21-07			
16		TOTAL			
17					
18	ALL	09-11			
19		14-20			
20		08			
21		12-13			
22		21-07			
23		TOTAL			

TRAFFIC SENSITIVE UNIT COST - SETUP RELATED

	(A)	(B)	(C) =(D+E+F+G+H+I)	(D)	(E)	(F)	(G)	(H)	(I)
1	DISTANCE		TOTAL	|---------SWITCHING---------|			|-----TRUNKING----|	
2	BAND	RP		EO	TDM	MEAS	FAC	TERM	SS7
3	----------	-----	---------	---------	---------	---------	---------	---------	---------
4									
5	IAO	09-11							
6		14-20							
7		AVG							
8									
9	0.0-9999.9	09-11							
10		14-20							
11		08							
12		12-13							
13		21-07							
14		AVG							
15									
16	ALL	09-11							
17		14-20							
18		08							
19		12-13							
20		21-07							
21		AVG							

TRAFFIC SENSITIVE UNIT COST - DURATION RELATED

	(A)	(B)	(C) =(D+E+F+G)	(D)	(E)	(F)	(G)
1	DISTANCE		TOTAL	|----SWITCHING----|		|-----TRUNKING----|	
2	BAND	RP		EO	TDM	FAC	TERM
3	----------	-----	---------	---------	---------	---------	---------
4							
5	IAO	09-11					
6		14-20					
7		08					
8		12-13					
9		21-07					
10		AVG					
11							
12	0.0-9999.9	09-11					
13		14-20					
14		08					
15		12-13					
16		21-07					
17		AVG					
18							
19	ALL	09-11					
20		14-20					
21		08					
22		12-13					
23		21-07					
24		AVG					

```
1     "Distance Band","Total",
2     "Tandem Costs",'
3     "Common Minutes'
```

NETWORK COST ANALYSIS TOOL (NCAT)
DIRECT COST

STATE: FLORIDA
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ANNUALIZED INCREMENTAL MESSAGES AND MINUTES
BY DISTANCE BAND BY RATE PERIOD

	(A)	(B)	(C)	(D)	(E) =(D/C)
1	DISTANCE	RATE		TOTAL	
2	BAND	PERIOD	MESSAGES	MINUTES	AVG MIN./MSG
3					
4	IAO	09-11			
5		14-20			
6		08			
7		12-13			
8		21-07			
9		TOTAL			
10					
11	0.0-9999.9	09-11			
12		14-20			
13		08			
14		12-13			
15		21-07			
16		TOTAL			
17					
18	ALL	09-11			
19		14-20			
20		08			
21		12-13			
22		21-07			
23		TOTAL			

NETWORK COST ANALYSIS TOOL (NCAT)
DIRECT COST

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TRAFFIC SENSITIVE UNIT COST - SETUP RELATED

	(A)	(B)	(C) =(D+E+F+G+H+I)	(D)	(E)	(F)	(G)	(H)	(I)
1	DISTANCE		TOTAL	|---------SWITCHING---------|			|-----TRUNKING----|	
2	BAND	RP		EO	TDM	MEAS	FAC	TERM	SS7
3	----------	-----	---------	---------	---------	---------	---------	---------	---------
4									
5	IAO	09-11							
6		14-20							
7		AVG							
8									
9	0.0-9999.9	09-11							
10		14-20							
11		08							
12		12-13							
13		21-07							
14		AVG							
15									
16	ALL	09-11							
17		14-20							
18		08							
19		12-13							
20		21-07							
21		AVG							

NETWORK COST ANALYSIS TOOL (NCAT)
DIRECT COST

STATE: FLORIDA
WORKPAPER: 200
PAGE: 3 OF 4
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TRAFFIC SENSITIVE UNIT COST - DURATION RELATED

	(A)	(B)	(C) =(D+E+F+G)	(D)	(E)	(F)	(G)
1	DISTANCE			|----SWITCHING----|		|-----TRUNKING----|	
2	BAND	RP	TOTAL	EO	TDM	FAC	TERM
3	---	---	---	---	---	---	---
4							
5	IAO	09-11					
6		14-20					
7		08					
8		12-13					
9		21-07					
10		AVG					
11							
12	0.0-9999.9	09-11					
13		14-20					
14		08					
15		12-13					
16		21-07					
17		AVG					
18							
19	ALL	09-11					
20		14-20					
21		08					
22		12-13					
23		21-07					
24		AVG					

```
1    "Distance Band","Total",
2    "Tandem Costs",
3    "Common Minutes
```

SECTION 5

Florida
Unbundled Local Usage

COST DEVELOPMENT - NONRECURRING

N/A

SECTION 6

Florida
Unbundled Local Usage

SPECIFIC STUDY ASSUMPTIONS

The cost study for Unbundled Local Usage is based on economic theory and assumptions, plus specific Network deployment strategies and provisioning guidelines.

