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FPSC DOCKET 920260-TL
FPSC Staff's 1st Interrogatories
Dated September 25, 1996
Filed October 29, 1996
November 12, 1996

PROPRIETARY COST AND USAGE INFORMATION

PUBLIC VERSION

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DOCUMENT NUMBER-DATE

11999 NOV 12 8

FPSC-RECORDS/REPORTING

Redacted

PROPRIETARY

BellSouth Telecommunications, Inc.
Docket No. 920260-TL
FPSC Staff's First Set of Interrogatories
September 25, 1996
Item No. 1
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REQUEST: Provide a price out for each of the services proposed for price reductions or modifications by the parties to this current proceeding. Please identify the units and timeframe of the data. Use the most recent 12 month period where possible.

RESPONSE: A. Joint proposal of AT&T, MCI, Sprint Communications, FIXCA, Ad Hoc and McCaw communications:

1. Reduce PBX and DID trunk charges.

Due to a lack of details concerning this proposal, BellSouth cannot price out this option. In an effort to be responsive, attached is a priceout of PBX and DID trunk charges at current rates using an August 1996 test period. BellSouth is also providing Staff with an electronic spreadsheet that Staff can use to develop their own priceouts for these services.

2. Eliminate the Residual Interconnection Charge.

Attached is a price out eliminating the Residual Interconnection Charge (RIC) as proposed in the Joint Proposal for the Disposition of \$48 Million in Unspecified Rate Reductions Scheduled for 10/1/96. Due to the Local Transport Restructure that became effective January 1, 1996, BellSouth has based this priceout on actual demand data from February 1996 through September 1996 and then annualized this data for the remaining four months in order to reflect 12 months of consistent data.

3. Reduce mobile interconnection rates.

Due to a lack of details concerning this proposal, BellSouth cannot price out this option. Based on August 1996 MA4 revenue data, BellSouth had monthly billing of \$1,147,999 in recurring charges, \$1,020,617 in usage charges and \$82,864 in non-recurring charges.

B. Public Counsel:

BellSouth does not have the details needed to price out Public Counsel's proposal to establish a reserve fund to assist customers who have experienced problems with the conversion to the 954 NPA.

DOCUMENT NUMBER DATE
17999 NOV 12 88
FPSC-RECORDS/REPORTING

PROPRIETARY

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C. FCTA:

Eliminate non-recurring charges for interconnection trunks and special access circuits ordered by ALECs.

The revenue effect of this proposal will be entirely dependent upon the demand realized for these proposed new services. Accordingly, BellSouth cannot reliably price out the revenue effect of this proposal. In an effort to be responsive, following is a list of the proposed non-recurring charges for these services:

	<u>First</u>	<u>Additional</u>
1) Unbundled Exchange Access Loop	\$ 71.00	\$ 25.00
2) Unbundled Exchange Access IOC	87.00	N/A
3) Unbundled Loop Channelization System, per System	490.00	N/A
4) Central Office Channel Interface 1 per circuit	7.00	7.00
5) DS1 Local Channel	866.97	486.83
6) DS1 Dedicated Transport	100.49	N/A

D. Palm Beach Newspapers, Inc./Florida Today

Reduce usage rates for N11 service to \$.02 per minute.

The data needed to price out this proposal is not readily available from the Company's mechanized systems. As reported in the 1996 annual filing, the December 1995 usage billing for N11 service was equal to \$16,536.30, or \$198,436 on an annualized basis.

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BellSouth objects to this interrogatory on the grounds that the information requested is proprietary business information. However, BellSouth will furnish its response to the FPSC Staff under a Notice of Intent to Request Confidential Classification filed in this docket.

Nancy B. White
General Attorney

INFORMATION PROVIDED BY: Steve Bigelow
Director - Pricing Strategy
3535 Colonnade Parkway
Birmingham, Alabama

Jerry D. Hendrix
Director
675 West Peachtree St., NE
Atlanta, GA 30375

NON-RECURRING RATES

Tariff Section/ Page #	Service Description	USOC	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	\$ Change	% Change	Present Annual Revenue	Proposed Annual Revenue	Annual Revenue Change	MB Seg.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	A12.7.2	DIRECT-INWARD DIALING SERVICE										
A12/3	EST TRK GRP + 1ST 20 NOS	NDZ			\$915.00	\$915.00	\$0.00	0.00%				\$0 2212
A12/3	EA ADDL GRP 20 NOS	ND4			\$15.00	\$15.00	\$0.00	0.00%				\$0 2212
A12/3	TRUNK TERMINATION	NDT			\$90.00	\$90.00	\$0.00	0.00%				\$0 2212
	A12.7.2	DIRECT-INWARD DIALING SERVICE										\$0
	SUB-TOTAL											\$0
	TOTAL NON-RECURRING											\$0

STATE : FLORIDA
DID SERVICE

Present and Proposed Rates and Revenues
A012 CENTRAL OFFICE NON-TRANSPORT SVC

Develop Date : 08/96
Page 3 of 4
Run Date : 10/07/96

TOTAL REVENUE

	Present Annual Revenue ----- (1)	Proposed Annual Revenue ----- (2)	Annual Revenue Change ----- (3)
SUB-TOTALS			
Recurring	\$17,610,526	\$17,610,526	\$0
Non-recurring	\$2,026,950	\$2,026,950	\$0
SECTION TOTALS	\$19,637,476	\$19,637,476	\$0

STATE : FLORIDA
DID SERVICE

Present and Proposed Rates and Revenues
A012 CENTRAL OFFICE NON-TRANSPORT SVC

Develop Date : 08/96
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TOTAL REVENUE SUMMED BY MARKET BASKET

MB Seg. ----- (1)	Service Description ----- (2)	Present Annual Revenue ----- (3)	Proposed Annual Revenue ----- (4)	Annual Revenue Change ----- (5)
2212	DIRECT-INWARD DIALING (DID) SERVICE - BUS OPT SVC	\$19,637,476	\$19,637,476	\$0

