ATTACHMENT B

Request for Confidential Class: fication

03/18/97

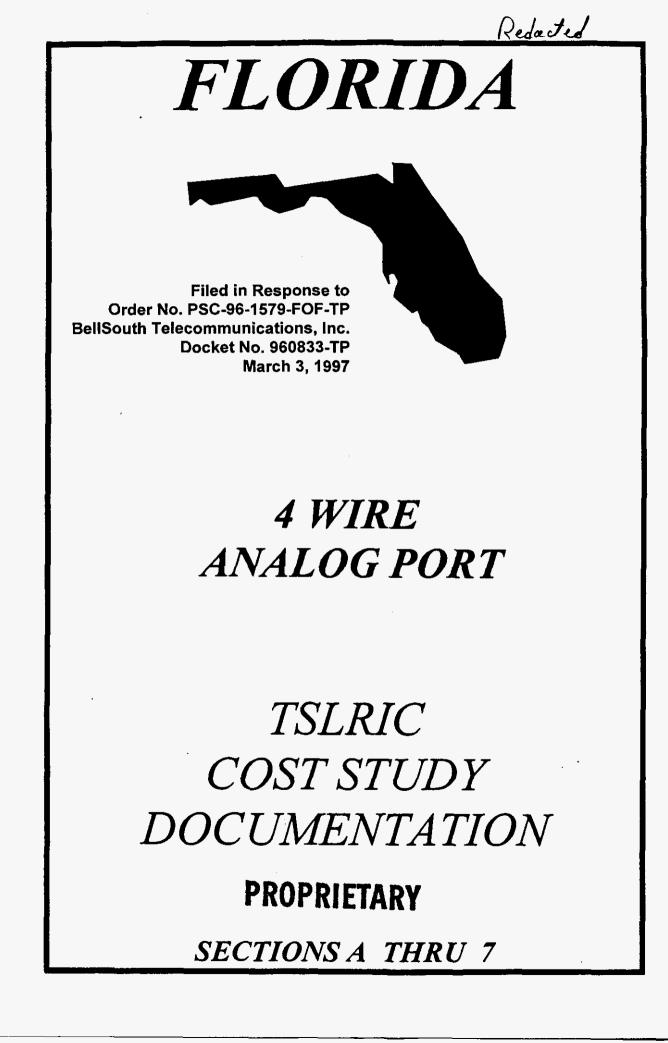
FPSC DOCKET 960833-TP

COST STUDIES REQUIRED BY FPSC ORDER PSC-96-PSC-1579-FOF-TP

2 REDACTED COPIES

PUBLIC VERSIONS

DOCUMENT NUMBER-DATE D2822 MAR 185 FPSC-RECORDS/REPORTING



FLORIDA 4 WIRE ANALOG PORT CONTENTS

- SECTION A PROPRIETARY RATIONALE
- SECTION 1 INTRODUCTION AND OVERVIEW
- SECTION 2 DESCRIPTION OF STUDY PROCEDURES
- SECTION 3 SUMMARY OF RESULTS
- SECTION 4 COST DEVELOPMENT RECURRING
- SECTION 5 COST DEVELOPMENT NONRECURRING
- SECTION 6 SPECIFIC STUDY ASSUMPTIONS
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Feb. 1997

SECTION A

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SECTION A

COST STUDY DOCUMENTATION PROPRIETARY RATIONALE

4-WIRE ANALOG PORT

This 4-Wire Analog Port Cost Study contains actual unit cost information for discrete cost elements. These costs represent BellSouth's long run incremental cost of providing these elements 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.

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

The Switching Cost Information System (SCIS) Version 2.1, 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. The model uses sophisticated programming and data management techniques which are the intellectual property of Bellcore.

For these reasons, the 4-Wire Analog Port Cost Study is considered proprietary.

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INTRODUCTION AND OVERVIEW

4-WIRE ANALOG PORT

COST STUDY DOCUMENTATION

This Total Service Long Run Incremental Cost (TSLRIC) study is for 4-Wire Analog Ports in the state of Florida, and should be used for connection to older vintage PBX systems that require 4-wire analog terminations. This study is being provided in response to the Commission Order No. PSC-96-1579-FOF-TP issued December 31, 1996.

TSLRIC is expressed as a unit incremental cost. The TSLRIC results represented in this cost study are volume sensitive. There are no volume insensitive costs in this study.

PBX ports provide Alternative Local Exchange Carriers (ALECs) with the ability to terminate a 4-wire PBX line in the switch.

The investments presented in this study are levelized for the 1996-1998 study period. These investments are converted to recurring costs using incremental loadings and annual cost factors. Nonrecurring costs are also levelized for the 1996-1998 study period.

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COST STUDY DOCUMENTATION DESCRIPTION OF STUDY PROCEDURES

4-WIRE ANALOG PORT

This section describes the general principles for the development of TSLRIC 4-Wire Analog Ports.

All costs are developed utilizing TSLRIC methodology. In determining costs, BellSouth uses direct incremental costing techniques in accordance with accepted economic theory. Direct incremental costs are based on cost causation and include all of the costs directly caused by expanding production, or alternatively, costs that would be saved if the production levels were reduced. The production unit may be an entire service or a unit of the service depending on the cost object involved. Costs for a service may include volume sensitive and/or volume insensitive costs. Costs are forward-looking in nature because only future costs can be saved. Incremental costs are long run to assure that the time period studied is sufficient to capture all forward-looking costs affected by the business decision. Shared and common costs are not incremental and, therefore, are not included. Incremental costs include both recurring (capital and operating expenses) and nonrecurring (service provisioning) costs. Incremental costs account for the expected change in cost to the firm resulting from a new service offering or a change in demand for an existing service.

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 include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs are the expenses of maintenance, ad valorem and other taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. Recurring costs are developed using incremental economic study applications representing a forwardlooking view of technology and deployment.

The first step in developing an incremental study of recurring costs for 4-Wire Analog 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. In-plant factors are applied to vendor investments to develop installed investments which include Telco engineering and installation labor. Investment Inflation Factors for specific plant accounts are applied to the installed investments to trend the base year, or study year, investments to levelized amounts that are valid for a three to five year planning period. Appropriate loadings for land, building and miscellaneous common equipment and power are then applied.

Next, Incremental Annual Cost Factors are used to calculate the direct cost of capital, maintenance and operating expenses and taxes. Factors for each Uniform System of Accounts- Field Reporting Code (USOC-FRC) are applied to levelized investments by account code yielding annual costs by account code. These annual costs are then summed and divided by twelve to arrive at a monthly cost per cost element.

DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting unbundled ports. 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 directly assigned labor rate for the work group performing the function.

Utilizing work functions, work times and labor rates, disconnect costs are calculated in the same manner as the installation costs. Since these 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 discounted disconnect cost is added to the installation cost and the gross receipts tax is applied to develop the total nonrecurring cost.

In addition to the labor related nonrecurring costs, Right-to-Use Fees (RTU) are calculated. These costs are developed by review of the switch contracts for the appropriate expense, application of the negotiated discount rate, and incorporation of the gross receipts tax. The RTU fee is expressed as a nonrecurring cost, but it can be amortized over the economic life of the switch, as has been done in workpaper 10, Section 3, to determine a unit recurring equivalent cost.

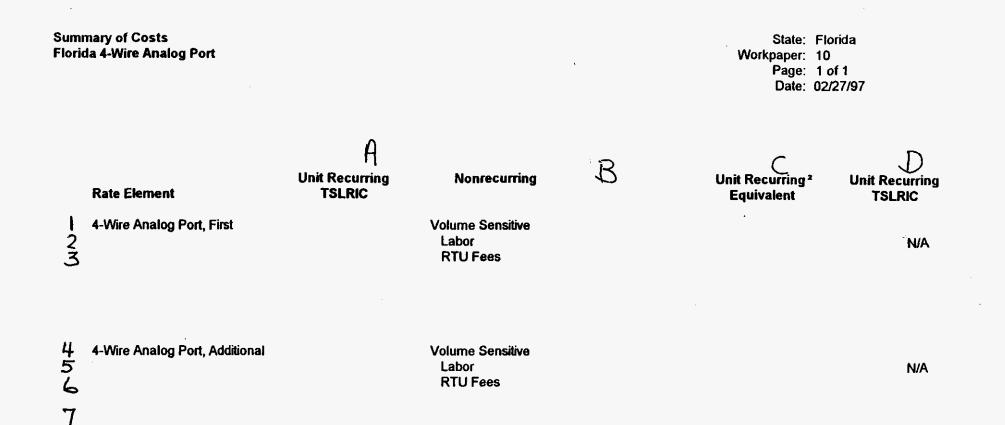
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SUMMARY OF RESULTS

4-WIRE ANALOG PORT

This section contains a cost summary for the 1996-1998 TSLRIC studies for both recurring and nonrecurring cost elements studied for the 4-Wire Analog Port.



Notes:

* These costs do not contain wage usage or feature costs.

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² The nonrecurring RTU Fee is amortized over the economic life of the digital switch (120 months), and expressed as a unit recurring cost.

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COST STUDY DOCUMENTATION COST DEVELOPMENT - RECURRING

4-WIRE ANALOG PORT

This section defines the recurring cost development for 4-Wire Analog Ports.

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. 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 is developed by using the ACE model to calculate the annual cost of a \$10,000 investment and dividing by 12.

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.

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In Section 7, Reports 10 and 20 from the ACE model develop the investment and convert the investment to a monthly cost.

	a 4-Wire Analog Port Ily Costs		State: Florida Workpaper: 20 Page: 1 of 1 A Date: 02/27/97
LN	Description	Source	Amount
1 2 3	5ESS Calculations Investment - 377C MDF & Protector	SCIS/MO - 5ESS Line Termination Report	
4	NTS Switching Investment		
5 6	MTDX200 signaling plug-in	Network Network	
7	MT42110 transmission plug-in		
8 9	Investment per Port	LN3+LN4+LN5+LN6	
10 11	Conversion Factor - Investment to Cost	ACE Report 20, Total Monthly Cost/10,000	0.027046
12	5ESS Monthly Cost	LN8*LN10	
13			
14			
15	DMS Calculations		
16	investment - 377C	SCIS/MO - DMS Line Termination Report	
17	MDF & Protector		
18	NTS Switching Investment		
19	MTDX200 signaling plug-in	Network	
20	MT42110 transmission plug-in	Network	
21	1	LN17+LN18+LN19+LN20	
22 23	Investment per Port	LN17+LN10+LN19+LN20	
23 24	Conversion Factor - Investment to Cost	ACE Report 20, Total Monthly Cost/10,000	0.027046
25		NOL Neper 10, Tela menany coos re, coo	0.011010
26	DMS Monthly Cost	LN22*LN24	
27			
28			
29	Meld Calculations		
30	Technology Distribution	D&F Database - NALs	
31	5ESS		68.5%
32	DMS		31.5%
33			
34	Meided Monthly Cost	LN12"LN31+LN26"LN32	
35			
36 37			
37 38	•	,	
39	•	· · ·	
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41			
42			
43			
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COST STUDY DOCUMENTATION COST DEVELOPMENT - NONRECURRING

4 WIRE ANALOG PORT

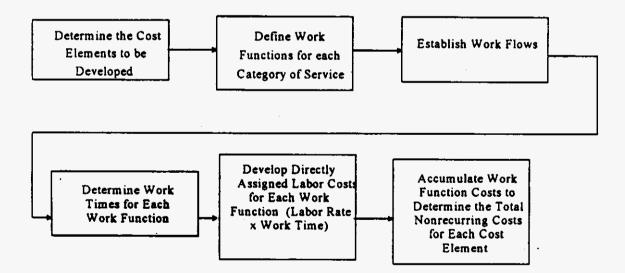
This section defines the nonrecurring cost development for 4 Wire Analog Ports.

Nonrecurring costs are one-time costs incurred as a result of provisioning, installing, disconnecting and completing of orders for 4 Wire Analog Ports. Calculations for the nonrecurring costs are included in this section.

Figure 5-1 shows a generalized flow of the steps necessary for developing nonrecurring costs. Each part of this flow will be explained in more detail in this section.

Figure 5-1

Generalized Flow Diagram for Developing Nonrecurring Costs



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The first step in developing nonrecurring costs is to determine the cost elements to be studied. Each cost element is then described by all of the individual work functions required to provision the cost element. The work functions required to provide the 4-Wire Analog Port can be grouped into four categories. These groups are:

- 1) Service Order
- 2) Engineering
- 3) Connect and Test
- 4) Technician Travel Time

Work functions included in these categories range from clerical activities to installation activities.

The work functions and work times involved in the provisioning of the 4-Wire Analog Port are identified by individuals knowledgeable about and/or responsible for performing the functions. These work functions and work times are then used to describe the flow of work within the various work centers involved in provisioning the cost element.

A spreadsheet model is used to incorporate the specific work functions and labor rates. In order to arrive at the nonrecurring cost for the element studied, the work times for each work function required are multiplied by the appropriate levelized labor rate. The Labor Inflation Factors (LIF) are used to bring the labor rates to the appropriate study period. The labor rates and labor inflation factors are shown in Section 7. Next, the individual work function costs are accumulated into the installation cost for the cost element studied.

Utilizing work functions, work times and directly assigned labor rates, disconnect costs are calculated in the same manner as the installation costs. Since the labor costs will occur in the future, the directly assigned 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 the gross receipts tax is applied to develop the total nonrecurring cost.

Nonrecurring costs are calculated separately on a first and additional basis. "First" refers to the first item on a service order. "Additional" costs are the incremental costs of providing one or more duplicates of the first item on the same service order at the same time as the first item.

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In addition to the labor related nonrecurring costs, Right-to-Use Fees (RTU) are calculated in this section. These costs are developed by review of the switch contracts for the appropriate expense, application of the negotiated discount rate, and incorporation of the gross receipts tax. The RTU fee can be amortized over the economic life of the switch to determine a unit recurring equivalent cost. These calculations are presented on Workpaper 34.

Workpapers 30 and 33 detail the development of the nonrecurring costs.

State: Florida Workpaper: 30 Page: 1 of 1 Date: 02/27/97

			A
LN	Description	Source	Amount
1	Nonrecurring Cost - First		
2			
3	4-Wire Analog Port	WP35, LN14	
4			
5			
6	Nonrecurring Cost - Additional		
7 8	4-Wire Analog Port		
9	4-VANE Analog Port	WP35, LN29	
10			
11	RTU Fee I	WP33, LN14	
12		88F 33, E1414	
13	•	· · ·	
14			N. Contraction of the second se
15			
16			
17			
18			
19			
20			
21			
22			
23 24			
24 25			
26			
27	Notes:		
28	The RTU fee is amortized over the eco	nomic life of the switch.	
29	Unit recurring equivalent (WP34, LN20		
30	•••••••••••••••••••••••••••••••••••••••	r.	
31	·		
32			
33			
34			
35			

Florida 4-Wire Analog Port Nonrecurring Costs

State: Florida Workpaper:33 Page: 1 of 1 Date: 02/27/97

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LN	Description	A Hours	Labor Rate	inflation Factor (WP34, LN19)	GRT Factor	Disconnect Factor	Ronrecurring Cost
1	First						
2	Customer Point of Contact (ICSC)						
3	Installation		\$38.30	1.0618	1.0152		
4	Disconnect		\$38.30	1.0618	1.0152	0.8193	
5	•		•				
6	Network Service Cierical						
7	installation		\$30.21	1.0618	1.0152		
8	Disconnect		\$30.21	1.0618	1.0152	0.8193	
9							
10	CO Install, Maintenance & Administration	- Software					
11	Installation		\$37.38	1.0618	1.0152		
12	Disconnect		\$37.38	1.0618	1.0152	0.8193	
13							
14	Total Nonrecurring Cost - First	Sum (LN3LN12)					
15							
16	Additional						
17	Customer Point of Contact (ICSC)						
18	Installation		\$38.30	1.0618	1.0152	0.0400	
19	Disconnect		\$38.30	1.0618	1.0152	0.8193	
20							
21	Network Service Ciericai		\$30.21	1.0618	1.0152		
22 23	Installation Disconnect		\$30.21	1.0618	1.0152	0.8193	
23 24	Disconnect		\$30.21	4.0010	1.0152	0.0155	
25	CO Install, Maintenance & Administration	Somuse					
25 26	Installation	- Juimaie	\$37.38	1.0618	1.0152		
20	Disconnect		\$37.38	1.0618	1.0152	0.8193	
28			401.00	1.0010	1.0102	0.0100	
29	Total Nonrecurring Cost - Additional	Sum (LN18LN27)					
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							

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State: Florida Workpaper: 34 Page: 1 of 1 Date: 02/27/97

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			A
N	Description	Source	Amount
1	5ESS RTU per Line	Contract PR-6700-B	
2			
3	DMS	None Required	\$0.00
4			
5	Meld Calculations		
6	Technology Distribution	D&F Database - NALs	00.50
7	5ESS		68.5%
8	DMS		31.5%
9			
0	Melded RTU fee	LN1*LN7+LN3*LN8	
11			4.0460
12	GRT Tax Factor	Fundamental Cost Group	1.0152
13			
14	Melded RTU w/GRT	LN10*LN12	
15			
16	RTU Expressed as Recurring		
17	PW of Expense	LN10	1.04%
18	Monthly Nominal Interest Rate	Based on 13.20% Annual Interest Rate	120
19	Term (Months)	Digital Equipment Economic Life	120
20	Monthly Cost w/GRT	(@pmt(LN17,LN18,LN19))*LN12	
21			
22			1.
23			
24			
25			
26			
27	·		
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29			
30			
31			
32			
33			
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35			······································

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Private/Proprietary:No disclosure outside BellSouth except by written agreement

Florida 4-Wire Analog Port Development of Inflation Factor

State: Florida Workpaper: 35 Page: 1 of 1 Date: 02/27/97

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LN	Description	Amount	Amount	Amount
1	Labor Levelizing Factor Calculation	Year 1	Year 2	Year 3
2 [`]	•			
3	Inward Movement	1	1	1
4				
5	Present Worth Factors	0.8834	0.7804	0.6894
6				
7				
8				
9	Inflation per Year (Labor)	- 1.029	1.034	1.035
10	Cummulative Inflation (Year 1, Year 1 * Year 2, etc)	1.029	1.064	1.101
11				•
12				
13	Present Worth of Inward Movement (LN3*LN5)	0.8834	0.7804	0.6894
14	Present Worth of Cummulative Inflation (LN5*LN10)	0.9090	0.8303	0.7592
15				
16	Sum of Present Worth of Inward Movement (Sum LN13)	2.353		
17	Sum of Present Worth of Cummulative Inflation (Sum LN14)	2.498		
18	•			
19	Inflation/Levelizing Factor (LN17/LN16)	1.0618	•	
20				
21				
22				
23				
24				
25				
26				
27	•			
28				
29				
30	Present Worth Factor = 1/(1+.1320)^n			
31	n = Year: 13.20% = Cost of Money			
32	····· · · ·			
33				
34	•			
35				

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SECTION 6

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COST STUDY DOCUMENTATION SPECIFIC STUDY ASSUMPTIONS

4-WIRE ANALOG PORT

This cost study is based on TSLRIC methodology. Network deployment strategies, first choice provisioning guidelines, and equipment purchasing information are used to develop the TSLRIC.

Cost study assumptions are as follows:

- 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. Plug-in investments for signaling and transmission are added to the switch investments. These plug-ins provide the metallic facility terminations necessary for the old vintage PBX systems to work in the ports.
- 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. This cost study is based on a study period of 1996-1998 and uses a base year of 1995.
- 5. The Cost of Money is 13.20%.
- 6. The discounted disconnect factor is based on the location life of the rate element. For a PBX termination, the average location life is 54 months.
- 7. The nonrecurring costs include establishment of telephone numbers.

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COST STUDY DOCUMENTATION FACTORS AND LOADINGS

4-WIRE ANALOG PORT

Following are the TSLRIC annual cost factors, miscellaneous loadings and labor rates used in the 4-Wire Analog Port cost study. Also included is the development of the conversion factor used to convert investments to annual costs in Section 4, Workpaper 20.

LABOR RATES, LABOR INFLATION, ETC. FLORIDA

Directly Assigned Labor Rates - 1995			
Work Center		Job Function Code	<u>1995</u>
CO Install, Maintenance & Administration	1 - Software	432X	\$37.38
Customer Point of Contact (ICSC)		2300	\$38.30
Network Services Clerical (SOP 89)		2700	\$30.21
Discounted Disconnect Factor	Locati	on Life	Factor
	54 Mc		
4 Wire Analog Port	24 1416	onuns	.8193
Labor Inflation Rate			
1996	1.029		
1997	1.034		
1998	1.035		
Inflation Lovalizing Factors			
Inflation Levelizing Factors	1.0773		
Labor	1.0652		
Digital Switch Equipment (377C)	1.0120		
Loading Factors			
InPlant (Telco)	1.1236		
• •	1.0962		
Common Equipment & Power (377C)			
Building Loading	.0404		
Land Loading	.0030		

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CALCULATION OF CONVERSION FACTOR

USOC INVESTMENT DETAILS

ACE Report 10 Page 1 of 2

State Tariff Ref. Florida \$10,000.00

	PRIMAR	INVES	INVESTMENT LOADING FACTORS				SUPPORT STRUCTURE LOADINGS			BOOKED INVESTMENTS		
Field Code	Description	Capital Operating Investment Investment	FC Factor	InPlant Factor	InPlant Type	CE&P Factor	Loading Factor	Loading Type	Field Code	Capital Investment	Operating nt Investment	
377C 377C 377C	Sample of \$10,000 Support Loading Support Loading	\$10,000.00 \$10,000.00	1.0120	1.1236	т	1.0962	0.0404	switch-bldg switch-land	10C 20C	\$12,464.71 \$503.57 \$37.39	\$12,464.71 \$503.57 \$37.39	•
							ADJUSTED	TOTAL INVES	TMENT	\$13,005.67	\$13,005.67	

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CALCULATION OF CONVERSION FACTOR

USOC INVESTMENT DETAILS

ACE Report 20 Page 2 of 2

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State	Tariff Ref.
Florida	\$10,000.00

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	INVESTMENT DATA	INVESTMENT LO	DADING FACTORS	SUPPORT STRUCTURE LOADINGS BOOKED INVESTMENTS						
Field Code		epr. C.O.M. Inc. Tax clor Factor Factor	Mice. Admin. Factor Factor	AdVal. GRT Factor Factor	Depr. C.O.M. Expense Expense	Inc. Tax Mice. Expense Expense	Admin. AdVal. GRT Expense Expense Expense			
10C 20C 377C	\$37.39 \$37.39 0	0.0302 0.0984 0.0452 0.0000 0.1118 0.0514 0.1134 0.0651 0.0302	0.0000 0.0000	0.0113 0.0152	\$15.21 \$49.55 \$0.00 \$4.18 \$1,413.50 \$811.45	\$1.92 \$0.00	\$0.00 \$5.69 \$1.47 \$0.00 \$0.42 \$0.10 \$0.00 \$140.85 \$47.02			
SUMMARY:	Cost	eciation Expense of Money ne Tax Expense	\$13,005.67 \$1,428.71 \$865.18 \$401.12							
	ANNUAL OPERATING EXPENSES: Maint Admin		\$354.98 \$0.00 \$146.96							
	Gross Receipts Tax TOTAL ANNUAL COST:	ann dill thur durid (CVC)	\$48.59 \$3,245.55	TOTAL MONTHLY COST:	\$270.46					

	INCREMENTAL							***************************************							
		1 1	ι .	ł – –	ł	1	1		1	l .	1 1		1	1	1
	hold_code	depreciation	acle_com	j actourne tax			acic_advai lax	admin_dr		ecic_grt_comb	lol_combined			actc_grt_tui	1) tot_64
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		•	13.2%	1	(a+b+c)	-) (e:[+g)	± (d + h)	1_ (d+h+a) 	2 (d + h)	(a+n+k)	l rtarut	[(d) h m)
	200	8 0000	0 6118	0 9614	0 1632	0 0000	0 0113	0 0000	0 0113	0 8027	0 1772				
LAND Buildings	19C, 119C, 819C	0.0302	0 0966	0 0452	0 1740	0 0068	0 0113	0 0000	0 0162	0 0029	0 1951				
ANALOGELEC SWITCH	77C. 477C. 077C	0.2620	0 0860	0 0300	0 3616	0 8217	0 0113	0 0461	0.0791	0 0067	0 4473				
DIGITAL ELEC SWITCH	377G. 467C	0.1134	0 0451	0 0 3 0 2	0 2067	0 0202	0 0113	8 0465	0 0555	0 0045	0 2866				
OPERATOR SYSTEMS	117C.417C	0.1003	. 0761	0 5404	0 2236	0 0040	0.0113	8 0481	8 0614	0 0043	0 2895				
RADIO	147C, 87C, 887C, 867C	0.1434	8 8760	0 0348	0 2632	0 0703	0 01 13	8 0461	0 1337	0 0058	0 3028				
DIGTL CIRC - DOS	167C	0.1610	0 8675	0 0305	0 2790	0 0073	0 8113	0 0481	0 0647	0 0052	0 3488			•	
DIGTL CIRC - PAIR GAIN	257C,0257C,F257C	0 1134	0 0636	0 0268	0 2068	0 0089	0 0113	0 0481	0 0663	0 0041	0 2762				
DIGTL CIRC - OTHER	357C,T357C,F357C,457C,857C	0 1134	0.0636	0 0207	0 2068	0 8086	0 0113	0 0481	0 0860	0 0041	0 2770				
ANALOG CIRC-PAIR GAIN	457C	0.1688	0 0836	8 6248	0 2673	0 0000	0 0113	0 0481	0 0674	0 0046	0.3106	* See Note E	elo w		
ANALOG CIRC - OTHER	67C	0.1660	8 9630	0 0282	0 2419	0 0206	0 0113	0 0461	0 0780	0 0062	0 3442				
POX	168C, 268G	0.2290	0 0771	0.0346	0.3413	0 0146	0 0 1 1 3	0 0441	0.0710	0 0083	0 4106				
FUBUC - COIN	186C, 188C	0.1403	0 0703	0 0346	# 2584	6 2064	0 0113	0 0481	0 2656	0 0089	8 6332				
PUBLIC - COINLESS	200C, 200C	0.1463	0.4783	0 0348	0 2504	0.1240	0 0113	8 6461	0 1822	0 0007	0 4483				
PUBLIC - OTHER	908C, 968C	0.1482	0 0783	0.0348	0 2584	0.1082	0 0113	8 0481	0 1636	0 0084	0 4294				
OTHER TERMINAL EQPT	350C,0760C,658C,668C,	0.1778	0.0012	0.0365	8 2984	0.0648	0 0113	8 0481	0 1122	0 0061	6 4087				
	820C,820C,F968C				0 0000	0 9000	0 0000	0 0000	0 0000	0 0000	0 0000				
SUBSCRIBER PAIR GAIN	754C,0754C,F764C	0.0071	0 0726	0 0326	0 1721	0.8278	0 8113	8 0481	0 0463	6 9039	0 2613				
POLES AERIAL CA - METAL	1G, 811G 22G, 12G, 882G	0.0017	0 0707	0 0330	0 2062	0 0671	0 0113	0481	0 1146	0 9949	0 3246				
AERIAL CA - FIDER	822C, 612C, 862C, 862C, D22C,	0.0007	0.0704	0.0347	0.1706	0 0130		8 6441	0 0713	0 0036	0 2548				
ACTING GA - FIREH	F22C, T22C,D12C,F12C,T12C	0.0007	0.0104	• • • • • •	• • • • • •										
UNGROUND CA - METAL	5C. 805C	6 1036	0 0613	0 0342	0 2101	0 0201	0 0113	0 0481	0 0845	0 0046	0 3102				
UNGROUND CA - FIBER	ASC. AASC. BASC. DSC. FSC. TSC	0 0620	0 0000	0 0364	0 1784	0 0136	0 0113	0 0401	0 0708	0 0038	0 2631				
BURED CA - METAL	45C, 845C	0.0576		0 0354	0.2030	0.0643	0.0113	8 0481	0 1117	0 0048	0 3204				
BURED CA - FIDER	845C,850C,856C,046C,	0 0545	8.6616	8 6367	8.1768	0.0144	0.0113	0 0401	8.07 14	8 0036	0 2524				
	F46C,T46C														
SUBMARINE CA - METAL	8C, 898C	0 0560	0 0814	0 0 3 6 0	0 2040	0 0 1 6 0	0 01 13	0 0461	0 0724	8 0042	0 2006				
SUBMARINE CA-FIRER	SOC, SOC DOC, FOC, TOC	0 0840	0.0814	0 0366	8 2029	0 0160	0 0113	0 0461	8 6724	0 0042	0 2706				
HITROLD NTWK - METAL	52C	0 6661	0 0766	0 0340	0 1786	0 0320	0 0113	8 8481	0 0604	8 0041	0 2721				
INTROLD NTWK - FIBER	862C,062C,F62C,T62C	0 0001	0.0705	0 0340	0.1788	0 8320	0 0113	0 949 I	0 0084	# 904 1	0 2721				
CONDUIT SYSTEMS	4C, 84C, 84C	0 0242	0.0677	0.0401	0.1620	0.0026	0 6113	0 0461	0 0602	0 0032	0 2164				

*FOR USE IN SERVICE COST STUDIES ONLY *

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NOTE: Certain states in the Ballbouth region (GA & NC) assess gross receipts lax only on "local" revenues. For those states, it is necessary to publish "local", "private time and toll", and "combined" lactors Benare that the deliviblene of "local" and "private time and toll" are delined by the lasting authority for gross receipts tax purpases and may very it on state to state according to lax law.

1995 FLORIDA

ACCOUNT AVERAGE ANNUAL COST FACTORS

For these states which assess gross receipts tes on local private ime, and tell revenues, the gross receipts tas factor is based on the overall effective tax rete-

Reducted



Filed in Response to Order No. PSC-96-1579-FOF-TP BellSouth Telecommunications, Inc. Docket No. 960833-TP March 3, 1997

DIRECTORY TRANSPORT

SWITCHED LOCAL CHANNEL AND SWITCHED DEDICATED DS1

TSLRIC COST STUDY DOCUMENTATION

PROPRIETARY

SECTIONS A THRU 7

Feb., 1997

FLORIDA

DIRECTORY TRANSPORT -SWITCHED LOCAL CHANNEL AND SWITCHED DEDICATED DS1

COST STUDY DOCUMENTATION

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- SECTION A PROPRIETARY RATIONALE
- SECTION 1 INTRODUCTION AND OVERVIEW
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Feb., 1997

SECTION A

SECTION A

FLORIDA DIRECTORY TRANSPORT -SWITCHED LOCAL CHANNEL AND SWITCHED DEDICATED DS1

PROPRIETARY RATIONALE

The Directory Transport - Switched Local Channel and Switched Dedicated DS1 Cost Study contains actual unit cost information for discrete cost elements. These costs represent BellSouth's long run incremental cost of providing this element 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 Directory Transport -Switched Local Channel and Switched Dedicated DS1 Cost Study is considered proprietary.

FLORIDA DIRECTORY TRANSPORT -SWITCHED LOCAL CHANNEL AND SWITCHED DEDICATED DS1

INTRODUCTION AND OVERVIEW

This Total Service Long Run Incremental Cost (TSLRIC) study for Directory Transport - Switched Local Channel and Switched Dedicated DS1 is being provided in response to the Commission Order No. PSC-96-1579-FOF-TP issued December 31, 1996. The Switched Local Channel is at the DS1 level.

The TSLRIC results presented in this cost study are volume sensitive. The Directory Transport - Switched Local Channel and Switched Dedicated DS1 cost study has no volume insensitive costs.

The investments presented in this study are levelized for the 1996-1998 study period. These investments are converted to recurring costs using incremental loadings and annual cost factors. Nonrecurring costs are also levelized for the 1996-1998 study period.

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FLORIDA DIRECTORY TRANSPORT -SWITCHED LOCAL CHANNEL AND SWITCHED DEDICATED DS1

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of TSLRIC for Directory Transport - Switched Local Channel and Switched Dedicated DS1.

All costs are developed utilizing TSLRIC methodology. In determining these costs, direct incremental costing techniques are used that are in accordance with accepted economic theory. Direct incremental costs are based on cost causation and include all of costs directly caused by expanding production, or, the alternatively, costs that would be saved if the production levels Costs may be volume sensitive and/or volume were reduced. insensitive. Costs are forward-looking in nature because only future costs can be saved. Incremental costs are long run to assure that the time period studied is sufficient to capture all forwardlooking costs affected by the business decision. Shared and common costs are not incremental and therefore, are not included. Incremental costs include both recurring (capital and operating expenses) and nonrecurring (provisioning) costs. Incremental costs account for the expected change in cost to the firm resulting from a new service offering or from a change in demand for an existing service.

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 forwardlooking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money, and income tax, operating costs are the expenses for maintenance and ad valorem and other taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment.

Directory Transport -Switched Local Channel and Switched Dedicated DS1

The first step in developing an incremental recurring cost study for Directory Transport - Switched Local Channel and Switched Dedicated DS1 is to determine the forward-looking network architecture. Material prices for the cables and associated equipment are defined. Next, Telephone Plant Indices are applied, when necessary, to trend investments to the base study period. Inplant factors are applied to material prices to develop installed investments, which include engineering and installation labor. The deployment probabilities and utilization factors are also considered.

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. Miscellaneous loadings are then applied.

Next, Incremental Annual Cost Factors are used to calculate the direct cost of capital, maintenance and other operating expenses and taxes. Factors for each Uniform System of Accounts - Field Reporting Code (USOA-FRC) are applied to levelized investments by account code. Annual costs by account code are then summed and divided by twelve to arrive at a monthly cost per cost element.

DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting Directory Transport -Switched Local Channel and Switched Dedicated DS1. 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 directly assigned labor rate for the work group performing the function.

Utilizing work functions, work times, and directly assigned 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 discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the total nonrecurring cost.

FLORIDA DIRECTORY TRANSPORT -SWITCHED LOCAL CHANNEL AND SWITCHED DEDICATED DS1

SUMMARY OF RESULTS

This section contains a cost summary for the 1996-1998 TSLRIC for both recurring and nonrecurring cost elements studied for Directory Transport - Switched Local Channel and Switched Dedicated DS1.

FLORIDA DIRECTORY TRANSPORT -SWITCHED LOCAL CHANNEL AND SWITCHED DEDICATED DS1

SUMMARY OF RESULTS TSLRIC

Monthly	Nonrec	urring Cost
<u>Costs</u>	<u>First</u>	<u>Additional</u>

N/A

N/A

Directory Transport -Switched Local Channel and Switched Dedicated DS1

Switched Local Channel

Switched Dedicated DS1

Per Mile

Per Facilities Termination

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FLORIDA DIRECTORY TRANSPORT -SWITCHED LOCAL CHANNEL AND SWITCHED DEDICATED DS1

COST DEVELOPMENT - RECURRING

This section describes the development of the recurring Total Service Long Run Incremental costs for Directory Transport -Switched Local Channel and Switched Dedicated DS1.

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. Annual cost factors are applied to convert the investment to cost.

Directory Transport -Switched Local Channel and Switched Dedicated DS1

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 these SONET rings were obtained from the BellSouth Network Department.

The fixed component at the DS1 level includes the SONET multiplexer, a fiber splicing terminal, a DS1 working card, and a DSX-1 panel termination at each end of the facility. Also included in the fixed component is the intermediate central office circuit equipment that the signal traverses. The intermediate central office equipment includes the SONET multiplexer and a fiber splicing terminal. The per airmile cost consists of three strands of aerial, buried and underground fiber cable as well as the associated pole and conduit supporting investments.

The levelized investments for the equipment and fiber facilities were obtained from the 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.

The Switched Local Channel long run incremental cost study considers the network architectures and technologies that will be used to provide the service being studied in the future. BellSouth Network provided designs representative of the

Directory Transport -Switched Local Channel and Switched Dedicated DS1

forward-looking network architectures which are used now and will be used in the future to deploy DS1 service from the central office to a point of termination for the ALEC.

For DS1 the following design is studied:

Central Office to Point of Termination (POT) on an OC-3 SONET Ring

The DS1 recurring costs are developed for the electronics, which include all hardwired and common plug-ins at the central office and at the ALEC's premises. Also included are the working DS1 cards at the central office and customer premises. Recurring costs for the transport are developed on a flat rate basis which include the fiber and all support structures.

The levelized investments for the equipment and fiber facilities were obtained from the SONET Fundamental Investment Model.

A cost is developed for each design based on the average length of the local channel. Each design is weighted by its probability of occurrence to determine the cost of the DS1 offering.

TAB A

STATE: FLORIDA WORKPAPER: 100 PAGE 1 OF 1 DATE: FEBRUARY 1997

	MONTHLY	
LINE	COST	SOURCE

NÓ.