Cost study assumptions are as follows:

1. Trunk attempt and CCS (Centum(100) Call Seconds) busy hours are the same as the originating office attempt and CCS busy hours.

2. Measurement equipment attempt and CCS busy hours are the same as the attempt and CCS busy hours for the corresponding switch. The measurement equipment is assumed to be LAMA, Local Automatic Message Accounting.

3. The ratio of average busy season daily traffic load to average business day traffic load is

4. All tandems are assumed to perform both originating and terminating functions.

5. Signaling System 7 (SS7) is assumed for all trunks.

6. Interoffice trunks are engineered to overflow of the peak traffic load.

7. Trunk utilization is percent.

8. A stimulation rate of ten percent is used to obtain a meaningful and manageable increment of usage.

9. When switch-specific investments are not available, a technology specific weighted investment is used.

10. Replacement switch technology is assumed for each end office and tandem office.

Florida
Unbundled Local Usage

SPECIFIC STUDY ASSUMPTIONS CONTINUED

11. The number of digits sent per outgoing call is 7.

12. The number of digits received is 7.

13. The grade of service is .01.

14. The number of annual business days is 250(i.e. excludes weekends and holidays).

15. Average business day load to average calender day load is

16. The number of digits dialed is 7.

SECTION 7

Florida
Unbundled Local Usage

FACTORS AND LOADINGS

Following are the Total Element Long Run Incremental Cost (TELRIC) annual cost factors, in-plant factor, gross receipts factor and miscellaneous loadings used in the Unbundled Local Usage cost study.

Miscellaneous Common Equipment & Power	1.0974
In-plant Factor 377C	1.1705
Loading Factors:	
Land	0.0047
Building	0.0657
Gross Receipts Tax Factor	0.0153

23-Sep-96

Image Table: ACF.WK1

1996 FLORIDA
ACCOUNT AVERAGE ANNUAL COST FACTORS

* FOR USE IN SERVICE COST STUDIES ONLY *

	Field Code	Depreciation	ACFC COM	ACFC Inc Tax	Cap Exp	ACFC Plt Specific Exp	ACFC Adval Tax	Directly Attributed Shared and Common	TELRIC	GRT	TELRIC INC GRT
		a	b	c	d	e	f	g	i	j	k
			11.25%		(a+b+c)				(d+e+f+g)		i x (1+j)
LAND - COE	20C	0.0000	0.0947	0.0426	0.1373	0.0000	0.0120	0.0000	0.1493	0.0153	0.1516
BUILDINGS - COE	10C, 110C	0.0330	0.0826	0.0369	0.1525	0.0081	0.0120	0.0014	0.1720	0.0153	0.1747
DIGITAL ELEC SWITCH	377C, 587C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.0434	0.2756	0.0153	0.2798
OPERATOR SYSTEMS	117C,417C	0.1157	0.0847	0.0286	0.2100	0.0033	0.0120	0.0500	0.2753	0.0153	0.2795
DIGTL CIRC-DDS	157C	0.1808	0.0575	0.0256	0.2439	0.0076	0.0120	0.0394	0.3029	0.0153	0.3076
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1314	0.0564	0.0249	0.2127	0.0082	0.0120	0.0366	0.2695	0.0153	0.2736
DIGTL CIRC-OTHER	357C,T357C,F357C,557C	0.1314	0.0564	0.0252	0.2130	0.0093	0.0120	0.0372	0.2715	0.0153	0.2757
POLES	1C	0.0721	0.0589	0.0254	0.1574	0.0175	0.0120	0.0294	0.2163	0.0153	0.2196
AERIAL CA - METAL	22C, 12C	0.1023	0.0679	0.0254	0.1956	0.0705	0.0120	0.0619	0.3400	0.0153	0.3452
AERIAL CA - FIBER	822C, 812C,D22C, F22C,T22C,D12C,F12C,T12C	0.0748	0.0682	0.0281	0.1689	0.0029	0.0120	0.0299	0.2137	0.0153	0.2170
UNGROUND CA - METAL	5C	0.1184	0.0681	0.0283	0.2128	0.0192	0.0120	0.0351	0.2791	0.0153	0.2834
UNGROUND CA - FIBER	85C,D5C,F5C,T5C	0.0688	0.0655	0.0284	0.1625	0.0036	0.0120	0.0220	0.2001	0.0153	0.2032
BURIED CA - METAL	45C	0.0885	0.0678	0.0277	0.1840	0.0522	0.0120	0.0468	0.2950	0.0153	0.2995
BURIED CA - FIBER	845C, D45C, F45C, T45C	0.0813	0.0670	0.0295	0.1578	0.0040	0.0120	0.0235	0.1973	0.0153	0.2003
SUBMARINE CA-METAL	6C	0.0937	0.0688	0.0307	0.1932	0.0046	0.0120	0.0208	0.2304	0.0153	0.2339
SUBMARINE CA-FIBER	86C,D6C,F6C,T6C	0.0937	0.0688	0.0310	0.1935	0.0046	0.0120	0.0209	0.2310	0.0153	0.2346
INTRBLD NTWK-METAL	52C	0.0751	0.0669	0.0291	0.1711	0.0192	0.0120	0.0315	0.2338	0.0153	0.2374
INTRBLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0751	0.0669	0.0292	0.1712	0.0011	0.0120	0.0270	0.2113	0.0153	0.2146
CONDUIT SYSTEMS	4C	0.0205	0.0727	0.0325	0.1257	0.0031	0.0120	0.0146	0.1554	0.0153	0.1578