RECURRING RATES

Tariff Section/ Page #	Service Description	USOC	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	\$ Change	% Change	Present Annual Revenue	Proposed Annual Revenue	Annual Revenue Change	MB Seg.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
A3/24	RATE GROUP-01 TRK FLAT-2W RATE GROUP-01				\$33.66	\$33.66	\$0.00	0.00%			\$0	2133
											\$0	
A3/24	RATE GROUP-02 TRK FLAT-2W				\$35.36	\$35.36	\$0.00	0.00%			\$0	2133
A3/32	TRK MESS-2W 1ST				\$16.01	\$16.01	\$0.00	0.00%			\$0	2101
A3/32	TRK MESS-2W ADDL RATE GROUP-02				\$8.01	\$8.01	\$0.00	0.00%			\$0	2101
A3/24	RATE GROUP-03 TRK FLAT-IN				\$37.23	\$37.23	\$0.00	0.00%			\$0	2133
A3/24	TRK FLAT-OUT				\$37.23	\$37.23	\$0.00	0.00%			\$0	2133
A3/24	TRK FLAT-2W				\$37.23	\$37.23	\$0.00	0.00%	\$		\$0	2133
A3/32	TRK MESS-OUT 1ST				\$16.84	\$16.84	\$0.00	0.00%			\$0	2101
A3/32	TRK MESS-OUT ADDL				\$8.42	\$8.42	\$0.00	0.00%			\$0	2101
A3/32	TRK MESS-2W 1ST				\$16.84	\$16.84	\$0.00	0.00%			\$0	2101
A3/32	TRK MESS-2W ADDL				\$8.42	\$8.42	\$0.00	0.00%			\$0	2101
A3/53	MST TRK UNLIM/UNMEAS-COMB/RO				\$92.00	\$92.00	\$0.00	0.00%			\$0	2133
A3/53	MST TRK UNLIM/UNMEAS-COMB				\$76.00	\$76.00	\$0.00	0.00%			\$0	2133
A3/53.1	MST TRK MEAS/UNMEAS-IN/ROT				\$45.10	\$45.10	\$0.00	0.00%			\$0	2133
A3/53.1	MST TRK MEAS/UNMEAS-OUT RATE GROUP-03				\$37.25	\$37.25	\$0.00	0.00%			\$0	2133
A3/24	RATE GROUP-04 TRK FLAT-IN				\$38.93	\$38.93	\$0.00	0.00%	\$		\$0	2133
A3/24	TRK FLAT-OUT				\$38.93	\$38.93	\$0.00	0.00%	\$		\$0	2133
A3/24	TRK FLAT-2W				\$38.93	\$38.93	\$0.00	0.00%	\$		\$0	2133
A3/32	TRK MESS-OUT 1ST				\$17.59	\$17.59	\$0.00	0.00%			\$0	2101
A3/32	TRK MESS-OUT ADDL				\$8.79	\$8.79	\$0.00	0.00%			\$0	2101

RECURRING RATES

Tariff Section/ Page #	Service Description	USOC	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	\$ Change	% Change	Present Annual Revenue	Proposed Annual Revenue	Annual Revenue Change	MB Seg.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
A3/32	TRK MESS-2W 1ST				\$17.59	\$17.59	\$0.00	0.00%			\$0	2101
A3/32	TRK MESS-2W ADDL				\$8.79	\$8.79	\$0.00	0.00%			\$0	2101
	RATE GROUP-04										\$0	
	RATE GROUP-05											
A3/24	TRK FLAT-IN				\$40.55	\$40.55	\$0.00	0.00%			\$0	2133
A3/24	TRK FLAT-OUT				\$40.55	\$40.55	\$0.00	0.00%			\$0	2133
A3/24	TRK FLAT-2W				\$40.55	\$40.55	\$0.00	0.00%	\$		\$0	2133
A3/32	TRK MESS-OUT 1ST				\$18.30	\$18.30	\$0.00	0.00%			\$0	2101
A3/32	TRK MESS-OUT ADDL				\$9.15	\$9.15	\$0.00	0.00%			\$0	2101
A3/32	TRK MESS-2W 1ST				\$18.30	\$18.30	\$0.00	0.00%			\$0	2101
A3/32	TRK MESS-2W ADDL				\$9.15	\$9.15	\$0.00	0.00%			\$0	2101
	RATE GROUP-05										\$0	
	RATE GROUP-06											
A3/24	TRK FLAT-IN				\$42.33	\$42.33	\$0.00	0.00%			\$0	2133
A3/24	TRK FLAT-OUT				\$42.33	\$42.33	\$0.00	0.00%			\$0	2133
A3/24	TRK FLAT-2W				\$42.33	\$42.33	\$0.00	0.00%	\$		\$0	2133
A3/32	TRK MESS-OUT 1ST				\$19.09	\$19.09	\$0.00	0.00%			\$0	2101
A3/32	TRK MESS-OUT ADDL				\$9.54	\$9.54	\$0.00	0.00%			\$0	2101
A3/32	TRK MESS-2W 1ST				\$19.09	\$19.09	\$0.00	0.00%			\$0	2101
A3/32	TRK MESS-2W ADDL				\$9.54	\$9.54	\$0.00	0.00%			\$0	2101
	RATE GROUP-06										\$0	
	RATE GROUP-07											
A3/24	TRK FLAT-IN				\$43.78	\$43.78	\$0.00	0.00%			\$0	2133
A3/24	TRK FLAT-OUT				\$43.78	\$43.78	\$0.00	0.00%			\$0	2133
A3/24	TRK FLAT-2W				\$43.78	\$43.78	\$0.00	0.00%			\$0	2133
A3/33	TRK MESS-OUT 1ST				\$19.73	\$19.73	\$0.00	0.00%			\$0	2101
A3/33	TRK MESS-OUT ADDL				\$9.86	\$9.86	\$0.00	0.00%			\$0	2101

RECURRING RATES

Tariff Section/ Page #	Service Description	USOC	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	\$ Change	% Change	Present Annual Revenue	Proposed Annual Revenue	Annual Revenue Change	MB Seg.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
A3/33	TRK MESS-2W 1ST				\$19.73	\$19.73	\$0.00	0.00%			\$0	2101
A3/33	TRK MESS-2W ADDL				\$9.86	\$9.86	\$0.00	0.00%			\$0	2101
	RATE GROUP-07						SUB-TOTAL				\$0	
A3/24	RATE GROUP-08											
A3/24	TRK FLAT-IN				\$45.22	\$45.22	\$0.00	0.00%			\$0	2133
A3/24	TRK FLAT-OUT				\$45.22	\$45.22	\$0.00	0.00%			\$0	2133
A3/24	TRK FLAT-2W				\$45.22	\$45.22	\$0.00	0.00%			\$0	2133
A3/33	TRK MESS-OUT 1ST				\$20.36	\$20.36	\$0.00	0.00%			\$0	2101
A3/33	TRK MESS-OUT ADDL				\$10.18	\$10.18	\$0.00	0.00%			\$0	2101
A3/33	TRK MESS-2W 1ST				\$20.36	\$20.36	\$0.00	0.00%			\$0	2101
A3/33	TRK MESS-2W ADDL				\$10.18	\$10.18	\$0.00	0.00%			\$0	2101
A23/3	PBX S/R MEAS 2W				\$32.85	\$32.85	\$0.00	0.00%			\$0	3006
	RATE GROUP-08						SUB-TOTAL				\$0	
A3/24	RATE GROUP-09											
A3/24	TRK FLAT-IN				\$46.58	\$46.58	\$0.00	0.00%			\$0	2133
A3/24	TRK FLAT-OUT				\$46.58	\$46.58	\$0.00	0.00%			\$0	2133
A3/24	TRK FLAT-2W				\$46.58	\$46.58	\$0.00	0.00%			\$0	2133
A3/33	TRK MESS-OUT 1ST				\$20.96	\$20.96	\$0.00	0.00%			\$0	2101
A3/33	TRK MESS-OUT ADDL				\$10.48	\$10.48	\$0.00	0.00%			\$0	2101
A3/33	TRK MESS-2W 1ST				\$20.96	\$20.96	\$0.00	0.00%			\$0	2101
A3/33	TRK MESS-2W ADDL				\$10.48	\$10.48	\$0.00	0.00%			\$0	2101
	RATE GROUP-09						SUB-TOTAL				\$0	
A3/24	RATE GROUP-10											
A3/24	TRK FLAT-IN				\$47.60	\$47.60	\$0.00	0.00%	\$		\$0	2133
A3/24	TRK FLAT-OUT				\$47.60	\$47.60	\$0.00	0.00%	\$		\$0	2133
A3/24	TRK FLAT-2W				\$47.60	\$47.60	\$0.00	0.00%	\$		\$0	2133
A3/33	TRK MESS-OUT 1ST				\$21.41	\$21.41	\$0.00	0.00%			\$0	2101