DS1 SWITCHED LOCAL CHANNEL

PORT 20 LINE 18
1

CSNI CSN/		SW-LOC		CHANNEL										REPORT 10 1 of 1 2/24/97
tate	Tariff Ref	USOC	Modifier	Techn	ology	Vol. Sen.	Econo	mic Type	Investme	nt Basis				
L		DS1				VS	DIR							
		PRIMARY	INVESTMENT	DATA		INVES	STMENT L	OADING	FACTORS	SUPPOR	T STRUCTURE	LOADINGS	INVEST	MENT
ield Jo de	Descri	ption	Capital Investment	Operating Investment	Date	FC Factor	InPlant Factor	InPlant Type	CP&E Factor	Loading Factor	Loading Type	Field Code	Capital Investment	Operating Investment
57C	DESIGN 1	1 OC-3			2/24/97	1.0000			1.1202					
57C	~ Support	t Loading	.>							0.0404	circuit_bldg	10C		
57C	~ Support	t Loading	.>							0.0030	circuit_land	20C		
57CN	DESIGN 1	1 OC-3			2/24/97	1.0000								
:12C	DESIGN 1	1 OC-3			2/24/97	1.0000								
22C	DESIGN 1	1 OC-3			2/24/97	1.0000								
22C	~ Support	Loading	~							0.2522	pole_fib	1C		
:45C	DESIGN 1	1 OC-3			2/24/97	1.0000								
5C	DESIGN 1	1 OC-3			2/24/97	1.0000								
5C	~ Support	t Loading	.>							0.3895	cond_fib	4C		

Initial Total Investment

E

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

A. The FC factor is the levelized inflation factor for investments.
 5. Capital investment and Operating Investment source is Workpaper 200 series.
 PRIVATE/PROPRIETARY: NO DISCLOSURE OUTSIDE BELLSOUTH EXCEPT BY WRITTEN AGREEMENT.

5 St	FL	Tariff Re	ef USC DS1		lifier		chnology		me Sensitiv ∨S	•	Economic						
)				ENT DATA		ANNUAL	COST FAC					,	ANNUAL E	XPENSES	6		
10			NOT	Έ 1.								NOTE	2.	I	NOTE 3.		NOTE 4.
	Field Code A	State B	Capital Investment C	Operating Investment D	Dep. Factor E	Levelized C.O.M. F	inc Tax Factor G	Mtce Factor H	Other Factor	AdVal Factor J	GRT K	C.O.M. Expense M (C*F)			Other Expense P (D*I)	Adval Expense Q (D*J)	. R
1	0C	FL			.0302	.0986	.0452	.0069	0.0000	.0113	.0152	 					
1	C	FL			.0671	.0725	.0325	.027 9	0.0000	.0113	.0152						
2	20C	FL.			0.0000	.1118	.0514	0.0000	0.0000	.0113	.0152						
3	57C	FL	:		.1134	.0638	.0297	.0086	.0052	.0113	.0152						
3	57CN	FL			.1134	.0638	.0297	.0086	.0052	.0113	.0152						
4	C	FL			.0242	.0877	.0401	.0028	0.0000	.0113	.0152						
8	12C	FL			.0667	.0784	.0347	.0139	0.0000	.0113	.0152						
8	22C	FL			.0667	.0784	.0347	.0139	0.0000	.0113	.0152						
8	45C	FL		•	.0585	.0816	.0367	.0144	0.0000	.0113	.0152						
8	5C	FL		1	.0626	.0800	.0358	.0135	0.0000	.0113	.0152						

NOTES:

C

Capital and Operating Investments are the INVESTMENTS from ACE Report 10
 Depreciation, Cost of Money and Income Tax Expense = Capital Investment multiplied by the corresponding Annual Cost Factor
 Maintenance, Other and Ad Valorem Expenses = Operating Investment multipled by the corresponding Annual Cost Factor
 Gross Receipts Tax = Gross Receipts Tax Factor multipled by the sum of the Capital Costs and Operating Expenses

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DS1 SWITCHED LOCAL CHANNEL

STATE: FLORIDA WORKPAPER: 331 PAGE: 1 of 1 DATE: FEBRUARY 1997

DESIGN 1 ELECTRONICS - OC 3

LINE NO	TYPE EQUIPMENT		TYPE SYSTE	FRC	UTILIZED/ LEVELIZED INVESTMENT		SOURCE
	CENTRAL OF	FICE					
1		DS1 WORKING	OC - 3	357C		SON	ET FUNDAMENTAL MODEL
2		DS1 PROTECT	OC - 3	357C		SON	ET FUNDAMENTAL MODEL
4 5 6		CO NODE	OC - 3	357C		SON	ET FUNDAMENTAL MODEL
7		DATA COMM LINK	OC - 3	357C		SÓN	ET FUNDAMENTAL MODEL
9 10				TOTAL			SUM LINES 1 THRU 7
11 12	POINT OF TE	ERMINATION (CP)					
13 14		CP NODE	OC - 3	357C		SON	ET FUNDAMENTAL MODEL
15 16		DS1 WORKING	OC - 3	357C		SON	ET FUNDAMENTAL MODEL
17 18 19		DS1 PROTECT	OC - 3	357C		SON	ET FUNDAMENTAL MODEL
20 21		BATTERY BACK-UP	OC - 3	357C		SON	ET FUNDAMENTAL MODEL
22		BLDG ENTRANCE CABLE	OC - 3	812C		SON	ET FUNDAMENTAL MODEL
24 25				TOTAL			SUM LINES 14 THRU 22
26 27							
28 29 30		Y FRC - NON-WEIGHTED		-			
31 32 33	:	CENTRAL OFFICE		357C			LINE 9
34 35	l i	POINT OF TERMINATION	(CP)	357C			SUM LINES 14 thru 20
36 37	i	BLDG ENTRANCE CABLE	• •	812C			LINE 22
38	I			TOTAL			SUM LINES 33 THRU 37
40 41		Y OF OCCURRENCE				100.00%	NETWORK
42	1						
	FLAT RATE	BY FRC - WEIGHTED INVESTMENT - FIXED					
4	1	CENTRAL OFFICE		357C			LINE 33 * LINE 41
49	9	POINT OF TERMINATION	(CP)	357C			LINE 35 * LINE 41
5 52		BLDG ENTRANCE CABLE		812C			LINE 37" LINE 41
5	3			TOTA	L		SUM LINES 47 THRU 51

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DS1 SWITCHED LOCAL CHANNEL

WORKPAPER: 332 PAGE: 1 of 1 DATE: FEBRUARY 1997

STATE: FLORIDA

DESIGN 1 TRANSPORT - OC 3

LINE NO.	TYPE EQUIPMENT		TYPE SYSTEM	FRC	UTILIZED/ LEVELIZED INVESTMENT		SOURCE
	INVESTMENT PER	MILE PER STRAND (route)					
1 2 3		AERIAL FIBER UNDERGROUND FIBER BURIED FIBER	OC - 3 OC - 3 OC - 3	822C 85C 845C		SON	ET FUNDAMENTAL MODEL IET FUNDAMENTAL MODEL IET FUNDAMENTAL MODEL
4 5				TOTAL			SUM LINES 1 THRU 3
6 7	INVESTMENT PER	FOOT PER STRAND (route)					
8 9 10 11		AERIAL FIBER UNDERGROUND FIBER BURIED FIBER	OC - 3 OC - 3 OC - 3	822C 85C 845C			LINE 1 / 5280 LINE 2 / 5280 LINE 3 / 5280
12 13				TOTAL			SUM LINES 9 THRU 11
14 15 16 17	NUMBER OF STRA	NDS PER RING				3	NETWORK
18 19 20 21	STATE AVERAGE	LOOP LENGTH (ring) ROUTE FEET				20,862	WP333, LINE 8
22 23		LOCAL CHANNEL (route feet)				
24 25 26 27		AERIAL FIBER UNDERGROUND FIBER BURIED FIBER	OC - 3 OC - 3 OC - 3	822C 85C 845C		L	LINE 9 ° LINE 18 ° LINE 20 INE 10 ° LINE 16 ° LINE 20 INE 11 ° LINE 16 ° LINE 20
28 29 30 31				TOTAL			SUM LINES 25 THRU 27
32 33 34							
35 38 37	SUMMARY BY FRO	C - NON-WEIGHTED					
38 39 40 41		AERIAL FIBER UNDERGROUND FIBER BURIED FIBER	OC - 3 OC - 3 OC - 3	822C 85C 845C			LINE 25 LINE 26 LINE 27
42 43				TOTAL			SUM LINES 39 THRU 41
44 45	PROBABILITY OF	OCCURRENCE				100.00%	NETWORK
46 47 48	SUMMARY BY FRE						
49 50 51 52		AERIAL FIBER UNDERGROUND FIBER BURIED FIBER	OC - 3 OC - 3 OC - 3	822C 85C 845C			LINE 39 * LINE 45 LINE 40 * LINE 45 LINE 41 * LINE 45
53 54				TOTAL			SUM LINES 50 THRU 52

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LOOP LENGTH SUMMARY

LINE NO	DESIGN 1		ROUTE FEET	SOURCE	NOTES
1	STATE AVG. LOOP LENGTH		6,644	ECONOMIC ANALYSIS	
	RATIO OF CIRCUMFERENCE TO THE	3.14		2 1	
7	STATE AVERAGE LOOP LENGTH DESIGN 1		20,862	LINE 1 " LINE 5	APPLIED FOR OC-3 RING

TAB B

•

		State:	Florida
	Switched Dedicated Transport Interoffice	Workpaper:	101
	DS1 ⁻ I	Page:	1 of 1
			2/24/97
1			
	Fixed Monthly Cost	Monthly Recurring	Source
3		Cost	000100
4		0031	
5	Interoffice Channel Circuit Eqpt.	\$	Ace Report 20 Pg 3 of 8
	interonice Channel Circuit Eqpt.	Ŷ	Ace Report 20 Fg 3 018
6 7			
8			
9			
10		•	
	Per Mile Monthly Cost	\$	Ace Report 20 Pg 4 of 8
12			
13			
14			
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20			
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23			
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CSN CSN	C INVESTI UMBER : AME : IFF ELEMEN	DS1 DEC		SP									1	REPORT 10 of 2 2/24/97
State	Tariff Ref	USOC	Modifier	Techn	ology	Vol. Sen	. Econo	omic Type	Investmer	nt Basis				
FL		3	DS1	SONE	ET	VS	DIR		Per DS1					
		PRIMAR	INVESTMENT D	ATA		INVES	STMENT	LOADING	FACTORS	SUPPOF		LOADINGS		MENT
Field Code	Descri	ption	Capital Investment	Operating Investment	Date	FC Factor		InPlant Type	CP&E Factor	Loading Factor	Loading Type	Field Code	Capital Investment	Operating Investment
357C	Circuit Eq	uipment			2/24/97	1.0000			1.1202					
357C	~ Support	t Loading	->							0.0404	circuit_bldg	10C		
357C	~ Support	t Loading	->							0.0030	circuit_land	20C		
Initial	Total Investr	nent								Adjust	ed Total Investr	nent		
	NOTE	2. The In 3. InPlan 4. The Fi	vestment for Prima vestment for Supp t Factor types: T = C factor is the leve I Investment and C PRIVATE/PROPRI	ort Structure L = Telco, C = Ma lized inflation f	badings is aterial Co actor for i	s calculated mposite, H nvestments	1 by multij = Materia 5.	olying the a Il Hardwire	, P = Material	iding factor t Plugin	by the sum of inv	loading factors vestments for e	s. Pach primary F	ield Code.
25														

	UMBER :	NT DETAILS											ACE I	REPORT 1
	AME : IFF ELEMEN	DS1 DEDI T IO Channe	CATED TRANS el - Per Mile	P										of 3 2/24/97
ate	Tariff Ref	USOC	Modifier	Techn	ology	Vol. Sen.	Econ	omic Type	Investme	nt Basis				
-		4	DS1	SONE	ET	VS	DIR		Per DS1					
		PRIMARY	INVEST MENT D	ATA		INVES	STMENT	LOADING	FACTORS	SUPPOR		LOADINGS	INVEST	• MENT
ield ode	Descri	otion	Capital Investment	Operating investment	Date	FC Factor	InPlant Factor	InPlant Type	CP&E Factor	Loading Factor	Loading Type	Field Code	Capital Investment	Operating Investment
22C	Aerial Cat	le - Fiber			2/24/97	1.0000								
22C	~ Support	Loading>								0.2522	pole_fib	1C		
45C	Buried Ca	ble - Fiber			2/24/97	1.0000								
5C	Undergrou Fiber	ind Cable -			2/24/97	1.0000								
5C	~ Support	Loading>	,			_				0.3895	cond_fib	4C		
nitial	Total Investm	ent								Adjust	ed Total Investn	nent		**** /===

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. 5. Capital Investment and Operating Investment source is Workpaper 200 series. PRIVATE/PROPRIETARY: NO DISCLOSURE OUTSIDE BELLSOUTH EXCEPT BY WRITTEN AGREEMENT.

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1 USOC / 2 CSNUM 3 CSNAM	MBER: ME:		ICATED TRA	NSP											ACE	1 of	「 20 2 4/97
	Tariff Re	NT: tO Chann ef USC		lifier	Те	chnology	Volu	me Sensitiv	<i>r</i> ity E	Economic 1	Туре	Investmen	it Basis			212	-1131
FL		3		DS1	SONE			vs		DIR	Pe	er DS1					
9		INVESTM	ENT DATA		ANNUAL	COST FAC	CTORS					,	ANNUAL E	XPENSE	S		
10		NOT	E 1.									NOTE	2 .	I	NOTE 3.	۲	NOTE 4
11 Field 12 Code 13 A 14	State B	Capital Investment C	Operating Investment D		Levelized C.O.M. F		Mtce Factor H	Other Factor I	AdVal Factor J	GRT K	Depr. Expense L (C*E)		Inc Tax Expense N (C*G)	Mtce Expense O (D*H)	Other Expense P (D*I)	Adval Expense Q (D*J)	Ŕ
10C 20C 357C	FL FL FL			.0302 0.0000 .1134	.0986 .1118 .0638	.0452 .0514 .0297	.0069 0.0000 .0086	0.0000 0.0000 .0052	.0113 .0113 .0113	.0152 .0152 .0152						• • • • •	
15 TOTAL 16 17 18 19 20	S	TOTAL ANN	NUAL COST.							Τ	OTAL MO	NTHLY CO	DST				

NOTES:

Capital and Operating Investments are the INVESTMENTS from ACE Report 10
 Depreciation, Cost of Money and Income Tax Expense = Capital Investment multiplied by the corresponding Annual Cost Factor
 Maintenance, Other and Ad Valorem Expenses = Operating Investment multipled by the corresponding Annual Cost Factor
 Gross Receipts Tax = Gross Receipts Tax Factor multipled by the sum of the Capital Costs and Operating Expenses

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2 3	USOC A CSNUM CSNAM TARIFF	iber: E:	OST DETAI, DS1 DEDI NT: Ю Channe	CATED TRA	NSP											ACE	2 of	20 2 24/97
6	State	Tariff Re	ef USO	C Mod	lifier	Те	chnology	Volu	me Sensitiv	/ity	Economic	Туре	Investmen	t Basis				
	FL		4		DS1	SONE	т		vs		DIR	P	er DS1					
9			INVESTME	ENT DATA		ANNUAL	COST FAC	CTORS						ANNUAL E	XPENSE	S		
10	ł		NOT	E 1.									NOTE	2 .	l	NOTE 3.	٠	NOTE 4.
11 12 13 14	A	State B	Capital Investment C	Operating Investment D	Dep. Factor E	Levelized C.O.M. F		Mtce Factor H	Other Factor I	AdVal Factor J	GRT K	Depr Expense L (C*E)	C.O.M. Expense M (C*F)	Inc Tax Expense N (C*G)	Mtce Expense O (D*H)	Other Expense P (D*I)	Adval Expens Q (D*.	se Expense R
	1C	 FL	<u></u>		.0671	.0725	.0325	.0279	0.0000	.0113	.0152							
	4C	FL.			.0242	.0877	.0401	.0028	0.0000	.0113	.0152							
	822C	FL			.0667	.0784	.0347	.0139	0.0000	.0113	.0152							
	845C 85C	FL FL			.0585 .0626	.0816 .0800	.0367 .0358	.0144 .0135	0.0000 0.0000	.0113 .0113	.0152 .0152							
16 17 18 19 20			TOTAL ANN	IUAL COST							Τι	OTAL MO	ONTHLY CO	DST				
	70	ı	NOTES:	2. Depre 3. Mainte	ciation, Co nance, Ot Receipts	rating Inves st of Money her and Ad Fax = Gross PRIVATE/PF	and Incor Valorem E Receipts	ne Tax E xpenses Tax Facto	xpense = C = Operatin or multipled	apital Inv g Investm I by the si	estment m ent multipl um of the C	ultiplied I led by the Capital Co	osts and Op	perating Ex	penses			

	Switched I DS1	Dedicated Tra	nsport Interoffice			orkpaper: ge:	Florida 201 1 of 1 2/24/97
2 3		Weighted Inv	<u>vestment</u> <u>357C</u>				Wp3021 p44
4 5 6 7 8 9		Design 1 Design 2					Wp302 Ln44 Wp303 Ln52
10 11		Totai					Ln4+Ln5
12 13	<u>Per Mile</u>	Weighted Inv	vestment (Route Disi	tance)			
14 15 16 17 18 19		Design 1 Design 2	<u>822C</u>	<u>845C</u>		85C	Wp302 Ln45,46,47 Wp303 Ln53,54,55
20 21 22		Total					Ln15+Ln16
22 23 24 25		Average Dis	tance (Air Miles) 16.58		16.58	16.58	1995 Annual Filing
26 27 28 29 30	;)	Investment f	Per Air Mile				Ln21 / Ln24
31 32							
33 34							
35 36							
37	,						
39)						
40 41	ł						
42 43							
44 45	Ļ						
48	3						
47 48	3						
49 50							

Switched Dedicated Transport Interoffice DS1

Design 1

State:	Florida
Workpaper:	302
Page:	1 of 1
Date:	2/24/97

	Design 1			
	A	8	С	
			Equipment	
Line	Description	FRC	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				
	C.O. Node - OC-48 BLSR Intermed.	357C		SONET Fundamental Investment Model
7	Number Required	0070	1	Network
8	Total Investment		i	Line 6 * Line 7
	i otar investment			
9	0.0.1.1.1.1.0.00.1.0.10.10.10.0.0			
	C.O. Interface DS3 on OC-48 - Mux & Prot.	3570	•	SONET Fundamental Investment Model
11	Number Required		2	Network
12	Total Investment			Line 10 * Line 11
13				
	C.O. Interface DS3 on OC-48 - Working	357C		SONET Fundamental Investment Model
15	Number Required		2	Network
16	Totai 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				
	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)
25				
	Fiber - OC-48 BLSR Per Mile Per Strand	845C		SONET Fundamental investment Model
	Number Strands	0400	2	
28			3	Network
29	Number Miles		16	Network
30	Total Investment			Line 27 * (Line 28 * Line 29)
31				
	Fiber - OC-48 BLSR Per Mile Per Strand	85C	-	SONET Fundamental Investment Model
33	Number Strands		3	Network
34	Number Miles		16	Network
35				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	Probability of Occurrence - Design 1		0.18	Network Area Staff
43				
	Weighted Investment - Design 1	357C		Line 37 * Line 42
45		822C		Line 38 * Line 42
46		845C		Line 39 * Line 42
47		85C		Line 40 * Line 42
48				
49				
49 50				
50				

Switched Dedicated Transport Interoffice DS1

- 4

Design	2	- OC-48	Ring

State:	Florida
Workpaper:	303
Page:	1 of 1
Date:	2/24/97.

	Design 2 - OC-48 Ring			
	Α	в	С	
			Equipment	
Line	Description	FRC	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 Intermed.	357C		SONET Fundamental Investment Model
7	Number Required		2	Network
8	Total Investment			Line 6 * Line 7
9				
10	C.O. Interface DS3 on OC-48 - Mux & Prot.	357C		SONET Fundamental Investment Model
11	Number Required		2	Network
12	Total Investment			Line 10 * Line 11
13				
	C.O. Interface DS3 on OC-48 - Working	357C	-	SONET Fundamental Investment Model
15	Number Required		2	Network
16	Total Investment			Line 14 * Line 15
17	Data Communications OC 48	357C		SONET Fundamental Investment Model
10	Data Communications - OC-48	3570	2	Network
20	Number Required Total Investment		2	Line 18 * Line 19
20				
	C.O. Connection STS-1 on OC-48 - Mux & Prot.	357C		SONET Fundamental Investment Model
23	Number Required	3570	2	Network
23	Total investment		۲.	Line 22 * Line 23
25				
	C.O. Connection STS-1 on OC-48 - Working	357C		SONET Fundamental Investment Model
27	Number Required		2	Network
28	Total Investment		-	Line 26 * Line 27
29				
	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				
	Fiber - OC-48 BLSR Per Mile Per Strand	85C		SONET Fundamental Investment Model
41	Number Strands		3	Network
42			32	Network
43				Line 40 * (Line 41 * Line 42)
44				
	Design 2 - OC-48 Ring Total Investment	357C		Ln4+Ln8+Ln12+Ln16+Ln20+Ln24+Ln28
46		822C		Line 33
47 48		845C 85C		Line 38 Line 43
40 49		000		2010 43
	Probability of Occurrence - Design 2		0.82	Network Area Staff
50	Crossing of Courterios - Ceargin 2		0.02	
	Weighted Investment - Design 2	357C		Line 45 * Line 50
53	• •	822C		Line 46 * Line 50
54		845C		Line 47 * Line 50
55		85C		Line 48 * Line 50

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TAB C

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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
3	\$ 49,000.00	Current Material Price
×	1.7842	In-Plant Factor
=	\$ 87,425.80	Installed Investment
×	1.00	Quantity of Items
3	\$ 87,425.80	Total Installed Investment
÷	2,000	Unit Capacity
2		Unit Investment
×	0.955	Levelized Inflation Factor
=		Levelized Investment
÷	0.70	Utilization
=		Study Period Investment
×	0.50	Probability of Occurrence
=		Total Investment
×	0.0117	MCE&P Factor
7	\$ 0.35	MCE&P Investment
	• • • • •	
		Total Investment
+		MCE&P Investment
3	•	
×		Land Factor
3	\$ 0.13	Land Investment
	\$ 29.82	Total Investment
÷		MCE&P Investment
T	\$ 30.17	WCTEL THACOCHCUC
×	,	Puilding Peatow
*	\$ 2.13	Building Factor Building Investment
	4 2.13	DATTATUA TUAGOCWEUR

FLORIDA DIRECTORY TRANSPORT -SWITCHED LOCAL CHANNEL AND SWITCHED DEDICATED DS1

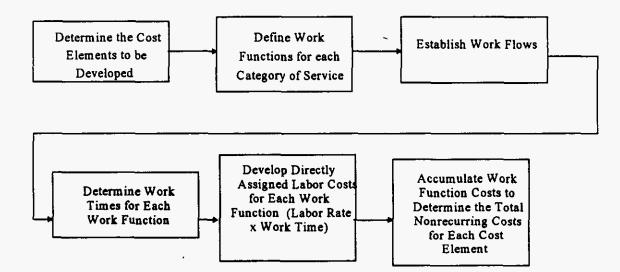
COST DEVELOPMENT - NONRECURRING

Nonrecurring TSLRIC results are one-time costs incurred as a result of provisioning, installing, disconnecting and completing of orders initiated by a customer request for Directory Transport - Switched Local Channel and Switched Dedicated DS1. Calculations for the nonrecurring costs are included in this section.

Figure 5-1 shows a generalized flow of the steps necessary for developing nonrecurring costs. Each part of this flow will be explained in more detail in this section.

Figure 5-1

Generalized Flow Diagram for Developing Nonrecurring Costs



The first step in developing nonrecurring costs is to determine the cost elements to be studied. Each cost element is then described by all of the individual work functions required to provision the element.

The work functions required to provide Directory Transport -Switched Local Channel and Switched Dedicated DS1 can be grouped into four categories. These are:

- 1) Service Order
- 2) Engineering
- 3) Connect and Test
- 4) Technician Travel Time

Work functions included in these categories range from clerical activities to installation activities.

The work functions and work times involved in the provisioning of Directory Transport - Switched Local Channel and Switched Dedicated DS1 are identified by individuals knowledgeable about and/or responsible for performing the functions. These work functions and work times are then used to describe the flow of work within the various work centers involved in provisioning the element.

A spreadsheet model is used to incorporate the specific work functions and labor rates. 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 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. Next, the individual work function costs are accumulated into the installation cost for the cost element studied.

Utilizing work functions, work times, and labor rates, disconnect costs are calculated in the same manner as the installation costs. Since the labor costs will occur in the future, the directly assigned 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.

Nonrecurring costs are calculated separately on a first and additional basis. "First" refers to the first item on a service order. "Additional" costs are the incremental costs of providing one or more duplicates of the first item on the same service order at the same time as the first.

The following workpapers reflect the nonrecurring cost development.

TAB A

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	SUMMARY OF NONRECURRIN	IG COSTS	STATE: WORKPAPER: PAGE: DATE:	FLORIDA 70 1 OF 1 Feb-97							
	DEDICATED TRANSPORT INTEROFFICE DS1 - FIXED										
	(1996-1998 Level Incremental										
1 2	DESCRIPTION	SOURCE	FIRST								
3	Service Order	WP75 Col G LN7 THRU LN17									
	Engineering	WP75 Col G LN20									
	Connect & Test	WP75 Col G LN23 Thru LN27									
8 9 10 11	Travel Technician Time	NA	NA	NA							
12 13 14	Total Nonrecurring Cost	Sum of L3, L5, L7, L9									
15 16											
17			•								
18 19											
20											

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	DEVELC:IENT OF NONRECURRING COST DEDICATED TRANSPORT INTEROFFICE DS1 - FIXED						STATE: WORKPAPER: PAGE: DATE:	FLORIDA 75 1 OF 1 Feb-97
	LEVEL 1996 - 1998	DIRECTLY ASSIGNED					0/// =/	
10 10 11 11 11 11 11 11 11 11 11 11 11 1	DESCRIPTION SERVICE ORDER CUSTOMER POINT OF CONTACT (ICSC) CO INSTALL & MTCE CKT & FAC (NTEL) CIRCUIT PROVISIONING CENTER (CPC) SPECIAL SERVICE COORD & TEST (SSC) INSTALLATION & MTCE CENTER (IMC) NETWORK PLUG-IN ADMINISTRATION (PICS) ENGINEERING NETWORK & ENGINEERING PLANNING CONNECT AND TEST CIRCUIT PROVISIONING CENTER (CPC) SPECIAL SERVICE COORD & TEST (SSC)	DIRECTLY ASSIGNED (A) INSTALL WORKTIMES (HRS) EIRSI ADDIL	(B) DISCONNECT WORKTIMES (HRS) EIRST ADDTL	(C) LEVELIZED LABOR RATE/HR \$40.665 \$41.504 \$36.535 \$38.659 \$35.803 \$44.225 \$57.986 \$36.535 \$38.659	(D) INSTALL COST (A°C) FIRST ADDTL	(E) DISCONNECT COST (B°C) EIRSI ADDTL	(F) DISCOUNTED DISCONNECT COST (E*.8562) EJRST ADDTL	(G) (D+F)*(1+GRT) TOTAL TOTAL FIRST ADDTL
2	7 CO INSTALL & MTCE CKT & FAC (NTEL) 8 9			\$41.504				
3) TOTAL NONRECURRING COST							

32

TAB B

a- 4

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SUMMARY OF NONRECURRING COSTS

STATE:FLORIDAWORKPAPER:30PAGE:1 OF 1DATE:Feb-97

SWITCHED LOCAL CHANNEL PER DS1

(1996-1998 Level Incremental Costs)

1	DESCRIPTION	SOURCE	<u>FIRST</u>	ADDTL
2				
3	Service Order	WP35 Col G LN7 THRU LN19		
4				
5	Engineering	WP35 Col G LN22 THRU LN26		
6				
7	Connect & Test	WP35 Col G LN30 THRU LN34		
8				
9	Travel Technician Time	WP35 Col G LN38		
10				
11				
	Total Nonrecurring Cost	t Sum of L3, L5, L7, L9		
13				
14				
15				
16				
17				
18				
19				
20				

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	DEVELOPMENT OF NONRECURRING COST SWITCHED LOCAL CHANNEL PER DS1							STATE WORK PAGE: DATE:	IPAPER:	FLORIE 1 OF Feb-1	35 - 1
	LEVEL 1996 - 1998	DIRECTLY ASSIGNED									••
LINE 1 2	l de la constante de	(A)	(B)	(C)	(D)		(E)	(F) DISCOUNTEL	1	(G)	
3		INSTALL WORKTIMES (HRS)	DISCONNECT WORKTIMES ()	LÉVELIZED HRS) LABOR	INSTALL COST (A*C)		SCONNECT DST (B*C)	DISCONNEC COST (E*.85	т	(D+F)*(1+GRT) DTAL TOT/	AL
5	DESCRIPTION	<u>FIRST</u> ADD	<u>TL FIRST</u>	ADDTL RATE/HR	<u>FIRST</u> AI	DDTL FIR	ADDTL	<u>FIRST</u>		IRST ADD	<u>TL</u>
	CUSTOMER POINT OF CONTACT (ICSC)			\$40.665							
-	CO INSTALL & MTCE CKT & FAC (NTEL)			\$41.504							
11	NETWORK PLANNING & ENG (PICS)			\$44.225							
	SPECIAL SERVICE COORD & TEST (SSC)			\$38,659							
	CIRCUIT PROVISIONING CENTER (CPC)			\$36.535							
	INSTALLATION & MTCE CENTER (IMC)			\$35.803							
	INSTALL & MTCE - SPEC SVCS (SSIM)			\$44.010							
	ENGINEERING										
22 23	2 OUTSIDE PLANT ENGINEERING (OSPE)			\$48.058					:		
24 25	CIRCUIT PROVISIONING CENTER (CPC)			\$36.535							
	FACILITIES ASSIGNMENT (FACS)			\$33.212							
28											
	CO INSTALL & MTCE CKT & FAC (NTEL)			\$41.504							
32	NSTALL & MTCE-SPEC (SSIM)			\$44.010							
	SPECIAL SERVICE COORD & TEST (SSC)			\$38.659							
36	ĵ										
38	7 TRAVEL 3 INSTALL & MTCE-SPEC SVCS TRAVEL(SSIM)	F	\$44.010							
39 40	0										
4	1 TOTAL NONRECURRING COST										

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FLORIDA DIRECTORY TRANSPORT -SWITCHED LOCAL CHANNEL AND SWITCHED DEDICATED DS1

SPECIFIC STUDY ASSUMPTIONS

The cost study for Directory Transport - Switched Local Channel and Switched Dedicated DS1 is based on TSLRIC methodology. Network deployment strategies, first choice provisioning guidelines, and equipment purchasing information are used to develop the Total Service Long Run Incremental cost.

Cost study assumptions are as follows:

- 1. These cost studies are based on a study period of 1996-1998 and incorporate 1995 investments and factors.
- 2. Investments for the Directory Transport Switched Local Channel and Switched Dedicated DS1 Interoffice cost elements were obtained from the SONET Fundamental Model.
- 3. The SONET equipment is ring switched.
- Two designs were studied to develop the Switched Dedicated 4. Interoffice costs. They were then weighted to develop the final costs. The first design consists of a single OC-48 Bidirectional Line Switched Ring with 5 nodes and a circumference of 40 miles. The probability of occurrence of this design is 18%. The second design consists of two interconnecting SONET rings. One ring is an OC-48 Bidirectional Line Switched Ring with 5 nodes and а circumference of 40 miles; the second ring is an OC-48 Bidirectional Line Switched Ring with 5 nodes and а circumference of 40 miles. The probability of occurrence of this design is 82%. Diagrams of these two architectures are found on the following pages.
- 5. The Switched Dedicated Interoffice DS1 circuit terminates at both ends on a DSX-1 panel.
- 6. The Switched Local Channel is normally used to transmit switched traffic between a serving wire center and the Interexchange Carrier Point of Termination (POT). The Directory Transport Switched Local Channel will transmit traffic similarly.

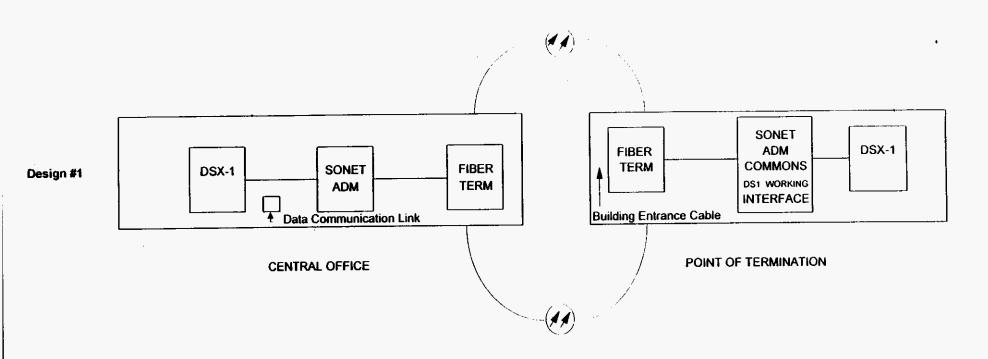
Assumptions (Cont'd)

- 7. The forward looking network architecture for the Switched Local Channel is included in this section. Because the traffic to the POT, both special and switched, is extensive, the design is a point-to-point OC-3 SONET Ring.
- 8. The local channel loop length was calculated as if it is to the POT. Specific loop lengths were obtained from TIRKS (Trunk Integrated Record Keeping System) data.
- 9. The Cost of Money is 13.2%.

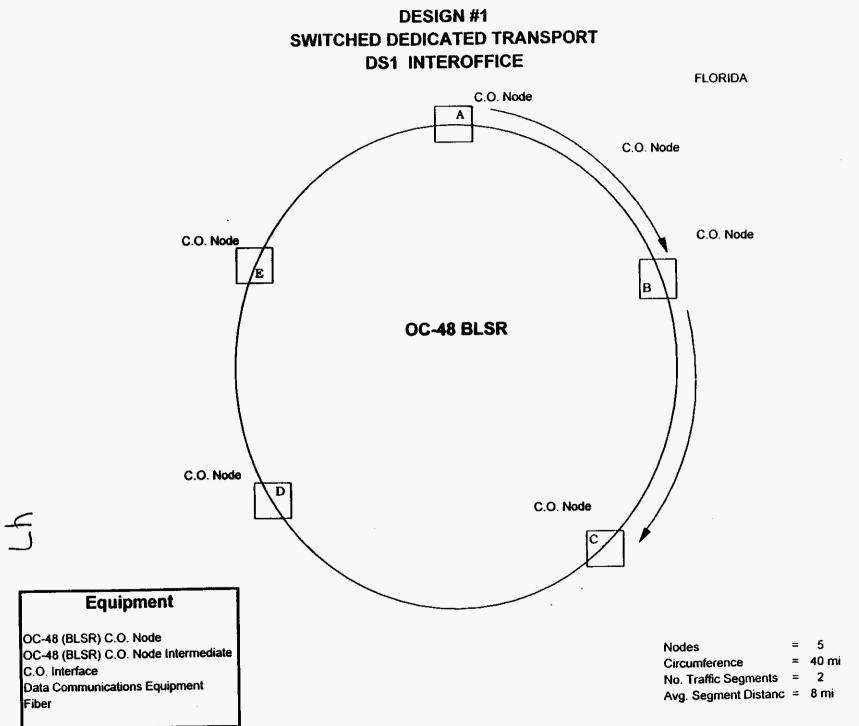
DS1 Switched Local Channel



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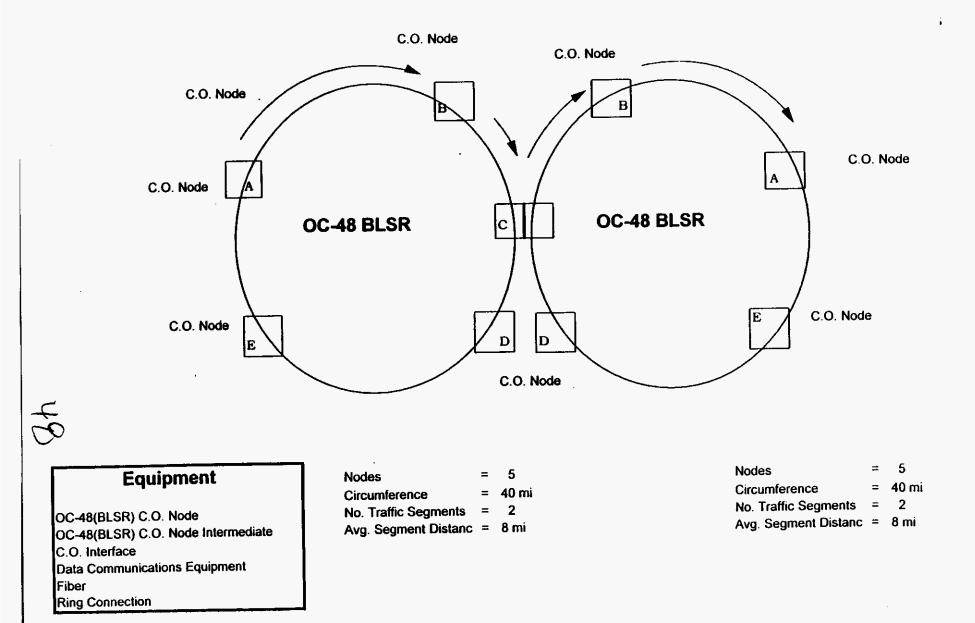
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DESIGN #2 SWITCHED DEDICATED TRANSPORT DS1 INTEROFFICE

FLORIDA



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FLORIDA DIRECTORY TRANSPORT -SWITCHED LOCAL CHANNEL AND SWITCHED DEDICATED DS1

FACTORS AND LOADINGS

Following are TSLRIC annual cost factors, miscellaneous loadings, and labor rates used in the Directory Transport - Switched Local Channel and Switched Dedicated DS1 study.