23-Sep-96

Image Table: ACF.WK1

1996 FLORIDA
ACCOUNT AVERAGE ANNUAL COST FACTORS

* FOR USE IN SERVICE COST STUDIES ONLY *

	Field Code	Depreciation	ACFC COM	ACFC Inc Tax	Cap Exp	ACFC Plt Specific Exp	ACFC Adval Tax	Directly Attributed Shared and Common	ACF Direct	GRT	Direct including GRT
		a	b	c	d	e	f	g	i	j	k
			11.25%		(a+b+c)				(d+e+f+g)		i x (1+j)
LAND - COE	20C	0.0000	0.0947	0.0428	0.1373	0.0000	0.0120	0.0000	0.1493	0.0153	0.1516
BUILDINGS - COE	10C, 110C	0.0339	0.0828	0.0369	0.1525	0.0081	0.0120	0.0000	0.1706	0.0153	0.1732
DIGITAL ELEC SWITCH	377C, 587C	0.1157	0.0555	0.0254	0.1966	0.0236	0.0120	0.0000	0.2322	0.0153	0.2358
OPERATOR SYSTEMS	117C,417C	0.1157	0.0847	0.0298	0.2100	0.0033	0.0120	0.0000	0.2253	0.0153	0.2288
DIGTL CIRC-DDS	157C	0.1608	0.0575	0.0258	0.2439	0.0076	0.0120	0.0000	0.2635	0.0153	0.2676
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1314	0.0584	0.0249	0.2127	0.0082	0.0120	0.0000	0.2329	0.0153	0.2365
DIGTL CIRC-OTHER	357C,T357C,F357C,557C	0.1314	0.0584	0.0252	0.2130	0.0093	0.0120	0.0000	0.2343	0.0153	0.2379
POLES	1C	0.0721	0.0589	0.0254	0.1574	0.0175	0.0120	0.0000	0.1869	0.0153	0.1898
AERIAL CA - METAL	22C, 12C	0.1023	0.0679	0.0254	0.1956	0.0705	0.0120	0.0000	0.2781	0.0153	0.2824
AERIAL CA - FIBER	822C, 812C,D22C, F22C,T22C,D12C,F12C,T12C	0.0748	0.0862	0.0281	0.1889	0.0029	0.0120	0.0000	0.1838	0.0153	0.1866
UNGROUND CA - METAL	5C	0.1184	0.0881	0.0283	0.2128	0.0192	0.0120	0.0000	0.2440	0.0153	0.2478
UNGROUND CA - FIBER	85C,D5C,F5C,T5C	0.0686	0.0855	0.0284	0.1825	0.0036	0.0120	0.0000	0.1781	0.0153	0.1808
BURIED CA - METAL	45C	0.0885	0.0878	0.0277	0.1840	0.0522	0.0120	0.0000	0.2482	0.0153	0.2520
BURIED CA - FIBER	845C, D45C, F45C, T45C	0.0613	0.0870	0.0295	0.1578	0.0040	0.0120	0.0000	0.1738	0.0153	0.1765
SUBMARINE CA-METAL	6C	0.0837	0.0888	0.0307	0.1932	0.0046	0.0120	0.0000	0.2098	0.0153	0.2130
SUBMARINE CA-FIBER	86C,D6C,F6C,T6C	0.0837	0.0888	0.0310	0.1935	0.0046	0.0120	0.0000	0.2101	0.0153	0.2133
INTRBLD NTWK-METAL	52C	0.0751	0.0889	0.0291	0.1711	0.0192	0.0120	0.0000	0.2023	0.0153	0.2054
INTRBLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0751	0.0889	0.0292	0.1712	0.0011	0.0120	0.0000	0.1843	0.0153	0.1871
CONDUIT SYSTEMS	4C	0.0205	0.0727	0.0325	0.1257	0.0031	0.0120	0.0000	0.1408	0.0153	0.1430