STATE : FLORIDA
BUSINESS PBX TRUNKS

Present and Proposed Rates and Revenues
A3. LOCAL EXCHANGE

Develop Date : 08/96
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Run Date : 10/07/96

TOTAL REVENUE

	Present Annual Revenue ----- (1)	Proposed Annual Revenue ----- (2)	Annual Revenue Change ----- (3)
SUB-TOTALS			
Recurring	\$47,153,859	\$47,153,859	\$0
Non-recurring	\$0	\$0	\$0
SECTION TOTALS	\$47,153,859	\$47,153,859	\$0

STATE : FLORIDA
BUSINESS PBX TRUNKS

Present and Proposed Rates and Revenues
A3. LOCAL EXCHANGE

Develop Date : 08/96
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TOTAL REVENUE SUMMED BY MARKET BASKET

MB Seg.	Service Description	Present Annual Revenue	Proposed Annual Revenue	Annual Revenue Change
(1)	(2)	(3)	(4)	(5)
2101	MESSAGE/MEASURED RATE BUSINESS SERVICE - BUS EXCH ACCESS SVC	\$2,183,910	\$2,183,910	\$0
2133	FLAT RATE MULTI-LINE BUSINESS SERVICE - BUS EXCH ACCESS SVC	\$44,746,805	\$44,746,805	\$0
3006	SHARED TENANT SERVICES	\$223,144	\$223,144	\$0

FILENAME: C:\SWITCHED\FL\FL1001AC.WK3

15-Oct-96

YEAR 3 SWITCHED ACCESS REDUCTION
 ASSOCIATED WITH FL RATE CASE
 ASSUME FL1001AA IN EFFECT
 ANNUALIZED DATA TO ACCOUNT FOR LTR

FEB 96 - SEP 96 ANNUALIZED
 FLORIDA
 INTRASTATE
 SWITCHED ACCESS

PRICEOUT NO.
 FOR THE YR.
 15

	BASE		PROPOSED	
	REVENUE	MOU	REVENUE	MOU
CARRIER COMMON LINE				
ORIGINATING - PREM	\$26,777,251		\$26,777,251	
TERMINATING - PREM	\$71,498,212		\$71,498,212	
ORIGINATING - NON PREM	\$4,598		\$4,598	
TERMINATING - NON PREM	\$8,726		\$8,726	
TOTAL CARRIER COMMON LINE	\$98,288,787		\$98,288,787	
SWITCHED TRANSPORT				
DEDICATED ##	\$7,571,704	NA	\$7,571,704	NA
COMMON	\$2,747,214	NA	\$2,747,214	NA
INTERCONNECTION - PREM	\$34,261,867		\$0	
INTERCONNECTION - NON PREM	\$8,171		\$0	
TOTAL LOCAL TRANSPORT	\$44,588,956		\$10,318,918	
LOCAL SWITCHING *				
LS1	\$501,149		\$501,149	
LS2	\$57,107,678		\$57,107,678	
LS3	\$0		\$0	
LS4	\$0		\$0	
LS TRAN EQUIV FGs	\$10,798		\$10,798	
LS TRAN EQUIV BSAs	\$0		\$0	
TOTAL LOCAL SWITCHING	\$57,619,625		\$57,619,625	
TOTAL TRAFFIC SENSITIVE & CCLC REVENUES.....	\$200,497,368		\$166,227,330	
REVENUE PER MINUTE	\$0.03048		\$0.02527	

	BASE REVENUE	GROSS REVENUE CHANGE	DEMAND IMPACT	NET EFFECT
CCLC	\$98,288,787	\$0	\$0	\$0
SWITCHED TRANSPORT	\$44,588,956	(\$34,270,038)	\$0	(\$34,270,038)
* LOCAL SWITCHING	\$57,619,625	\$0	\$0	\$0
OTHER	\$9,512,253	(\$42,066)	\$0	(\$42,066)
TOTAL	\$210,009,621	(\$34,312,104)	\$0	(\$34,312,104)

* REVENUE INCLUDES INFORMATION SURCHARGE WHERE APPLICABLE
 ## SWITCHED TRANSPORT DOES NOT INCLUDE NON-RECURRING CHARGES, OR DA TRANSPORT

FLORIDA SWITCHED ACCESS FGD RATE COMPARISON

RATE ELEMENTS	CURRENT	PROPOSED	%CHANGE
CARRIER COMMON LINE			
ORIGINATING	\$0.01000	\$0.01000	0.00%
TERMINATING	\$0.01853	\$0.01853	0.00%
TRANSPORT			
DS1 LOCAL CHANNEL	\$0.00062	\$0.00062	0.00%
INTERCONNECTION	\$0.005159	\$0.000000	-100.00%
DS1 INTEROFFICE CHANNEL	\$0.00090	\$0.00090	0.00%
LOCAL SWITCHING 2	\$0.00876	\$0.00876	0.00%
COMPOSITE FGD*			
ORIGINATING	\$0.02544	\$0.02028	-20.28%
TERMINATING	\$0.03397	\$0.02881	-15.19%
TOTAL	\$0.05941	\$0.04909	-17.37%
<p>*COMPOSITE RATES INCLUDE CARRIER COMMON LINE, DS1 SWITCHED TRANSPORT AND LOCAL SWITCHING 2 . THE LTR RATES PER MINUTE OF USE ASSUME 9,000 MINUTES OF USE PER VOICE GRADE EQUIVALENT AND INTEROFFICE TRANSPORT OF 8 MILES.</p>			

REQUEST: Please identify the time period(s) applicable to the price out ~~data~~ supplied in conjunction with the proposed rate reductions in your tariff filing dated June 10, 1996.