FLORIDA DIRECTORY TRANSPORT -SWITCHED LOCAL CHANNEL AND SWITCHED DEDICATED DS1

Factors and Loadings

Miscellaneous Common Equi and Power Loadings:	ipment	
and Fower Loadings.	357C	0.1202
Land and Building COE Loa	adings:	
	10C	0.0404
	20C	0.0030
Gross Receipts Tax Factor	r	0.0152
Support Structure Loading	gs:	
Pole		0.2522
Conduit		0.3895
TIRKS Regional Annual Exp	pense Factor	.0052

Florida DS1 Directory Transport -Switched Local Channel and Switched Dedicated DS1

Factors and Loadings

Directly Assigned Hourly Labor Rates

	<u>1995</u>	<u>Levelized</u>
Customer Point of Contact - ICSC	\$38.30	\$40.67
CO Install & Mtce - Circuit & Fac	\$39.09	\$41.50
Circuit Provisioning Center - CPC	\$34.41	\$36.54
Network Plug-in Administration - PICS	\$41.65	\$44.23
Installation & Mtce Center (IMC)	\$33.72	\$35.80
Special Service Coord & Test (SSC)	\$36.41	\$38.66
Network & Engineering Planning (FG20)	\$54.61	\$57.99
Install & MTCE - SPEC SVCS (SSIM)	\$41.45	\$44.01
Outside Plant Engineering (FG20)	\$45.26	\$48.06
Facilities Assignment (FACS)	\$31.28	\$33.21
Special Svcs Coord & Test (SSC)	\$36.41	\$38.66
Install & MTCE - SPEC SVCS Travel (SSIM)	\$41.45	\$44.01

To create a Levelized labor rate from a 1995 Labor Rate:

1995 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 Example:

\$38.30 * [(1.029/1.132¹) + ((1.029*1.034)/1.132²) + (1.029*1.034*1.035)/(1.132³)]/((1/1.132¹) + (1/1.132²) + (1/1.132³)) = \$40.67

Labor Inflation

Telco Eng	
Year 1	3.0%
Year 2	3.3%
Year 3	3.48
Telco COE	
Year 1	2.9%
Year 2	3.4%
Year 3	3.5%
Discounted Disconnect Factor	0.8562

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1995 FLORIDA ACCOUNT AVERAGE ANNUAL COST FACTORS INCREMENTAL

* FOR USE IN SERVICE COST STUDIES ONLY *

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	field_code	depreciation a	actic_com b	acic_inc tax c	cap_exp d	ecfc_mtce e	acfc_adval tax f	admin_dir 9	acfc_oper_exp h	acfc_grl_comb i	tot_combined j	acic_grt_local k	tot_local	actc_grt_toi m	n
·								·		0.0152		0.0152		0.0152	
		i i	13.2%	i i	(a+b+c)	İ		!	(e+l+g)	x (d+h)	(d+h+i)	x (d+h)	(d+h+k)	x (d+h)	(d+h+m)
	20C	0.0000	0.1118	0.0514	0.1632	0.0000	0.0113	0.0000	0.0113	0.0027	0 1772	************			=======
BUILDINGS	10C, 110C, 810C	0.0302	0.0986	0.0452	0.1740	0.0069	0.0113	0.0000	0.0182	0.0029	0 1951				
ANALOG ELEC SWITCH	77C. 877C. 977C	0.2629	0.0680	0.0306	0.3615	0.0217	0.0113	0.0000	0.0330	0.0060	0.4005				
DIGITAL ELEC SWITCH	377C. 887C	0.1134	0.0651	0.0302	0.2067	0.0282	0.0113	0.0000	0.0395	0.0038	0.2520				
OPERATOR SYSTEMS	117C,417C	0,1063	0.0751	0.0404	0.2238	0.0040	0.0113	0.0000	0.0153	0.0036	0.2427				
RADIO	167C, 67C, 867C, 967C	0.1434	0.0750	0.0348	0.2532	0.0763	0.0113	0.0000	0.0876	0.0052	0.3460				
DIGTL CIRC-DOS	157C	0.1810	0.0675	0.0305	0.2790	0.0073	0.0113	0.0000	0.0196	0.0045	0.3021				
DIGTL CIRC-PAIR GAIN	257C,D257C,F257C	0.1134	0.0636	0.0288	0.2058	0.0069	0.0113	0.0000	0.0202	0.0034	0.2294				
DIGTL CIRC-OTHER	357C,T357C,F357C,857C,957C	0.1134	0.0638	0.0297	0.2069	0.0086	0.0113	0.0000	0.0199	0.0034	0.2302				
ANALOG CIRC-PAIR GAIN	457C	0.1689	0.0636	0.0246	0.2573	0.0000	0.0113	0.0000	0.0113	0.0041	0.2727	* See Note B	wole		
ANALOG CIRC-OTHER	57C	0.1689	0.0639	0.0282	0.2610	0.0206	0.0113	0.0000	0.0319	0.0045	0.2974				
PBX	158C, 258C	0.2296	0.0771	0.0346	0.3413	0.0145	0.0113	0.0000	0.0258	0.0056	0.3727				
PUBLIC-COIN	196C, 168C	0.1483	0.0763	0.0348	0.2594	0.2084	0.0113	0.0000	0.2197	0.0073	0.4864				
PUBLIC-COINLESS	296C, 288C	0.1483	0.0763	0.0348	0.2594	0.1248	0.0113	0.0000	0.1361	0.0060	0.4015				
PUBLIC-OTHER	996C, 968C	0.1483	0.0763	0.0346	0.2594	0.1062	0.0113	0.0000	0.1175	0.0057	0.3826				
OTHER TERMINAL EQPT	358C,D958C,858C,558C,	0.1733	0.0812	0.0359	0.2904	0.0548	0.0113	0.0000	0.0661	0.0054	0.3619				
	826C,926C,F956C														
SUBSCRIBER PAIR GAIN	758C,D758C,F758C	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000				
POLES	1C, 811C	0.0671	0.0725	0.0325	0.1721	0.0279	0.0113	0.0000	0.0392	0.0032	0.2145				
AERIAL CA - METAL	22C, 12C, 802C	0.0917	0.0797	0.0338	0.2052	0.0571	0.0113	0.0000	0.0684	0.0042	0.2778				
AERIAL CA - FIBER	822C, 812C, 882C, 982C, D22C, F22C, T22C, D12C, F12C, T12C	0.0667	0.0764	0.0347	0.1796	0.0139	0.0113	0.0000	0.0252	0.0031	0.2081				
UNGROUND CA - METAL	5C, 805C	0.1036	0.0813	0.0342	0.2191	0.0291	0.0113	0.0000	0.0404	0.0039	0.2634				
UNGROUND CA FIBER	85C,885C,985C,D5C,F5C,T5C	0.0626	0.0600	0.0358	0.1784	0.0135	0.0113	0.0000	0.0248	0.0031	0.2063				
BURIED CA - METAL	45C, 846C	0.0676	0.0809	0.0354	0.2039	0.0543	0.0113	0.0000	0.0656	0.0041	0.2736				
BURIED CA - FIBER	845C,856C,956C,D45C, F45C,T45C	0.0585	0.0816	0.0367	0.1768	0.0144	0.0113	0.0000	0.0257	0.0031	0.2056				
SUBMARINE CA-METAL	6C, 806C	0.0860	0.0814	0.0366	0.2040	0.0150	0.0113	0.0000	0.0263	0.0035	0.2338				
SUBMARINE CA-FIBER	86C,886C,D6C,F6C,T6C	0.0860	0.0814	0.0355	0.2029	0.0150	0.0113	0.0000	0.0263	0.0035	0.2327				
INTROLD NTWK-METAL	52C	0.0661	0.0785	0.0340	0.1786	0.0320	0.0113	0.0000	0.0433	0.0034	0.2253				
INTROLD NTWK-FIBER	852C,D52C,F52C,T52C	0.0661	0.0785	0.0340	0.1786	0.0320	0.0113	0.0000	0.0433	0.0034	0.2253				
CONDUIT SYSTEMS	4C, 84C, 94C	0.0242	0.0877	0.0401	0.1520	0.0028	0.0113	0.0000	0.0141	0.0025	0.1686				

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NOTE: Certain states in the BellSouth region (GA & NC) assess gross receipts tax only on "local" revenues. For those states, it is necessary to publish "local", "private line and toll", and "combined" factors. Beware that the definitions of "local" and "private line and toll" are defined by the taxing authority for gross receipts tax purposes and may vary from state to state according to tax iaw.

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For those states which assess gross receipts tax on local, private line, and toll revenues, the gross receipts tax factor is based on the overall effective tax rate.

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Filed in Response to Order No. PSC-96-1579-FOF-TP BellSouth Telecommunications, Inc. Docket No. 960833-TP March 3, 1997

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DEDICATED TRANSPORT

DS1 LEVEL

TSLRIC COST STUDY DOCUMENTATION

PROPRIETARY

SECTIONS A THRU7

FLORIDA

DEDICATED TRANSPORT

COST STUDY DOCUMENTATION

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SECTION A

FLORIDA DEDICATED TRANSPORT DS1 LEVEL

PROPRIETARY RATIONALE

The DS1 Dedicated Transport Cost study contains actual unit cost information for discrete cost elements. These costs represent BellSouth's long run incremental cost of providing this element 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 DS1 Dedicated Transport Cost Study is considered proprietary.

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FLORIDA DEDICATED TRANSPORT DS1 LEVEL

INTRODUCTION AND OVERVIEW

This Total Service Long Run Incremental Cost (TSLRIC) study for DS1 Dedicated Transport is being provided in response to the Commission Order No. PSC-96-1579-FOF-TP issued December 31, 1996.

The TSLRIC results presented in this cost study are volume sensitive. The DS1 Dedicated Transport cost study has no volume insensitive costs.

The investments presented in this study are levelized for the 1996-1998 study period. These investments are converted to recurring costs using incremental loadings and annual cost factors. Nonrecurring costs are also levelized for the 1996-1998 study period.

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FLORIDA DEDICATED TRANSPORT DS1 LEVEL

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of TSLRIC supporting the DS1 Dedicated Transport.

A11 costs are developed utilizing TSLRIC methodology. In determining these costs, direct incremental costing techniques are used that are in accordance with accepted economic theory. Direct incremental costs are based on cost causation and include all of the by costs directly caused expanding production, or. alternatively, costs that would be saved if the production levels were reduced. Costs may be volume sensitive and/or volume insensitive. Costs are forward-looking in nature because only future costs can be saved. Incremental costs are long run to assure that the time period studied is sufficient to capture all forward-looking costs affected by the business decision. Shared and common costs are not incremental and therefore, are not included. Incremental costs include both recurring (capital and operating expenses) and nonrecurring (provisioning) costs. Incremental costs account for the expected change in cost to the firm resulting from a new service offering or from a change in demand for an existing service.

DEVELOPMENT OF RECURRING COSTS

The development of recurring costs is not included in this study.

DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting a DS1 Dedicated Transport. 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, identified as 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 directly assigned labor rate for the work group performing the function.

Utilizing work functions, work times, and directly assigned 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 discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the total nonrecurring cost.

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FLORIDA DEDICATED TRANSPORT DS1 LEVEL

SUMMARY OF RESULTS

This section contains a nonrecurring cost summary for the 1996-1998 TSLRIC associated with DS1 Dedicated Transport.

FLORIDA DEDICATED TRANSPORT DS1 LEVEL

SUMMARY OF RESULTS (TSLRIC)

В A

Monthly <u>Costs</u> Nonrecurring Cost First Additional

Dedicated Transport Interoffice

DS1

Fixed

Per Mile

Rate Established						
by Commission						
Order No. PSC-						
96-1579 - FOF-TP						

FLORIDA DEDICATED TRANSPORT DS1 LEVEL

COST DEVELOPMENT - RECURRING

Recurring costs are not developed in this cost study. A recurring charge for DS1 Dedicated Transport was specified by Commission Order No. PSC-96-1579-FOF-TP issued December 31, 1996.

FLORIDA DEDICATED TRANSPORT DS1 LEVEL

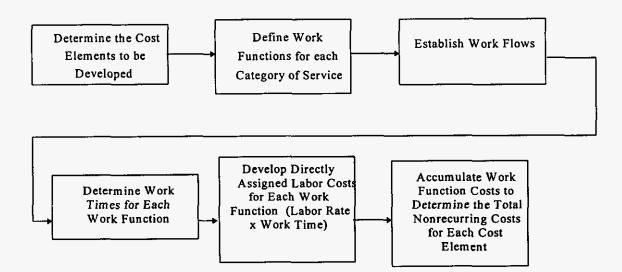
COST DEVELOPMENT - NONRECURRING

Nonrecurring TSLRIC results are one-time costs incurred as a result of provisioning, installing, disconnecting and completing of orders initiated by a customer request for DS1 Dedicated Transport. Calculations for the nonrecurring costs are included in this section.

Figure 5-1 shows a generalized flow of the steps necessary for developing nonrecurring costs. Each part of this flow will be explained in more detail in this section.

Figure 5-1





The first step in developing nonrecurring costs is to determine the cost elements to be studied. Each cost element is then described by all of the individual work functions required to provision the element.

The work functions required to provide the DS1 Dedicated Transport can be grouped into four categories. These are:

- 1) Service Order
- 2) Engineering
- 3) Connect and Test
- 4) Technician Travel Time

Work functions included in these categories range from clerical activities to installation activities.

The work functions and work times involved in the provisioning of the DS1 Dedicated Transport are identified by individuals knowledgeable about and/or responsible for performing the functions. These work functions and work times are then used to describe the flow of work within the various work centers involved in provisioning the element.

A spreadsheet model is used to incorporate the specific work functions and labor rates. 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 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. Next, the accumulated into the work function costs are individual installation cost for the cost element studied.

Utilizing work functions, work times, and 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 discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the nonrecurring cost. Nonrecurring costs are calculated separately on a first and additional basis. "First" refers to the first item on a service order. "Additional" costs are the incremental costs of providing one or more duplicates of the first item on the same service order at the same time as the first.

The following workpapers reflect the cost development.

	SUMMARY OF NONRECURRI	STATE: WORKPAPER: PAGE: DATE:	FLORIDA 70 1 OF 1 Feb-97	
	DEDICATED TRANSPORT INT			
	(1996-1998 Level Incremental	Costs)	A	В
1	DESCRIPTION	SOURCE	FIRST	ADDTL
2 3 4	Service Order	WP75 Col G LN7 THRU LN17		
-+ 5 6	Engineering	WP75 Col G LN20		
7	Connect & Test	WP75 Col G LN23 Thru LN27		
9 10 11	Travel Technician Time	NA	NA	NA
12 13 14 15 16 17 18 19	Total Nonrecurring Cost	Sum of L3, L5, L7, L9		

	DEVELOFMENT OF NONRECURRING COST DEDICATED TRANSPORT INTEROFFICE DS1 - FIXED						STATE: WORKPAPER: PAGE: DATE:	FLu. JA 75 1 OF 1 Feb-97
	LEVEL 1996 - 1998	DIRECTLY ASSIGNED						
	1	(A)	(B)	(C)	(D)	(E)	(F) DISCOUNTED	(G)
:	2 3 4 5 DESCRIPTION	INSTALL WORKTIMES (HRS) EIRSI ADDTL	DISCONNECT WORKTIMES (HRS) FIRST ADDTL	Levelized Labor _Rate/HR	INSTALL COST (A*C) FIRST ADDTL	DISCONNECT COST (B*C) FIRST ADDTL	DISCONNECT COST (E*.8562) EIRST ADDTL	(D+F)*(1+GRT) TOTAL TOTAL FIRST ADDTL
•	6 SERVICE ORDER 7 CUSTOMER POINT OF CONTACT (ICSC)			\$40,665	:			:
	B 9 CO INSTALL & MTCE CKT & FAC (NTEL)			\$41.504				
	1 CIRCUIT PROVISIONING CENTER (CPC)			\$36.535				,
1: 1:	2 3 SPECIAL SERVICE COORD & TEST (SSC)			\$38.659				1
1- 1-	4 5 INSTALLATION & MTCE CENTER (IMC)			\$35,803				,
11 11 11	7 NETWORK PLUG-IN ADMINISTRATION (PICS)			\$44.225				I
1 2	9 <u>ENGINEERING</u> 0 NETWORK & ENGINEERING PLANNING			\$57.986				
2	2 CONNECT AND TEST 3 CIRCUIT PROVISIONING CENTER (CPC)			\$36.535				\$
2	4 5 SPECIAL SERVICE COORD & TEST (SSC)			\$38.659				ŀ
2	6 7 CO INSTALL & MTCE CKT & FAC (NTEL)			\$41.504				i
2								1

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FLORIDA DEDICATED TRANSPORT DS1 LEVEL

SPECIFIC STUDY ASSUMPTIONS

The cost study for the DS1 Dedicated Transport is based on TSLRIC methodology.

Cost study assumptions are as follows:

- 1. The cost of money is 13.2%.
- 2. These cost studies are based on a study period of 1996-1998 and incorporate 1995 investments and factors.

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FLORIDA DEDICATED TRANSPORT DS1 LEVEL

FACTORS AND LOADINGS

Following are TSLRIC factors, miscellaneous loadings, and labor rates used in the DS1 Dedicated Transport study.

Florida DS1 Dedicated Transport

Factors and Loadings

Directly Assigned Hourly Labor Rates

	1995	Levelized
Customer Point of Contact - ICSC	\$38.30	\$40.67
CO Install & Mtce - Circuit & Fac	\$39.09	\$41.50
Circuit Provisioning Center - CPC	\$34.41	\$36.54
Network Plug-in Administration - PICS	\$41.65	\$44.23
Installation & Mtce Center (IMC)	\$33.72	\$35.80
Special Svcs Coord & Test (SSC)	\$36.41	\$38.66
Network & Engineering Planning (FG20)	\$54.61	\$57.99

To create a Levelized labor rate from a 1995 Labor Rate:

1995 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)

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Note: Infl = Labor Inflation
COM = Cost of Money
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Example:

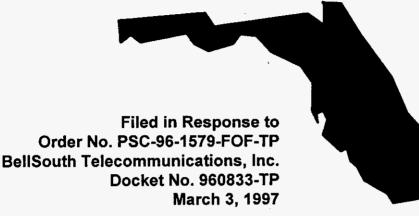
 $38.30 * [(1.029/1.132^1) + ((1.029*1.034)/1.132^2) + (1.029*1.034*1.035)/(1.132^3)]/((1/1.132^1) + (1/1.132^2) + (1/1.132^3)) = 40.67

```
Labor Inflation
```

Telco Eng	
Year 1	3.0%
Year 2	3.3%
Year 3	3.4%
Telco COE	
Year 1	2.9%
Year 2	3.4*
Year 3	3.5%
Discounted Disconnect Factor	0,8562

Reserved





VIRTUAL COLLOCATION

TSLRIC COST STUDY Documentation proprietary

SECTIONS A THRU 7

FLORIDA

VIRTUAL COLLOCATION

COST STUDY DOCUMENTATION

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SECTION A

FLORIDA VIRTUAL COLLOCATION

PROPRIETARY RATIONALE

The Virtual Collocation Cost Study contains actual unit cost information for discrete cost elements. These costs reflect BellSouth's long run incremental cost of providing these elements 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.

Additionally, the study contains information which reflects vendorspecific 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 Virtual Collocation Cost Study is considered proprietary.

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FLORIDA VIRTUAL COLLOCATION

INTRODUCTION AND OVERVIEW

This Total Service Long Run Incremental Cost (TSLRIC) study for Virtual Collocation is being provided in response to Commission Order No. PSC-96-1579-FOF-TP issued December 31, 1996.

The Virtual Collocation Cost Study identifies the cost of providing for placement of collocator-owned equipment and facilities in BellSouth Central Offices for interconnection or for access to Unbundled Elements.

The Total Service Long Run Incremental Costs presented in this cost study consist of volume sensitive costs. The Virtual Collocation cost study has no volume insensitive costs.

The following Virtual Collocation elements are studied.

- 1. Application Cost Service Order nonrecurring cost incurred to process an application inquiry per location.
- 2. Cable Installation Cost Nonrecurring cost for each entrance cable installed to the collocator's equipment.
- 3. Floor Space Monthly cost per square foot for floor space; includes building lighting, heat, air conditioning, etc. and a monthly cost per ampere to power the collocator's equipment.
- 4. Cable Support Structure, per Entrance Cable Monthly cost for use and maintenance of the duct from the point of interconnection to the central office cable vault and for riser and overhead racking structure. Applies per private fiber entrance cable installed.
- 5. Cross Connects 2 Wire, 4 Wire, DS1, and DS3 Monthly and nonrecurring cost for interconnection with BellSouth.
- 6. Security Escort Nonrecurring cost for an escort on BST property, when required.

The investments presented in this study are levelized for the 1996-1998 study period. These investments are converted to recurring costs using incremental loadings and annual cost factors. Nonrecurring costs are also levelized for the 1996 - 1998 study period.

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FLORIDA VIRTUAL COLLOCATION

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of Total Service Long Run Incremental Costs (TSLRIC) for Virtual Collocation.

costs are developed utilizing Total Service Long Run **All** Incremental Cost methodology. In determining these costs, direct incremental costing techniques are used that are in accordance with accepted economic theory. Direct incremental costs are based on cost causation and include all of the costs directly caused by expanding production, or, alternatively, costs that would be saved if the production levels were reduced. Costs may be volume sensitive and/or volume insensitive. Costs are forward-looking in nature because only future costs can be saved. Incremental costs are long run to assure that the time period studied is sufficient to capture all forward-looking costs affected by the business decision. Shared and common costs are not incremental and, Incremental costs include both therefore, are not included. recurring (capital and operating expenses) and nonrecurring (provisioning) costs. Incremental costs account for the expected change in cost to the firm resulting from a new service offering or from a change in demand for an existing service.

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 forwardlooking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs are the expenses for maintenance and ad valorem and other taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment.

The first step in developing an incremental recurring cost study for Virtual Collocation is to determine the forward-looking network architecture. Material prices for the associated equipment are defined. Next, Telephone Plant Indices for each specific account 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. Utilization factors are also considered.

FLORIDA VIRTUAL COLLOCATION

DESCRIPTION OF STUDY PROCEDURES

Levelized Inflation Factors for each specific plant account 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 where applicable.

Next, Incremental Annual Cost Factors are used to calculate the direct cost of capital, maintenance and other operating expenses and taxes. 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. Annual costs by account code are then summed and divided by twelve to arrive at a monthly cost per cost element.

DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting Virtual Collocation elements. 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 three categories; service order, engineering, and connect and test. 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 directly assigned labor rate for the work group performing the function.

Utilizing work functions, work times and directly assigned 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 discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the total nonrecurring cost.

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FLORIDA VIRTUAL COLLOCATION

SUMMARY OF RESULTS

This section contains a cost summary for the 1996 - 1998 Total Service Long Run Incremental Cost (TSLRIC) for both recurring and nonrecurring cost elements studied for Virtual Collocation.

FLORIDA VIRTUAL COLLOCATION

SUMMARY OF RESULTS

		A	в	C
		Monthly	Nonrecurrin	
		Cost	<u>First Ad</u>	<u>ditional</u>
6	Application Cost per Request	NA		NA
78	Cable Installation Cost Per Entrance Cable	NA		NA
9	Floor Space			
10	Per Square Foot		NA	NA
{ 	Power, Per Ampere		NA	NA
12 13	Cable Support Structure, Per Entrance Cable		NA	NA
14	Cross Connect - per 2-Wire			
15	Cross Connect - per 4-Wire			
16	Cross Connect - per DS1			
17	Cross Connect - per DS3			

Private/Proprietary: No disclosure outside BellSouth except by written agreement

FLORIDA VIRTUAL COLLOCATION

SUMMARY OF RESULTS

А	В	C
Monthly Cost	Nonrecurring Cost First Additior	
	<u>riist</u>	<u>Additional</u>

Security Escort

7	Basic, per half hour	NA
8	Overtime, per half hour	NA
9	Premium, per half hour	NA

Private/Proprietary: No disclosure outside BellSouth except by written agreement

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FLORIDA VIRTUAL COLLOCATION

COST DEVELOPMENT - RECURRING

This section describes the development of the recurring Total Service Long Run Incremental Costs for Virtual Collocation.

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. Annual cost factors are applied to convert the investment to cost.

The following workpapers provide the development of the Virtual Collocation cost elements.

Virtual Collocation			State Workpaper Page Date	Fiorida 200 1 of 1 Feb-97
Summary of Recurring Study Period 1996-19) Costs 98	А		
Ln	Description	Monthly Cost	Source	
1 Floor Space 2 Per Square Fo 3 Power, per An 4 5 5 Coble Support S	upere	;	Wp210 Ln33 Wp230 Ln35	
6 Cable Support S 7 8 9 Cross Connect 10	tructure per Entrance Cable		Wp220 Ln33	
10 11 per 2-Wire 12			Wp240 Ln33	
13 per 4-Wire 14			Wp260 Ln33	
15 per DS1 16			Wp280 Ln33	
17 per DS3 18 19 20			Wp300 Ln33	
21 22 23				
24 25 26 27				
28 29				
31 32 33 34				
30 31 32 33 34 35 36 37 38 39 40 41 41 42 43				
38 39 40 41				
42 43 44				
44 45 46 47 48				
49 50			•	

	al Collocation			State Norkpaper Page Date	Florida 210 1 of 1 Feb-97
Deve	iopment of Floor Space per Square Foot Mont/ / Period 1996-1998	nly Cost			
			A	B .	C
ľu	Description	Source	20C Land	<u>10C Building</u>	Total
	Annual Cost Factor Components	Fundamental Cost			
23			0.0000	0.0302	
4			0.1118 0.0514	0.0986	
5			0.0514	0.0452	
6	Maintenance	•	0.0000	0.0069	
7	Ad Valorem Tax		0.0113	0.0113	
8					
9 10	Total Annual Cost Factor		A 4745		
11			0.1745	0.1922	
12	Investment	Wp211 Pg5 Ln30			
13		• •			
	Annual Costs				
	Depreciation Cost of Money	Ln12 * Ln2			
17	Income Tax	in12 * in3 in12 * in4			
18					
19	Maintenance	Ln12 * Ln6			
20	Ad Valorem Tax	Ln12 * Ln7			
21 22					
23	Total Annual Cost	Sum (Ln15Ln20)			
24	Annual Lease Expense	Wp211 Pg3 Ln41			
25	Total Annual Cost, Including Lease Expense	Ln23 + Ln24			
26					
27	Total Monthly Cost	Ln25/12			
28 29	Total Assignable Square Feet	Wp211 Pg5 Ln25			
30	Monthly Cost per Square Foot	Ln27 / Ln28			
31	Gross Receipts Tax Factor				1.0152
32	·				1.01.04
33	Monthly Cost per Square Foot w/GRT	Ln30 * Ln31			
34 35					
37					
38					
39					
40					
41					
36 37 38 39 40 41 42 43 44 45 46 47 48 49 50					
- 44					
45					
46					
47					
49					
50					

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State	Florida
Workpeper	211
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Central Office Building, Land and Building investment by Location

PG LN	CO LN	8T	СШ	(a) Totai Sq. Ft.	(b) Building Inv. 10C	(c) Land Inv. 20C
1	1	FL	ARCHFLMA			
2	Ź	FL	BCRTFLBT			
3	3	FL	BCRTFLMA			
- 4	4	FL	BCRTFLSA			
5	5	FL	BGFIFLMAE87			
6	6	FL	BKVLFLJF			
7	7	FL	BLDWFLMA			
8	8	FL	BLGLFLMA			
9	9	FL	BNNLFLMA			
10	10	FL	BRSNFLMA			
11	11	FL	BYBHFLMA			
12	12	FL	CCBHFLMA			
13	13	FL	CDKYFLMA			
14	14	FL	CFLDFLMA			
15	· 15	FL	CHPLFLIA			
16	16	FL	CNTMFLLE			
17	17	FL	COCOFLMA			
18	18	FL	COCOFLME			
19	19	FL	CSCYFLBA			
20	20	FL	DBRYFLDL			
21	21	FL	DBRYFLMA			
22	22	FL	DELDFLMA			
23	23	FL	DLBHFLKP			
24	24	FL	DLBHFLMA			
25	25	FL	DLSPFLMA			
26	26	FL	DNLNFLWM			
27	27	FL	DRBHFLMA			
28	28	FL	DYBHFLMA			
29	29	FL	DYBHFLOB			
30	30	FL	DYBHFLOS44E			
31 32	31	FL	DYBHFLPO			
33	32	FL FL	EGLIFLEG			
34	33 34	FL				
35	35	FL	EORNFLMA FLBHFLMA			
36	36	FL	FRBHFLFP			
37	37	FL	FTGRFLMA			
38	38	FL	FTLDFLCR			
39	39	FL	FTLDFLCY			
40	40	FL	FTLDFLJA			
		•				

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Central Office Building, Land and Building investment by Location

PG LN	CO LN	8 T	сш	(a) Total Sq. FL	(b) Building Inv. 10C	(c) Land Inv. 20C
1	41	FL	FTLDFLMA			
2	42	FL	FTLDFLMR			
3	43	FL	FTLDFLOA			
4	- 44	FL.	FTLDFLPLCGO			
5	45	FL	FTLDFLSG			
6	46	FL	FTLDFLSU			
7	47	FL	FTLDFLWN			
8	48	FL	FTPRFLMA			
9	49	FL	GCSPFLCN			
10	50	FL	GCVLFLMA			
11	51	FL	GENVFLMA			
12	52	FL	GSVLFLMA			
13	53	FL	GSVLFLNW			
- 14	54	FL	HBSDFLMA			
15	55	FL	HLNVFLMA			
16	56	FL	HLWDFLHAASE			
17	57	FL	HLWDFLMA92E			
18	58	FL	HLWDFLPE43E			
19	59	FL	HMSTFLHME24			
20	60	FL	HMSTFLNA25E			
21	61	FL	HTISFLMA			
22	62	FL	HWTHFLMA			
23	63	FL	ISLMFLMAE66			
24	64	FL	JAY-FLMA			
· 25	65	FL	JCBHFLMA			
26	66	FL	JCBHFLSP			
27	67	FL	JCVLFLAR			
28	68 ~~~~	FL	JCVLFLBW			
29	69 70	FL	JCVLFLCL			
30	70	FL	JCVLFLFC			
31	71	FL	JCVLFLLF			
32	72	FL				
33 34	73 74	FL FL	JCVLFLRV			
35	75	FL	JCVLFLSB JCVLFLSJ			
36	76	FL	JCVLFLSMDS0			
37	77	FL	JCVLFLWC			
38	78	FL	JPTRFLMA74E			
39	79	FL	KYHGFLMA			
40	80	FL	KYLRFLLSE45			

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Central Office Building, Land and Building Investment by Location

PG LN	CO LN	8T	СГП	(a) Totai 8q. Ft.	(b) Building inv. 10C	(c) Land inv. 29C
1	81	FL	KYLRFLMAE85			
2	82	FL	KYWSFLMAE29			
3	83	FL	LKCYFLMA			
- 4	84	FL	LKMRFLMADSO			
5	85	FL	LYHNFLOH			
6	86	FL	MCNPFLMA			
7	87	FL	MDBGFLPM			
8	88	FL	MIAMFLAEE44			
9	89	FL	MIAMFLALE63			
10	90	FL	MIAMFLAPE52			
11	91	FL	MIAMFLBAE85			
12	92	FL	MIAMFLBC			
13	93	FL	MIAMFLBRE67			
14	94	FL	MIAMFLCAE22			
15	95	FL	MIAMFLDBRSO			
16	96	FL	MIAMFLFLE54			
17	97	FL	MAMFLGR			
18	96	FL	MIAMFLHLE55			
19	99	FL	MIAMFLICE86			
20	100	FL	MIAMFLKE36E			
21	101	FL	MIAMFLMEE32			
22	102	FL	MIAMFLNME89			
23	103	FL	MIAMFLNSE01			
24	104	FL	MIAMFLOLE68			
25	105	FL	MIAMFLPB88E			
26	106	FL.	MIAMFLRRE66			
27 28	107 108	FL FL	MIAMFLSHE75			
28 29	109	FL	MIAMFLSOE59 MIAMFLWD38E			
30	110	FL	MIAMFLWME26			
31	111	FL	MICCFLBB			
32	112	FL	MLBRFLMA			
33	113	FL	MLTNFLRA			
34	114	FL	MNDRFLLO			
35	115	FL	MNDRFLLW			
36	116	FL	MNSNFLMA			
37	117	FL	MRISFLKT			
38	118	FL	MRTHFLVEF11			
39	119	FL	MXVLFLMA			
40	120	FL	NDADFLACE94			
41	Note 1: a	nnual	lease of			

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Zone B Central Office Building, Land and Building Investment by Location

PG LN	CO LN	8T	cLLI	(a) Total Sq. Ft.	(b) Building Inv. 10C	(c) Land Inv. 20C
1	121	FL	NDADFLBRT24			
2	122	FL	NDADFLGGE65			
3	123	FL	NDADFLOLE93			
- 4	124	FL	NKLRFLMAE36			
-5	125	FL	NSBHFLMA			
6	126	FL	NWBYFLMA			
7	127	FL	OKHLFLMA			
8	128	FL	OLTWFILLN			
9	129	FL	ORLDFLAP			
10	130	FL	ORLDFLCL			
11	131	FL	ORLDFLMA			
12	132	FL	ORLDFLPC			
13	133	FL	ORLDFLPHA02			
14	134	FL	ORLDFLSA			
15	135	FL	ORPKFLRW			
16	136	FL	OVIDFLCA36E			
17	137	FL	PACEFLPV			
18	138	FL	PAHKFLMA			
19	139	FL	PCBHFLNT			
20	140	FL	PLCSFLMA44E			
21	141	FL	PLTKFLMA			
22	142	FL	PMBHFLCS			
23	143	FL	PMBHFLFE			
24	144	FL	PMBHFLMA			
25	145	FL	PMBHFLTA			
26	146	FL	PMPKFLMA			
27	147	FL	PNCYFLCA			
28	148	FL	PNCYFLMA			
29 30	149 150	FL	PNSCFLBL			
30	150	FL FL	PNSCFLFP			
32	151	FL	PNSCFLP8 PNSCFLWA			
33	152	FL	PNVDFLMA			
34	154	FL	PRRNFLMAW01			
35	155	FL	PRSNFLFD74E			
36	156	FL	PTSLFLMA			
37	157	FL	PTSLFLSOCGO			
38	158	FL	SBSTFLMASBE			
39	159	FL	SGKYFLMAE74			
40	160	FL	SNFRFLMA			

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Zone A Central Office Building, Land and Building Investment by Location