RESPONSE: The priceout regarding the BellSouth proposed \$40,078,035 reduction in switched access charges was based on a forecast of 1996 demand that was put together prior to October 1995. The forecast used in the priceout supporting the BellSouth proposed \$16,400,047 revenue reduction associated with the zone pricing of switched access was developed around April 1996. The updated April 1996 forecast reflects an increase in switched access minutes of use over the previous 1996 demand forecast.

For the following services, data was used from March, 1996 and was annualized to develop total year effects:

- | | |
|------------------------------------|------------------------------|
| -PBX monthly & term contracts | -DID Recurring |
| -WATS & 800 Service Access Line | -Business Line Monthly Rates |
| -AREA PLUS® for Business customers | -Usage Charge on RCF |
| -MegaLink® interoffice | -DS1 interoffice |
| -Extended Calling Service | |

For the following non-recurring charges, data was used from the 12 month period ending March 1996:

- Special Number Assignment Charges (SNAC) for Business
- DID Nonrecurring
- Selected Secondary Service Charges (Residence and Business)
- First Line Connection Charge for Business Customers
- Secondary Service Charge for WatsSaver®

®Registered Service Mark of BellSouth

INFORMATION PROVIDED BY:

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Atlanta, GA 30375

Jack Bryant
Manager - Marketing
3535 Colonnade Pkwy
Birmingham, AL 35243

BellSouth Telecommunications, Inc.
Docket No. 920260-TL
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REQUEST: Please provide cost data supporting the proposed price reduction for the following services:

- 1) Switched access elements including ZDP differentials.

RESPONSE: BellSouth has performed no zone-specific cost studies. However, the proposed rates for each zone are above the estimated incremental cost.

INFORMATION PROVIDED BY: Jerry D. Hendrix
Director
675 West Peachtree St., NE
Atlanta, GA 30375

PROPRIETARY

BellSouth Telecommunications, Inc.
Docket No. 920260-TL
FPSC Staff's First Set of Interrogatories
September 25, 1996
Item No. 3.2
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REQUEST: Please provide cost data supporting the proposed price reduction for the following services:

2) PBX rates and contract rates.

RESPONSE: See attachment. Since the cost of PBX trunks is the same regardless of rate group, a comparison is provided in the rate group with the lowest rates, i.e., Rate Group 1. Each of the proposed rates is greater than the associated cost.

BellSouth objects to this interrogatory on the grounds that the information requested is proprietary business information. However, BellSouth will furnish its response to the FPSC Staff under a Notice of Intent to Request Confidential Classification filed in this docket.

Nancy B. White
General Attorney

INFORMATION PROVIDED BY: Margaret K. Thompson
Director
3535 Colonnade Parkway
Birmingham, AL 35243

Service Description	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	Present Annual Revenue	Proposed Annual Revenue	Revenue Change	Unit Cost	%Proposed Rate/Unit Cost	Annual Cost	Proposed Revenue - Cost
PBX Monthly and Term Contracts											
Monthly											
Rate Group-01 - M to M											
Trk Flat-In	0	0	\$33.66	\$33.00	\$0	\$0	\$0				
Trk Flat-Out	0	0	\$33.66	\$33.00	\$0	\$0	\$0				
Trk Flat-2W	2	1	\$33.66	\$33.00	\$808	\$396	(\$412)				
NAR ESSX-1/SPL Flat-2W	0	0	\$33.66	\$33.00	\$0	\$0	\$0				
Trunk Side Access Facility	0	0	\$33.66	\$33.00	\$0	\$0	\$0				
Total					\$808	\$396	(\$412)				
Rate Group-01 - 24-48 Mo											
Trk Flat-In	0	0	\$33.66	\$34.00	\$0	\$0	\$0				
Trk Flat-Out	0	0	\$33.66	\$34.00	\$0	\$0	\$0				
Trk Flat-2W	0	0	\$33.66	\$34.00	\$0	\$0	\$0				
NAR ESSX-1/SPL Flat-2W	0	0	\$33.66	\$34.00	\$0	\$0	\$0				
Trunk Side Access Facility	0	0	\$33.66	\$34.00	\$0	\$0	\$0				
Total					\$0	\$0	\$0				
Rate Group-01->48 Mo.											
Trk Flat-In	0	0	\$33.66	\$29.00	\$0	\$0	\$0				
Trk Flat-Out	0	0	\$33.66	\$29.00	\$0	\$0	\$0				
Trk Flat-2W	0	1	\$33.66	\$29.00	\$0	\$348	\$348				
NAR ESSX-1/SPL Flat-2W	0	0	\$33.66	\$29.00	\$0	\$0	\$0				
Trunk Side Access Facility	0	0	\$33.66	\$29.00	\$0	\$0	\$0				
Total					\$0	\$348	\$348				
Total - PBX					\$808	\$396	(\$412)				

PROPRIETARY

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REQUEST: Please provide cost data supporting the proposed price reduction for the following services:

3) Secondary service order charges.

RESPONSE: See attachment. This filing waives the Secondary Service Charge when existing residence and business customers order selected services. The attachment calculates the difference between the monthly recurring rate and cost for these selected services. It also calculates the number of months that the customer must keep the service in order for the associated contribution to recover the waived Secondary Service Charge. This calculation assumes a worst case in which the customer orders only one of the selected services. Obviously, in the likely case that the customer orders more than one of these selected services, the recovery period would be substantially reduced.

BellSouth objects to this interrogatory on the grounds that the information requested is proprietary business information. However, BellSouth will furnish its response to the FPSC Staff under a Notice of Intent to Request Confidential Classification filed in this docket.

Nancy B. White
General Attorney 

INFORMATION PROVIDED BY: Margaret K. Thompson
Director
3535 Colonnade Parkway
Birmingham, AL 35243

Service Description	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	Present Annual Revenue	Proposed Annual Revenue	Revenue Change	Unit Cost
Secondary Service Charge								
Residence - Per Cust Req			\$10.00	\$10.00			(\$3,609,180.00)	
Business Flat - Cust Req			\$19.00	\$19.00			(\$1,531,666.00)	\$
Business - Per Cust Req			\$19.00	\$19.00			(\$648,451.00)	\$
Public - Per Cust Req			\$19.00	\$19.00			(\$23,674.00)	\$
Total					\$7,529,765.00	\$1,716,794.00	(\$5,812,971.00)	

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Service Description	Residential				Business			
	Monthly Rate	Unit Cost	Contribution	Months to Break-Even	Monthly Rate	Unit Cost	Contribution	Months to Break-Even
Custom Calling Services								
Call Forwarding - Variable	\$2.45	\$	\$		\$3.60	\$	\$	
Three - Way Calling	\$3.30	\$	\$		\$3.75	\$	\$	
Call Waiting	\$3.50	\$	\$		\$5.80	\$	\$	
Speed Call 8	\$2.00	\$	\$		\$2.50	\$	\$	
Speed Call 30	\$3.00	\$	\$		\$5.00	\$	\$	
Call Forwarding Busy Line	\$1.00	\$	\$		\$3.25	\$	\$	
Call Forwarding Don't Answer	\$1.00	\$	\$		\$3.25	\$	\$	
Remote Access - Call Forwarding	\$5.20	\$	\$		\$7.25	\$	\$	
Call Waiting Deluxe	\$6.00	\$	\$		na	na	na	na
RingMaster Services								
RingMaster I	\$4.00	\$	\$		\$7.00	\$	\$	
TouchStar Services								
Call Return	\$4.00	\$	\$		\$4.50	\$	\$	
Repeat Dialing	\$4.00	\$	\$		\$4.50	\$	\$	
Call Selector	\$4.00	\$	\$		\$4.50	\$	\$	
Preferred Call Forwarding	\$4.00	\$	\$		\$4.50	\$	\$	
Call Block	\$4.00	\$	\$		\$4.50	\$	\$	
Call Tracing	\$4.00	\$	\$		\$5.00	\$	\$	
Prestige Communications Service								
Speed Calling 6	\$2.00	\$	\$		\$3.00	\$	\$	
Call Waiting	\$3.00	\$	\$		\$5.00	\$	\$	
Call Forwarding Variable	\$2.00	\$	\$		\$3.00	\$	\$	
Call Forward Don't Answer	\$1.00	\$	\$		\$3.25	\$	\$	
Call Forward Busy Line	\$1.00	\$	\$		\$3.25	\$	\$	
Speed Calling 30	\$3.50	\$	\$		\$5.50	\$	\$	

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Service Description	Residential				Business			
	Monthly Rate	Unit Cost	Contribution	Months to Break-Even	Monthly Rate	Unit Cost	Contribution	Months to Break-Even
Message Waiting Indication								
Message Waiting Indication	\$0.50	\$	\$		\$0.50	\$	\$	
Customized Code Restriction								
Customized Code Restriction (Line)	\$2.50	\$	\$		\$3.75	\$	\$	
Customized Code Restriction (PBX Tk)	na	na	na	na	\$5.50	\$	\$	
Remote Call Forwarding (RCF)								
Per Feature	\$12.00	\$	\$		\$12.00	\$	\$	
Note: The contribution is decreased by \$ per month (residential) and \$ per month (business).								
This adjustment is associated with the elimination of basic local usage rates for RCF and the recovery of local usage costs.								
(See Remote Call Forwarding analysis included in this documentation)								
Designer Listings								
Designer Script	\$2.00	\$	\$		na	na	na	na
Designer Script Plus	\$3.00	\$	\$		na	na	na	na
Designer Line Script	\$4.00	\$	\$		na	na	na	na

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REQUEST: Please provide cost data supporting the proposed price reduction for the following services:

4) First Line Connection Charge.

RESPONSE: See attachment. The proposed reduction in the First Line Connection Charge for business access lines, trunks, and ESSX-1 NARs from \$56.00 to \$40.00 reduces this rate below cost. The shortfall will be recovered by the contribution from the monthly recurring rates for those services. The time required to recover the difference in the proposed rate and its associated cost varies from 1 month to 4 months, depending on the service.

Since the proposed reduction applies to all rate groups, the rates shown on the attached worksheet represent the state average rates for these services. The attachment clearly demonstrates that the revenue shortfall will quickly be recovered through the contribution from the monthly recurring rates.

BellSouth objects to this interrogatory on the grounds that the information requested is proprietary business information. However, BellSouth will furnish its response to the FPSC Staff under a Notice of Intent to Request Confidential Classification filed in this docket.

Nancy B. White
General Attorney 

INFORMATION PROVIDED BY: Margaret K. Thompson
Director
3535 Colonnade Parkway
Birmingham, AL 35243

	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	Present Annual Revenue	Proposed Annual Revenue	Revenue Change	Unit Cost	%Proposed Rate/Unit Cost	Annual Cost	Proposed Revenue - Cost
A4.2.1 First Line Connection Charge											
Business Flat - 1st Line			\$56.00	\$40.00	\$		(\$2,732,048)				
Business - 1st Line			\$56.00	\$40.00	\$		(\$370,176)				
Public - 1st Line			\$56.00	\$40.00			(\$120,368)				
Total							(\$3,222,592)				

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	Present Nonrecurring Rate	Proposed Nonrecurring Rate	Nonrecurring Cost	Shortfall	Average Recurring Rate	Monthly Recurring cost	Monthly Contribution	Months Required to Offset Shortfall
AVERAGE MONTHLY RATES								
Bus 1 - Party Flat	\$56.00	\$40.00	\$	(\$	\$27.42			
Bus 1 - Party Flat - Basic	\$56.00	\$40.00	\$	(\$	\$27.42			
Bus Back-Up Line - monthly rate	\$56.00	\$40.00	\$	(\$	\$13.69			
Avg usage associated w/ Back-up Ln					\$8.32			
Total Backup Line	\$56.00	\$40.00	\$	(\$	\$22.01			
COCOT - Flat	\$56.00	\$40.00	\$	(\$	\$27.80			
COCOT - Meas	\$56.00	\$40.00	\$	(\$	\$29.53			
Toll Term	\$56.00	\$40.00	\$	(\$	\$26.52			
Dial - ft Meas (976)	\$56.00	\$40.00	\$	(\$	\$27.42			
911 Access	\$56.00	\$40.00	\$	(\$	\$27.42			
Trunk - Flat Rate - Inward	\$56.00	\$40.00	\$	(\$	\$41.30			
Trunk - Flat Rate - Outward	\$56.00	\$40.00	\$	(\$	\$41.30			
Trunk - Flat rate - 2 Way	\$56.00	\$40.00	\$	(\$	\$41.30			
NAR ESSX - 1 /SPL Flat	\$56.00	\$40.00	\$	(\$	\$49.47			
Trunk Side Access Facility	\$56.00	\$40.00	\$	(\$	\$47.03			

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REQUEST: Please provide cost data supporting the proposed price reduction for the following services:

5) Remote Call Forwarding

RESPONSE: See attachment. This filing eliminates basic local usage rates for Remote Call Forwarding. The attachment shows that the monthly recurring rate of \$12.00 more than recovers its own cost and the cost of local usage associated with the Remote Call Forwarding.

BellSouth objects to this interrogatory on the grounds that the information requested is proprietary business information. However, BellSouth will furnish its response to the FPSC Staff under a Notice of Intent to Request Confidential Classification filed in this docket.