PG LN	CO LN	8T	cu	(a) Total 8q. FL	(b) Building Im 19C	(c) 7. Land inv. 29C
1	161	FL	STAGFLBS			
2	162	FL	STAGFLMA			
3	163	FL,	STAGFLSH			
4	164	FL	STRTFLMAE28			
5	165	FL	TRENFLMA			
6	166	FL	TTVLFLMA			
7	167	FL	VERNFLMA			
8	168	FL	VRBHFLBE			
9	169	FL	VRBHFLMA			
10	170	FL	WELKFLMA			
11	171	FL	WPBHFLAN			
12	172	FL	WPBHFLGA			
13	173	FL	WPBHFLGR			
14	174	FL	WPBHFLHH			
15	175	FL	WPBHFLLE			
16	176	FL	WPBHFLRB			
17	177	FL	WPBHFLRP			
18	178	FL	WWSPFLHI			
19	179	FL	WWSPFLSH			
20	180	FL	YNFNFLMA			
21	181	FL	YNTWFLMA			
22	182	FL	YULEFLMA			
23						
24 25	-	P-4-1				
26		oter				
			ion Factor - 10C		۱.	059
20	Jevenzec		ion Factor - 20C			
	Levelized	بمربعا أ				
31						
32						
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Development of Cable Support Structure per Entrance Cable Monthly Cost Ln Description Source 20C Land 10C Blog 357C Equip Total 1 Annual Cost Factor Components Fundamental Cost -		al Collocation				State Workpaper Page Date	Fiorida 220 1 of 1 Feb-97
Ln Description Source 20C Land 10C Bidg 357C Equip Total 1 Annual Cost Factor Components Fundamental Cost 0.0000 0.0302 0.1134 0.0113 0.00113 0.0026 0.0227 0.0026 0.0227 0.0000 0.0302 0.1134 0.0113 <td< th=""><th>Deve Study</th><th>opment of Cable Support Structure pe Period 1996-1998</th><th>r Entrance Cable Monthly</th><th></th><th>-</th><th></th><th></th></td<>	Deve Study	opment of Cable Support Structure pe Period 1996-1998	r Entrance Cable Monthly		-		
Annual Cost Factor Components Fundamental Cost Depreciation 0.0000 0.0302 0.1134 Cost of Money 0.0514 0.0638 0.0638 Income Tex 0.00113 0.0113 0.0113 Maintenance 0.0000 0.0069 0.0086 Ad Valorem Tax 0.0113 0.0113 0.0113 Total Annual Cost Factor 0.1745 0.1922 0.2268 Investments Wp221 Lne 32, 36, 28 1 Annual Costs Unit* Ln3 1 1 Depreciation Ln14 * Ln3 1 1 Cost of Money Ln14 * Ln3 1 1 Maintenance Ln14 * Ln3 1 1 Maintenance Ln14 * Ln3 1 1 Total Annual Cost Sum (Ln19Ln24) 1 1 Total Annual Cost Sum (Ln19Ln24) 1 1 Total Monthly Cost Ln29 * Ln31 1 1	-			А	В	Ċ	D
2 Depreciation 0.0000 0.0302 0.1134 Cost of Money 0.1118 0.0698 0.0639 Income Tax 0.0000 0.0009 0.0086 Ad Valorem Tax 0.0113 0.0113 0.0113 Total Annual Cost Factor 0.1745 0.1922 0.2268 1 Investments Wp221 Lns 32, 36, 23 1 Income Tax Ln14 * Ln3 Un14 * Ln3 2 Cost of Money Ln14 * Ln3 Un14 * Ln3 2 Cost of Money Ln14 * Ln3 Un14 * Ln3 2 Maintenance Ln14 * Ln7 Ad Valorem Tax 4 Valorem Tax Ln14 * Ln2 Income Tax 4 Income Tax Ln14 * Ln3 Income Tax 4 Valorem Tax Ln14 * Ln3 Income Tax 4 Valorem Tax Ln14 * Ln24 Income Tax 2 Total Annual Cost Sum (Ln19. Ln24) Income Tax 3 Gross Receipts Tax Factor 1.0152 3 Monthly Cost w/GRT Ln29 * Ln31 Income Tax	Ln	Description	Source	20C Land	<u>10C Bidg</u>	<u>357C Equip</u>	Total
3 Depreciation 0.0000 0.0302 0.1134 4 Cost of Money 0.1118 0.0088 0.0638 1 Income Tax 0.0113 0.0113 0.0113 6 Ad Vaiorem Tax 0.0113 0.0113 0.0113 7 Maintenance 0.0113 0.0113 0.0113 7 Total Annual Cost Factor 0.1745 0.1922 0.2268 11 Investments Wp221 Lns 32, 38, 28 1 12 Annual Costs 1 1 1 1 13 Depreciation Ln14 * Ln3 1 1 1 1 14 Investment Tax Ln14 * Ln3 1		Annual Cost Factor Components	Fundamental Cost				
Coat of Money 0.1118 0.0988 0.0639 Income Tax 0.0000 0.0089 0.0088 Ad Vaiorem Tax 0.0113 0.0113 0.0113 Total Annual Cost Factor 0.1745 0.1922 0.2268 Investments Wp221 Lns 32, 36, 28 1 Pannual Costs Unit * Ln3 0.0113 0.0113 Depreciation Ln14 * Ln3 2 2.2268 Annual Costs Unit * Ln3 2 2.2268 Maintenance Ln14 * Ln3 2 2.2268 Maintenance Ln14 * Ln3 2 2 Cost of Money Ln14 * Ln3 2 2 Maintenance Ln14 * Ln4 2 2 Maintenance Ln14 * Ln7 2 2 Total Annual Cost Sum (Ln19Ln24) 2 2 Total Monthly Coat Ln27 / 12 3 3 Monthly Cost w/GRT Ln29 * Ln31 1.0152		Depreciation		0 0000	0 0000	o 4404	
5 Income Tax 0.0814 0.0452 0.0297 Maintenance 0.0000 0.0069 0.0088 0.0113 0.0113 1 Total Annual Cost Factor 0.1745 0.1922 0.2268 1 Investments Wp221 Investments 0.1745 0.1922 0.2268 1 Annual Costs Lnt4 * Ln3 Int4 * Ln4 Income Tax Int4 * Ln4 Int4 * Ln4<			;				
Maintenance 0.0000 0.0069 0.0086 Ad Valorem Tax 0.1113 0.0113 0.0113 Total Annual Cost Factor 0.1745 0.1922 0.2268 Investments Wp221 Lns 32, 38, 28							
a Ad Valorem Tax 0.0113 0.0113 0.0113 11 Total Annual Cost Factor 0.1745 0.1922 0.2268 11 Total Annual Cost Factor 0.1745 0.1922 0.2268 12 Investments Wp221 1 1 15 Lns 32, 36, 28 1 1 1 16 Depreciation Ln14 * Ln3 1					0.0102	0.0201	
Total Annual Cost Factor 0.1745 0.1922 0.2268 Investments Wp221 Lns 32, 36, 28 Annual Costs Depreciation Ln14 * Ln3 Cost of Money Ln14 * Ln4 Income Tax Ln14 * Ln5 Maintenance Ln14 * Ln7 Intermenta Ln14 * Ln7 Gross Receipts Tax Factor 1.0152 Monthly Cost w/GRT Ln29 * Ln31							
10 Total Annual Cost Factor 0.1745 0.1922 0.2268 13 Investments Wp221 14 Invasition Lns 32, 38, 28 16 Depreciation Ln14 * Ln3 17 Annual Costs Ln14 * Ln3 18 Depreciation Ln14 * Ln3 19 Depreciation Ln14 * Ln3 10 Cost of Money Ln14 * Ln5 23 Maintenance Ln14 * Ln7 4 Ad Valorem Tax Ln14 * Ln8 26 Total Annual Cost Sum (Ln19Ln24) 27 Total Annual Cost Ln27 / 12 28 Gross Receipts Tax Factor 1.0152 39 Monthly Cost w/GRT Ln29 * Ln31		Ad Valorem Tax		0.0113	0.0113	0.0113	
11 Total Annual Cost Factor 0.1745 0.1922 0.2268 13 Investments Wp221 14 Investments Lns 32, 36, 28 15 Lns 32, 36, 28 16 Investments Lns 32, 36, 28 17 Annual Costs International Costs 18 Depreciation Ln14 * Ln3 20 Cost of Money Ln14 * Ln4 11 Income Tax Ln14 * Ln5 21 Maintenance Ln14 * Ln7 23 Maintenance Ln14 * Ln7 24 Ad Valorem Tax Ln14 * Ln8 25 Total Annual Cost Sum (Ln19Ln24) 26 Total Monthly Cost Ln27 / 12 30 Gross Receipts Tax Factor 1.0152 33 Monthly Cost w/GRT Ln29 * Ln31 34 International Cost w/GRT International Cost Ln27 / 12 33 Monthly Cost w/GRT Ln29 * Ln31							
12 Investments Wp221 15 Lns 32, 36, 28 16 Ins 32, 36, 28 17 Annual Costs 18 Depreciation 19 Depreciation 10 Cost of Money 114<*		Total Annual Cost Factor		0 1745	0 1022	0 2268	
14 Investments Wp221 15 Lns 32, 36, 28 16 Ins 32, 36, 28 17 Annual Costs 18 Depreciation 19 Depreciation 20 Cost of Money 114 * Ln3 20 Cost of Money 114 * Ln4 1 Income Tax 23 Maintenance 114 * Ln7 24 Ad Valorem Tax 25 Ln14 * Ln7 26 Total Annual Cost 27 Total Annual Cost 28 Total Monthly Cost 29 Total Monthly Cost 20 Gross Receipts Tax Factor 31 Gross Receipts Tax Factor 32 Monthly Cost w/GRT 33 Ln29 * Ln31 34 Advalue 35 Ln29 * Ln31	12			0.11.40		0.2200	
15 Lns 32, 36, 28 17 Annual Costs 18 Depreciation Ln14 * Ln3 20 Cost of Money Ln14 * Ln4 11 Income Tax Ln14 * Ln5 21 Maintenance Ln14 * Ln7 24 Ad Valorem Tax Ln14 * Ln24) 25 Total Annual Cost Sum (Ln19Ln24) 26 Total Monthly Cost Ln27 / 12 30 Gross Receipts Tax Factor 1.0152 33 Monthly Cost w/GRT Ln29 * Ln31		_					
16 17 Annual Costs 18 Depreciation Ln14 * Ln3 20 Cost of Money Ln14 * Ln4 21 Income Tax Ln14 * Ln5 22 Maintenance Ln14 * Ln7 23 Maintenance Ln14 * Ln7 24 Ad Valorem Tax Ln14 * Ln8 25 Cost of Money Ln14 * Ln7 24 Ad Valorem Tax Ln14 * Ln8 25 Cost of Money Ln14 * Ln8 26 Total Annual Cost Sum (Ln19Ln24) 28 Total Monthly Cost Ln27 / 12 31 Gross Receipts Tax Factor 1.0152 33 Monthly Cost w/GRT Ln29 * Ln31 34 Si Si 35 Si Si 36 Si Si 37 Si Si 38 Si Si 39 Si Si 34 Si Si 35 Si Si 36 Si Si 37 Si Si		Investments					
17 Annual Costs 18 19 Depreciation Ln14 * Ln3 20 Cost of Money Ln14 * Ln4 21 Income Tax Ln14 * Ln5 22 Maintenance Ln14 * Ln7 24 Ad Valorem Tax Ln14 * Ln7 25			Lns 32, 36, 28				
18 Depreciation Ln14 * Ln3 20 Cost of Money Ln14 * Ln4 21 Income Tax Ln14 * Ln5 23 Maintenance Ln14 * Ln7 24 Ad Valorem Tax Ln14 * Ln8 25 Total Annual Cost Sum (Ln19Ln24) 28 Total Monthly Cost Ln27 / 12 30 Gross Receipts Tax Factor 1.0152 33 Monthly Cost w/GRT Ln29 * Ln31 34 35 36 37 38 39 39 44 45		Annual Coste					
20 Cost of Money Ln14 * Ln4 21 Income Tax Ln14 * Ln5 23 Maintenance Ln14 * Ln7 24 Ad Valorem Tax Ln14 * Ln8 25 7 Total Annual Cost Sum (Ln19Ln24) 28 Total Monthly Cost Ln27 / 12 31 Gross Receipts Tax Factor 1.0152 33 Monthly Cost w/GRT Ln29 * Ln31 34 35 36 37 38 39 40 41 44 43 44 45							
20 Cost of Money Ln14 ° Ln4 21 Income Tax Ln14 ° Ln5 23 Maintenance Ln14 ° Ln7 24 Ad Valorem Tax Ln14 ° Ln7 25 Ad Valorem Tax Ln14 ° Ln7 26 Total Annual Cost Sum (Ln19Ln24) 27 Total Monthly Cost Ln27 / 12 30 Gross Receipts Tax Factor 1.0152 33 Monthly Cost w/GRT Ln29 ° Ln31 34 35 36 37 38 39 40 41 44 43 44 44 44 44 44			Ln14 ° Ln3				
22 Maintenance Ln14 * Ln7 23 Maintenance Ln14 * Ln7 24 Ad Valorem Tax Ln14 * Ln8 25 Total Annual Cost Sum (Ln19Ln24) 28 Total Monthly Cost Ln27 / 12 30 Gross Receipts Tax Factor 1.0152 31 Gross Receipts Tax Factor 1.0152 32 Monthly Cost w/GRT Ln29 * Ln31 34 35 36 37 38 39 40 41 42 43 44 44 45 46 44							
23 Maintenance Ln14 * Ln7 24 Ad Valorem Tax Ln14 * Ln8 25 7 Total Annual Cost Sum (Ln19Ln24) 29 Total Monthly Cost Ln27 / 12 1.0152 30 Gross Receipts Tax Factor 1.0152 33 Monthly Cost w/GRT Ln29 * Ln31 34 35 36 37 38 39 40 41 42 43 44 44 44 44 44 45 46 46		Income Tax	Ln14 * Ln5				
24 Ad Valorem Tax Ln14 • Ln8 25 1 26 Total Annual Cost 29 Total Monthly Cost 20 Gross Receipts Tax Factor 31 Gross Receipts Tax Factor 32 Monthly Cost w/GRT 33 Ln29 • Ln31 34 35 36 39 39 40 41 42 43 44 44 45		Maintenance	1 = 44 + 1 = 7				
25 Total Annual Cost Sum (Ln19Ln24) 29 Total Monthly Cost Ln27 / 12 30 Gross Receipts Tax Factor 1.0152 33 Monthly Cost w/GRT Ln29 * Ln31 34 35 36 37 38 39 39 40 41 41 42 43 45 46 46							
27 Total Annual Cost Sum (Ln19Ln24) 28 Total Monthly Cost Ln27 / 12 30 Gross Receipts Tax Factor 1.0152 33 Monthly Cost w/GRT Ln29 ° Ln31 34 35 36 37 38 39 39 40 41 41 42 43 43 44 44 44 45 46							
28 Total Monthly Cost Ln27 / 12 30 Gross Receipts Tax Factor 1.0152 33 Monthly Cost w/GRT Ln29 ° Ln31 34 35 36 37 38 39 40 41 42 43 44 45							
29 Total Monthly Cost Ln27 / 12 30 Gross Receipts Tax Factor 1.0152 32 Monthly Cost w/GRT Ln29 ° Ln31 34 35 36 35 36 37 38 39 40 41 42 43 43 44 45 45 46 44		Totai Annual Cost	Sum (Ln19Ln24)				
30 Intervice 31 Gross Receipts Tax Factor 32 Monthly Cost w/GRT 33 Monthly Cost w/GRT 34 35 36 37 38 39 40 41 42 43 43 44 45 46		Total Maritha Cost					
31 Gross Receipts Tax Factor 1.0152 32 Monthly Cost w/GRT Ln29 ° Ln31 34 35			Ln27 / 12				
32 33 Monthly Cost w/GRT Ln29 ° Ln31 34 35 36 37 38 39 40 41 42 43 44 45 46		Gross Receipts Tax Factor					4.0452
33 Monthly Cost w/GRT 34 35 36 37 38 39 40 41 42 43 44 45 46	32						1.0152
38 39 40 41 42 43 44 45 46	33	Monthly Cost w/GRT	Ln29 * Ln31				
38 39 40 41 42 43 44 45 46	34					•	
38 39 40 41 42 43 44 45 46	35						
38 39 40 41 42 43 44 45 46	37						
42 43 44 45 46	38						
42 43 44 45 46	39						
42 43 44 45 46	40						
43 44 45 46	41						
44 45 46	43						
45 46	44						
46	45						
	46 47						

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Virtual Collocation		State Workpaper Page Date	Fiorida 221 1 of 1 Feb-97
Development of Cable Support Structure investme Study Period 1996-1998	nt		А
Ln Description	Source	FRC	Value
1 Cable Rack installed investment/LF* 2	Network		
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Installed Investment 6	Ln1 * Ln3		
7 Levelized Inflation Factor 8	Fundamental Cost	357C	0.970
9 Levelized investment 10	Ln5 * Ln7		
11 Projected Actual Utilization 12	Fundamental Cost		50.0%
13 Levelized Utilized Investment per Cable 14 per Linear Foot 15	Ln9 / Ln11		
16 Average Cable Rack Length (LF) 17	Network		350
18 Investment for Cable Rack 19	Ln14 * Ln16		
20 Cable Capacity per Rack 21	Network		30
22 Investment per Cable 23	Ln18 / Ln20		
24 Power Equipment Loading 25	Fundamental Cost	357C	0.0670
26 Power Equipment investment 27	Ln22 * Ln24		
28 Investment per Cable w/Power Loadings 29	Ln22 + Ln26		
30 Land Loading	Fundamental Cost	20C	0.0030
32 Land Investment 33	Ln28 * Ln30		
34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building Investment 37 38 39 40	Ln28 * Ln34		
41 42 43 44 45 46 47 48 * LF = linear foot 49 50			

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Development of Floor Space Power per Ampere Monthly Cost Study Period 1998-1998

,			Д	в	C	\mathcal{D}
Ln	Description	Source	20C Land	10C Bidg	377C Equip	<u>Total</u>
1 2	Annual Cost Factor Components	Fundamental Cost				
3 4 5	Depreciation Cost of Money Income Tax	:	0.0000 0.1118 0.0514	0.0302 0.0986 0.0452	0.0651	
6 7 8	Maintenance Ad Valorem Tax		0.0000 0.0113	0.0069 0.0113		
9 10 11 12	Total Annual Cost Factor		0.1745	0.1922	0.2457	
13	Investments	Wp231 Lns 19, 25, 13				
16 17 18	Annual Costs					
19 20 21	Depreciation Cost of Money Income Tax	Ln14 * Ln3 Ln14 * Ln4 Ln14 * Ln5				
22 23 24 25	Mainten ance Ad Valorem Tax	Ln14 * Ln7 Ln14 * Ln8				
26 27 28	Total Annual Cost	Sum (Ln19Ln24)				
29 30	Total Monthly Cost	Ln27 / 12				
31 32 33	Monthly Cost Power Usage per Ampere Gross Receipts Tax Factor	Network				\$2.964 1.0152
34 35 36	Monthly Cost w/GRT	(Ln29 + Ln31) * Ln33	3			1.0102
37 38 39						
40 41 42 43						
44 45 46						
47	• The Maintenance factor of the 377C annua (0.0282 - 0.0025 = 0.0257)	I cost factor has been r	educed by th	ne power co	mponent of the	factor

Virtual Collocation		State Workpaper Page Date	Fiorida 231 1 of 1 Feb-97
Development of Floor Space Power per Amp Study Period 1996-1998	ere investment		A
Ln <u>Description</u>	Source	FRC	Value
1 Power Plant investment per Ampere 2 3	BST Power Strategy Team	377C	
4 Telephone Plant Index 5 6	Fundamental Cost	377C	1.000
7 Base Year Installed Investment 8 9	Ln1 * Ln4		
10 Levelized Inflation Factor 11 12	Fundamental Cost	377C	1.012
13 Levelized Installed Investment 14 15	Լո7 * Լո10		
16 Land Loading 17 18	Fundamental Cost	20C	0.0030
19 Land Investment 20 21	Ln13 * Ln16		
22 Building Loading 23 24	Fundamental Cost	10C	0.0404
25 Building Investment 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50	Ln13 * Ln22	·	

Virtual	Collocation				State Workpaper Page Date	Fiorida 240 1 of 1 Feb-97
Develo Study F	oment of Cross Connect per 2-Wire M Period 1996-1998	ionthly Cost	А	в	C	D
ما	Description	Source	20C Land	10C Building	357C Equip	ري اطم
	nnual Cost Factor Components	Fundamental Cost				
2 3 4 5 6 7 8 9 10 11 12 8 4 5 6 7 8 9 10 11 12 13 14 15 10 11 12 11 12 13 14 15 10 11 12 11 12 11 13 14 15 10 11 12 11 12 11 13 14 15 10 11 12 11 11	Depreciation Cost of Money Income Tax Maintenance Ad Valorem Tax TIRKS Expense Total Annual Cost Factor Investments Unnual Costs Depreciation Cost of Money Income Tax Maintenance Ad Valorem Tax TIRKS Expense Total Annual Cost Total Annual Cost Total Monthly Cost Gross Receipts Tax Factor Monthly Cost w/GRT	Wp241 Pg1 ine 20, 32, 8 int4 * in3 int4 * in4 in4 * in5 int4 * in7 int4 * in7 int4 * in9 Sum (in19in25) in27 / 12 in29 * in31	0.0000 0.1118 0.0514 0.0000 0.0113 0.0000 0.1745	0.0302 0.0966 0.0452 0.0069 0.0113 0.0000 0.1922	0.1134 0.0638 0.0297 0.0086 0.0113 0.0052 0.2320	1.0152
40 41 42 43 44 45 46 47 48 49 50						

Virtual	Collocation		State Workpaper Page Date	Florida 241 1 of 4 Feb-97
	ary of Investments, 2-Wire Cross Connect Period 1996-1998			А
Ln	Description	Source		Value
2	357C Equipment Investment Trunk Distributing Frame	Wp241 Pg2 Ln28		
3 4 5	Connecting Block	Wp241 Pg3 Ln28		
5 6 7	Cable Rack	Wp241 Pg4 Ln28		
8 9 10 11 12	Total 357C Equipment Investment	Sum (Ln2Ln6)		
	Land Investment Trunk Distributing Frame	Wp241 Pg2 Ln32		
15	-	-		
16 17	Connecting Block	Wp241 Pg3 Ln32		
18 19	Cable Rack	Wp241 Pg4 Ln32		
20 21 22 23 24	Total Land Investment	Sum (Ln14Ln18)		
	Building Investment Trunk Distributing Frame	Wo241 Da21 526		
27	-	Wp241 Pg2 Ln36		
28 29	Connecting Block	Wp241 Pg3 Ln36		
30 31	Cable Rack	Wp241 Pg5 Ln46		
32 33 34 35 36 37 38 39 40 41 42 43 44 45	Total Building Investment	Sum (Ln26Ln30)		
46 47 48 49 50				

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Virtual Collocation		State Workpaper Page Date	Florida 241 2 of 4 Feb-97
Development of 2-Wire Cross Connect Unit is Trunk Distributing Frame	nvestment		Д
Study Period 1996-1998 Ln Description	Source	FRC	<u>Value</u>
1 TDF Material Price	Network	357C	
2 3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price	Ln1 * Ln3		
6 7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year installed investment	Ln5 * In7		
10 11 Levelized inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized Investment	Ln9 * Ln11		
14 15 Number Circuits	Network		12,000
16 17 Levelized investment per Circuit 18	Ln13 / Ln15 * 2		
19 Projected Actual Utilization 20	Network		72.5%
21 Levelized Utilized Investment per Circuit 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per Circult 29	Ln21 + Ln25		
30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land Investment 33	Ln28 * Ln30		
33 34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building Investment 37 38 39 40 41 42 43 44 45 46 47	Ln28 * Ln34		
48 49 50			

Virtual Collocation		State Workpaper Page Date	Florida 241 3 of 4 Feb-97
Development of 2-Wire Cross Connect Unit In Connecting Block	nvestment		А
Study Period 1996-1998 Ln Description	Source	FRC	Value
1 Connecting Block Material Price 2	Network	357C	
3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	in1 * in3		
7 Hardwired Inplant Factor 8	Fundamental Cost	357C	1.8700
9 Base Year installed investment 10	Ln5 * In7		
11 Levelized inflation Factor	Fundamental Cost	357C	0.970
13 Levelized investment 14	Ln9 * Ln11		
15 Number Circuits 16	Network		100
17 Levelized investment per Circuit 18	Ln13 / Ln15 * 2		
19 Projected Actual Utilization 20	Network		72.5%
21 Levelized Utilized Investment per Circuit 22	Ln17/Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per Circuit 29	Ln21 + Ln25		
30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land Investment	Ln28 * Ln30		
33 34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building Investment 37 38 39 40 41 42 43 44 45 46 47 48 49 50	in28 * ln34		
		·	

Virtual Collocation		State Workpaper Page Date	Florida 241 4 of 4 Feb-97
Development of 2-Wire Cross Connect Unit is Cable Rack	nvestment		А
Study Period 1996-1998			
<u>Ln</u> <u>Description</u>	Source	FRC	<u>Value</u>
1 Cable Rack Material price 2	Network	357C	
3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year installed investment	Ln5 * In7		
10 11 Levelized Inflation Factor	Fundamental Cost	357C	0.9700
12 13 Levelized Investment	Ln9 * Ln11		
14 15 Number Circuits per Cable Rack 16	Network		48,000
17 Levelized investment per Cable	Ln13 / Ln15		
18 19 Projected Actual Utilization 20	Network		57.0%
21 Levelized Utilized Investment per Circuit 22	Ln17 / Ln19		
22 23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment	Ln21 * Ln23		
26 27 Total Investment with Power Loadings 28 per Circuit	in21 + in25		
29 30 Land Loading	Fundamental Cost	20C	0.0030
31		200	0.0030
32 Land Investment 33	Ln28 * Ln30		
34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building investment 37 38 39 40	Ln28 * Ln34		
41 42 43			
44			
45			
46 47			
48			
49			
50			

Virtuai	Collocation				State Workpaper Page Date	Florida 260 1 of 1 Feb-97
	pment of Cross Connect per 4-Wire M Period 1996-1998	ionthly Cost	Д	в	C.	D
μ	Description	Source	20C Land	10C Building	357C Equip	Total
	Annual Cost Factor Components	Fundamental Cost				
15 16	Depreciation Cost of Money Income Tax Maintenance Ad Valorem Tax TIRKS Expense Total Annual Cost Factor Investments Annual Costs Depreciation Cost of Money Income Tax Maintenance Ad Valorem Tax TIRKS Expense Total Annual Cost Total Annual Cost Gross Receipts Tax Factor Monthly Cost w/GRT	Wp261 Pg1 Ln= 20, 32, 8 in14 * in3 in14 * in4 in14 * in5 in14 * in7 in14 * in9 Sum (in19in25) in27 / 12 in29 * in31	0.0000 0.1118 0.0514 0.0000 0.0113 0.0000 0.1745	0.0302 0.0666 0.0452 0.0069 0.0113 0.0000 0.1922	0.1134 0.0638 0.0297 0.0086 0.0113 0.0052 0.2320	1.0152
50						

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Virtual	Collocation		State Workpaper Page Date	Fiorida 261 1 of 4 Feb-97
	ary of investments, 4-Wire Cross Connect Period 1996-1998			A
Ln	Description	Source		Value
1 2 3	357C Equipment Investment Trunk Distributing Frame	Wp261 Pg2 Ln28		
4 5	Connecting Block	Wp261 Pg3 Ln28		
6 7	Cable Rack	Wp261 Pg4 Ln28		
8 9 10 11 12	Total 357C Equipment Investment	Sum (Ln2Ln6)		
	Land Investment Trunk Distributing Frame	Wp261 Pg2 Ln32		
15	-			
16 17	Connecting Block	Wp261 Pg3 Ln32		
18 19	Cable Rack	Wp261 Pg4 Ln32		
20 21 22 23 24	Total Land Investment	Sum (Ln14Ln18)		
25 26	Building Investment Trunk Distributing Frame	Wp261 Pg2 Ln36		
27 28	Connecting Block	Wp261 Pg3 Ln36		
29 30	Cable Rack	Wp261 Pg4 Ln36		
31				
32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50	Total Building Investment	Sum (Ln26Ln30)		·

Virtual Collocation		State Workpaper Page Date	Fiorida 261 2 of 4 Feb-97
Development of 4-Wire Cross Connect Unit In Trunk Distributing Frame Study Period 1996-1998	nvestment		А
Ln Description	Source	FRC	Value
1 TDF Material Price 2	Network	357C	
2 3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment 10	Ln5 * in7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.9700
13 Levelized investment	Ln9 * Ln11		
14 15 Number Circuits 16	Network		6,000
17 Levelized investment per Circuit	Ln13 / Ln15 * 2		
18 19 Projected Actual Utilization 20	Network		72.5%
21 Levelized Utilized Investment per Circuit 22	Ln17 / Ln19		
22 23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total investment with Power Loadings 28 per Circuit 29	Ln21 + in25		
30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land investment 33	Ln28 * Ln30		
34 Building Loading 35	Fundamental Cost	10C	-0.0404
36 Building investment 37 38 39 40 41 42 43	Ln28 * Ln34		
44 45 46 47 48 49 50			

Virtual Collocation		State Workpaper Page Date	Fiorida 261 3 of 4 Feb-97
Development of 4-Wire Cross Connect Unit Ir Connecting Block	vestment		A
Study Period 1996-1998 Ln Description	Source	FRC	<u>Value</u>
1 Connecting Block Material Price	Network	357C	
2 3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price	Ln1 * Ln3		
6 7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment 10	Ln5 * in7		
11 Levelized inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized investment 14	Ln9 * Ln11		
15 Number Circuits	Network		50
16 17 Levelized investment per Circuit 18	Ln13 / Ln15 * 2		
19 Projected Actual Utilization	Network		72.5%
20 21 Levelized Utilized Investment per Circuit 22	Ln17 / Ln19		
23 Power Equipment Loading	Fundamental Cost	357C	0.0670
24 25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per Circuit 29	Ln21 + Ln25		
30 Land Loading	Fundamental Cost	200	0.0030
31 32 Land investment 33	Ln28 * Ln30		
34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building Investment 37 38 39 40	Ln28 * Ln34		
41 42 43 44 45 46			
47 48			
49 50			

Virtual Collocation		State Workpaper Page Date	Fiorida 261 4 of 4 Feb-97
Development of 4-Wire Cross Connect Unit Ir Cable Rack	nvestment		А
Study Period 1996-1998	0	500	
Ln Description	Source	FRC	<u>Value</u>
1 Cable Rack Material price 2	Network	357C	
3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor 8	Fundamental Cost	357C	1.870
9 Base Year installed investment 10	Ln5 * In7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
13 Levelized Investment 14	Ln9 * Ln11		
15 Number Circuits per Cable Rack 16	Network		24,000
17 Levelized Investment per Circuit 18	Ln13 / Ln15		
19 Projected Actual Utilization 20	Network		57.0%
21 Levelized Utilized Investment per Circuit 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per Circuit 29	Ln21 + Ln25		
30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land investment 33	Ln28 * Ln30		
33 34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building Investment 37 38 39 40 41 42 43 44 45 46 47 48 49 50	Ln28 * Ln34		

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			Workpaper Page	Florida 280 1 of 1 Feb-97
st	А	в	C.	Ъ
Source	20C Land	10C Building	357C Equip	Iotal
Fundamental Cost				
	0.0000 0.1118 0.0514	0.0302 0.0986 0.0452	0.1134 0.0638 0.0297	
•	0.0000	0.0069	0.0086	
	0.0113 0.0000	0.0113	0.0113 0.0052	
	0.1745	0.1922	0.2320	
Wp281 Pg1 Lns 15, 24, 6				
in14 * ln3 in14 * ln4				
in14 * Ln5				
Ln14 * Ln7				
Ln14 * Ln9				
Sum (Ln10Ln25)				
Ln27 / 12				
				1.0152
Ln29 * Ln31				
	Source Fundamental Cost Wp281 Pg1 ins 15, 24, 6 in14 * in3 in14 * in4 in14 * in5 in14 * in5 in14 * in7 in14 * in8 in14 * in9 Sum (in19in25) in27 / 12	A 2022 Land Fundamental Cost Fundamental Cost 0.0000 0.1118 0.0000 0.1118 0.0000 0.0113 0.0000 0.0113 0.0000 0.1145 0.0000 0.1145 0.0000 0.1145 0.0000 0.1145 0.0000 0.1145 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.1118 0.0000 0.113 0.0000 0.113 0.0000 0.1145 Vip281 Pg1 Line 15, 24, 6 Lin14 * Ln3 Lin14 * Ln3 Ln14 * Ln3 Ln14 * Ln3 Ln14 * Ln3 Ln14 * Ln3 Ln14 * Ln3 Ln27 / 12	t Source 2000 1000 Building Fundamental Cost 0.0000 0.0302 0.1118 0.0066 0.0514 0.0452 0.0000 0.0009 0.0113 0.0113 0.0000 0.0000 0.1745 0.1922 Wp281 Pg1 Lns 15, 24, 6 Ln14 * Ln3 Ln14 * Ln3 Ln27 / 12	A B C Source 20C Land 10C Building 357C Equip Fundamental Cost 0.0000 0.0302 0.1134 B 0.0004 0.0302 0.1134 0.01118 0.00666 0.0297 0.0000 0.0069 0.00297 0.0113 0.0113 0.0113 0.0000 0.0000 0.0066 0.0113 0.0113 0.0113 0.0000 0.0000 0.00652 0.0113 0.0113 0.0113 0.0000 0.00000 0.00652 0.1745 0.1922 0.2320 Wp281 Pg1 1.14 * Ln3 1.14 * Ln4 Ln14 * Ln5 1.114 * Ln5 Ln14 * Ln4 Ln14 * Ln5 1.14 * Ln8 Ln14 * Ln5 Ln27 / 12 Jun 27 / 12

Virtual	Collocation		State Workpaper Page Date	Florida 281 1 of 3 Feb-97
	ary of Investments, DS1 Cross Connect Period 1996-1998			A
Ln	Description	Source		Value
1 3 2 3	357C Equipment Investment DSX-1 Panel	Wp281 Pg2 Ln28		
3 4 5	Cable Rack	Wp281 Pg3 Ln28		
5 6 7 8 9	Total 357C Equipment Investment	Sum (Ln2Ln4)		
10	Land Investment			
11 12	DSX-1 Panel	Wp281 Pg2 Ln32		
13 14	Cable Rack	Wp281 Pg3 Ln32		
15 16 17	Total Land Investment	Sum (Ln11Ln13)		
18 19	Building investment			
20 21	DSX-1 Panel	Wp281 Pg2 Ln36		
22	Cable Rack	Wp281 Pg3 Ln36		
23 24 25 26	Total Building Investment	Sum (Ln20Ln22)		
27 28				
29				
31				
32 33				
34				
36				
37 38				
39 40				
41 42				
43				
44 45				
30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47				
48				
49 50				

Virtual Collocation		State Workpaper Page Date	Fiorida 281 2 of 3 Feb-97
Development of DS1 Cross Connect Unit Inv DSX-1 Bay	restment		٨
Study Period 1996-1998	Sauma	500	A Value
in <u>Description</u>	Source	FRC	Value
1 DSx-1 Panel Material Price 2	Fundamental Cost	357C	
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor 8	Fundamental Cost	357C	1.870
9 Base Year installed investment 10	Ln5 * in7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized Installed Investment 14	Ln9 * Ln11		
15 Number DS1's 16	Network		56
17 Levelized Utilized Investment per DS1 18	Ln13 / Ln15		
19 Projected Actual Utilization 20	Network		70%
21 Levelized Utilized Investment per DS1 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per DS1 29	Ln21 + Ln25		
 30 Land Loading 	Fundamental Cost	20C	0.0030
31 32 Land Investment 33	Ln28 * Ln30		
34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building Investment 37 38 39 40 41 42 43 44 45 46 47 48 49 50	Ln28 * Ln34		

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Virtual Collocation		State Workpaper Page Date	Fiorida 281 3 of 3 Feb-97
Development of DS1 Cross Connect Unit inve Cable Rack	stment		٨
Study Period 1996-1998	Source	FRC	A Value
			Tank
1 Cable Rack Material Price 2	Network	357C	
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment 10	Ln5 * In7		
10 11 Levelized inflation Factor 12	Fundamental Cost	357C	0.9700
12 13 Levelized installed investment 14	Ln9 * Ln11		
15 Number Circuits 16	Network		6720
17 Levelized Utilized investment per Circuit 18	Ln13 / Ln15		
19 Projected Actual Utilization 20	Network		60.3%
21 Levelized Utilized Investment per Circuit 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per DS1 29	Ln21 + Ln25		
30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land Investment	in28 * in30		
33 34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building investment 37 38 39 40 41 42 43 44 45 46 47 48 49 50	Ln28 * Ln34		

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Virtual	Collocation				State Workpaper Page Date	Fiorida 300 1 of 1 Feb-97
	pment of Cross Connect per DS3 Monthly Cost Period 1996-1998		А	в	C	D
tn	Description	Source	20C Land	10C Building	357C Equip	Total
	Annual Cost Factor Components	Fundamental Cost				
2 3 4 5 6	Depreciation Cost of Money Income Tax	;	0.0000 0.1118 0.0514	0.0302 0.0996 0.0452	0.1134 0.0638 0.0297	
7	Maintenance Ad Valorem Tax		0.0000 0.0113	0.0069	0.0066 0.0113	
9	TIRKS Expense		0.0000	0.0000	0.0052	
10 11 12 13	Total Annual Cost Factor		0.1745	0.1922	0.2320	
	Investments	Wp301 Pg1 Lns 15, 24, 6				
	Annual Costs					
19	Depreciation	Ln14 * Ln3				
20 21	Cost of Money Income Tax	Ln14 * Ln4 Ln14 * Ln5				
22						
23	Maintenance	Ln14 * Ln7				
24 25	Ad Valorem Tax TIRKS Expense	Ln14 * Ln8 Ln14 * Ln9				
26						
27 28	Total Annual Cost	Sum (Ln19Ln25)				
29 30	Total Monthly Cost	Ln27 / 12				
31	Gross Receipts Tax Factor					1.0152
32 33 34 35	Monthly Cost w/GRT	Ln29 * Ln31				
36 37						
38						
40						
41						
42						
44						
45						
38 39 41 42 43 44 54 47 8 49 50						
48						
49						
30						

Virtual	Collocation		State Workpaper Page Date	Florida 301 1 of 3 Feb-97
Summ Study	ary of Investments, DS3 Cross Connect Period 1996-1998			A
Ln	Description	Source		<u>Value</u>
1 2 3	357C Equipment Investment DSX-3 Panel	Wp301 Pg2 Ln28		
- 4	Cable Rack	Wp301 Pg3 Ln28		
5 6 7 8 9	Total 357C Equipment Investment	Sum (Ln2Ln4)		
10	Land Investment			
11 12	DSX-3 Panel	Wp301 Pg2 Ln32		
13	Cable Rack	Wp301 Pg3 Ln32		
14 15 16 17	Total Land Investment	Sum (Ln11Ln13)	•	
18 19	Building Investment		•	
20 21	DSX-3 Panel	Wp301 Pg2 Ln36		
22	Cable Rack	Wp301 Pg3 Ln36		
23 24 25	Total Building investment	Sum (Ln20Ln22)		
26 27 28				
29 30				
31				
32 33				
30 31 32 33 34 35 36 37 38 39 40				
35 36				
37 38				
39				
40 41				
41 42				
43 44				
45 46				
47				
48				

- 48 49 50

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Virtual Collocation		State Workpaper Page Date	Fiorida 301 2 of 3 Feb-97
Development of DS3 Cross Connect Unit Inv DSX-3 Bay	restment		٨
Study Period 1996-1998	Sector	FRC	A Value
Ln <u>Description</u>	Source		<u>V.0113</u>
1 DSX-3 Panel Material Price 2	Fundamental Cost	357C	
3 Telephone Piant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment 10	Ln5 * in7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.9700
12 13 Levelized Installed investment 14	Ln9 * Ln11		
15 Number DS3's 16	Network		24
17 Levelized Utilized Investment per DS3	Ln13 / Ln15		
18 19 Projected Actual Utilization 20	Network		67%
21 Levelized Utilized Investment per DS3 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
27 25 Power Equipment Investment 26	Ln21 * Ln23		
20 27 Total Investment with Power Loadings 28 per DS3 29	Ln21 + Ln25		
30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land Investment	Ln28 * Ln30		
33 34 Building Loading	Fundamental Cost	100	0.0404
35 36 Building Investment 37 38 39	Ln28 * Ln34		
40 41			
42 43			
44			
45 46			
47 48			
49			
50		•	

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Virtual Collocation		State Workpaper Page Date	Fiorida 301 3 of 3 Feb-97
Development of DS3 Cross Connect Unit Inv Cable Rack	restment		4
Study Period 1996-1998			A
Ln Description	Source	ERC	<u>Value</u>
1 Cable Rack Material Price 2	Network	3570	
2 3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor 8	Fundamental Cost	357C	1.870
9 Base Year installed investment 10	Ln5 * In7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
13 Levelized installed investment 14	in9*in11		
15 Number DS3's 16	Network		480
17 Levelized Utilized Investment per DS3 18	Ln13/Ln15		
19 Projected Actual Utilization 20	Network		67%
21 Levelized Utilized Investment per DS3 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per DS3 29	Ln21 + Ln25		
30 Land Loading 31	Fundamental Cost	200	0.0030
32 Land investment 33	Ln28 * Ln30		
34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building investment 37 38 39 40 41 42 43 44 45 46 47 48 49	Ln28 ° Ln34		
50			

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FLORIDA VIRTUAL COLLOCATION

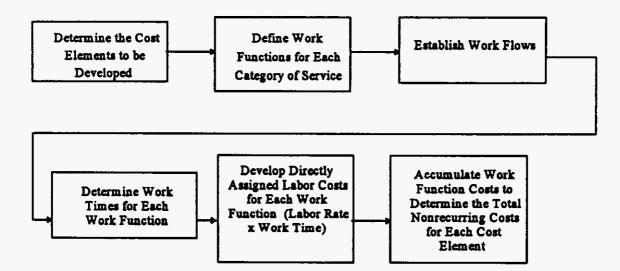
COST DEVELOPMENT - NONRECURRING

Nonrecurring Total Service Long Run Incremental Costs (TSLRIC) are one-time costs incurred as a result of provisioning, installing, disconnecting and completing orders initiated by a customer request for Virtual Collocation. Calculations for the nonrecurring costs are included in this section.