Nancy B. White
General Attorney 

INFORMATION PROVIDED BY: Margaret K. Thompson
Director
3535 Colonnade Parkway
Birmingham, AL 35243

1 Service Description	2 Number of Accounts	3 Average Monthly MOU Per Account	4 Annual Usage	5 Average Rate Per Minute	6 Proposed Rate	7 Annual Revenue	8 Proposed Annual Revenue	9 Revenue Change	10 Monthly Cost Per Account	11 Total Annual Cost
A13.11.6 REMOTE CALL FORWARDING - USAGE										
Residence				\$0.0313	0	\$54,490	\$0	(\$54,490)		
Business				\$0.0295	0	\$1,955,708	\$0	(\$1,955,708)		
Total						\$2,010,198	\$0	(\$2,010,198)		

A13.11.6 REMOTE CALL FORWARDING - MONTHLY	Number of Lines in Service	Existing Rate Per Line	Proposed Rate Per Line	Annual Revenue	Proposed Annual Revenue	Revenue Change	Monthly Cost Per Line	Total Annual Cost
Residence		\$12.00	\$12.00	\$185,328	\$185,328	\$0		
Business		\$12.00	\$12.00	\$4,687,632	\$4,687,632	\$0		
Total				\$4,872,960	\$4,872,960	\$0		

PROPOSED ANNUAL REVENUE **\$4,872,960**
 ANNUAL COST
 CONTRIBUTION

Current Tariff Monthly Rate - \$12.00
 Current Tariff Usage Rates - \$.06 for first minute and \$.02 for each additional minute.

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REQUEST: Please provide cost data supporting the proposed price reduction for the following services:

6) DID recurring and non-recurring charges

RESPONSE: See attachment. Each of the proposed rates is greater than the associated cost.

BellSouth objects to this interrogatory on the grounds that the information requested is proprietary business information. However, BellSouth will furnish its response to the FPSC Staff under a Notice of Intent to Request Confidential Classification filed in this docket.

Nancy B. White
General Attorney 

INFORMATION PROVIDED BY: Margaret K. Thompson
Director
3535 Colonnade Parkway
Birmingham, AL 35243

Service Description	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	Present Annual Revenue	Proposed Annual Revenue	Revenue Change	Unit Cost	%Proposed Rate/Unit Cost	Annual Cost	Proposed Revenue - Cost
DID Recurring											
DID Central Office Components											
Est Trk Grp & 1st 20 nos			\$4.00	\$4.00			\$0		%		
Ea addl Grp 20 nos			\$4.00	\$4.00			\$0		%		
Trunk Termination			\$21.80	\$20.00			(\$987,012)		%		
MF Pulsing Option			\$7.50	\$7.50			\$0		%		
Dialtone MF Pulsing Opt			\$7.50	\$7.50			\$0		%		
Total							(\$987,012)				
DID Nonrecurring											
DID Central Office Components											
Est Trk Grp & 1st 20 nos			\$915.00	\$55.00			(\$640,700)				
Ea addl Grp 20 nos			\$15.00	\$15.00			\$0				
Trunk Termination			\$90.00	\$65.00			(\$252,925)				
Total							(\$893,625)				
Total - DID					\$		(\$1,880,637)				

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REQUEST: Please provide cost data supporting the proposed price reduction for the following services:

7) B-1 rate in Rate Group 12

RESPONSE: See attachment. With the exception of Back-Up Line service, each of the proposed rates is greater than the associated cost. As shown on the attachment, the contribution provided by the usage component at average levels of Back-Up Line service more than offsets the difference between monthly rate and monthly cost.

BellSouth objects to this interrogatory on the grounds that the information requested is proprietary business information. However, BellSouth will furnish its response to the FPSC Staff under a Notice of Intent to Request Confidential Classification filed in this docket.

Nancy B. White
General Attorney 

INFORMATION PROVIDED BY: Margaret K. Thompson
Director
3535 Colonnade Parkway
Birmingham, AL 35243

	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	Present Annual Revenue	Proposed Annual Revenue	Revenue Change	Unit Cost	%Proposed Rate/Unit Cost	Annual Cost	Proposed Revenue - Cost	Proposed Rate - Unit Cost
Business Line Monthly Rates												
Rate Group 12 - M to M												
Bus 1 - Party Flat			\$29.10	\$29.00	\$		(\$540,710)					
Bus 1 - Party Flat - Basic			\$29.10	\$29.00			(\$59,845)					
Bus Back-Up Line			\$14.55	\$14.50			(\$1,848)					
COCOT - Flat			\$29.10	\$29.00			(\$18,330)					
COCOT - Flat			\$29.10	\$29.00			(\$18,330)					
COCOT - Meas			\$23.28	\$23.20			(\$18)					
Line S/R Flat			\$29.10	\$29.00			\$0					
Toll Term			\$29.10	\$29.00			(\$1,614)					
Dial - It Meas (976)			\$29.10	\$29.00			(\$145)					
911 Access			\$29.10	\$29.00			(\$8)					
Total					\$		(\$640,841)					
Total					\$		(\$640,849)					

Note: All elements are above cost with exception of Back-up Line monthly rate with a shortfall of \$
However, monthly contribution of \$ from usage associated with Back-up Line covers shortfall in monthly rate as shown below:

Usage Associated with Back-up Line:

(March 1996 Data)
Number of Back-up Lines
Minutes/Month
Avg. Minutes/Line/Month
Rate per Minute
Revenue/Line/Month
Cost/Minute
Cost/Line/Month
Contribution/Line/Month

19
20
23
30

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REQUEST: Please provide cost data supporting the proposed price reduction for the following services:

8) Megalink interoffice rates

RESPONSE: See attachment. Each of the proposed rates is greater than the associated cost.

BellSouth objects to this interrogatory on the grounds that the information requested is proprietary business information. However, BellSouth will furnish its response to the FPSC Staff under a Notice of Intent to Request Confidential Classification filed in this docket.

Nancy B. White
General Attorney (K)

INFORMATION PROVIDED BY: Margaret K. Thompson
Director
3535 Colonnade Parkway
Birmingham, AL 35243

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Service Description	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	Present Annual Revenue	Proposed Annual Revenue	Revenue Change	Unit Cost	%Proposed Rate/Unit Cost	Annual Cost	Proposed Revenue - Cost
MegaLink											
B7.1.3 MegaLink - Interoffice Chan - MTM											
0-8 Miles - Fixed			\$64.35	\$64.35			\$0			\$	
0-8 Miles - Per Mile			\$29.80	\$28.80	\$		(\$47,436)				
9-25 Miles - Fixed			\$64.35	\$64.35			\$0			\$	
9-25 Miles - Per Mile			\$27.95	\$26.95	\$		(\$91,908)				
Over 25 Miles - Fixed			\$64.35	\$64.35			\$0			\$	
Over 25 Miles - Per Mile			\$26.10	\$25.10	\$		(\$99,000)				
Total					\$		(\$238,344)			\$1	
B7.1.3 MegaLink - Interoffice Chan - 24-48 M											
0-8 Miles - Fixed			\$59.75	\$59.75			\$0				
0-8 Miles - Per Mile			\$24.25	\$22.25			(\$39,744)				
9-25 Miles - Fixed			\$59.75	\$59.75			\$0				
9-25 Miles - Per Mile			\$22.35	\$20.35			(\$75,552)				
Over 25 Miles - Fixed			\$59.75	\$59.75			\$0				
Over 25 Miles - Per Mile			\$20.50	\$18.50			(\$122,808)				
Total							(\$238,104)				
B7.1.3 MegaLink - Interoffice Chan - 49-72 M											
0-8 Miles - Fixed			\$59.75	\$59.75			\$0				
0-8 Miles - Per Mile			\$22.35	\$20.35			(\$13,560)				
9-25 Miles - Fixed			\$59.75	\$59.75			\$0				
9-25 Miles - Per Mile			\$20.50	\$18.50			(\$30,288)				
Over 25 Miles - Fixed			\$59.75	\$59.75			\$0				
Over 25 Miles - Per Mile			\$18.65	\$16.65			(\$21,624)				
Total							(\$65,472)				
B7.1.3 MegaLink - Interoffice Chan - 73-96 M											
0-8 Miles - Fixed			\$59.75	\$59.75			\$0				
0-8 Miles - Per Mile			\$20.50	\$18.50			(\$3,480)				
9-25 Miles - Fixed			\$59.75	\$59.75			\$0				
9-25 Miles - Per Mile			\$18.65	\$16.65			(\$17,472)				
Over 25 Miles - Fixed			\$59.75	\$59.75			\$0				
Over 25 Miles - Per Mile			\$16.75	\$14.75			(\$16,320)				
Total							(\$37,272)				
Total - MegaLink							(\$579,192)				

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REQUEST: Please provide cost data supporting the proposed price reduction for the following services:

9) WATS and 800 Service access line charges

RESPONSE: See attachment. The WATS and 800 Service access line charges are being reduced from their present rate level of \$37.45 to \$25.00 per month, slightly below cost. The minimum usage rate for WATS and 800 Service is \$0.08 per minute for off peak usage at greater than 500 hours per month. As shown on the attachment, even at this lowest usage rate, the contribution, i.e., revenue minus cost, per minute of use, at minimal usage levels recovers the shortfall.

BellSouth objects to this interrogatory on the grounds that the information requested is proprietary business information. However, BellSouth will furnish its response to the FPSC Staff under a Notice of Intent to Request Confidential Classification filed in this docket.

Nancy B. White
General Attorney 

INFORMATION PROVIDED BY: Margaret K. Thompson
Director
3535 Colonnade Parkway
Birmingham, AL 35243

Service Description	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	Present Annual Revenue	Proposed Annual Revenue	Revenue Change	Unit Cost	%Proposed Rate/Unit Cost	Annual Cost	Proposed Revenue - Cost
WATS Service											
A19.5.4 Access Line Charges - Outward											
Comb Intra/Inter Svc Only			\$37.45	\$25.00			(\$136,850)				
For IntraLATA Svc only			\$37.45	\$25.00			(\$20,916)				
For IntraEAEA Svc Only			\$37.45	\$25.00			\$0				
Total							(\$157,766)				
TFD Service											
A19.5.4 Access Line Charges - TFD Service											
Option TFD Service			\$37.45	\$25.00			(\$4,183)				
Open TFD Service			\$37.45	\$25.00			(\$5,080)				
Total							(\$9,263)				
800 Service											
A119.5.4 800 Svc - Access Line Charges											
Complex - Comb Statewide			\$37.45	\$25.00			(\$188,692)				
Total							(\$188,692)				
Total - WATS, TFD, & 800							(\$355,721)				
Usage - Per Minute - Off Peak at greater than 500 hours per month	na	na	\$0.08	\$0.08			na				

24 Monthly revenue shortage per access line = \$25.00 -
25 Minimum contribution per MOU =
26 Required monthly usage per access line for break-even = *

Secondary Service Charge	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	Present Annual Revenue	Proposed Annual Revenue	Revenue Change	Unit Cost	%Proposed Rate/Unit Cost	Annual Cost	Proposed Revenue - Cost
WATSaver Permanent Waiver			\$19.00	\$19.00			(\$301,093)			na	

WATSAVER USAGE CONTRIBUTION ANALYSIS

	Option WS2	Option WS5	Option WS50	Option AP110	APE 1250
31 Cost shortage due to waiver of service charge					
Usage rate per minute	\$0.1550	\$0.1500	\$0.1200	\$0.1100	\$0.0780
33 Cost per minute					
34 Contribution per minute					
35 Required cumulative usage per line to recover cost shortage					
36					
37 Minimum required usage per month					

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REQUEST: Please provide cost data supporting the proposed price reduction for the following services:

10) Secondary Service Order charge for WATSSaver

RESPONSE: See attachment. This filing eliminates the application of a Secondary Service Charge when only WatsSaver service is added. The cost associated with the Secondary Service Charge can be recovered through the usage charges for WatsSaver service within the first month of service for most WatsSaver options.

BellSouth objects to this interrogatory on the grounds that the information requested is proprietary business information. However, BellSouth will furnish its response to the FPSC Staff under a Notice of Intent to Request Confidential Classification filed in this docket.

Nancy B. White
General Attorney 

INFORMATION PROVIDED BY: Margaret K. Thompson
Director
3535 Colonnade Parkway
Birmingham, AL 35243

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Service Description	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	Present Annual Revenue	Proposed Annual Revenue	Revenue Change	Unit Cost	%Proposed Rate/Unit Cost	Annual Cost	Proposed Revenue - Cost
WATS Service											
A19.5.4 Access Line Charges - Outward											
Comb Intra/Inter Svc Only			\$37.45	\$25.00			(\$138,850)				
For IntraLATA Svc only			\$37.45	\$25.00			(\$20,916)				
For IntraEAEA Svc Only			\$37.45	\$25.00			\$0				
Total							(\$157,766)				
TFD Service											
A19.5.4 Access Line Charges -TFD Service											
Option TFD Service			\$37.45	\$25.00			(\$4,183)				
Open TFD Service			\$37.45	\$25.00			(\$5,080)				
Total							(\$9,263)				
800 Service											
A119.5.4 800 Svc - Access Line Charges											
Complex - Comb Statewide			\$37.45	\$25.00			(\$188,692)				
Total							(\$188,692)				
Total - WATS, TFD, & 800							(\$355,721)				
Usage - Per Minute - Off Peak at greater than 500 hours per month	na	na	\$0.08	\$0.08			na			a	

- 24 Monthly revenue shortage per access line = \$25.00 -
- 25 Minimum contribution per MOU =
- 26 Required monthly usage per access line for break-even =

Secondary Service Charge											
WATSaver Permanent Waiver		0	\$19.00	\$19.00			(\$301,093)		na		

WATSAVER USAGE CONTRIBUTION ANALYSIS

	Option WS2	Option WS5	Option WS50	Option AP110	APF 1250
31 Cost shortage due to waiver of service charge					
Usage rate per minute	\$0.1550	\$0.1500	\$0.1200	\$0.1100	\$0.0780
33 Cost per minute					
34 Contribution per minute					
35 Required cumulative usage per line to recover					
36 cost shortage					
37 Minimum required usage per month					

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REQUEST: Please provide cost data supporting the proposed price reduction for the following services:

11) SNAC charges for business.