Figure 5-1 shows a generalized flow of the steps necessary for developing nonrecurring costs. Each part of this flow will be explained in more detail in this section.

Figure 5-1

Generalized Flow Diagram for Developing Nonrecurring Costs



The first step in developing nonrecurring costs is to determine the cost elements to be studied. Each cost element is then described by all of the individual work functions required to provision the element.

FLORIDA VIRTUAL COLLOCATION

COST DEVELOPMENT - NONRECURRING

The work functions required to provide Virtual Collocation can be grouped into three categories. These are:

- 1) Service Order
- 2) Engineering
- 3) Connect and Test

Work functions included in these categories range from clerical activities to installation activities.

The work functions and work times involved in the provisioning of Virtual Collocation are identified by individuals knowledgeable about and/or responsible for performing the functions. These work functions and work times are then used to describe the flow of work within the various work centers involved in provisioning the element.

A spreadsheet model is used to incorporate the specific work functions and directly assigned labor rates. 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 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. Next, the individual work function costs are accumulated into the installation cost for the element studied.

Utilizing work functions, work times and directly assigned labor rates, disconnect costs are calculated in the same manner as the installation costs. Since the labor costs will occur in the future, the directly assigned 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.

Nonrecurring costs are calculated separately on a first and additional basis. "First" refers to the first item on a service order. "Additional" costs are the incremental costs of providing one or more duplicates of the first item on the same service order at the same time as the first.

The following workpapers reflect the cost development.

Virtual Collocation

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Summary of Nonrecurring Costs

		А	B	
ړمن	Description	<u>First</u>	Additional	Source
3	Application Cost per Request		N/A	Wp410 Ln20
4 5 6 7	Cable Installation Cost per Cable		N/A	Wp430 Ln18
, 8 9	Cross-connect Cost			
10 11	per 2-Wire			Wp440 Ln27
12 13	per 4-Wire			Wp450 Ln27
14	per DS1			Wp460 Ln31
15 16	per DS3			Wp470 Ln27
17 18 19 20				
21 22	Security Escort Cost			
23 24 25	Basic, per half hour			Wp480 Ln10
26 27	Overtime, per half hour			Wp480 Ln19
28 29 30 31 32 33 34 35 37 38 39 40 41 42 44 45 47 45 50	Premium, per half hour			Wp480 Ln28

Private/Proprietary: No disclosure outside BellSouth except by written agreement

Virtua	Collocation						State Workpaper Page Date	Fiorida 410 1 of 1 Feb-97
Devel	opment of Application Cost per Reques	it Nonrecurring (A	Cost B	с	D	E	F Discounted	G
<u>نم</u> ۱	Description	installation <u>Worktime (hrs)</u>	Disconnect <u>Worktime (hrs)</u>	Levelized Lebor Rate	installation <u>Cost</u> A°C	Disconnect <u>Cost</u> B*C	Disconnect Cost E*DOF **	Total <u>Cost</u> Q+F
23	Business Marketing			\$56.815				
-	Administrative Reports Clerk			\$30.791				
-	Customer Point of Contact (ICSC)			\$40.665				
	Network & Engineering Planning (FG20)			\$57.986				
10 11 12	Outside Plant Engineering (OSPE)			\$48.058				
13								
15		est						
	Gross Receipts Tax Factor							1.0152
	Total Nonrecurring Cost Application per	Request	Ln16 * Ln18					
21 22								
23 24 25								
26 27	· · ·							
28 29								
30 31								
32 33								
34 35								
36 37	,							
38 39								
40								•
43								
45								
47	: ** DDF = Discounted Disconnect Factor							
49 50	** DDF = Discounted Disconnect Factor							

Private/Proprietary: No disclosure outside BellSouth except by written agreement

Virtuai	Collocation						State Woricpaper Page Date	Florida 430 1 of 1 Feb-97
Develo	pment of Cable Installation per Cable I	Nonrecurring Co A	et B	с	D	E	F Discounted	G
LA	Description	installation Worktime (bra)	Disconnect Worktime (hrs)	Levelized Labor Rate	Installation <u>Cost</u> A * C	Disconnect <u>Cost</u> B * C	Disconnect Cost E*DDF**	Total <u>Cost</u> D + F
1 2					A°U	B	E DUP	UYF
	Network & Engineering Planning (FG20)			\$57.986				
5 6 7	Outside Plant Engineering (OSPE)			\$48.058				
	Outside Plant Construction (OSPC)			\$42.587				
10 11								
12 13					•			
15	Nonrecurring Cost Cable Installation							4 0450
17	Gross Receipts Tax Factor	-						1.0152
19	Total Nonrecurring Cost Cable Installation	n, per Cable	Լո14 ° Լո16					
20 21								
22 23 24								
24 25 26								
20 27 28								
29 30								
31 32								
33 34								
35 36								
37 38 39								
40								
41 42								
43 44								
45 46								
47 48 49 50	** DDF = Discounted Disconnect Factor							

	i Collocation												State Workpaper Page Date	Florida 440 1 of 1 Feb-07
Deve	opment of Cross Connect per 2-Wire Nonrecur	•	8	С	D	E	F	G	н	, I	J	κ	L	м
• '		(Minu	tes)	(Min	ct Worldimes ules)			ton Cost		ect Coel	Discou Disconn		Total Coat	Total Cost
1 1	Description	<u>Eint</u> -	<u>Additional</u>	Eint	<u>Additional</u>	Labo <u>r Rain</u>	Einst A*E/60	Additional B*E/60	Einst C*E/60	Additional D*E/60	Elost H*DDF**	Additional 1* DDF **	Elext F + J	Additional G + K
3	Service Order Customer Point of Contect (ICBC)					\$40.005								
5	Circuit Provisioning Center (CPC)					\$38,535								
7	Network Administration					\$34.921								
9 10						\$38.659								
12 13						\$36.535								
14 15 16	Connect & Test CO Install & Mice (NTEL)					\$41.504								
17 18	Special Services Coord & Testing (SSC)					\$38.659								
19 20														
21 22	N													
- 24	Nonrecurring Cost Cross Connect per 2-Wite Gross Receipts Tax Factor													
26	Total Nonrecurring Cost Cross Connect per 2-Wi		Ln23 * Ln25									1.0152		
28 29														
30 31														
32 33														
34 35														
36 37														
38 39														
40 41														
42 43					`									
44														
46														
48 49 50	** DDF = Discounted Disconnect Factor													

Virtue	a Collocation												State Workpaper Page Date	Florida 450 1 of 1 Feb-97
Devel	iopment of Cross Connect per 4-Wire Nonrecur	A Installutio	B n Worktimes	C Disconne	D ct Worldimes	E Levelzed	F	G	н	I	j Discouni	K	L	M
Ln 1	Description	(Min Eint	ules) <u>Additional</u>	(Min Eimi	ules) <u>Addilional</u>	Labor Rale	Eint	ion Cost <u>Additional</u> B*E/60	Eint	vect Cost Additional D*E/60	Disconnect Eizit 4 H*DOF ** 1	dditional	Total Cost <u>Einst</u> F + J	Total Cout <u>Additional</u> G + K
23	<u>Service Order</u> Customer Point of Contect (ICBC)					\$40.665								• • •
5	Circuit Provisioning Center (CPC)					\$36.535								
7	Network Administration					\$34.921								
9 10						\$36.659							•	
11 12 13	Engineering Circuit Provisioning Center (CPC)					\$36,635								
14 15	Connect & Test CO Install & Mice (NTEL.)	:				\$41.504								
18 17 18	Special Services Coord & Testing (SSC)					\$38.659								
19 20 21														
22	Nonrecurring Cost Cross Connect per 4-Wire													
24	Gross Receipts Tax Factor											1.0152		
	Total Nonrecurring Cost Cross Connect per 4-Wi	10	' Ln23 * Ln2 5	5								- 1		
29 30														
31 32														
33 34 35														
36 37														
36 39														
40 41														
42 43														
44 45														
46 47														
48 49 50	** DDF = Discounted Disconnect Factor													

Virtu	el Collocation									Sinte Workpaper Page Date	Floride 480 1 of 1 Feb-97
Dew	Nopment of Cross Connect per D81 Nonrecurring h Description	A B	C D Disconnect Worktimes (Minutes) Einst Additional	E Levelzed Labor Rate	F Installatio Einst	G on Cost Additional	H Disconnec Elast	1 1 Cost Additional	J K Discounted Disconnect Cost Ekst Additional	L Total Cost Einst	M Total Cost Additional
:	1 2 <u>Service Order</u> 3 - Customer Point of Contect (ICSC) 4			\$40.005	A*E/60	B*E/60	C*E/60	D*E/00	H*DDF* I*DDF*	F+J	G+K
	5 Network & Engineering Planning (FG20)			\$57.966							
				\$36.535							
	Network Plug-In Administration (PICS)			\$44.225							
11 12	Network Administration			\$34.921							
13	Special Services Coord & Testing (SSC)			\$38,659							
	i Engineering Circuit Provisioning Center (CPC)			\$36.635							
) <u>Connect & Test</u>) CO Install & Mice (NTEL)			\$41.504							
21 22 23	Special Services Coord & Testing (SSC)			\$38.859							
24	i										
26 27 28	Nonrecurring Cost Cross Connect per DS1										
	Gross Receipts Tax Factor								1.015	2	
	Total Nonrecurring Cost Cross Connect per DS1	Ln27 * Ln29									
34 35											
36 37	i de la constante de										
36	l i i i i i i i i i i i i i i i i i i i										
40)										
41 42	2										
43 44	ļ										
45 46	l de la construcción de la constru										
47 48 49	** DDF = Discounted Disconnect Factor										
50											

	al Collocation									State Workpaper Page Date	Fiorida 470 1 of 1 Feb-97
Deve	lopment of Cross Connect per DS3 Nonrecurt	ng Cost A B Installation Workimes (Minutes)	C D Disconnect Workdmee (Minutes)	E Levelzed	F	G Ion Cost	H	i Incl Cost	J K Discounied Disconnect Cost	L Totel Cost	M Totai Cost
<u>لم</u>	Description	Eini Additional	Eimi Additional	Labor Rale	Einit	Additional	Eint	Additional	Eitat Addition H*DOF ** I*DOF	al Eint	Additional G + K
	<u>Service Order</u> Customer Point of Contect (ICSC)		••	\$40.665	·· -· .						
5	Network & Engineering Planning (FG20)			\$57,986							
7	Circuit Provisioning Center (CPC)			\$36,635							
9 10				\$34.921							
11	Special Services Coord & Teeling (SSC)			\$36.659							
13 14 15				\$36.535							
16 17	Connect & Test CO Instalf & Mice (NTEL)			\$41.504							
18 19	Special Services Coord & Teeling (SSC)			\$36.650							
20 21											
	Nonrecurring Cost Cross Connect per DS3										
24 25 26	Gross Receipts Tex Factor								1.01		
	Total Nonrecurring Cost Cross Connect per D83	i Ln23 * Ln2t	5								
29 30											
31 32											
33 34											
35 36											
37 38											
39 40	•										
41											
43 44											
45											
47											
49 50											

Virtua	i Collocation			State Workpaper Page Date	Florida 480 1 of 1 Feb-97
Devel	opment of Security Escort Nonrecurring Cost	A B Installation Worktimes (hrs)	C Levelized	D Total Cost	E
Ln	Description	<u>First</u> Additional	Labor Rate		dditional
4 5 6 7	Basic, per half hour Customer Point of Contact (ICSC) CO Install & Mtce Field - (NTEL) Special Services Coord & Testing (SSC) Gross Receipts Factor		\$39.232 \$40.188 \$37.374 1.0152	A*C	B*C
9	Total Basic Time, per half hour	Sum lat 1	26) * i 28		
11 12 13 14 15 16	Overtime, per half hour Customer Point of Contact (ICSC) CO Install & Mtce Field - (NTEL)	(Sum Lr4L	\$49.022 \$50.078		
17 18	Special Services Coord & Testing (SSC)		\$47.153		
	Total Overtime, per half hour	(Sum Ln15.	Ln17) * Ln8		
	Premium, per half hour Customer Point of Contact (ICSC) CO Install & Mtce Field - (NTEL) Special Services Coord & Testing (SSC)		\$58.811 \$59.968 \$56.932		
	Total Premium , per half hour	(Sum Ln24	.Ln26) * Ln8		

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FLORIDA VIRTUAL COLLOCATION

SPECIFIC STUDY ASSUMPTIONS

The cost study for Virtual Collocation is based on Total Service Long Run Incremental Cost methodology (TSLRIC). Network deployment strategies, first choice provisioning guidelines and equipment purchasing information are used to develop the Total Service Long Run Incremental cost.

Cost study assumptions are as follows.

- 1. The nonrecurring cost for the collocation application is a one time cost per request per location. The application cost does not include any costs associated with processing a firm order.
- 2. The monthly cost for power per ampere excludes the power portion of the maintenance component of the 377C annual cost factor. A monthly cost for power usage is added to the result.
- 3. The cable support structure assumes an average distance of 350 feet from the vault to the collocator's space.
- 4. Cable installation cost includes the cost to place cable from the BST central office manhole entrance to the collocator's equipment.
- 5. A cross connect (X-conn) will always be installed with either an unbundled element or interconnection order.
- 6. The demarcation point between a collocator's network and BST's network will be at BST's Trunk Distributing Frame (TDF) for a 2-Wire and 4-Wire termination and a DSX panel for a DS1 and DS3 termination.
- 7. The cost of money applied is 13.2%.
- 8. These cost studies are based on a study period of 1996 1998 and incorporate 1995 investments and factors.

FLORIDA VIRTUAL COLLOCATION

SPECIFIC STUDY ASSUMPTIONS

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9. Utilization Percentages:

Cable Rack - Cable Support Structure	50\$
Trunk Distributing Frame (TDF)	72.5%
Connecting Block (2W/4W) on TDF	72.5%
Cable Rack - 2W/4W	578
DSX-1 Bay	70\$
Cable Rack - DS1	60.3%
DSX-3 Bay	67%
Cable Rack - DS3	671

10. Power usage per ampère shown on Workpaper 230 Line 35 is developed as follows:

Monthly Cost (\$) = \$0.07/1000hr x 50watts x 24hrs/day x 30days/mo x 1/0.85 rectifier efficiency

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FLORIDA VIRTUAL COLLOCATION

FACTORS AND LOADINGS

Following are Total Service Long Run Incremental Cost (TSLRIC) annual cost factors, miscellaneous loadings, and labor rates used in the Virtual Collocation cost study.

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FLORIDA VIRTUAL COLLOCATION

FACTORS AND LOADINGS

Miscellaneous Loadings	, ,		
Land COE	200	.0030	
Building COE	10C	.0404	
Power Equipment	357C	.0670	
Levelized Inflation Fact	or		
	357C	.970	
	377C	1.012	
	10C	1.059	
	200	1.059	
TIRKS Regional Annual Ex	pense Factor	.0052	
Telephone Plant Index			
-	357C	1.0000	
	377C	1.0000	
<u> </u>			
Inplant Factor			
Hardwired	357C	1.8700	
Gross Receipts Tax Facto	r	1.0152	
Discounted Disconnect Fa	ctor (DDF)		
2-Wire Cross Connect		.9080	
4-Wire Cross Connect		.8981	
DS1 Cross Connect		.8562	
DS3 Cross Connect		.8562	
Application Cost		.9890	
Cable Installation		.8193	
1995 Directly Assigned H	ourly Labor Rates		
		<u>1995</u>	Levelized
Customer Point of Con	tact (ICSC)	\$38.30	\$40.67
CO Install & Maintena	nce (NTEL)	\$39.09	\$41.50
Circuit Provisioning (Center (CPC)	Ş34.41	\$36.54
Network Administratio		\$32.89	\$34.92
Outside Plant Enginee	ring (OSPE)	\$45.26	\$48.06
Network Planning & En	ig (PICS)	\$41.65	\$44.23
Special Svc Coord & T	esting (SSC)	\$36.41	\$38.66
Network & Engineering Outside Plant Construc	Fianning (FG2U)	\$54.61	\$57.99
Business Marketing	CION (USPC)	\$40.11 \$53.51	\$42.59
Administrative Report	e Clerk	\$29.00	\$56.82 \$30.79
	G ATETY	423.00	43V.13

FLORIDA VIRTUAL COLLOCATION

FACTORS AND LOADINGS

1995 Directly Assigned Hourly Labor Rates	<u>1995</u>	Levelized
Customer Point of Contact (ICSC)		
Basic	\$36.95	\$39.23
Overtime	\$46.17	\$49.02
Premium	\$55.39	\$58.81
Co Install & Maintenance (NTEL)		
Basic	\$37.85	\$40.19
Overtime	\$47.17	\$50.08
Premium	\$56.48	\$59.97
Special Svc Coord & Testing (SSC)		
Basic	\$35.20	\$37.37
Overtime	\$44.41	\$47.15
Premium	\$53.62	\$56.93

Note: The Basic labor rate is for regular hours worked on a scheduled workday.

The Overtime labor rate is for overtime hours worked on a scheduled workday.

The Premium labor rate is for overtime hours worked on an unscheduled workday.

To create a Levelized labor rate from a 1995 Labor Rate:

1995 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

Example:

\$38.30 • [(1.029/1.132¹) + ((1.029*1.034)/1.132²) + (1.029*1.034*1.035)/(1.132³)]/((1/1.132¹) + (1/1.132²) + (1/1.132³)) = \$40.67

FLORIDA VIRTUAL COLLOCATION

FACTORS AND LOADINGS

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Telco Eng	
Year 1	3.0%
Year 2	3.3*
Year 3	3.4\$
Telco COE	
Year 1	2.98
Year 2	3.4*
Year 3	3.5%

FLURIDA ACCOUNT AVERAGE ANNUAL COST FACTORS INCREMENTAL

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*FOR USE IN SERVICE COST STUDIES ONLY *

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		ı 1	•	1	1	1	1	1	•						
	field_code	depreciation	actr_com	acfo wio tan	сар_вир	acte_mica	, j. acic_adval tax	admin_du	ecto oper exp	act gri comb	l loi combined (actic get local	i intincal	r Iavkrovtior	i kolikali
		1 + 1		<	đ	•	j (1 h i					1 m y y i w	1 10
		1 1	1	l	•• • •••••		1	F	the second second second					1	
		1 1		1 1		1	1	l	1	00152		00152	i	. 00152	
		1 1	13 2%		(a+b+c)	1) i	i (e+f+g) i	i = (d+h) i	(di+h+i)	n (d+h)	I (dehek)	i nidaha	1. (dahama
							***********		***********	*************					
LAND	200	0 0000	0 1118	0 0514	0 1832	0 0000	0 0113	0 0000	0 8113	0 0027	0 1772				
film EnnGS	10C. 110C. 810C	0 0302	0 0986	0 0452	0 1740	0 0069	00113	6 6000	0.0182	0 0029	0 1951				
ANALUS FLEC SWICH	7/C 077C 977C	0 2829	0 0680	0 0308	0 3015	0 0217	00113	0 0000	0 0 3 3 0	0 0060	0 4005				
DIGITAL FLEC SWITCH	377C. 007C	0 1134	0 0851	0 0302	0 2087	0 0262	0 01 13	0 0000	0 0395	0 0038	0 2520				
OPERATOR SYSTEMS	11/C.41/C	0 1083	0 0751	0 0404	0 2236	0 0040	00113	0 0000	00153	0 0038	0 2427				
RAINE) DIGITELIRC ODS	167C, 67C 667C, 967C 157C	0 1434	0 0750	0 0348	0 2532	0 0783	00113	0 0000	0 0870	0 0052	0 3460				
INGTE LINC PAIR GAIN		0 1819	0 06/5	0 0305	0 2790	0 0073	00113	0 0000	0 0 105	0 0045	0 3021				
DIGH CIRC OTHER	257C 0257C F 257C	0 1134	0630	0 0700	0 2056	0 0009	0 0113	0 0000	0 0202	0 0034	0 2294				
	357C, T357C F357C #57C, #57C	0 1134	0 0830	0 0297	0 2009	0 8086	0 0113	0000	0.0199	0 0034	0 2302				
ANALUG CIRC PAIR GAIN	457C	0 1000	0.0836	0 0240	0 2573	0 0000	0 01 13	0 0000	0 0 1 1 3	0 0041	0 2727	* See Note B	lefterer		
ANALOG CIRC OTHER	57C	0 1000	0 0839	0 0262	0 2610	0 0208	0 01 13	0000	0 0319	0 0045	0 2974				
	150C, 250C	0 2296	0 0771	0 0346	0 3413	0 0145	0 0113	0 0000	0 0258	0 0050	0 3727				
PUBLIC COIN	198C 188C	8 1483	0 0763	0 0340	0 2504	0 2004	00113	0 0000	8 219 7	0 0073	0 4084				
PUBLIC CONLESS	290C, 200C	8 1463	00703	0 0348	0 2594	0 1240	00113	0 0000	8 1361	0 0000	0 4015				
PUBLIC OTHER	998C, 988C	0 1403	0 6763	0 0348	0 2504	0 1082	00113	0 0000	# 1175	0 0057	0 3826				
OTHER TERMINAL EOPT	358C D958C,858C,558C, 828C 928C,F958C	ê 1733	0012	0 0350	0 2004	0 0540	0 0113	0 6000	0 0861	0 0054	0 3019			•	
SURSCRIBER PAIR GAIN	750C.0750C.F750C	0 0000	8 8000	8 000B	0 0000	0 0000	0 0000	0 0000	0 0000	0 0000	0 0000				
PULES	1C. 811C	0 0071	0 0725	0 0325	0 1721	8 0279	80113	0 0000	0 0 3 9 2	0 0032	0 2145				
AERIAL CA. METAL	22C, 12C 802C	8 6817	0 0797	0 0330	0 2052	0 0571	00113	0 0000	0 0004	0 0042					
AFRIAL CA FIBER	822C. 012C. 882C. 982C.072C.	9 0867	8 0764	0 0347	0 1798	0 0130	00113	0 9000	0252	0 0031	0 2778 0 2001				
· · · · · · · · · · · · · · · · · · ·	F22C, T22C D12C, F12C, T12C			• • • • •				00000	• • • • • • • • • • • • • • • • • • • •	0 0031	0 2001				
UNGROUND CA. METAL	5C. 005C	0 1030	0 0013	0 0342	0 2191	0 0201	0.0113	0 0000	0 0404	0 0039	0 2034				
UNGROUND CA - FIBER	85C 885C 885C 85C F5C T5C	0 0826	6 0600	0 0358	0 1764	0 0135	0-0113	0 0000	8 0248	0 0031	0 2003				
RURIED CA METAL	45C 848C	0 0676	8 0808	0 0354	0 2030	0 0543	00113	0 0000	0 0056	0 0041	0 2736				
PLIRIED CA FIBER	845C.050C.950C.D45C	0 0505	0 0016	0 0367	0 1700	0 0 1 4 4	0 0113	0000	0 0757	0 0031	0 2056				
	F45C, T45C										• • • • • •				
SUBMARINE CA METAL	8C, 808C	0 0000	0 0014	0 0366	0 2040	0 0150	00113	0 0000	0 0283	0 0035	0 2338				
SUBMARINE CA FIBER	ASC, BEC DEC, FEC, TEC	0 0000	0 0014	0 0355	0 2020	0 0150	0 0113	0 0000	0 0763	0 0035	0 2327				
INTRIN DINTWICHE TAL	52C	0 000 1	0 0785	8 0340	0 1706	0 0320	0 0113	0 0000	0 0433	0 0034	0 2253				
INTRALD NTWK FIBER	052C,052C,F52C,T52C	0 0061	0 8785	0 0340	0 1700	0 0320	00113	0 0000	0433	0034	0 2753	-			
CONDUST SYSTEMS	40. 840, 940	0 0242	0 0877	0 0401	0 1520	0 0026	00113	0 0000	0 0141	0 0025	0 1860				

NOTE Contain states in the BellSouth region (GA & NC) essees gress receipts lak only on "local" revenues. For those states, it is receiven to publish "local", "private line and toll", and "combined" locars Bowere that the definitions of "local" and "private line and toll" are defined by the laws

For those states which assess gross receipts tax on local, private line, and toll revenues, the gross receipts tax dector is based on the everyll attective tax rate

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Order No. PSC-96-1579-FOF-TP **BellSouth Telecommunications, Inc.** Docket No. 960833-TP March 3, 1997

PHYSICAL COLLOCATION

TSLRIC COST STUDY DOCUMENTATION

PROPRIETARY

SECTIONS A THRU 7

FLORIDA

PHYSICAL COLLOCATION

COST STUDY DOCUMENTATION

CONTENTS

SECTION A PROPRIETARY RATIONALE

SECTION 1 INTRODUCTION AND OVERVIEW

- SECTION 2 DESCRIPTION OF STUDY PROCEDURES
- SECTION 3 SUMMARY OF RESULTS

SECTION 4 COST DEVELOPMENT - RECURRING

- SECTION 5 COST DEVELOPMENT NONRECURRING
- SECTION 6 SPECIFIC STUDY ASSUMPTIONS

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SECTION 7 FACTORS AND LOADINGS

SECTION A

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SECTION A

FLORIDA PHYSICAL COLLOCATION

PROPRIETARY RATIONALE

The Physical Collocation Cost Study contains actual unit cost information for discrete cost elements. These costs reflect BellSouth's long run incremental cost of providing these elements 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.

Additionally, the study contains information which reflects vendorspecific 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 Physical Collocation Cost Study is considered proprietary.

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FLORIDA PHYSICAL COLLOCATION

INTRODUCTION AND OVERVIEW

This Total Service Long Run Incremental Cost (TSLRIC) study for Physical Collocation is being provided in response to Commission Order No. PSC-96-1579-FOF-TP issued December 31, 1996. This study includes updated network inputs and labor inflation rates; the results are different from and supersede those filed on February 14, 1997 in response to Commission Order Re: MFS Petition for Arbitration, Docket 960757-TP issued December 16, 1996.

The Physical Collocation Cost Study identifies the cost to physically collocate equipment and facilities necessary for interconnection or for access to Unbundled Elements at one of BellSouth's (BST) premises to the extent such collocation is technically feasible and space is available. With the Physical Collocation offering, the collocating party installs and maintains its own equipment on BellSouth's premises.

The Total Service Long Run Incremental Costs presented in this cost study consist of volume sensitive costs. The Physical Collocation cost study has no volume insensitive costs.

The following Physical Collocation elements are studied.

- 1. Application Cost Service Order nonrecurring cost incurred to process an application inquiry per location.
- Space Construction Cost Nonrecurring cost associated with material and installation of a "cage" for the collocator in BST's premises.
- 3. Cable Installation Cost Nonrecurring cost to install collocator provided entrance facility.
- Floor Space Zone A, Zone B Monthly cost per square foot for space; includes building lighting, heat, air conditioning, etc.
- 5. Cable Support Structure, per Entrance Cable Monthly cost for CO duct, riser and overhead racking structure. Applicable when the collocator elects to provide a private entrance to their equipment in BST's premises.
- 6. Power per Ampere Monthly cost per ampere to power the collocator's equipment.

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FLORIDA PHYSICAL COLLOCATION

INTRODUCTION AND OVERVIEW

- 7. Cross Connects 2 Wire, 4 Wire, DS1, DS3 Monthly and nonrecurring cost for interconnection with BellSouth.
- 8. POT (Point of Termination) Bays 2 Wire, 4 Wire, DS1, DS3 -Monthly cost for equipment located at demarcation point.
- 9. Security Escort Nonrecurring cost for an escort on BST property, when required.

The investments presented in this study are levelized for the 1996-1998 study period. These investments are converted to recurring costs using incremental loadings and annual cost factors. Nonrecurring costs are also levelized for the 1996 -1998 study period.

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FLORIDA PHYSICAL COLLOCATION

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of Total Service Long Run Incremental Costs (TSLRIC) for Physical Collocation.

All costs are developed utilizing Total Service Long Run Incremental Cost methodology. In determining these costs, direct incremental costing techniques are used that are in accordance with accepted economic theory. Direct incremental costs are based on cost causation and include all of the costs directly caused by expanding production, or, alternatively, costs that would be saved if the production levels were reduced. Costs may be volume sensitive and/or volume insensitive. Costs are forward-looking in nature because only future costs can be saved. Incremental costs are long run to assure that the time period studied is sufficient to capture all forward-looking costs affected by the business decision. Shared and common costs are not incremental and, therefore, are not included. Incremental costs include both recurring (capital and operating expenses) and nonrecurring (provisioning) costs. Incremental costs account for the expected change in cost to the firm resulting from a new service offering or from a change in demand for an existing service.

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 forwardlooking view of technology and deployment and include capital and operating costs. While capital costs include depreciation, cost of money and income tax, operating costs are the expenses for maintenance and ad valorem and other taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment.

The first step in developing an incremental recurring cost study for Physical Collocation is to determine the forward-looking network architecture. Material prices for the associated equipment are defined. Next, Telephone Plant Indices for each specific account 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. Utilization factors are also considered.

FLORIDA PHYSICAL COLLOCATION

DESCRIPTION OF STUDY PROCEDURES

Levelized Inflation Factors for each specific plant account 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 where applicable.

Next, Incremental Annual Cost Factors are used to calculate the direct cost of capital, maintenance and other operating expenses and taxes. 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. Annual costs by account code are then summed and divided by twelve to arrive at a monthly cost per cost element.

DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting Physical Collocation elements. 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 three categories; service order, engineering, and connect and test. 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 directly assigned labor rate for the work group performing the function.

Utilizing work functions, work times and directly assigned 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 discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the total nonrecurring cost.

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FLORIDA PHYSICAL COLLOCATION

SUDDARY OF RESULTS

This section contains a cost summary for the 1996 - 1998 Total Service Long Run Incremental Cost (TSLRIC) for both recurring and nonrecurring cost elements studied for Physical Collocation.

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FLORIDA PHYSICAL COLLOCATION

SUMMARY OF RESULTS

These results are in association with Order No. PS-96-1579-FOF-TP issued 12/31/96. This study includes updated network inputs and labor inflation rates; the results are different from and supersede those filed on February 14, 1997 in response to Commission Order Re: MFS Petition for Arbitration, Docket 960757-TP issued December 16, 1996.

		A	В	C
		Monthly <u>Cost</u>	Nonrecu <u>First</u>	rring Cost <u>Additional</u>
12	Application Cost per Request	NA		NA
13	Space Construction Cost	NA		
14	per 100 square foot "cage"		-	
15	each add'l 50 sq. ft.			
16 17	Cable Installation Cost per Cable	NA		NA
18	Floor Space, Per Square Foot			
19	Zone A		NA	NA
20	Zone B	÷	NA	· NA
	Cable Support Structure, Per Entrance Cable		NA	NA
23	Power, Per Ampere		NA	NA

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FLORIDA PHYSICAL COLLOCATION

SUMMARY OF RESULTS

These results are in association with Order No. PS-96-1579-FOF-TP issued 12/31/96. This study includes updated network inputs and labor inflation rates; the results are different from and supersede those filed on February 14, 1997 in response to Commission Order Re: MFS Petition for Arbitration, Docket 960757-TP issued December 16, 1996.

	A	В	C
	Monthly		rring Cost
	<u>Cost</u>	<u>First</u>	<u>Additional</u>
12 Cross Connect - per 2-Wire			
13 Cross Connect - per 4-Wire			
4 Cross Connect - per DS1			
15 Cross Connect - per DS3			
16 POT Bay - per 2-Wire X-Conn		NA	NA
7 POT Bay - per 4-Wire X-Conn		NA	NA
8 POT Bay - per DS1 X-Conn		NA	NA
19 POT Bay - per DS3 X-Conn		NA	NA
Security Escort			·
21 Basic, per half hour	NA		
22 Overtime, per half hour	NA		

23

Premium, per half hour

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NA

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FLORIDA PHYSICAL COLLOCATION

COST DEVELOPMENT - RECURRING

This section describes the development of the recurring Total Service Long Run Incremental Costs for Physical Collocation.

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. Annual cost factors are applied to convert the investment to cost.

The following workpapers provide the development of the Physical Collocation cost elements.

4

Physic	al Collocation	W Pa	ate Florida orkpaper 200 age 1 of 1 ate Feb-97
	ary of Recurring Costs Period 1996-1998	٨	
Ln	Description	Monthly Cost	Source
1	Floor Space, per Square Foot		
3 4	Zone A Zone B	:	Wp210 Pg1 Ln31 Wp210 Pg2 Ln33
5	Ochie Durand Oleveland and Fallenand Cable		Wp220 Ln33
7 8 9	Cable Support Structure per Entrance Cable		119220 [1135
10 11	Power, per Ampera		Wp230 Ln35
	Cross Connect		
14 15 16	per 2-Wina		Wp240 Ln33
17 18	per 4-Wira		Wp260 Ln33
19 20	per DS1		Wp280 Ln33
21 22	per DS3		Wp300 Ln33
23 24 25	РОТ Вау		
25 26 27	per 2-Wire Cross Connect		Wp250 Ln33
28 29	per 4-Wire Cross Connect		Wp270 Ln33
. 30	per DS1 Cross Connect		Wp290 Ln33
31 32 33 34 35 36 37 38 39 40 41 42	per DS3 Cross Connect		Wp310 Ln33
34 35			-
36 37			
38 39			
40 41	:		
42 43 44	· · · · · · · · · · · · · · · · · · ·		
44 45			
45 46 47			
48 49			
50			•

Physical Collocation		V F	itate Vorkpaper Jage Jate	Floride 210 1 of 2 Feb-97
Development of Floor Space per Square Foot (Zone Study Period 1996-1998	A) Monthly Cost	А	В	C
Ln Description	Source	20C Land	10C Building	Total
1 Annual Cost Factor Components 2 Depreciation 3 Cost of Money 4 Income Tax 5	Fundamental Cost	0.0000 0.1118 0.0514	0.0302 0.0986 0.0452	
6 Maintenance 7 Ad Valorem Tax 8 9		0.0000 0.0113	0.0069 0.0113	
10 Total Annual Cost Factor		0.1745	0.1922	
11 12 Investment Zone A 13	Wp211 Pg5 Ln33	~ ~ *		
14 Annual Costs 15 Depreciation 16 Cost of Money 17 Income Tax 18	เก12 º เก2 เก12 º เก3 เก12 º เก4			
19 Maintanance 20 Ad Valorem Tax 21 22	Լո12 * Լոճ Լո12 * Լո7			
23 Total Annual Cost 24	Sum (Ln15Ln20)			
25 Total Monthly Cost 26 Total Assignable Square Feet Zone A 27	Ln23 / 12 Wp211 Pg5 Ln24			
27 28 Monthly Cost per Square Foot Zone A 29 Gross Receipts Tax Factor 30	Ln25 / Ln26			1.0152
30 31 Zone A Monthly Cost per Square Foot w/GRT 32 33 34 35 36 37 38 39 40 41 41 42 43 44 45 46 47 48 49 50	Ln28 * Ln29			

·	cal Collocation		Florida 210 2 of 2 Feb-97		
Deve Study	opment of Floor Space per Square Foot (Zone) Period 1996-1998	B) Monthly Cost	A	в	С
Ĺn	Description	Source	20C Land	10C Building	Total
2 3 4 5 6 7 8 9	Cost of Money Income Tax Maintenance Ad Valorem Tax	Fundamental Cost	0.0000 0.1118 0.0514 0.0000 0.0113	0.0302 0.0986 0.0452 0.0069 0.0113	
10 11	Total Annual Cost Factor		0.1745	0.1922	
12	Investment Zone B Annual Costs	Wp211 Pg4 Ln40			
15		Ln12 * Ln2			
	Cost of Money	Ln12 * Ln3			
17 18		Ln12 * Ln4			
19		Ln12 * Ln6			
20 21	Ad Valorem Tax	Ln12 * Ln7			
22		Sum (Ln15Ln20)			
23	Annual Lesse Expense	Wp211 Pg3 Ln42			
24 25 28	Total Annual Cost, including Lesse Expense	Ln22 + Ln23			
27	Total Monthly Cost	Ln25 / 12			
26	Total Square Feet Zone B	Wp211 Pg4 Ln35			
29 30 31	Gross Receipts Tax Factor	Ln27 / Ln28			1.0152
32 33 34		Ln30 * Ln31			
55336 378390 41142 4344546 4748950		:			

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Zone 8 Central Office Building, Land and Building Investment by Location

				(a)	(d)	(c)
PG	CO	8T	сш	Total	Building Inv.	Land Inv.
LN	LN			84. PL	18C	28C
	•					
1	1	FL	ARCHFLMA BCRTFLMA			
2	2	FL				
. 3	3	FL	BORTFLSA Bofiflmaest			
4	4	የL	BKYLFLIF			
7 6	3	FL	BLOWFLMA			
7	7	FL	BLGLFLMA			
8	á	FL.	BNNLFLMA			
9	9	FL.	BRSNFLMA			
10	10	FL	BYBHFUMA			
11	11	FL.	CCBHFLMA			
12	12	. PL	CONTUNA			
13	13	FL.	CFLDFLMA			
14	14	FL.	CNTHFLLE			
15	15	FL	COCOFLMA			
10	16	PL.	COCOFUNE			
17	17	FL	CSCYFLEA			
18	18	FL	DERYFLDL			
19	19	FL	DERYFLMA			
20	20	PL.	DELDFLMA			
21	21	FL.	DLEHFURP			
22	22	FL.	OLEHFLMA			
23	23	FL	DLEPFUMA			
24	24	FL.	DNLNFLWM			
25	25	FL.	DRBHFLMA			
- 28	- 28	FL.	DYBHFLMA			
27	27	- PL	DYBHFLOB			
26	20	FL	DYENFLOSME			
29	29	FL.	DYBHFLPO			
- 30	- 30	. .	EGLIFLEG			
31	31	- FL	EGLIFUH			
32	32	n	EORNFLMA			
33	33	.	FLEHFLMA			
34	34	PL.	FRENFLFP			
35	35	n.	FTGRFLMA			
36	30	- FL	FTLOFLCR			
37	57	FL.				
36 39	38 30	- FL - FL	FTLDFLMA FTLDFLOA			
		- FL - FL	FTLDFLSG			
		6 6	T FLUTLIN			

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Zone & Central Office Building, Land and Building Investment by Location

				(a)	(b)	(c) Land Inv.
PG	co	8T	cuu	Total	Building Inv.	200
LN				84, PL	10C	
1	41	FL.	FTLDFLSU			
2	42	FL	FTLDFLWN			
3	43	FL.	FTPRFLMA			
4	44	FL.	GCSPFLCN			
5	45	FL.	GCVLFLMA			
6	46	FL	GENVFLMA GSVLFLMA			
7	47	FL				
8	44	FL	GEVLFLNW			
9	40	FL	HESOFUMA			
10	50	FL.	HLNVFLMA HLWDFLHAASE			
11	51	FL	HLWDFLMA92E			
12	52	FL	HLWDFLPE43E			
13	53	FL	HANSTFLIME24			
14	54	FL	HMSTFLNA25E			
15	55	FL.	HTISFUMA			
16	- 56	FL.	HWTHFLMA			
17	57	FL.	ISLMFUMAEOR			
18		- FL - FL	JAY-FLMA			
19		- FL	JCBHFLSP			
20		-	JCWFLFC			
21		- FL	JCWFUF			
22		_	JCVLFLRV			
23			JCVLFLSE			
- 24						
25						
2						
27						
2	-					
2						
3	_					
3	-					
3	-					
3	-					
	5 7					
-	6 7					
	7 7	-				
-	-	9 F				
		0 F				

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Zone & Central Office Building, Land and Building Investment by Location

PG LN	co LN	S T	ст	(a) Total Sq. PL	(b) Building Inv. 18C	(c) Land twv. 20C
1	61	FL.	MAMFLKESSE			
2	82	FL	MAMFLNMESO			
3	83	FL	MAMPLNSE01			
4	84	FL	MAMFLOLEGE			
5	85	FL.	MAMFLPSOCE			
6	86	FL	MAMFLRREOS			
7	87	FL	MAMFLSHE75			
8	86	FL.	MAMFLSOE59			
9	89	FL	MANFLWD3BE			
10	90	FL	MAMFLWME28			
11	91	FL.	MCCFLBB			
12	92	FL	MLTNFLRA			
13	93	FL	MNDRFLLW			
14	94	FL	MNENFLMA			
15	95	FL.	MRIBFLICT			
16	96	FL.	MRTHFLVEF11			
17	97	- FL	NOVUFUMA			
18	96	FL.	NOADFLACES4			
19	99	PL.	NDADFLERT24			
20 21	100 101	凡凡	NDADFLOLESS NKLRFLMAESS			
21	102	R.	NSBHFLMA			
23	103	FL.	NWEYFLMA			
24	104	n.	OKHLFLMA			
25	105	R.	OLTWFLLN			
28	108	FL.	ORLDFLCL			
27	107	FL	ORLDFLEA			
28	108	FL.	ORPHFLRW			
29	100	PL.	OVIOFLCASE			
30	110	R.	PACEFUPV			
31	111	.	PAHICTUNA			
32	112	PL.	PCBHFLNT			
33	113	R.	PLCSFLMA44E			
- 34	114	PL	PLTIFUMA			
	115	- FL	PMBHFLCS			
36	116	FL.	PMOHFLFE			
37	117	FL	PMEHFLMA			
. 36	118	FL	PMBHFLTA			
- 39	119	FL	PMPICFLMA			
40	120	PL.	PNCYFLCA			
41						
42	Note 1: a		lesse of \$3400.00			

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Zone & Central Office Building, Land and Building Investment by Location

				(4)	(b) I	(C)
PG	co	87	ann	Total	Building Inv.	Land Inv.
	LN			84. PL	18C	28C
1	121	FL	PNCYFLMA			
2	122	FL	PNSCFLBL			
3	123	FL.	PNSCFLFP			
4	124	FL	PNSCFLPS			
5	125	FL.	PNBCFLWA			
6	125	FL	PNVDFLMA			
7	127	FL	PRRNFLMAWD1			
8	128	FL	PRSNFLFD74E			
9	129	FL.	PTSLFLMA			
10	130	FL.	PTSLFLSOCGO			
11	131	FL.	SASTFLMASAE			
12	132	FL.	SGKYFLMAE74			
13	133	FL	SNERFLMA			
14	134	FL	STAGFLES			
15	135	PL.	STAGFLMA			
16	136	R.	STAGFLEH			
17	137	FL.	STRTFLMAE28			
1	138	PL.	TRENFLMA			
19	139	PL.	TTVLFUMA			
20	140	FL.	VERNFLMA			
21	141	FL.	VRBHFLBE			
22	142	FL.	VRBHFLMA			
23	143	FL.	WELKFLMA			
- 24	144	FL.	WPSHFLGA			
25	145	FL.	WPSHFLHH			
- 26	146	FL.	WPSHFLLE			
27	147	FL.	WPSHFLRS			
28	148	FL,	WPSHFLRP			
20	140	PL	WWBPFLH			
30	150	FL	WWSPFLSH			
31	151	PL.	YNFNFLMA			
32	152	FL.	YNTWFLMA			
33 34	153	PL.	YULEPUMA			
35		Total				
36						
	Lovelize	d India	ion Factor - 10C		1.080	
		-	ion Factor - 20C		FUMBLE	1.059
39						1.000
	Levelze	d inve	siment - Zone 8			

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Zone A Central Office Building, Land and Building Investment by Location

PG LN	00 1	8 T	au	(a) Total Sq. PL	(b) Building inv. 18C	(c) Land Inv. 20C
1	. 1	FL	BCRTFLET			
2	2	FL	FTLDFLCY			
3	3	FL.	FTLDFUNR			
4	4	FL.	FTLDFUPLCGO			
5	5	FL.	JCBHFLMA			
6	6	FL.	JCVLFLAR			
7	7	FL.	JCVLFLIW			
8	8	FL.	JCVLFLCL			
9	9	FL.	JCVLFUNO			
10	10	FL.	JCVLFLSMDS0 JCVLFLWC			
11	11	FL	MANFLAEE44			
12	12 13	РL РL	MAMFLBAESS			
13	14	FL.	MANFLOR			
14 15	15	11	MANFLMEES?			
15	18	n .	MLBRFLMA			
17	17	n.	MNORFLLO			
18	18	FL.	ORLDFLAP			
19	19	PL.	ORLDFLMA			
20	20	n.	ORLDFLPC			
21	21	FL.	ORLDFLPHA02			
22	22	FL.	WPOHFLAN			
23						
24		Total				
25						
- 26						
27					1.059	
			Non Factor - 10C			
29			alian Factor - 20C			1.059
31						
		ad ime	estment - Zone A			
3				:		
3						
3						
3						
3						
3						
4	0					

Physic	al Collocation				State Workpaper Page Date	Florida 220 1 of 1 Feb-97
Develo Study	pment of Cable Support Structure Period 1996-1998	per Entrance Cable Monthly	Cost A	в	С	D
Ln	Description	Source	20C Land		357C Equip	Total
1 2	Annual Cost Factor Components	Fundamental Cost				
3 4 5	Depreciation Cost of Money Income Tax	:	0.0000 0.1118 0.0514	0.0302 0.0986 0.0452	0.0638	
6 7	Maintenance Ad Valorem Tax		0.0000	0.0069	0.0086	٠
8 9 10						
11 ⁻ 12 13	Total Annual Cost Factor		0.1745	0.1922	0.2268	
	investments	Wp221 Lns 32, 36, 28				
	Annual Costs					
19 20	Depreciation Cost of Money	Ln14 * Ln3 Ln14 * Ln4				
21 22	income Tax	Ln14 * Ln5				
23 24 25	Maintenance Ad Valorem Tax	Ln14 * Ln7 Ln14 * Ln8				
26 27 28	Total Annual Cost	Sum (Ln19Ln24)				
29 30	Total Monthly Cost	Ln27 / 12				
31 32	Gross Receipts Tax Factor					1.0152
33 34 35 38 37 38 39 40 41 42 43 44	Monthly Cost w/GRT	Ln29 • Ln31				
48 47 48 49 50						

Physical Collocation		State Workpaper Page Date	Fiorida 221 1 of 1 Feb-97
Development of Cable Support Structure Investm Study Period 1996-1998	hent		А
Ln Description	Source	FRC	Value
1 Cable Rack installed investment/LF* 2	Network		
3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Installed Investment	in1 * in3		
6 7 Levelized Inflation Factor	Fundamental Cost	357C	0.970
8 9 Levelized investment	Ln5 * Ln7		
10 11 Projected Actual Utilization	Fundamental Cost		50.0%
12 13 Levelized Utilized Investment per Cable 14 per Linear Foot 15	Ln9 / Ln11		
16 Average Cable Rack Length (LF)	Network		400
17 18 Investment for Cable Rack	Ln14 * Ln16		
19 20 Cable Capacity per Rack	Network		30
21 22 investment per Cable	Ln18 / Ln20		
23 24 Power Equipment Loading	Fundamental Cost	357C	0.0670
25 26 Power Equipment Investment	Ln22 * Ln24		
27 28 Investment per Cable w/Power Loadings	Ln22 + Ln26		
29 30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land Investment	Ln28 * Ln30		
33 34 Building Loading	Fundamental Cost	10C	0.0404
35 36 Building Investment 37 38 39 40	Ln28 * Ln34		
41 : 42 43 44 45 46 47 48 * LF = Ilnear foot			
49 50			

Physical	Collocation .				State Workpaper Page Date	Floride 230 1 of 1 Feb-97
	nent of Power per Ampere Monthly Cost riod 1996-1998		Д	в	C	D
Ln	Description	Source	20C Land	<u>10C Bidg</u>	377C Equip	<u>Total</u>
1 An	nual Cost Factor Components	Fundamental Cost				
2 3 1	Depreciation	:	0.0000	0.0302		
4 (Cost of Money		0.1118	0.0986		
5 I 6	ncome Tax		0.0514	0.0452	0.0302	
	Maintenance		0.0000	0.0069		
8 /	Ad Valorem Tax		0.0113	0.0113	0.0113	
9 10						
11	Total Annual Cost Factor		0.1745	0.1922	0.2457	
12						
13 14 In	vestments	Wp231				
15		Lns 19, 25, 13				
18	nnual Costs					
17 /4						
19	Depreciation	Ln14 * Ln3 Ln14 * Ln4				
	Cost of Money Income Tax	Ln14 * Ln5				
22						
23	Maintenance	Ln14 * Ln7 Ln14 * Ln8				
24 25	Ad Valorem Tax					
26						
27	Total Annual Cost	Sum (Ln19Ln24)				
28 29	Total Monthly Cost	Ln27 / 12				
30	·	b b = b + + + = ab				
31	Monthly Cost Power Usage per Ampere	Network				
32 33	Gross Receipts Tax Factor					1.0152
34	·		9			
35	Monthly Cost w/GRT	(Ln29 + Ln31) * Ln3				
36 37						
. 38					•	
39 40						
41						
42 43	•	:				
44			,			
45						
46 47						ha faabaa
48 *	The Maintenance factor of the 377C annua	al cost factor has been	reduced by	the power	component of t	ne tector
49	(0.0282 - 0.0025 = 0.0257)					
50						

Physical Collocation		State Workpaper Page Date	Florida 231 1 of 1 Feb-97
Development of Power per Ampere Investment Study Period 1996-1998			А
Ln Description	Source	FRC	Value
1 Power Plant Investment per Ampere 2 3	BST Power Strategy Team	377C	
4 Telephone Plant Index 5 6	Fundamental Cost	377C	1.000
7 Base Year installed investment 8 9	Ln1 * Ln4		
10 Levelized Inflation Factor 11 12	Fundamental Cost	377C	1.012
13 Levelized Installed Investment 14 15	Լո7 * Լո10		
16 Land Loading 17 18	Fundamental Cost	20C	0.0030
19 Land Investment 20 21	Ln13 * Ln16		
22 Building Loading 23 24 25 Building Investment	Fundamental Cost	10C	0.0404
26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41		· · · · · · · · · · · · · · · · · · ·	
43 44 45 46 47 48 49 50			

Physk	al Collocation				State Workpaper Page Date	Fiorida 240 1 of 1 Feb-97
	opment of Cross Connect per 2-Wire I Period 1996-1998	Monthly Cost	А	в	C	D
Ln	Description	Source	20C Land	10C Building	357C Equip	Total
	Annual Cost Factor Components	Fundamental Cost				
23	Depreciation		0.0000	0.0302	0.1134	
- 4	Cost of Money		0.1118	0.0985	0.0638	
5	Income Tax		0.0514	0.0452	0.0297	
6		:	0.0000	0.0000		
7	Maintenance Ad Valorem Tax		0.0000 0.0113	0.0069	0.0086 0.0113	
ÿ	TIRKS Expense		0.0000	0.0000	0.0052	
10			0.0000	0.0000	V.VUJL	
11	Total Annual Cost Factor		0.1 745	0.1922	0.2320	
13	investments	Wp241 Pg1				
15	11 17 99 2 1 121 125	Lns 22, 34, 10				
16						
17	Annual Costs					
18	-					
19	Depreciation	Ln14 * Ln3				
20 21	Cost of Money Income Tax	ไท14 ° ไท4 ไท14 ° ไทธี				
22						
23	Maintenance	Ln14 * Ln7				
24	Ad Valorem Tax	Ln14 * Ln8				
25	TIRKS Expense	Ln14 * Ln9				
26						
27 28 29	Total Annual Cost	Sum (Ln19Ln25) Ln27 / 12				
30	Total Monthly Cost					
31 32	Gross Receipts Tax Factor					1.0152
33 34	Monthly Cost w/GRT	Ln29 * Ln31				
35						
36 37						
39						
40						
41						
42						
43						
38 39 40 41 42 43 44 45 46 47						
46						
47						
48					-	
48 49 50						
50						

Physic	cal Collocation		State Workpaper Page Date	Fiorida 241 1 of 5 Feb-97
	ary of Investments, 2-Wire Cross Connect Period 1996-1998			А
Ln	Description	Source		Value
1 2 3	357C Equipment investment Trunk Distributing Frame	Wp241 Pg2 Ln28		
- 4	Connecting Block	Wp241 Pg3 Ln28		
5 6 7	Cable	Wp241 Pg4 Ln28		
8 9	Cable Rack	Wp241 Pg5 Ln34		
10 11 12	Total 357C Equipment investment	Sum (Ln2Ln8)		
	Land Investment Trunk Distributing Frame	Wp241 Pg2 Ln32		
15 16	Connecting Block	Wp241 Pg3 Ln32		
17 18	Cable	Wp241 Pg4 Ln32		
19				
20 21	Cable Rack	Wp241 Pg5 Ln38		
22 23	Total Land Investment	Sum (Ln14Ln20)		
	Building Investment			
26 27	Trunk Distributing Frame	Wp241 Pg2 Ln36		
28 29	Connecting Block	Wp241 Pg3 Ln36		
30 31	Cable	Wp241 Pg4 Ln36		
32 33	Cable Rack	Wp241 Pg5 Ln42		
34 35	Total Building Investment	Sum (Ln26Ln32)		
36	· · · · · · · · · · · · · · · · · · ·			
37 38				
39 40				
41 42	:	,		
43 44				
45 46				
47 48				
49 50				
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Physical Collocation		State Workpaper Page Date	Fiorida 241 2 of 5 Feb-97
Development of 2-Wire Cross Connect Unit Trunk Distributing Frame Study Period 1996-1998	Investment		А
Ln Description	Source	FRC	Value
1 TDF Material Price	Network	357C	
2 3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price	Ln1 * Ln3		
6 7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year installed investment 10	Ln5 * in7		
11 Levelized inflation Factor	Fundamental Cost	357C	0.970
13 Levelized Investment	Ln9 * Ln11		
14 15 Number Circuits	Network		12,000
16 17 Levelized investment per Circuit	Ln13 / Ln15 * 2		
18 19 Projected Actual Utilization 20	Network		72.5%
20 21 Levelized Utilized Investment per Circul 22	t Ln17/Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per Circuit	Ln21 + Ln25		
29 30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land Investment	Ln28 * Ln30		
33 34 Building Loading	Fundamental Cost	10C	0.0404
35 36 Building investment	Ln28 * Ln34		
37 38			
39 40			
41			
43			
44 45			
46 47			
48			
49 50			

	Workpaper Page Date	241 3 of 5 Feb-97
Development of 2-Wire Cross Connect Unit Investment Connecting Block Study Period 1996-1998		A
Ln Description Source	FRC	<u>Value</u>
1 Connecting Block Material Price Network	357C	
3 Telephone Plant Index Fundamental Cost	357C	1.000
4 5 Base Year Material Price Ln1 * Ln3 6		-
7 Hardwired Inplant Factor Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment Ln5 * in7 10		
11 Levelized Inflation Factor Fundamental Cost	357C	0.970
12 13 Levelized investment Ln9 * Ln11 14		
15 Number Circuits Network		100
16 17 Levelized Investment per Circuit Ln13 / Ln15 * 2		
18 19 Projected Actual Utilization Network 20		72.5%
21 Levelized Utilized investment per Circuit Ln17 / Ln19 22		
23 Power Equipment Loading Fundamental Cost 24	357C	0.0670
25 Power Equipment Investment Ln21 * Ln23		
26 27 Total investment with Power Loadings 28 per Circuit Ln21 + Ln25		
29 30 Land Loading Fundamental Cost	20C	0.0030
31 32 Land Investment Ln28 * Ln30		-
33 34 Buliding Loading Fundamental Cost	10C	0.0404
35		
36 Building investment Ln28 * Ln34 37 38 39 40 40 41 42 43 43 44 45 46 47 48 49 50		

Physical Collocation		State Workpaper Page Date	Fiorida 241 4 of 5 Feb-97
Development of 2-Wire Cross Connect Unit I 100 Pair Cable (TDF to POT Bay) Study Period 1995-1998	nvestment		А
in Description	Source	FRC	Value
1 100 Pair Cable Material Price 2	Network	357C	-
3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment 10	Ln5 * in7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized investment 14	Ln9 * Ln11		
15 Number Circuits	Network		100
16 17 Levelized investment per Circuit 18	Ln13 / Ln15		
19 Projected Actual Utilization	Network		85%
20 21 Levelized Utilized Investment per Circuit 22	Ln17 / Ln19		
23 Power Equipment Loading	Fundamental Cost	357C	0.0670
24 25 Power Equipment investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per Circuit	Ln21 + Ln25		
29 30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land investment	Ln28 * in30		
33 34 Building Loading	Fundamental Cost	100	0.0404
35 36 Buliding Investment 37	Ln28 * Ln34		
38 39			
40			
42	,		
43 44			
45			
46 47			
48			
49 50			

Physical Collocation		State Workpaper Page Date	Fiorida 241 5 of 5 Feb-97
Development of 2-Wire Cross Connect Unit Is Cable Rack	nvestment		A
Study Period 1996-1998 Ln Description	Source	ERC	Value
1 Cable Rack Material price 2	Network	357C	
2 3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year installed investment 10	i_n5 * In7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized investment 14	Ln9 * Ln11		
15 Number Cables per Cable Rack	Network		480
16 17 Levelized Investment per Cable	Ln13 / Ln15		
18 19 Projected Actual Utilization - Cable Rack 20	Network		67.0%
20 21 Levelized Utilized Investment per Cable 22	i_n17 / l_n19		-
23 Number Pairs per Cable	Network		100
24 25 Projected Actual Utilization - Circuit 26	Network		85%
27 Levelized Utilized investment per Circuit	Ln21 / Ln23 / Ln25		
28 29 Power Equipment Loading 30	Fundamental Cost	357C	0.0670
31 Power Equipment Investment	Ln27 * Ln29		
32 33 Total Investment with Power Loadings 34 per Circuit 35	Ln27 + Ln31		~
38 Land Loading	Fundamental Cost	200	0.0030
37 38 Land investment 39	Ln34 * Ln36		
40 Building Loading	Fundamental Cost	10C	0.0404
41 : 42 Building investment 43	Ln34 * Ln40		
44			
45 46			
47			
48 49			
50		•	

16

18

19

17 Annual Costs

Depreciation Cost of Money

 18

 19
 Depreciation

 20
 Cost of Money

 21
 income Tax

 22
 Maintenance

 24
 Ad Valorem Tax

 25
 TiRKS Expense

 28
 27

 29
 Total Annual Cost

 29
 Total Monthly Cost

 30
 Gross Receipts Tax F

 32
 Monthly Cost w/GRT

 34
 35

 36
 37

 38
 39

 40
 41

 42
 43

 44
 45

 46
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Gross Receipts Tax Factor

Physics					State Workpaper Page Data	
Develor Study P	oment of POT Bay per 2-Wire Cross Co Veriod 1996-1998	nnect Monthly Cost	Ą	в	C.	
Ln	Description	Source	20C Land	10C Building	357C Equip]
1 A 2	nnual Cost Factor Components	Fundamental Cost				
3	Depreciation		0.0000	0.0302	0.1134	
4	Cost of Money		0.1118	0.0986	0.0638	
5 6	Income Tax	:	0.0514	0.0452	0.0297	
7	Maintenence		0.0000	0.0069	0.0086	
8	Ad Valorem Tax		0.0113	0.0113	0.0113	
9 10	TIRKS Expense		0.0000	0.0000	0.0052	
11 12	Total Annual Cost Factor		0.1745	0.1922	0.2320	
13						
	vesiments	Wp251 Pg1				
15		Lns 18, 30,6				

ln14 * ln3 ln14 * ln4 ln14 * ln5

Ln14 * Ln7 Ln14 * Ln8 Ln14 * Ln9

Sum (Ln19..Ln25) Ln27 / 12

Ln29 * Ln31

:

1.0152

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D Total

	Workpaper 25 Page 1 of	1 3
is Connect	Δ	
Source	Value	
Wp251 Pg2 Ln28		
Wp251 Pg3 Ln28		
Sum (Ln2Ln4)		
Wn251 Ba2 n22		
-		
Sum (LA 14LA 10)		
Wp251 Pg3 Ln36		
Sum (Ln26Ln28)		
	Wp251 Pg2 Ln28 Wp251 Pg3 Ln28	Workpaper Page 25 1 of 1 Date Feb-9 ss Connect A Source Value Wp251 Pg2 Ln28 Vp251 Pg3 Ln28 Sum (Ln2Ln4) Sum (Ln2Ln4) Wp251 Pg2 Ln32 Sum (Ln14Ln16) Wp251 Pg2 Ln38 Sum (Ln14Ln16) Wp251 Pg3 Ln38 Sum (Ln14Ln16)

Physical Collocation		State Workpaper Page Date	Florida 251 2 of 3 Feb-97
Development of POT Bay per 2-Wire Cross C POT Bay	onnect Unit Investment		٨
Study Period 1996-1998	Source	FRC	Д Value
• –			Yalue
1 POT Bay Material Price 2	Network	357C	-
3 Telephone Plant Index	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor 8	Fundamental Cost	357C	1.8700
9 Base Year Installed Investment 10	Ln5 * in7		
11 Levelized Inflation Factor 12	Fundamental Cost	357C	0.970
13 Levelized Investment	Ln9 * Ln11		
14 15 Number Circuits	Network		1,296
16 17 Levelized Utilized Investment per Circuit	Ln13 / Ln15		
18 19 Projected Actual Utilization	Network		40%
20 21 Levelized Utilized Investment per Circuit 22	Ln17 / Ln19		
22 23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment	Ln21 * Ln23		
26 27 Total Investment with Power Loadings 28 per Circuit 29	Ln21 + Ln25		
30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land Investment	Ln28 * Ln30		
33 34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building investment 37 38 39 40 41	Ln28 * Ln34	·	
42 43 44 45 46 47 48 49 50		• ·	

Physical Collocation		State Workpaper Page Date	Fiorida 251 3 of 3 Feb-97
Development of POT Bay per 2-Wire Cross C Termination Biocks Study Period 1995-1998	Connect Unit Investment		A
Ln Description	Source	FRC	Value
1 Termination Block Material Price 2	Network	357C	
3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment 10	Ln5 * in7		
11 Levelized inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized investment 14	Ln9 * Ln11		
15 Number Circuits	Network		24
16 17 Levelized Utilized Investment per Circuit 18	Ln13/Ln15		
19 Projected Actual Utilization 20	Network		85%
21 Levelized Utilized investment per Circuit 22	Lin17 / Lin19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per Circuit 29	Ln21 + Ln25		
30 Land Loading 31	Fundamental Cost	20C	0.0030
31 32 Land Investment 33	Ln28 * Ln30		
34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building investment 37 38 39 40 40 41 41 42 43 44 45 46 47 48 49 50	Ln28 * Ln34		

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Physic	cal Collocation				State Workpaper Page Date	Florida 260 1 of 1 Feb-07
Devek Study	opment of Cross Connect per 4-Wire Period 1996-1995	Monthly Cost	٨	в	C C	Ť
Ln	Description	Source	<u>ج</u> 20 <u>C Land</u>	<u>10C Building</u>	<u>ے 357C Equip</u>	D Iotal
	Annual Cost Factor Components	Fundamental Cost				
23	Depreciation		0.0000	0.0302	0.1134	
4	Cost of Money		0.1118	0.0986	0.0638	
5 6	income Tax	:	0.0514	0.0452	0.0297	
7			0.0000	0.0069	0.0086	
8	Ad Valorem Tax		0.0113	0.0113	0.0113	
9 10	TIRKS Expense		0.0000	0.0000	0.0052	
11 12	Total Annual Cost Factor		0.1745	0.1922	0.2320	
13 14	investments	Wp261 Pg1				
15	·····	Lns 22, 34, 10				
16	Annual Costs					
18						
19	Depreciation	in14 * in3				
	Cost of Money	Ln14 * Ln4				
21 22	Income Tax	in14 * in5				
23	Maintenance	Ln14 ° Ln7				
24	Ad Valorem Tax	Ln14 * Ln8				
25 26	TIRKS Expense	Ln14 * Ln9				
27 28	Total Annual Cost	Sum (Ln19Ln25)				
29 30	Total Monthly Cost	Ln27 / 12				
31 32	Gross Receipts Tax Factor					1.0152
33 34	Monthly Cost w/GRT	Ln29 * Ln31				
35 36						
37						
38						
39 40						
41						
42						
43						
45						
46						
47						
38 39 40 41 42 43 44 45 46 47 48 49 50						
50						

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Ph ysi d	cal Collocation		State Workpaper Page Date	Fiorida 261 1 of 5 Feb-97
	ary of Investments, 4-Wire Cross Connect Period 1996-1998			A
ما	Description	Source		Value
1 2 3	357C Equipment investment Trunk Distributing Frame	Wp261 Pg2 Ln28		
3 4 5	Connecting Block	Wp261 Pg3 Ln28		
6	Cable	Wp261 Pg4 Ln28		
7 8 9	Cable Rack	Wp261 Pg5 Ln34		
- 10 11 12	Total 357C Equipment Investment	Sum (Ln2Ln8)		
13	Land Investment			
14 15	Trunk Distributing Frame	Wp261 Pg2 Ln32		
16 17	Connecting Block	Wp261 Pg3 Ln32 🧹		
18 19	Cable	Wp261 Pg4 Ln32		
20 21	Cable Rack	Wp261 Pg5 Ln38		
22 23 24	Total Land Investment	Sum (Ln14Ln20)		
	Building investment	W-084 D-01-08		
27	Trunk Distributing Frame	Wp261 Pg2 Ln36		
28 29	Connecting Block	Wp261 Pg3 Ln36		
30 31	Cable	Wp261 Pg4 Ln36		
32 33	Cable Rack	Wp261 Pg5 Ln42		
34 35	Total Building Investment	Sum (Ln26Ln32)		
36 37				
38 39			·	
40	:			
41 42				
43 44				
45 46				
47 48				
49 50				

Physical Collocation		State Workpaper Page Date	Fiorida 261 2 of 5 Feb-97
Development of 4-Wire Cross Connect Unit 1 Trunk Distributing Frame Study Period 1995-1998	nvestment		A
Ln Description	Source	ERC	<u>Valua</u>
1 TDF Material Price	Network	357C	
2 3 Telephone Piant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price	Ln1 * Ln3		
6 7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment	Ln5 * In7		
10 11 Levelized Inflation Fector 12	Fundamental Cost	357C	0.9700
13 Levelized investment	Ln9 * Ln11		. .
14 15 Number Circuits	Network		6,000
16 17 Levelized Investment per Circuit	Ln13 / Ln15 * 2		
18 19 Projected Actual Utilization	Network		72.5%
20 21 Levelized Utilized investment per Circuit	Ln17 / Ln19		
22 23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
24 25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total investment with Power Loadings 28 per Circuit 29	Ln21 + Ln25		
30 Land Loading 31	Fundamental Cost	20C	0.0030
32 Land Investment 33	Ln28 * Ln30		·
34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building Investment 37 38 39 40 41 42 43 44 45 46 47	Ln28 * Ln34		
48 49 50			

Development of 4-Wire Cross Connect Unit Investment Connecting Block A A Study Period 1996-1998 A Ln Description Source I Connecting Block Material Price Network 357C Value 1 Connecting Block Material Price Ln1 * Ln3 357C 1.000 4 Base Year Material Price Ln1 * Ln3 5 1.8700 6 7 Hardwired Inplant Factor Fundamental Cost 357C 1.8700 8 Base Year Installed Investment Ln5 * In7 1.8700 1.8700 9 Base Year Installed Investment Ln5 * In7 357C 0.970 11 Levelized Inflation Factor Fundamental Cost 357C 0.970 12 Investment Ln9 * Ln11 50 1.870 13 Levelized Investment per Circuit Ln13 / Ln15 * 2 1.870 19 Projected Actual Utilization Network 72.5% 20 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 <t< th=""></t<>
Ln Description Source ERC Value 1 Connecting Block Material Price Network 357C 3 Telephone Plant Index Fundamental Cost 357C 1.000 4 Base Year Material Price Ln1 * Ln3 5 6 7 Hardwired Inplant Fector Fundamental Cost 357C 1.8700 8 Base Year Installed Investment Ln5 * In7 1 1 11 Levelized Inflation Factor Fundamental Cost 357C 0.970 12 Levelized Inflation Factor Fundamental Cost 357C 0.970 13 Levelized Inflation Factor Fundamental Cost 357C 0.970 14 15 Number Circuits Network 50 15 Number Circuits Network 50 16 Int 1 Junt 5 * 2 1 1 19 Projected Actual Utilization Network 72.5% 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 22 Power Equipment Loading Fundamental Cost 357C 0.0670 24 Power Equipment Investment Ln21 * Ln23 357C 0.0670
2 3 Telephone Plant Index Fundamental Cost 357C 1.000 4 Base Year Material Price Ln1*Ln3 5 5 5 5 5 7 1.000 7 Hardwired Inplant Factor Fundamental Cost 357C 1.8700 8 9 Base Year Installed Investment Ln5* in7 0 1 1.8700 10 Levelized Inflation Factor Fundamental Cost 357C 0.970 11 Levelized Inflation Factor Fundamental Cost 357C 0.970 12 Levelized Inflation Factor Fundamental Cost 357C 0.970 12 Levelized Inflation Factor Fundamental Cost 357C 0.970 13 Levelized Investment Ln9*Ln11 14 15 14 Isover Circuits Network 50 50 17 Levelized Investment per Circuit Ln13 / Ln15*2 18 19 Projected Actual Utilization Network 72.5% 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 22 Power Equipment Investment
3 Telephone Plant Index Fundamental Cost 357C 1.000 4 5 Base Year Material Price Ln1 * Ln3 5 6 Hardwired Inplant Fector Fundamental Cost 357C 1.8700 8 Base Year Installed Investment Ln5 * In7 10 11 10 Levelized Inflation Factor Fundamental Cost 357C 0.970 11 Levelized Inflation Factor Fundamental Cost 357C 0.970 12 Levelized Inflation Factor Fundamental Cost 357C 0.970 12 Levelized Inflation Factor Fundamental Cost 357C 0.970 13 Levelized Inflation Factor Fundamental Cost 357C 0.970 14 Iso Number Circuits Network 50 16 17 Levelized Investment per Circuit Ln13 / Ln15 * 2 18 19 Projected Actual Utilization Network 72.5% 20 Levelized Utilized Investment per Circuit Ln17 / Ln19 357C 0.0670 22 Power Equipment Investment Ln21 * Ln23 357C 0.0670 24 Power Equip
5 Base Year Material Price Ln1 * Ln3 6 Hardwired Inplant Factor Fundamental Cost 357C 1.8700 8 Base Year Installed Investment Ln5 * In7 1 11 Levelized Inflation Factor Fundamental Cost 357C 0.970 12 Levelized Inflation Factor Fundamental Cost 357C 0.970 12 Levelized Investment Ln9 * Ln11 1 14 Number Circuits Network 50 16 Int - Lavelized Investment per Circuit Ln13 / Ln15 * 2 18 Network 72.5% 20 Isevelized Utilization Network 72.5% 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 22 Power Equipment Loading Fundamental Cost 357C 0.0870 24 Power Equipment Investment Ln21 * Ln23 357C 0.0870 26 7 Total Investment with Power Loadings 1 1
7 Hardwired Inplant Factor Fundamental Cost 357C 1.8700 8 Base Year Installed Investment Ln5 * In7 10 11 Levelized Inflation Factor Fundamental Cost 357C 0.970 12 Levelized Inflation Factor Fundamental Cost 357C 0.970 12 Levelized Inflation Factor Fundamental Cost 357C 0.970 13 Levelized Investment Ln9 * Ln11 14 15 15 Number Circuits Network 50 50 16 Intro 15 * 2 18 19 Projected Actual Utilization Network 72.5% 20 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 22 23 Power Equipment Loading Fundamental Cost 357C 0.0670 24 Power Equipment Investment Ln21 * Ln23 26 27 Total Investment with Power Loadings
9 Base Year Installed Investment Ln5 * In7 10 11 Levelized Inflation Factor Fundamental Cost 357C 0.970 12 13 Levelized Investment Ln9 * Ln11 14 14 15 Number Circuits Network 50 16 17 Levelized Investment per Circuit Ln13 / Ln15 * 2 18 Projected Actual Utilization Network 72.5% 19 Projected Actual Utilization Network 72.5% 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 22 Power Equipment Loading Fundamental Cost 357C 0.0670 24 Power Equipment investment Ln21 * Ln23 357C 0.0670 25 Power Equipment investment Ln21 * Ln23 357C 0.0670 26 27 Total Investment with Power Loadings 111 * Ln23 111 * Ln23 111 * Ln23
11 Levelized Inflation Factor Fundamental Cost 357C 0.970 12 13 Levelized Investment Ln9 * Ln11 14 15 Number Circuits Network 50 16 17 Levelized Investment per Circuit Ln13 / Ln15 * 2 18 19 Projected Actual Utilization Network 72.5% 20 21 Levelized Investment per Circuit Ln17 / Ln19 72.5% 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 357C 0.0870 22 23 Power Equipment Loading Fundamental Cost 357C 0.0870 24 25 Power Equipment Investment Ln21 * Ln23 357C 0.0870 26 27 Total Investment with Power Loadings Ln21 * Ln23 14 14
13 Levelized Investment Ln9 * Ln11 14 15 15 Number Circuits Network 50 16 17 Levelized Investment per Circuit Ln13 / Ln15 * 2 18 19 Projected Actual Utilization Network 72.5% 20 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 72.5% 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 357C 0.0870 24 23 Power Equipment Loading Fundamental Cost 357C 0.0870 24 25 Power Equipment investment Ln21 * Ln23 357C 0.0870 26 27 Total Investment with Power Loadings 50 50 50
15 Number Circuits Network 50 16 17 Levelized Investment per Circuit Ln13 / Ln15 * 2 18 19 Projected Actual Utilization Network 72.5% 20 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 72.5% 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 357C 0.0670 23 Power Equipment Loading Fundamental Cost 357C 0.0670 24 25 Power Equipment Investment Ln21 * Ln23 357C 0.0670 26 27 Total Investment with Power Loadings Loadings Loadings Loadings
17 Levelized Investment per Circuit Ln13 / Ln15 * 2 18 19 Projected Actual Utilization Network 72.5% 20 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 72.5% 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 72.5% 23 Power Equipment Loading Fundamental Cost 357C 0.0670 24 25 Power Equipment Investment Ln21 * Ln23 26 27 Total Investment with Power Loadings Ln21 * Ln23 16
19 Projected Actual Utilization Network 72.5% 20 21 Levelized Utilized Investment per Circuit Ln17 / Ln19 21 22 23 Power Equipment Loading Fundamental Cost 357C 0.0670 24 25 Power Equipment Investment Ln21 * Ln23 26 27 Total Investment with Power Loadings
21 Levelized Utilized Investment per Circuit Ln17 / Ln19 22 23 Power Equipment Loading Fundamental Cost 357C 0.0670 24 25 Power Equipment Investment Ln21 * Ln23 26 27 Total Investment with Power Loadings
23 Power Equipment Loading Fundamental Cost 357C 0.0670 24 25 Power Equipment investment Ln21 * Ln23 26 27 Total Investment with Power Loadings
25 Power Equipment investment Ln21 * Ln23 26 27 Total Investment with Power Loadings
27 Total Investment with Power Loadings
28 per Circuit Ln21 + Ln25 29
30 Land Loading Fundamental Cost 20C 0.0030 31
32 Land Investment Ln28 * Ln30 33
34 Building Loading Fundamental Cost 10C 0.0404 35
36 Building investment Ln28 * Ln34 37
38 39
40 41
42
43 44
45 46
47 48
49 50