RESPONSE: BellSouth has not prepared a cost study specific to the Special Number Assignment Charge (SNAC). However, major improvements in BellSouth's special number assignment system, such as the introduction of the ATLAS (Application for Telephone Number Load and Selection) system have made the searching and assigning of special numbers¹ a much more efficient process, and thereby lowering costs for performing special number assignment functions. The introduction of the ATLAS system, coupled with the cost savings resulting from the updating of BellSouth's order processing systems, has permitted BellSouth to eliminate SNAC charges in other BellSouth states.

¹ Special numbers, often referred to as "easy numbers" are used by businesses increase exposure of their business telephone numbers to their customers.

INFORMATION PROVIDED BY: Vickie Milne
Manager
675 West Peachtree St., NE
Atlanta, GA 30375

PROPRIETARY

BellSouth Telecommunications, Inc.
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REQUEST: Please provide cost data supporting the proposed price reduction for the following services:

12) DS-1 interoffice mileage rates

RESPONSE: See attachment. Each of the proposed rates is greater than the associated cost.

BellSouth objects to this interrogatory on the grounds that the information requested is proprietary business information. However, BellSouth will furnish its response to the FPSC Staff under a Notice of Intent to Request Confidential Classification filed in this docket.

Nancy B. White
General Attorney

INFORMATION PROVIDED BY: Margaret K. Thompson
Director
3535 Colonnade Parkway
Birmingham, AL 35243

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Service Description	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	Present Annual Revenue	Proposed Annual Revenue	Revenue Change	Unit Cost	%Proposed Rate/Unit Cost	Proposed Annual Cost	Proposed Revenue - Cost
DS1 Service											
HICAP IOC (0 miles) CKT			\$0.00	\$0.00			\$0				
HICAP IOC (0 miles) IOM			\$0.00	\$0.00			\$0				
HICAP IOC (1 - 8 miles)CKT			\$64.35	\$64.35			\$0				
HICAP IOC (1 - 8 miles) IOM			\$29.80	\$28.80			(\$11,400)				
HICAP IOC (9 - 25 miles) CKT			\$64.35	\$64.35			\$0				
HICAP IOC (9 - 25 miles) IOM			\$27.95	\$26.95			(\$11,304)				
HICAP IOC (Over 25 miles)CKT			\$64.35	\$64.35			\$0				
HICAP IOC (Over 25 miles) IOM			\$26.10	\$25.10			(\$12,360)				
HICAP IOC (0 miles) CKT 24-48 Mo			\$0.00	\$0.00			\$0				
HICAP IOC (0 miles) IOM 24-48 Mo.			\$0.00	\$0.00			\$0				
HICAP IOC (1 - 8 miles)CKT 24-48 Mo.			\$59.75	\$59.75			\$0				
HICAP IOC (1 - 8 miles) IOM 24-48 Mo.			\$24.25	\$22.25			\$0				
HICAP IOC (9 - 25 miles) CKT 24-48 Mo			\$59.75	\$59.75			\$0				
HICAP IOC (9 - 25 miles) IOM 24-48 Mo			\$22.35	\$20.35			(\$288)				
HICAP IOC (Over 25 miles)CKT 24-48M			\$59.75	\$59.75			\$0				
HICAP IOC (Over 25 miles) IOM 24-48M			\$20.50	\$18.50			\$0				
HICAP IOC (0 miles) CKT 49-72 Mo			\$0.00	\$0.00			\$0				
HICAP IOC (0 miles) IOM 49-72 Mo			\$0.00	\$0.00			\$0				
HICAP IOC (1 - 8 miles)CKT 49-72 Mo			\$59.75	\$59.75			\$0				
HICAP IOC (1 - 8 miles) IOM 49-72 Mo			\$22.35	\$20.35			(\$96)				
HICAP IOC (9 - 25 miles) CKT 49-72 Mo			\$59.75	\$59.75			\$0				
HICAP IOC (9 - 25 miles) IOM 49-72 Mo			\$20.50	\$18.50			(\$864)				
HICAP IOC (Over 25 miles)CKT 49-72M			\$59.75	\$59.75			\$0				
HICAP IOC (Over 25 miles) IOM 49-72M			\$18.65	\$16.65			\$0				
HICAP IOC (0 miles) CKT 73-96 Mo			\$0.00	\$0.00			\$0				
HICAP IOC (0 miles) IOM 73-96 Mo			\$0.00	\$0.00			\$0				
HICAP IOC (1 - 8 miles)CKT 73-96 Mo			\$59.75	\$59.75			\$0				
HICAP IOC (1 - 8 miles) IOM 73-96 Mo			\$20.50	\$18.50			(\$816)				
HICAP IOC (9 - 25 miles) CKT 73-96 Mo			\$59.75	\$59.75			\$0				
HICAP IOC (9 - 25 miles) IOM 73-96 Mo			\$18.65	\$16.65			(\$2,088)				
HICAP IOC (Over 25 miles)CKT 73-96M			\$59.75	\$59.75			\$0				
HICAP IOC (Over 25 miles) IOM 73-96M			\$16.75	\$14.75			\$0				
Total							\$				(\$39,216)

PROPRIETARY

BellSouth Telecommunications, Inc.
Docket No. 920260-TL
FPSC Staff's First Set of Interrogatories
September 25, 1996
Item No. 4
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REQUEST: Please provide cost data supporting the proposed prices for Area Plus for Business.

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RESPONSE: Area Plus for Business is comprised of a Flat rated line, an expanded local calling area (ELCA), and discounted toll. The minimum monthly line rate for Area Plus for Business (for Rate Group 1) is \$24.80, whereas the statewide average line cost is \$ For calls within the ELCA, the usage charge is \$.08/mou which is greater than the composite rate for two ends of switched access plus billing and collection cost of \$.059408. The minimum toll rate for calls beyond the ELCA is \$.088/mou which is also greater than the imputed switched access charge of \$.059408.

BellSouth objects to this interrogatory on the grounds that the information requested is proprietary business information. However, BellSouth will provide this proprietary information to the Commission Staff under a Notice of Intent to Request for Confidential Classification to be filed with the serving of BellSouth's interrogatory responses.

Nancy B. White (m)
General Attorney

RESPONSE PROVIDED BY: Ed Matejick
Manager
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Atlanta, GA 30375