Physical Collocation		State Workpaper Page Date	Florida 261 4 of 5 Feb-97
Development of 4-Wire Cross Connect Unit is 100 Pair Cable (TDF to POT Bay) Study Period 1995-1998	nvestment		А
Ln Description	Source	FRC	Value
1 100 Pair Cable, Material Price 2	Network	357C	
3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	in1 * in3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment 10	Ln5 * In7		
11 Levelized inflation Factor 12	Fundamental Cost	357C	0.970
12 13 Levelized Investment 14	Ln9 * Ln11		
15 Number Circuits	Network		50
16 17 Levelized Investment per Circuit 18	Ln13 / Ln15		
19 Projected Actual Utilization 20	Network		85%
21 Levelized Utilized investment per Circuit 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment	Ln21 * Ln23		
26 27 Total Investment with Power Loadings 28 per Circuit 29	Ln21 + Ln25		
30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land investment 33	Ln28 * Ln30		
34 Building Loeding	Fundamental Cost	10C	0.0404
35 36 Building Investment 37 38 39 40 41 41 42 43 44 45 46 47 48 49 50	Ln28 * Ln34		

Physical Collocation		State Workpaper Page Date	Florida 261 5 of 5 Feb-97
Development of 4-Wire Cross Connect Unit I Cable Rack	nvestment		A
Study Period 1996-1998	Source	FRC	•
			<u>Valua</u>
1 Cable Rack Material price 2	Network	357C	
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor 8	Fundamental Cost	357C	1.8700
9 Base Year installed investment	Ln5 * In7		
10 11 Levelized inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized Investment	Ln9 * Ln11		
14 15 Number Cables per Cable Rack	Network		480
16 17 Levelized Investment per Cable	Ln13 / Ln15		
18 19 Projected Actual Utilization - Cable Rack	Network		67.0%
20 21 Levelized Utilized Investment per Cable	Ln17 / Ln19		
22 23 Number Pairs per Cable	Network		50
24 25 Projected Actual Utilization - Circuit	Network		85%
26 27 Levelized Utilized Investment per Circuit	Ln21 / Ln23 / Ln25		
28 29 Power Equipment Loading	Fundamental Cost	357C	0.0670
30 31 Power Equipment Investment	Ln27 * Ln29		
32 33 Total Investment with Power Loadings 34 per Circuit 35	Ln27 + Ln31		
36 Land Loading	Fundamental Cost	20C	0.0030
37 38 Land Investment 39	Ln34 * Ln36		
40 Building Loading	Fundamental Cost	10C	0.0404
41 : 42 Building Investment 43 44	Ln34 * Ln40		
45 46			
47 48			
49			
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Physi	cal Collocation				State Workpaper Page Date	Florida 270 1 of 1 Feb-97
Devel Study	opment of POT Bay per 4-Wire Cross Period 1996-1996	Connect Monthly Cost	Å	0	_	
La	Description	Source	A 20C Land	B 10C Building	ے <u>357C Equip</u>	D Totai
	Annual Cost Factor Components	Fundamental Cost				
2	Depreciation		0.0000	0.0000		
- 4	Cost of Money		0.1118	0.0302	0.1134 0.0638	
5	Income Tax		0.0514	0.0452	0.0297	
6 7	Maintenance	;				
8	Ad Valorem Tax		0.0000 0.0113	0.0069	0.0086 0.0113	
9	TIRKS Expense		0.0000	0.0000	0.0062	
10 11	Total Annual Cost Factor					
12 13			0.1745	0.1922	0.2320	•
	Investments	Wp271 Pg1				
15	-	Lns 18, 30, 6				
16	Annual Costs					
17						
19	Depreciation	in14 * in3				
	Cost of Money	Ln14 * Ln4				
21	Income Tax	Ln14 * Ln6				
22 23	Maistanance					
24	Ad Valorem Tax	Ln14 * Ln7 Ln14 * Ln8				
25	TIRKS Expense					
26	-					
27 28	Total Annuel Cost	Sum (Ln19Ln25)				
29 30	Total Monthly Cost	Ln27 / 12				
31 32	Gross Receipts Tax Factor					1.0152
33 34	Monthly Cost w/GRT	in29 * in31				
35						
36 37		· · · ·				
39						
40						
41						
42						
44						
38 9 4 4 1 2 3 4 4 5 6 7 8 9 9 4 1 2 3 4 4 5 6 7 8 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9						
46						
47						
49						
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	State Workpaper Page Date	Florida 271 1 of 3 Feb-97
Connect		A
Source		Value
Wp271 Pg3 Ln28		
Wp271 Pg2 Ln32		
Wp271 Pg3 Ln32		
Sum (Ln14Ln16)		
• •		
Sum (Ln26Ln28)		
	Connect Source Wp271 Pg2 Ln28 Wp271 Pg3 Ln28 Sum (Ln2Ln4) Wp271 Pg2 Ln32 Wp271 Pg3 Ln32 Sum (Ln14Ln16) Wp271 Pg2 Ln36 Wp271 Pg3 Ln36 Sum (Ln26Ln28)	Workpaper Page Date Connect Source Wp271 Pg2 Ln28 Wp271 Pg3 Ln28 Sum (Ln2Ln4) Wp271 Pg2 Ln32 Wp271 Pg3 Ln32 Sum (Ln14Ln16) Wp271 Pg2 Ln36 Wp271 Pg3 Ln36 Sum (Ln26Ln28)

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Physical Collocation		State Workpaper Page Date	Fiorida 271 2 of 3 Feb-97
Development of POT Bay per 4-Wire Cross C POT Bay	Connect Unit Investment		A
Study Period 1996-1998	Source	FRC	•
			<u>Valua</u>
1 POT Bay Material Price 2	Network	357C	
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	int * in3		
7 Hardwired Inplant Factor 8	Fundamental Cost	357C	1.8700
9 Base Year Installed Investment 10	Ln5 * In7		
11 Levelized inflation Factor	Fundamental Cost	357C	0.970
13 Levelized Investment 14	Ln9 * Ln11		
15 Number Circuits 16	Network		648
17 Levelized Utilized Investment per Circuit 18	Ln13 / Ln15		
19 Projected Actual Utilization 20	Network		40%
21 Levelized Utilized Investment per Circuit 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total investment with Power Loadings			
28 per Circuit 29	Ln21 + Ln25		
30 Land Loading 31	Fundamental Cost	20C	0.0030
32 Land Investment 33	Ln28 * Ln30		
34 Building Loading 35	Fundamentai Cost	10C	0.0404
36 Building Investment 37	Ln28 * Ln34		
38			
39 40			
41 :			
42			
43			
45			
46			
47 48			
49			
50			

Physical Collocation		State Workpaper Page Date	Florida 271 3 of 3 Feb-97
Development of POT Bay per 4-Wire Cross (Termination Blocks Study Period 1996-1998	Connect Unit Investment		А
Ln Description	Source	FRC	<u>Value</u>
1 Termination Block Material Price 2	Network	357C	
3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year installed investment 10	Ln5 * In7		
11 Levelized inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized Investment 14	Ln9 * Ln11		
15 Number Circuits	Network		12
16 17 Levelized Utilized Investment per Circuit 18	Ln13 / Ln15		
19 Projected Actual Utilization 20	Network		85%
21 Levelized Utilized investment per Circuit 22	Ln17 / Ln19		
23 Power Equipment Loading	Fundamental Cost	357C	0.0670
24 25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per Circuit	Ln21 + Ln25		
29 30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land Investment	Ln28 * Ln30		
33 34 Building Loading 35	Fundamental Cost	100	0.0404
36 Building investment 37 38	Ln28 * Ln34		
39			
40 41			
42 43			
44 45			
46			
47 48			
49 50			
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Physic	al Collocation				State Workpaper Page Date	Fiorida 280 1 of 1 Feb-97
Devek Study	opment of Cross Connect per DS1 Monthly Cost Period 1996-1998		A	в	6	D
in	Description	Source	20C Land	10C Building	357C Equip	Intel
1	Annual Cost Factor Components	Fundamental Cost				
3 4 5 6	Depreciation Cost of Money Income Tax	:	0.0000 0.1118 0.0514	0.0302 0.0966 0.0452	0.1134 0.0638 0.0297	
7 8 9	Meintenance Ad Valorem Tax TIRKS Expanse		0.0000 0.0113 0.0000	0.00 89 0.0113 0.0000	0.0086 0.0113 0.0052	
10 11 12	Total Annual Cost Factor		0.1745	0.1922	0.2320	
13 14 15 16	krvestments	Wp281 Pg1 Lns 30, 46, 14				
	Annual Costs					
19 20 21	Depreciation Cost of Money Income Tax	in14 * in3 in14 * in4 in14 * in5				
22 23 24 25		Ln14 ° Ln7 Ln14 ° Ln8 Ln14 ° Ln9				
26 27	Total Annual Cost	Sum (Ln19Ln25)				
28 29 30	Total Monthly Cost	ເກ27 / 12				
31 32	Gross Receipts Tax Factor					1.0152
33 34 35 36 37	Monthly Cost w/GRT	Ln29 * Ln31				
41 42 43						
38 39 40 41 42 43 44 45 48 47 48 49 50						
48 49 50						
50		:				

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Α

Value

Summary of Investments, DS1 Cross Connect Study Period 1996-1998

.

ما	Description	Source
1 2 3	357C Equipment Investment DSX-1 Panel	Wp281 Pg2 Ln28
4	Cable	Wp281 Pg3 Ln28
5 6 7	Cable Rack	Wp281 Pg4 Ln36
8 9	Repeater Bay	Wp281 Pg5 Ln31
10 11	Repeater Shelf	Wp281 Pg6 Ln31
12 13	Repeater	Wp281 Pg7 Ln31
14 15	Total 357C Equipment investment	Sum (Ln2Ln12)
16 17 1	Land investment	
18 19	DSX-1 Panel	Wp281 Pg2 Ln32
20 21	Cable	Wp281 Pg3 Ln32
22 23	Cable Rack	Wp281 Pg4 Ln40
24 25	Repeater Bay	Wp281 Pg5 Ln35
26 27	Repeater Shelf	Wp281 Pg6 Ln35
28 29	Repeater	Wp281 Pg7 Ln35
30 31	Total Land Investment	Sum (Ln18Ln28)
32		
34	Building Investment DSX-1 Panel	Wp281 Pg2 Ln36
35 36	Cable	Wp281 Pg3 Ln36
37 38	Cable Rack	Wp281 Pg4 Ln44
39		
40 41	Repeater Bay	Wp281 Pg5 Ln39
42	Repeater Shelf	Wp281 Pg6 Ln39
43 44	Repeater	Wp281 Pg7 Ln39
45 46	Total Building investment	Sum (Ln34Ln44)
47 48		
49 50		

Physical Collocation		State Workpaper Page Date	Florida 281 2 of 7 Feb-97
Development of DS1 Cross Connect Unit Inv DSX-1 Bay	restment		А
Study Period 1996-1998 in Description	Source	FRC	Value
1 DSx-1 Panel Material Price			THINK
2	Fundamental Cost	357C	
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
o 7 Hardwired Inplant Factor 8	Fundamental Cost	357C	1.870
9 Base Year installed investment	Ln5 * in7		
10 11 Levelized Inflation Factor 12	Fundamental Cost	357C	0.970
13 Levelized installed investment	Ln9 * Ln11		
14 15 Number DS1's 16	Network		56
17 Levelized Utilized investment per DS1	Ln13 / Ln15		
18 19 Projected Actual Utilization	Network		70%
20 21 Levelized Utilized investment per DS1 22	Ln17 / Ln19		
23 Power Equipment Loading	Fundamental Cost	357C	0.0670
24 25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings			
28 per DS1 29	Ln21 + Ln25		
30 Land Loading 31	Fundamental Cost	20C	0.0030
32 Land Investment 33	Ln28 * Ln30		
34 Building Loeding	Fundamental Cost	10C	0.0404
35 36 Building Investment	Ln28 * Ln34		
37 38			
39 40			
41 :			
42 43	3		
44 45			
46			
47 48			
49 50			

Physical Collocation		State Workpaper Page Date	Florida 281 3 of 7 Feb-97
Development of DS1 Cross Connect Unit Inv Cable	vestment		
Study Period 1996-1998	0		A
Ln <u>Description</u>	Source	FRC	<u>Valua</u>
1 Cable Material Price 2	Network	357C	
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor 8	Fundamental Cost	357C	1.8700
9 Base Year Installed Investment 10	Ln5 * in7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
13 Levelized installed investment 14	Ln9 * Ln11		
15 Number DS1's 16	Network		14
17 Levelized Utilized Investment per DS1 18	Ln13 / Ln15		
19 Projected Actual Utilization 20	Network		90%
21 Levelized Utilized investment per DS1 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per DS1 29	Ln21 + Ln25		
30 Land Loading 31	Fundamental Cost	20C	0.0030
32 Land Investment 33	Ln28 * Ln30		
34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building Investment 37 38 39 40 41 42 43 44 45 46 47 48 49 50	Ln28 * Ln34		

Physical Collocation		State Workpaper Page Date	Fiorida 281 4 of 7 Feb-97
Development of DS1 Cross Connect Unit Inv Cable Rack	estment		
Study Period 1996-1998			A
Ln Description	Source	ERC	<u>Value</u>
1 Cable Rack Material Price 2	Network	357C	
3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year installed investment 10	Ln5 * in7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized installed investment 14	Ln9 * Ln11		
15 Number Cables	Network		480
16 17 Levelized Utilized Investment per Cable 18	Ln13 / Ln15		
19 Projected Actual Utilization 20	Network		67%
21 Levelized Utilized Investment per Cable	Ln17 / Ln19		
22 23 Number Circuits per Cable 24	Network		14
25 Levelized Utilized investment per Circuit	Ln21 / Ln23		
26 27 Projected Actual Utilization 28	Network		90%
29 Levelized Utilized investment per Circuit	Ln25 / Ln27		
30 31 Power Equipment Loeding 32	Fundamental Cost	357C	0.0670
32 33 Power Equipment Investment 34	Ln29 * Ln31		
35 Total Investment with Power Loadings 36 per DS1 37	Ln31 + Ln33		
38 Land Loading	Fundamental Cost	20C	0.0030
39 40 Land investment 41	Ln36 * Ln38		
42 Building Loading 43	Fundamental Cost	10C	0.0404
44 Building investment 45 46 47 48	Ln36 * Ln42		
49 50			

Physical Collocation		State Workpaper Page Date	Fiorida 281 5 of 7 Feb-97
Development of DS1 Cross Connect Unit Inv Repeater Bay	restment		Å
Study Period 1996-1998	Source	FRC	A Value
			<u> </u>
1 Repeater Bay Material Price 2	Network	357C	
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	int * ភេ3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment	i.n5 * In7		
10 11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized installed investment	Ln9 * Ln11		
14 15 Number DS1's	Network		224
16 17 Levelized Utilized Investment per DS1	Ln13 / Ln15		
18 19 Projected Actual Utilization	Network		30%
20 21 Levelized Utilized investment per DS1	Ln17 / Ln19		
22 23 Power Equipment Loading	Fundamental Cost	357C	0.0670
24 25 Power Equipment Investment	Ln21 * Ln23		
26 27 Total investment with Power Loadings	Ln21 + Ln25		
28 29 Percent DS1's requiring Repeaters	Network		5%
30 31 Investment w/Power Loadings per DS1	Ln27 * Ln29		
32 33 Land Loading	Fundamental Cost	20C	0.0030
34 35 Land Investment	Ln31 * Ln33		
36 37 Building Loading	Fundamental Cost	10C ·	0.0404
38 39 Building Investment	Ln31 * Ln37		
40 41			
42 43	•		
44			
45 46			
47			
48 49			
50		,	

Physical Collocation		State Workpaper Page Date	Fiorida 281 6 of 7 Feb-97
Development of DS1 Cross Connect Unit Inv Repeater Shelf	restment		А
Study Period 1996-1998	Source	FRC	Value
•			
1 Repeater Shelf Material Price 2	Network	357C	
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year installed investment - 10	Ln5 * In7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized Installed Investment 14	Ln9 * Ln11		
15 Number DS1's	Network		28
16 17 Levelized Utilized Investment per DS1 18	Ln13/Ln15		
19 Projected Actual Utilization 20	Network		80%
21 Levelized Utilized Investment per DS1 22	Ln17 / Ln19		
22 23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment	Ln21 * Ln23		
26 27 Total Investment with Power Loadings 28	in21 + in25		
29 Percent DS1's requiring Repeaters	Network		5%
30 31 Investment w/Power Loadings per DS1 32	Ln27 * Ln29		
33 Land Loading	Fundamental Cost	20C	0.0030
35 Land Investment 36	Ln31 * Ln33		
37 Building Loading 38	Fundamental Cost	10C ·	0.0404
39 Building investment	Ln31 * Ln37		
41	· ·		
42 43	·		
44			
45 46			
47 48			
49			
50			

Physical Collocation		State Workpaper Page Date	Florida 281 7 of 7 Feb-97
Development of DS1 Cross Connect Unit Inv Repeater Study Parted 1995-1995	restment		A
Study Period 1995-1998	Source	FRC	<u>Value</u>
1 Repeater Material Price	Network	357C	
2 3 Telephone Plant Index	Fundamențal Cost	357C	1.000
4 5 Base Year Material Price	Ln1 * Ln3		
6 7 Plug-In Inplant Factor	Fundamental Cost	357C	1.0600
8 9 Base Year installed investment	Ln5 * in7		
10 11 Levelized Inflation Fector 12	Fundamental Cost	357C	0.970
12 13 Levelized installed investment 14	Ln9 * Ln11		
15 Number DS1's 18	Network		1
17 Levelized Utilized Investment per DS1 18	Ln13 / Ln15		
19 Projected Actual Utilization 20	Network		100%
20 21 Levelized Utilized investment per DS1 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
24 25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28	Ln21 + Ln25		
29 Percent DS1's requiring Repeaters 30	Network		5%
31 investment w/Power Loadings per DS1 32	Ln27 * Ln29		
33 Land Loading 34	Fundamental Cost	20C	0.0030
35 Land Investment 36	Ln31 * Ln33		
37 Building Loading 38	Fundamental Cost	10C	0.0404
39 Building investment 40	Ln31 * Ln37		
41 42			
43 44			
45 46			
47 48			
49 50			

Physic	al Collocation				State Workpaper Page Date	Florida 290 1 of 1 Feb-97
Devek Study	pment of POT Bay per DS1 Cross Period 1995-1995	Connect Monthly Cost	Д	в	С	D
Ln	Description	Source	20C Land	10C Building	357C Equip	Iotai
1 2	Annual Cost Factor Components	Fundamental Cost				
3 4 5 6	Depreciation Cost of Money Income Tax	;	0.0000 0.1118 0.0514	0.0302 0.0966 0.0452	0.1134 0.0638 0.0297	
7 8 9	Maintanance Ad Valorem Tax TIRKS Expense		0.0000 0.0113 0.0000	0.0069 0.0113 0.0000	0.0086 0.0113 0.0052	
10 11 12	Total Annual Cost Factor		0.1745	0.1922	0.2320	
13	investments	Wp291 Pg1 Lns 20, 32, 8				
	Annual Costs					
19 20 21	Depreciation Cost of Money income Tax	Ln14 * Ln3 Ln14 * Ln4 Ln14 * Ln5				
24 25	Maintanance Ad Valorem Tax TIRKS Expense	Ln14 ° Ln7 Ln14 ° Ln8 Ln14 ° Ln9				
26 27	Total Annual Cost	Sum (Ln19Ln25)				
28 29 30	Total Monthly Cost	Ln27 / 12				
31 32	Gross Receipts Tax Factor					1.0152
33 34 35	Monthly Cost w/GRT	Ln29 * Ln31				
36 37						
39 40						
41 42 43						
44 45 46						
38 39 40 41 42 43 44 45 46 47 48 49 50						
50						

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			Vonkpaper Page Date	291 1 of 4 Feb-97
Summ	nary of Investments, POT Bay per DS1 Period 1996-1998	Cross Connect		
Ln	Description	Source		A Value
1 2 3	POT Bay	Wp291 Pg2 Ln34		
- 4	POT Bay Shelf	Wp291 Pg3 Ln28		
5 6 7	· · ·	Wp291 Pg4 Ln28		
8 9 10 11 12		Sum (Ln2Ln6)		
13 14	Land Investment POT Bay	Wp291 Pg2 Ln38		
15	•	What Far 1100		
16 17	POT Bay Shelf	Wp291 Pg3 Ln32		
18 19	POT Bay Module	Wp291 Pg4 Ln32		
20 21 22 23 24	Total Land Investment	Sum (Ln14Ln18)		
25 26	Building Investment POT Bey	M-004 8-01-40		
27		Wp291 Pg2 Ln42		
28 29	POT Bay Shelf	Wp291 Pg3 Ln36		
30 31	POT Bay Module	Wp291 Pg4 Ln36		
32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47	Total Building Investment	Sum (Ln26Ln30)	· .	
47 48 49				
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Physical Collocation

Physical Collocation		State Workpaper Page Date	Fiorida 291 2 of 4 Feb-97
Development of POT Bay per DS1 Cross Co POT Bay	onnect Unit Investment		٨
Study Period 1996-1998			A
Ln Description	Source	FRC	<u>Value</u>
1 POT Bay Material Price 2	Network	357C	
3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year installed investment 10	Ln5 * In7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized installed investment 14	Ln9 * Ln11		
15 Number Shelves 16	Network		12
17 Projected Actual POT Bay Utilization	Network		33%
18 19 Levelized investment per Shelf 20	Ln13 / Ln15 / Ln17		
21 Number DS1's per Shelf 22	Network		84
23 Levelized Utilized Investment per DS1 24	Ln19/Ln21		
25 Projected Actual Shelf Utilization	Network		80%
26 27 Levelized Utilized Investment per DS1	Ln23 / Ln25		
28 29 Power Equipment Loeding	Fundamental Cost	357C	0.0670
30 31 Power Equipment Investment	Ln27 * Ln29		
32 33 Total Investment with Power Loadings 34 per DS1 35	Ln27 + Ln31		
36 Land Loading	Fundamental Cost	20C	0.0030
37 38 Land Investment 39	Ln34 * Ln36		
40 Building Loading 41	Fundamental Cost	10C	0.0404
42 Building Investment 43	Ln34 * Ln40		
44			
45 46			
47 48			
49			
50		•	

Physical Collocation		State Workpaper Page Date	Florida 291 3 of 4 Feb-97
Development of POT Bay per DS1 Cross Col POT Bay Shelf Study Period 1995, 1998	nnect Unit Investment		A
Study Period 1996-1998 Ln Description	Source	FRC	Value
1 POT Bay Shelf Material Price 2	Network	357C	
2 3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment	Ln5 * in7		
.10 11 Levelized Inflation Factor 12	Fundamental Cost	357C	0.970
13 Levelized installed investment	Ln9 * Ln11		
14 15 Projected Actual Utilization 16	Network		80%
17 Installed, Levelized, Utilized Investment	Ln13 / Ln15		
18 19 Number DS1's 20	Network		84
21 Investment per DS1	Ln17 / Ln19		
22 23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per DS1 29	Ln21 + Ln25		
30 Land Loading 31	Fundamental Cost	20C	0.0030
31 32 Land investment 33	Ln28 * Ln30		
34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building Investment 37 38 39 40 41 42 43 44 45 46 47 48 49 50	Ln28 * Ln34		

Physi	cal Collocation			State Workpaper Page Date	Fiorida 291 4 of 4 Feb-97
POT	opment of POT Bay per DS1 Cross Co Bay Connecting Block Period 1995-1998	nnect Unit Investme	nt		A
	Description	Source	Material Price	Inplant Factor	•
1	POT Bay Conn Block Material Price	Network		357C	
3		Fundamental Cost		357C	1.000
4 5 - 6		Ln1 * Ln3			
7	Hardwired Inplant Factor	Fundamental Cost		357C	1.8700
8 9 10	Base Year installed investment	Ln5 * In7			
	Levelized inflation Factor	Fundamental Cost		357C	0.970
	Levelized installed investment	Ln9 * Ln11			
15	Projected Actual Utilization	Network			98.7%
16 17 18	installed, Levelized, Utilized Investment	Ln13 / Ln15			
	Number DS1's	Network			4
-	investment per DS1	Ln17 / Ln19			
	Power Equipment Loading	Fundamental Cost		357C	0.0670
	Power Equipment investment	Ln21 * Ln23			
27 28	Total Investment with Power Loadings per DS1	Ln21 + Ln25			
29 30	Land Loading	Fundamental Cost		20C	0.0030
31	Land Investment	Ln28 * Ln30			
- 33				400	
35	Building Loading	Fundamental Cost		10C	0.0404
36 37	Building investment	Ln28 * Ln34			
38 39					
40					
41 42					
43 44					
45 48					
47					
48 49					
50					

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Physi	cal Collocation				State Workpaper Pege Dete	Fiorida 300 1 of 1 Feb-97
Devel Study	opment of Cross Connect per DS3 Monthly Cost Period 1996-1998	t	A	В	c	7
Lo	Description	Source	20C Land	10C Building	357C Equip	D Iotal
1 2 3 4 5 8 7 8 9 10 11 12 13 14 15 16 17 18 19 20	Annual Cost Factor Components Depreciation Cost of Money Income Tax Maintenance Ad Valorem Tax TIRKS Expense Total Annual Cost Factor Investments Annual Costs Depreciation Cost of Money	Fundamental Cost Wp301 Pg1 Lns 30, 46, 14 Ln14 * Ln3 Ln14 * Ln3 Ln14 * Ln4	20 <u>C Land</u> 0.0000 0.1118 0.0514 0.0000 0.0113 0.0000 0.1745	10 <u>C Building</u> 0.0302 0.0985 0.0452 0.0089 0.0113 0.0000 0.11922	357C Equip 0.1134 0.0638 0.0297 0.0066 0.0113 0.0052 0.2320	Total
21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 37	Income Tax Maintenance Ad Valorem Tax TIRKS Expense Total Annual Cost Total Monthly Cost Gross Receipts Tax Factor Monthly Cost w/GRT	Ln14 * Ln5 Ln14 * Ln7 Ln14 * Ln8 Ln14 * Ln9 Sum (Ln19Ln25) Ln27 / 12 Ln29 * Ln31				1.0152
38 39 40 41 42 43 44 45 46 47 48 49 50		÷				

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Physic	cal Collocation		State Workpaper Page Date	Florida 301 1 of 7 Feb-97
Summ Study	ary of Investments, DS3 Cross Connect Period 1996-1998			А
Ln	Description	Source		Value
1 2 3	357C Equipment Investment DSX-3 Panei	Wp301 Pg2 Ln28		
- 4	Cable	Wp301 Pg3 Ln28		
5 6 7	Cable Rack	Wp301 Pg4 Ln28		
8 9	Repeater Bay	Wp301 Pg5 Ln31		
10 11	Repeater Shelf	Wp301 Pg6 Ln31		
12	Repeater	Wp301 Pg7 Ln31		
13 14 15	Total 357C Equipment Investment	Sum (Ln2Ln12)		
	Land Investment	· · · · ·		
18 19	DSX-3 Panel	Wp301 Pg2 Ln32		
20 21	Cable	Wp301 Pg3 Ln32		
22 23	Cable Rack	Wp301 Pg4 Ln32		
24 25	Repeater Bay	Wp301 Pg5 Ln35		
26 27	Repeater Shelf	Wp301 Pg6 Ln35		
28	Repeater	Wp301 Pg7 Ln35		
29 30 31	Total Land Investment	Sum (Ln18Ln28)		
32 33 1 34 35	Building investment DSX-3 Panel	Wp301 Pg2 Ln36		
36 37	Cable	Wp301 Pg3 Ln36		
38 39	Cable Rack	Wp301 Pg4 Ln36	·	
40 41	Repeater Bay	Wp301 Pg5 Ln39		
42	Repeater Shelf	Wp301 Pg6 Ln39		
43 44	Repeater	Wp301 Pg7 Ln39		
45 46	Total Building investment	Sum (Ln34Ln44)		
47 48 49 50				

Physical Collocation		State Workpaper Page Date	Fiorida 301 2 of 7 Feb-97
Development of DS3 Cross Connect Unit Inv DSX-3 Bay	restment		А
Study Period 1996-1998	Source	EBC	•
	South	FRC	<u>Value</u>
1 DSX-3 Panel Material Price 2	Fundamental Cost	357C	
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor 8	Fundamental Cost	357C	1.8700
9 Base Year Installed Investment 10	Ln5 * in7		
11 Levelized inflation Factor 12	Fundamental Cost	357C	0.970
13 Levelized Installed Investment	Ln9 * Ln11		
15 Number DS3's 16	Network		24
17 Levelized Utilized Investment per DS3 18	Ln13 / Ln15		
19 Projected Actual Utilization 20	Network		67%
21 Levelized Utilized Investment per DS3 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per DS3 29	Ln21 + Ln25		
30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land investment	Ln28 * Ln30		
33 34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building investment 37 38 39 40 41 41 42 43 44 45 46 47 48 49 50	Ln28 * Ln34		

Physical Collocation		State Workpaper Page Date	Fiorida 301 3 of 7 Feb-97
Development of DS3 Cross Connect Unit Inv Cable & Cable Connector	vestment		А
Study Period 1996-1998 Ln Description	Source	ERC	Value
1 Cable Material Price	Network	357C	
2 3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment - 10	Ln5 * in7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized installed investment 14	Ln9 * Ln11		
15 Number DS3's	Network		1
16 17 Levelized Utilized investment per DS3 18	Ln13 / Ln15		
19 Projected Actual Utilization 20	Network		100%
21 Levelized Utilized Investment per DS3 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per DS3 29	Ln21 + Ln25		
30 Land Loading	Fundamental Cost	20C	0.0030
31 32 Land Investment 33	in28 * in30		
34 Building Loading 35	Fundamentai Cost	10C	0.0404
36 Building Investment 37 38 39 40 41 42 43 44 45 46 47 48 49 50	Ln28 * Ln34		

Physical Collocation		State Workpaper Page Date	Florida 301 4 of 7 Feb-97
Development of DS3 Cross Connect Unit In Cable Rack	vestment		А
Study Period 1996-1998	Source	FRC	Value
1 Cable Rack Material Price	Network	357C	
2 3 Telephone Plant Index	Fundamental Cost	357C	1 000
4 5 Base Year Material Price	Ln1 * Ln3	3570	1.000
6 7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year installed investment	Ln5 * in7	3570	1.0700
10			
11 Levelized Inflation Factor 12	Fundamental Cost	357C	0.970
13 Levelized installed investment 14	Ln9 * Ln11		
15 Number DS3's 16	Network		480
17 Levelized Utilized Investment per DS3 18	Ln13 / Ln15		
19 Projected Actual Utilization 20	Network		67%
20 21 Levelized Utilized Investment per DS3 22	Ln17 / Ln19		
22 23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
24 25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per DS3 29	Ln21 + Ln25		
30 Land Loading 31	Fundamental Cost	20C	0.0030
32 Land Investment 33	Ln28 * Ln30		
34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building Investment 37 38 39 40 41 - 42 43 43 44 45 46 47 -	Ln28 * Ln34		
48 49 50			

Physical Collocation		State Workpaper Page Date	Florida 301 5 of 7 Feb-97
Development of DS3 Cross Connect Unit Inv Repeater Bay	restment		
Study Period 1996-1998			A
Ln Description	Source	FRC	Value
1 Repeater Bay Material Price	Network	357C	
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment 10	Ln5 * in7		
11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized installed investment 14	Ln9 * Ln11		
15 Number DS3's	Network		80
16 17 Levelized Utilized Investment per DS3	Ln13 / Ln15		
18 19 Projected Actual Utilization 20	Network		35%
20 21 Levelized Utilized Investment per DS3 22	Ln17 / Ln19		
23 Power Equipment Loading 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment	Ln21 * Ln23		
26 27 Total Investment with Power Loadings 28	Ln21 + Ln25		
29 Percent DS3's requiring Repeaters 30	Network		10%
31 Investment w/Power Loadings per DS3	Ln27 * Ln29		
32 33 Land Loading 34	Fundamental Cost	20C	0.0030
35 Land Investment	Ln31 * Ln33		
36 37 Building Loading 38	Fundamental Cost	10C	0.0404
39 Building investment	Ln31 * Ln37		
40 41	1		
42 : 4 3			
44			
45 46			
47 48			
49			
50		·	

Physical Collocation		State Workpaper Page Date	Florida 301 6 of 7 Feb-97
Development of DS3 Cross Connect Unit Inv Repeater Shelf	/estment		A
Study Period 1996-1998	•		
Ln Description	Source	FRC	<u>Value</u>
1 Repeater Shelf Material Price 2	Network	357C	
3 Telephone Plant Index	Fundamental Cost	357C	1.000
4 5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment 10	Ln5 * in7		
11 Levelized inflation Factor	Fundamental Cost	357C	0.970
13 Levelized installed investment 14	Ln9 * Ln11		
15 Number DS3's 16	Network		8
17 Levelized Utilized Investment per DS3	Ln13 / Ln15		
18 19 Projected Actual Utilization 20	Network		85%
21 Levelized Utilized Investment per DS3 22	Ln17 / Ln19		
23 Power Equipment Loeding 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment	Ln21 * Ln23		
26 27 Total Investment with Power Loadings 28	Ln21 + Ln25		
29 Percent DS3's requiring Repeaters 30	Network		10%
31 investment w/Power Loading per DS3 32	Ln27 * Ln29		
33 Land Loading 34	Fundamental Cost	200	0.0030
35 Land Investment 36	Ln31 * Ln33		
30 37 Building Loading 38	Fundamental Cost	10C ·	0.0404
39 Building Investment	Ln31 * Ln37		
40 41	:		
42			
43 44			
45			
46 47			
48			
49 50			
50			

Physical Collocation		State Workpaper Page Date	Fiorida 301 7 of 7 Feb-97
Development of DS3 Cross Connect Unit inv Repeater	/estment		٨
Study Period 1996-1998	0		A
<u>Ln Description</u>	Source	ERC	<u>Value</u>
1 Repeater Material Price 2	Network	357C	
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Plug-in Inplant Factor 8	Fundamental Cost	357C	1.0600
9 Base Year Installed Investment	Ln5 * in7		
11 Levelized Inflation Factor 12	Fundamental Cost	357C	0.970
12 13 Levelized installed investment 14	Ln9 * Ln11		
15 Number DS3's 16	Network		1
17 Levelized Utilized investment per DS3	Ln13 / Ln15		
18 19 Projected Actual Utilization 20	Network		100%
20 21 Levelized Utilized Investment per DS3 22	Ln17 / Ln19		
23 Power Equipment Loeding 24	Fundamental Cost	357C	0.0670
25 Power Equipment Investment	Ln21 * Ln23		
26 27 Total Investment with Power Loedings 28	Ln21 + Ln25		
29 Percent DS3's requiring Repeaters 30	Network		10%
31 investment w/Power Loading per DS3	Ln27 * Ln29		
32 33 Land Loading 34	Fundamental Cost	20C	0.0030
35 Land Investment	Ln31 * Ln33		
36 37 Building Loading	Fundamental Cost	10C	0.0404
38 39 Building Investment	Ln31 * Ln37		
	:		
42 43			
44 45			
46			
47 48			
49			
50			

Physic	al Collocation				State Workpaper Page Date	Fiorida 310 1 of 1 Feb-97
Develo Study	opment of POT Bay per DS3 Cross (Period 1995-1998	Connect Monthly Cost	Å	В	C	D
Ln	Description	Source	20C Land	10C Building	357C Equip	Total
1 2 3 4 5 6	Annual Cost Factor Components Depreciation Cost of Money Income Tax	Fundamental Cost	0.0000 0.1118 0.0514	0.0302 0.0985 0.0452	0.1134 0.0638 0.0297	
7 8 9 10	Maintenance Ad Valorem Tax TIRKS Expense	:	0.0000 0.0113 0.0000	0.0089 0.0113 0.0000	0.00 85 0.0113 0.0052	
11 12	Total Annual Cost Factor		0.1745	0.1922	0.2320	•
13 14 15 16	investments	Wp311 Pg1 Lns 20, 32, 8				
	Annuai Costs					
19 20 21 22	Depreciation Cost of Money Income Tax	ไก14 * ไก3 ไก14 * ไก4 ไก14 * ไก5				
23 24 25	Maintenance Ad Valorem Tax TIRKS Expense	៤៣14 ° ៤៣7 ៤៣14 ° ៤ភ8 ៤៣14 ° ៤ភ9				
26 27 28	Total Annual Cost	Sum (Ln19Ln25)				
29 30	Total Monthly Cost	Ln27 / 12				
31 32	Gross Receipts Tax Factor					1.0152
33 3 35 36 37 38 39 40 41 42 43 44 50 46 47 48 950	Monthly Cost w/GRT	ίπ29 * ίπ31				

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Summary of Investments,	POT Bay	per DS3	Cross	Connect
Study Period 1996-1998				

Lo	Description	Sourca
2	157C Equipment investment POT Bay	Wp311 Pg2 Ln34
3	POT Bay Shelf	Wp311 Pg3 Ln28
5 6	POT Bay Module	Wp311 Pg4 Ln28
7 8	Total 357C Equipment Investment	Sum (Ln2Ln6)
9 10		
11 12		
13 l 14	Land Investment POT Bay	Wp311 Pg2 Ln38
15	÷	
16 17	POT Bay Shelf	Wp311 Pg3 Ln32
18	POT Bay Module	Wp311 Pg4 Ln32
19 20	Total Land Investment	Sum (Ln14Ln18)
21 22		
23		
24 25	Building investment	
26 27	POT Bay	Wp311 Pg2 Ln42
28	POT Bay Shelf	Wp311 Pg3 Ln36
29 30	POT Bay Module	Wp311 Pg4 Ln36
31 32	Total Building Investment	Sum (Ln26Ln30)
33 34		
35		
36 37		
38 39		
40		
41 42		3
43		
44 45		
46 47		
48		
49 50		

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<u>Value</u>

Physical Collocation		State Workpaper Page Date	Florida 311 2 of 4 Feb-97
Development of POT Bay DS3 Cross Conner POT Bay	ct Unit Investment		А
Study Period 1996-1998 in Description	Source	FRC	Value
—	Network	357C	
1 POT Bay Material Price 2			
3 Telephone Plant Index 4	Fundamental Cost	357C	1.000
5 Base Year Material Price 6	Ln1 * Ln3		
7 Hardwired Inplant Factor	Fundamental Cost	357C	1.8700
8 9 Base Year Installed Investment	Ln5 * in7		
10 11 Levelized Inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized Installed Investment	Ln9 * Ln11		
14 15 Number Shelves 16	Network		12
17 Projected Actual POT Bay Utilization	Network		33%
18 19 Levelized investment per Shelf 20	Ln13 / Ln15 / Ln17		
21 Number DS3's per Shelf	Network		32
22 23 Levelized Utilized investment per DS3 24	Ln19 / Ln21		
25 Projected Actual Shelf Utilization 26	Network		18%
27 Levelized Utilized Investment per DS3	Ln23 / Ln25		
28 29 Power Equipment Loading 30	Fundamental Cost	357C	0.0670
 31 Power Equipment investment 32 	Ln27 * Ln29		
33 Total Investment with Power Loadings 34 per DS3 35	Ln27 + Ln31		
36 Land Loading 37	Fundamental Cost	20C	0.0030
38 Land Investment	Ln34 * Ln36		
39 40 Building Loading 41	Fundamental Cost	10C	0.0404
	Ln34 * Ln40		
44			
45 46			
47			
48 49			
50			

Physical Collocation		State Workpaper Page Date	Florida 311 3 of 4 Feb-97
Development of POT Bay per DS3 Cross Co POT Bay Shelf Study Period 1996-1998	nnect Unit investment		А
Ln Description	Source	FRC	<u>Value</u>
1 POT Bay Shelf Material Price	Network	357C	
2 3 Telephone Plant Index	Fundamental Cost	357C	1.000
5 Base Year Material Price	Ln1 * Ln3		
6 7 Hardwired Inplant Factor 8	Fundamental Cost	357C	1.8700
9 Base Year Installed Investment	Ln5 * in7		
10 11 Levelized inflation Factor	Fundamental Cost	357C	0.970
12 13 Levelized installed investment	Ln9 * Ln11		
14 15 Projected Actual Utilization	Network		18%
16 17 Installed, Levelized, Utilized Investment	Ln13 / Ln15		
18 19 Number DS3's 20	Network		32
20 21 Investment per DS3 22	Ln17 / Ln19		
23 Power Equipment Loading	Fundamental Cost	357C	0.0670
24 25 Power Equipment Investment 26	Ln21 * Ln23		
27 Total Investment with Power Loadings 28 per DS3	Ln21 + Ln25		
29			
30 Land Loading 31	Fundamental Cost	20C	0.0030
32 Land investment 33	Ln28 * Ln30		
34 Building Loading 35	Fundamental Cost	10C	0.0404
36 Building Investment	Ln28 * Ln34		
37 38			
39 40			
41 :			
42 43			
44			
45 48			
47			
48 49			
50		•	

Physical Collocation			State Workpaper Page Date	Fiorida 311 4 of 4 Feb-97
Development of POT Bay per DS3 Cross Cor POT Bay Module	nnect Unit investme	nt		۸
Study Period 1996-1998	_			A
Ln Description	Source	<u>Material Price</u>	Inplant Factor	investment
1 POT Bay Module Material Price 2	Network		357C	
3 Telephone Plant index 4	Fundamental Cost		357C	1.000
5 Base Year Material Price	Ln1 * Ln3			
6 7 Plug-in Inplant Factor 8	Fundamental Cost		357C	1.0600
9 Base Year Installed Investment 10	Ln5 * in7			
11 Levelized initiation Factor	Fundamental Cost		357C	0.970
12 13 Levelized installed investment 14	Ln9 * Ln11			
15 Projected Actual Utilization	Network			100%
16 17 Installed, Levelized, Utilized Investment	Ln13 / Ln15			
18 19 Number DS3's 20	Network			1
20 21 Investment per DS3 22	Ln17 / Ln19			
22 23 Power Equipment Loading 24	Fundamental Cost		357C	0.0670
25 Power Equipment investment 26	Ln21 * Ln23			
27 Total Investment with Power Loadings 28 per DS3 29	Ln21 + Ln25			
30 Land Loading	Fundamental Cost		20C	0.0030
31 32 Land Investment 33	Ln28 * Ln30			
34 Building Loading 35	Fundamental Cost		10C	0.0404
36 Building investment 37	Ln28 * Ln34			
38 39			•	
40				
41	:			
42 43	•			
44				
45 46				
47				
48 49				
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49 50

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SECTION 5

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SECTION 5

FLORIDA PHYSICAL COLLOCATION

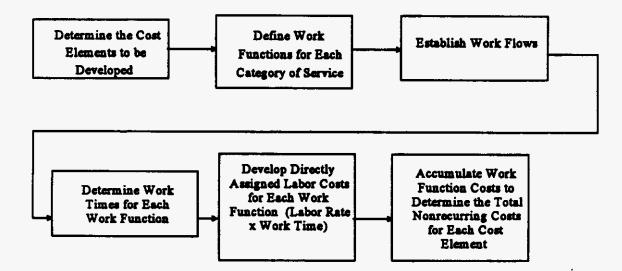
COST DEVELOPMENT - NONRECURRING

Nonrecurring Total Service Long Run Incremental Costs (TSLRIC) are one-time costs incurred as a result of provisioning, installing, disconnecting and completing orders initiated by a customer request for Physical Collocation. Calculations for the nonrecurring costs are included in this section.

Figure 5-1 shows a generalized flow of the steps necessary for developing nonrecurring costs. Each part of this flow will be explained in more detail in this section.

Figure 5-1

Generalized Flow Diagram for Developing Nonrecurring Costs



The first step in developing nonrecurring costs is to determine the cost elements to be studied. Each cost element is then described by all of the individual work functions required to provision the element.

SECTION 5

FLORIDA PHYSICAL COLLOCATION

COST DEVELOPMENT - NONRECURRING

The work functions required to provide Physical Collocation can be grouped into three categories. These are:

- 1) Service Order
- 2) Engineering
- 3) Connect and Test

Work functions included in these categories range from clerical activities to installation activities.

The work functions and work times involved in the provisioning of Physical Collocation are identified by individuals knowledgeable about and/or responsible for performing the functions. These work functions and work times are then used to describe the flow of work within the various work centers involved in provisioning the element.

A spreadsheet model is used to incorporate the specific work functions and directly assigned labor rates. 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 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. Next, the individual work function costs are accumulated into the installation cost for the element studied.

Utilizing work functions, work times and directly assigned labor rates, disconnect costs are calculated in the same manner as the installation costs. Since the labor costs will occur in the future, the directly assigned 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.

Nonrecurring costs are calculated separately on a first and additional basis. "First" refers to the first item on a service order. "Additional" costs are the incremental costs of providing one or more duplicates of the first item on the same service order at the same time as the first.

The following workpapers reflect the cost development.

Physical	Collocation
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Summary of Nonrecurring Costs

		Ą	В	
١n	Description	Eirst	Additional	Source
3	Application Cost per Request		N/A	Wp410 Ln20
4 5 6 7 8	Space Construction Cost 100 Sq Ft "Cage" Additional 50 Sq Ft		N/A N/A	wp420 Լո16 wp420 Լո29
9	Cable Installation Cost per Cable		N/A	Wp430 Ln18
13 14	Cross-connect Cost			
15 16	per 2-Wire			Wp440 Ln27
17	per 4-Wire			Wp450 Ln27
18 19				Wp460 Ln31
20 21 22	per DS3			Wp470 Ln27
23 24 25				
26 27	Security Escort Cost			
28 29 30				Wp480 Ln10
31 32 33	Overtime, per half hour			Wp480 Ln19
34 35 36	Premium, per half hour			Wp480 Ln28
37				
38 39 40 41 42				
40 41				
43		· :		
44 45				
46 47				

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19 20 Total Nonrecurring Cost Application per Request Ln18 * Ln18 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 35 36 37 38 39		cal Collocation						State Workpaper Page Date	Fiorida 410 1 of 1 Feb-97
Installation Disconnect Levelized Installation Disconnect Total 1 Description Worktime.(no.) Worktime.(no.) Labor.Rain Cast Cast Cast Cast Date	Devel	opment of Application Cost per Reques		Cost B	с	D	ε	•	G
Business Marketing \$26.815 Administrative Reports Clark \$30.791 Customer Point of Contact (ICSC) \$40.665 Network & Engineering Planning (FG20) \$57.985 Outside Plant Engineering (OSPE) \$48.058 Land & Building (FG10) \$63.073 Konracurring Cost Application per Request 1.01 Total Nonrecurring Cost Application per Request 1.01 Total Nonrecurring Cost Application per Request 1.01 10 Total Nonrecurring Cost Application per Request 1.01 21 Total Nonrecurring Cost Application per Request 1.01 22 3 3 33 3 3	1	Description				Cost	Cost	Disconnect Cost	Cost
7 Customer Point of Contact (ICSC) \$40.665 9 Network & Engineering Planning (FG20) \$57.966 11 Outside Plant Engineering (OSPE) \$48.056 12 Land & Building (FG10) \$63.073 16 Nonrecurring Cost Application per Request 1.01 17 Gross Receipts Tex Fector 1.01 10 Total Nonrecurring Cost Application per Request Ln16 * Ln18 21 Total Nonrecurring Cost Application per Request 1.01		Business Marketing			\$56.815				
7 Customer Point of Contact (ICSC) \$40.665 9 Network & Engineering Planning (FG20) \$57.996 10 Outside Plant Engineering (OSPE) \$48.058 12 Land & Building (FG10) \$63.073 14 \$60.073 15 Norrecurring Cost Application per Request 1 16 Norrecurring Cost Application per Request 1.01 17 Gross Receipts Tex Factor 1.01 19 0 Total Norrecurring Cost Application per Request 1.01 19 0 1.01 1.01 20 Total Norrecurring Cost Application per Request 1.01 21 1.01 1.01 1.01 22 1.01 1.01 1.01 23 1.01 1.01 1.01 24 1.01 1.01 1.01 23 1.01 1.01 1.01 24 1.01 1.01 1.01 25 1.01 1.01 1.01 26 1.01 1.01 1.01 27 1.01 1.01 1.01 28 1.01 1.01 1.01		Administrative Reports Clerk			\$30.791				
Network & Engineering Planning (FG20) \$57.986 Uutside Plant Engineering (CSPE) \$48.058 Land & Building (FG10) \$83.073 Gross Receipts Tex Factor 1.01 Gross Receipts Tex Factor 1.01 Total Nonrecurring Cost Application per Request Ln16 * Ln18 Ln16 * Ln18 Ln16 * Ln18 Ln16 * Ln18 Ln1	7	Customer Point of Contact (ICSC)			\$40.665				
11 Outside Plant Engineering (OSPE) \$48.058 12 13 Land & Building (FG10) \$63.073 14 15 15 Nonrecurring Cost Application per Request 1 16 Nonrecurring Cost Application per Request 1.01 19 20 Total Nonrecurring Cost Application per Request Ln16 * Ln18 21 23 4 22 23 4 23 24 25 26 27 28 29 30 31 31 32 33 33 34 35 36 37 38	9				\$57.986				
13 Land & Building (FG10) \$63.073 14 15 15 16 Nonrecurring Cost Application per Request 17 18 Gross Receipts Tex Factor 19 20 Total Nonrecurring Cost Application per Request 21 22 23 24 25 26 26 27 28 29 30 31 32 33 34 35 36 37 38 39	11	Outside Plant Engineering (OSPE)			\$48.058				
15 16 Nonrecurring Cost Application per Request 17 18 Gross Receipts Tax Factor 10 19 20 Total Nonrecurring Cost Application per Request 21 22 23 24 25 26 27 28 29 30 31 32 33 34 34 35 37 38	13	Land & Building (FG10)			\$63.073				
18 Gross Receipts Tax Factor 1.01 19 20 Total Nonrecurring Cost Application per Request Ln16 * Ln18 21 22 23 24 24 25 26 27 27 28 29 30 30 31 31 32 33	15		net						
20 Total Nonrecurring Cost Application per Request Ln16 * Ln18 21 22 23 24 25 26 27 28 30 30 31 32 33 34 35 35 34 35 35	18	Gross Receipts Tax Factor							1.0152
41 42 43 44 45 46 47 48 ** DDF = Discounted Disconnect Factor	20 21 22 23 24 25 26 27 82 93 31 32 33 35 56 37 83 94 41 42 43 44 56 47 82 93 31 32 33 35 56 37 83 94 41 42 43 44 56 44 56 27 82 93 132 33 45 56 27 82 93 14 25 26 27 82 93 14 25 26 27 82 93 14 25 26 27 82 93 14 25 26 27 82 93 132 33 35 56 37 83 33 35 56 37 83 39 40 14 40 14 40 14 14 14 14 14 14 14 14 14 14 14 14 14	Total Nonrecurring Cost Application per		in16 * in18				·	

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Physic	al Collocation						State Workpaper Page Date	Fiorida 420 1 of 1 Feb-97
Devek	pment of Space Construction Nonrecu	rring Cost A	в	с	D	ε	F Discounted	G
Ľ۵		installation Worktime.(hrs)	Disconnect Worktime.(hrs)	Levelzed Labor Rate	Installation <u>Cost</u> A * C	Disconnect Cost B * C	Disconnect Cost E * DDF **	Total <u>Cost</u> D + F
2	Finat 100 Sq.Et Land & Building (FG10)			\$ 63.073				
- 4	Regional Material and Installation Cost		Source	•				
6	of wall, dust barrier, door (s), mechanical and electrical equipment,			;				
7 8 9	first 100 Sq Ft		PPSM					
	Norrecurring Cost Space Construction, per 100 Sq Ft Module		Ln3 + Ln6					
	Gross Receipts Tax Factor							1.0152
15 16 17	Total Nonrecurring Cost Space Construc per 100 Sq Ft Module	:tion,	Ln11 * Ln13					
18 19 20	<u>Additional 50 Sq.Ft</u>							
21 22 23 24 25 26	mechanical and electrical equipment, additional 50 Sq Ft Gross Receipts Tax Factor		PPSM					1.0152
27 28 29 30 31	Total Nonrecurring Cost Space Constru per Additional 50 Sq Ft Module	ction,	in24 * in28					
32 33 34 35 35 35 35								
38 39 40 41 42 44	1							
46 46 47	; ; ; ** DDF = Discounied Disconnect Factor ;	,						

Physi	cal Collocation	State Workpaper Page Date	Floride 430 1 of 1 Feb-97					
Devel	opment of Cable Installation per Cable	Nonrecurring Co	ent B	С	D	E	F	G
<u>لم</u> 1 2	Description	Installation <u>Worktime (brs)</u>	Disconnect Worklime.(hrs)	Levelzed Lebor Rain	installation <u>Cost</u> A*C	Disconnect <u>Cost</u> B * C	Disconnect Cost E * DDF **	Total <u>Cont</u> D + F
3				\$57.985				
	Outside Plant Engineering (OSPE)			\$48.058				
7 8 9	Outside Plant Construction (OSPC)			\$42.587				
10 11	l de la constante de							
12 13								
15								
17	Gross Receipts Tax Factor	• • •						1.0152
19	Total Nonrecurring Cost Cable Installatio	n, per Cable	Ln14 * Ln16					
20 21 22								
22 22 25 28 27 28 29 31 33 33 34 35 35 35 35 35 35 35 35 35 35 35 35 35								
25 26								
27 28								
20 30								
31								
34								
36 37	i de la companya de l							
38))							
40								
42								
44								
47	;) ** DDF = Discounted Disconnect Factor							
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Physic	el Collocation	·	•							State Workpaper Page Date	Florida 440 1 of 1 Feb-07
Devel	opment of Cross Connect per 2-Who Nonrets	8 A Instaliation Workimes	C D Disconnect Workilmes	E Leveized	F	G Ion Cost	Н	l ect Cost	J K Discounted Disconnect Cost	L Total Coal	M Total Cost
La,	Description	(Minutes) <u>Eizel Additional</u>	(Minutos) Eizst Addillazat	Labor Rale	Fint	Additional	First	Additional	Eint Addition	el Eint	Additional G+K
23	<u>Service Onler</u> Customer Point of Contect (ICBC)			\$40.885					·		
4	Circuit Provisioning Center (CPC)			\$36.536							
7	Network Administration			\$34.921							
9 10	Special Services Coord & Testing (SSC)			\$36.600							
11 12 13				\$38.535							
14 15	<u>Connect & Test</u> CO Instal & Mice (NTEL)			\$41.504							
16 17 18	Special Services Coord & Testing (SSC)			\$38.009							
19 20 21						•					
22 23	Nonrecurring Cost Cross Connect per 2-Wire										
26	Gross Receipts Tax Factor								1.01		
27 28 29		Wre La23 * La21	5								
30 31											
32 33 34											
35 30 37				·							
38 30	•										
40 41 42											
43											
45 46 47											
	** DDF = Discounted Disconnect Factor										

	ical Collocation											State Workpaper Page Date	Florida 450 1 of 1 Feb-97
Deve	lopment of Cross Connect per 4-Wire Nonrecu	ning Cost A Instaliation Wo (Minutes)		C D Disconnect Workline (Minutes)	E 6 Lovelized	F	G Ion Cont	H	i ect Cast	j Disco Discom	K unied ect Cost	L Total Coat	M Total Cost
ما	Description		idilional	Einit Additions	l Labor Rain	Eint	Additional B*E/60	Elmi	Additional	First	Additional	Eint F+J	Addilional G+K
2	<u>Barrice Order</u> Customer Point of Conlact (ICBC)				\$40.005		5 2700	0 2100	0 2100				U+K
6	Circuit Provisioning Center (CPC)				\$38.535								
1	Network Administration				\$34.821								
9 10					\$38.850								
11 12 13					\$38.635								
	Connect & Test CO Install & Mice (MTEL)				\$41.804								
17	Special Services Coord & Testing (SSC)				\$38,650								
19 20													
21 21 22													
23	Nonrecurring Cost Cross Connect per 4-Wire												
	i Gross Receipts Tex Factor										1.0152		
	Totel Nonrecurring Cost Cross Connect per 4-W	Re Lui	2 3 * L x25								••		
26 29 30													
30													
34	i												
36 37	7												
36													
40													
42													
44													
40 41													
	I TDF = Discounted Disconnect Factor												
50													

•	ioni Collocation									Stele Workpaper Page Dale	Fiorida 480 1 of 1 F eb-8 7
Devi	olopment of Cross Connect per DB1 Nonrecurt	ng Cost A B Installation Worklime	C D B Disconnect Worldim	E na Laveized	F	G	н	1	J K Discounted	L	M
La	Canoription	(Minutas) Eixet Addition	(Minutes)		Fint	ion Cost <u>Additional</u>	Elcul	Additional	Disconnect Cost Eixit Addilio H * DDF ** I * DDF	Total Cost Ini <u>Eini</u> I F+J	Total Cost Additional G + K
:	2 <u>Service Order</u> 3 Customer Point of Contect (ICSC)			\$40,005		5 E74V	0 2700	0 2/00			U V K
4 	4 5 Network & Engineering Planning (FG20)			\$57,906							
	t 7 Circuit Provisioning Center (CPC)			\$36.535							
	Network Plag-in Administration (PIC8)			\$44.225							
1(1 Natwork Administration			\$34.821							
1: 1: 1:	3 Special Services Coord & Testing (SSC)			\$30.000							
	5 Engineering 6 Circuit Provisioning Center (CPC)			\$36.535							
11 11	8 <u>Connect & Test</u> 9 CO invisit & Mice (NTEL)			\$41.504							
2	1 Special Services Coord & Tealing (SSC) 2		,	\$36.600							
2 2 2	4 5										
	7 Nonrecurring Cost Cross Connect per DB1								••		
	9 Gross Receipts Tax Factor								1.0	152	
3	1 Total Nonrecurring Cost Cross Connect per DB	l Lu27*La	n29								
3	3										
3	5										
3	7										
3	0.										
4	1										
4	3										
4	5	·									
4	7										
4 4 5											
9	v										

-	Collocation								State Wortpaper Page Date	Florida 470 1 of 1 Feb-97
Developm	ent of Cross Connect per D83 Nonrecunit	ng Cost A B Installation Workilmes (Minutee)	C D Disconnect Worklimes	E Levelzed	F	G Ion Cont	H I Disconnect Cost	J K Discounted Disconnect Cost	L Total Cost	M Total Cost
Ln 1	Description.	Eint Additional	Eint Additional	Labor Rale	Eint	Additional	Eint Additions		Ebul	Additional G+K
2 <u>Sen</u> 3 Ci	<u>vice Order</u> veloceer Point of Contact (ICBC)			\$40.005						
5 N	stwork & Engineering Planning (FG20)			\$57.998						
ž a	icuit Provisioning Center (CPC)			\$36.635						
10	etwork Administration			\$34.921						
12	peolel Services Coord & Teeling (SBC)			\$38.659						
13 <u>Eng</u> 14 Cl 15	inenity Icuit Provisioning Center (CPC)			\$38.535						
16 <u>Con</u>	nac <u>i & Teat</u> D Inalai & Mice (MTEL)			\$41,504						
18 19 8g	pecial Services Coord & Teeling (85C)			\$38.859						
20 21 22										
	recurring Cost Cross Connect per (163									
25 Gro 26	es Receipte Tax Factor							1.015	2	
28	al Nonrecurring Cost Cross Connect per D63	Ln23 * Ln25								
29 30 31										
31 32 33 34										
35										
36 37										
38 39 40	•									
40 41 42										
43 44										
45 46										
	OF = Discounted Disconnect Factor									
49 50										

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Physi	cal Collocation		State Workpaper Page Date	Florida 480 1 of 1 Feb-97	
Devei	opment of Security Escort Nonrecurring Cost	A B installation	C Levelized	D Total C	E
ᅝ	Description	Worktimes (hrs) <u>First Additional</u>	Labor Rate	<u>Finat</u> A • C	Additional
2	Basic, per half hour Customer Point of Contact (ICSC) CO Install & Mtos Field - (NTEL) Special Services Coord & Testing (SSC)		\$39.232 \$40.188 \$37.374		B*C
8 9	Gross Receipts Factor		1.0152		
10 11 12 13	Total Basic Time, per half hour	(Sum Ln4L	.n6) * Ln8		
14 15	Overtime, per half hour Customer Point of Contact (ICSC) CO Install & Mtce Field - (NTEL) Special Services Coord & Testing (SSC)		\$49.022 \$50.078 \$47.153		
19 20 21 22	Total Overtime, per half hour	(Sum Ln15	Ln17) * Ln8		
23 24 25 26 27	Premium, per half hour Customer Point of Contact (ICSC) CO Install & Mtce Field - (NTEL) Special Services Coord & Testing (SSC)		\$58.811 \$59.968 \$56.932		
	Total Premium , per half hour	(Sum Ln24	Ln26) • Ln8		

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FLORIDA PHYSICAL COLLOCATION

SPECIFIC STUDY ASSUMPTIONS

The cost study for Physical Collocation is based on Total Service Long Run Incremental Cost methodology (TSLRIC). Network deployment strategies, first choice provisioning guidelines and equipment purchasing information are used to develop the Total Service Long Run Incremental cost.

Cost study assumptions are as follows.

- 1. The nonrecurring cost for the collocation application is a one time cost per request per location. The application cost does not include any costs associated with processing a firm order.
- 2. All monthly and nonrecurring costs associated with space preparation, including the service order cost for the firm order, will be developed on an individual case basis.
- 3. Space construction costs consist of an average of three gypsum walls, temporary dust barrier, additional mechanical fixtures and electrical outlets inside a minimum 100 sq. ft. "cage" area.
- 4. The monthly cost for power per ampere excludes the power portion of the maintenance component of the 377C annual cost factor. A monthly cost for power usage is added to the result.
- 5. The cable support structure assumes an average distance of 400 feet from the vault to the collocator's space.
- 6. Cable installation cost includes the cost to place cable from the BST central office manhole entrance to the collocator's arrangement location.
- 7. A cross connect (X-conn) will always be installed with either an unbundled element or interconnection order.
- 8. For a DS1 and DS3 X-conn, regeneration costs are incurred 5% and 10% of the time, respectively. This cost is included in the DS1 and DS3 monthly X-conn cost.

FLORIDA PHYSICAL COLLOCATION

SPECIFIC STUDY ASSUMPTIONS

- 9. The demarcation point between a collocator's network and BST's network will be the POT (point of termination) bay.
- 10. The cost of money applied is 13.2%.
- 11. These cost studies are based on a study period of 1996 1998 and incorporate 1995 investments and factors.
- 12. Utilization Percentages:

Cable Rack - Cross Connects 671 Cable Rack - Cable Support Structure 501 72.5% Trunk Distributing Frame (TDF) Connecting Block (2W/4W) on TDF 72.5% 100 pr cable (2W/4W)851 40% POT Bay (2W/4W) 85% Terminating Block 70% DSX-1 Bay 901 Cable (DS1) 30% Repeater Bay (DS1) Repeater Shelf (DS1) 80% Repeater (DS1) 100% 338 POT Bay (DS1/DS3) POT Bay DS1 Shelf 80% 98.7% POT Bay Connecting Block DSX-3 Bay 671 DSX-3 Cable 100% 35% Repeater Bay (DS3) Repeater Shelf (DS3) 85% 100% Repeater (DS3) POT Bay Shelf (DS3) 184 100% POT Bay Module (DS3)

13. Power usage per ampere shown on Workpaper 230 Line 35 is developed as follows:

Monthly Cost (\$) = \$0.07/1000hr x 50watts x 24hrs/day x 30days/mo x 1/0.85 rectifier efficiency

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FLORIDA PHYSICAL COLLOCATION

FACTORS AND LOADINGS

Following are Total Service Long Run Incremental Cost (TSLRIC) annual cost factors, miscellaneous loadings, and labor rates used in the Physical Collocation cost study.

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FLORIDA PHYSICAL COLLOCATION

FACTORS AND LOADINGS

Miscellaneous Loadings			
Land COE	200	.0030	
Building COE	10C	.0404	
Power Equipment	357C	.0670	
Levelized Inflation Fact	or		
	357C	.970	
	377C	1.012	
	10C	1.059	
	20C	1.059	
TIRKS Regional Annual Ex	pense Factor	.0052	
Telephone Plant Index			
	357C	1.0000	
	377C	1.0000	
Inplant Factor			
Hardwired	357C	1.8700	
Plug In	357C	1.06	
Gross Receipts Tax Facto	or	1.0152	
Discounted Disconnect Fa	ctor (DDF)		
2-Wire Cross Connect		.9080	
4-Wire Cross Connect		.8981	
DS1 Cross Connect		.8562	
DS3 Cross Connect		.8562	
Application Cost		. 9890.	
Cable Installation		.8193	•
1995 Directly Assigned H	Nourly Labor Rates		
		1995	Levelized
Customer Point of Cor		\$38.30	\$40.67
CO Install & Maintena		\$39.09	\$41.50
Circuit Provisioning		\$34.41	\$36.54
Network Administratic		\$32.89	\$34.92
Outside Plant Engine		\$45.26	\$48.06
Network Planning & En		\$41.65	\$44.23
Special Svc Coord & 7		\$36.41	\$38.66
Network & Engineering		\$54.61	\$57.99
Outside Plant Constru Land & Building (FG10		\$40.11	\$42.59
Business Marketing	,	\$59.40 \$53.51	\$63.07 \$56.82
Administrative Report	s Clerk	\$53.51 \$29.00	\$30.79
		Ψ 4 31VV	44413

FLORIDA PHYSICAL COLLOCATION

FACTORS AND LOADINGS

1995 Directly Assigned Hourly Labor Rates		
	<u>1995</u>	<u>Levelized</u>
Customer Point of Contact (ICSC)		
Basic	\$36.95	\$39.23
Overtime	\$46.17	\$49.02
Premium	\$55.39	\$58.81
Co Install & Maintenance (NTEL)		~
Basic	\$37.85	\$40.19
Overtime	\$47.17	\$50.08
Premium	\$56.48	\$59.97
Special Svc Coord & Testing (SSC)		
Basic	\$35.20	\$37.37
Overtime	\$44.41	\$47.15
Premium	\$53.62	\$56.93

Note: The Basic labor rate is for regular hours worked on a scheduled workday.

The Overtime labor rate is for overtime hours worked on a scheduled workday.

The Premium labor rate is for overtime hours worked on an unscheduled workday.

To create a Levelized labor rate from a 1995 Labor Rate:

1995 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

Example:

\$38.30 • [(1.029/1.132¹) + ((1.029*1.034)/1.132²) + ' (1.029*1.034*1.035)/(1.132³)]/((1/1.132¹) + (1/1.132²) + (1/1.132³)) = \$40.67

FLORIDA PHYSICAL COLLOCATION

FACTORS AND LOADINGS

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Telco Eng	
Year 1	3.0\$
Year 2	3.3
Year 3	3.48
Telco COE	
Year 1	2.98
Year 2	3.48
Year 3	3.5%

FEURIDA ACCURINT AVERAGE ANNUAL COST FACTORS INCREMENTAL

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*FOR USE IN SERVICE COST STUDIES ONLY *

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			4 1	1 • •		j			i	i '					
			i 1	I	L I	1		i 1	1	0 0 1 5 2		. อ.มาระ	i	00152	•
		i 1	I 10.540		(a+b+c)	1	1 .	}	l (e+1+g)	+ (d+h)	(d+h+i)	a (d+h)	(d+h+k)		I detterne
												11 - Laura - Laura			
EANE)	20C	0 0000	0 1116	0 0514	0 1632	0 0000	0 0113	0 0000	00113	0.0027	0.1772				
BUN DINGS	10C 110C #10C	0 0 0 0 0	0 0900	0 0452	0 1740	0 0000	0.0113	0 0000	0.0185	0 0029	0 1951	•			
ANALOG ELEC SWITCH	17C. #17C. 9/7C	0 2629	0 0660	0 0308	0 3615	0 0217	0.0113	0 0000	0 0330	0 0060	 0 4005 				
DIGITAL ELEC SWITCH	377C, 467C	0 1134	0 0851	0 0302	0 2067	0 0202	0 01 13	6 0000	0 0395	0 0038	0 2520				
OPERATOR SYSTEMS	1170,4170	6 1083	0.0751	0 0404	0 2230	6 0040	00113	0 0000	0 0153	0.0036	0 2427				
RADIO	167C 67C 867C 957C	8 1434	0 0750	0.0348	0 2532	0 0763	00113	0 6000	0 0676	0 0052	0.3460				
DIGTE CIRC DDS	157C	8 1819	0 0875	0 0 3 0 5	0 2750	0 0073	00(13	0000	0.0146	0 0045	0 3021				
DIGTL CIRC PAIR GAIN	257C D257C F257C	0 1134	0 0030	0 0200	0 2058	0 0000	00113	0 0000	0 0202	0 0034	0 2294				
DIGH CIRC OTHER	357C,T357C F357C #57C,#57C	0 1134	0 0830	6 0267	0 2000	0 0000	00113	0000	0 0 199	0 0034	0 2302				
ANALUG CIRC-PAIR GAIN	457C	. 1000	0 0830	0 0248	0 2573	0 0000	00113	0000	00113	0 0041	0 2727	* See Note B	aiuw .		
ANALOG CIRC OTHER	570	0 1000	6 0630 6 0771	0 0202	0 2610	6 6206	00113	8 0000	0 0319	0 0045	0 2074				
РВХ	150C 250C	6 2288	8 9763	0 8346	0 3413	0 0145	00113	0 0000	0 0258	0 0058	0 3727				
PUBLIC COIN	198C, 188C	8 1483	00763	0.0340	0 2504	0 2004	00113	0000	0 2197	0 0073	0 4964				
PUBLIC COMLESS	290C 200C	0 1483	00/63	0 0340	0 2504	0 1240	0 0113	0 0000	0 1381	0 0060	0 4015			•	
PUBLIC OTHER	999C, 999C	8 1483	8 0012	0 0350	0 2004	0.0548	0 0113 0 0113	0 0000	0 1175	0 0057	0 3828				
OTHER TERMINAL EQPT	350C.(0050C,050C,550C) 020C 920C,F950C	0 1733	00012	4 030	0 2004			0 0000	0 0061	0 0054	0 3619				
SUBSCRIBER PAIR GAIN	758C.0758C.F758C		0 0000	0 0000	0 0000	0 0000	6 0800	0 0000	0 0000	0 0000	0 0000				
POLES	1C, 011C	0 4071	8 8725	0 0325	0 1721	0 0276	0 0113	0 0000	0 0392	0 0032	0 2145				
AERIAL CA METAL	22C, 12C, 802C	0.0017	8 8797	0 0330	0 2052	0 0671	0 0 1 1 3	0 0000	0.0004	0 0042	0 2778				
AERIAL CA FIBER	822C. 812C. 882C. 982C D22C.	0 0007	0 0704	0 0347	0 1700	0 0130	80113	0 0000	0252	0 0031	0 2061				
	F22C T22C D12C F12C T12C														
UNGROUND CA METAL	5C, 805C	0 1036	0 0813	0 0342	0 2191	0 0291	0 0113	8 0000 B	0 0404	0 0039	0 2634				
UNGROUND CA - FIBER	85C 885C 985C 05C F5C 15C	8 0626	6 0600	0 0358	@ 1704	0 0135	0-0113	0 0006	8 0246	0 0031	0 2063				
BURIED CA - METAL	45C, 848C	0 0076	8 0809	0 0354	0 2030	9 0543	0 0113	0 0000	0 C656	0 0041	0 2736				
BURIED CA - FIBER	845C,858C,858C,045C F45C,145C	0 0505	0 06 16	8 8387	ê 178ê	0 8144	6-8113	0000 ÷	0 0257	0 003 1	0 2056				
SUBMARINE CA METAL	C. 808C	0 0000	0 0814	0 0306	0 2040	0 0150	0 0113	0 0000	0.0263	0 0035	0 2330				
SUBMARINE CA FIBER	BOC.BOC.DOC.FOC.TOC	0 0000	8 0814	0 0355	0 2029	0 0150	8 8113	0 0000	0 0203	0 0035	0 2 3 2 7				
INTROLD NEWS METAL	52C	0 0001	0 0705	0 8346	6 1788	0 0320	0.0113	0 0000	0 0433	9 0034	6 2253				
WIABLD NEWK FIBER	852C.052C.F52C.T52C	0 0001	0 8785	0 0340	0 1700	0 0320	60113	0 0000	0 0 4 3 3	0 0034	0 2253				
										1000	• 11 3 3				
CONDUIT SYSTEMS	4C, 84C, 94C	0 4242	0.0877	0 0401	0 1520	0.0620	00113	0 0000	00141	0 0025	0 1666				

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NOTE: Centern states in the BellSouth region (GA & NC) assess gress recepts lan only on "local" revenues. For these states, it is necessary to publish "local", "private line and latt", and "combined" factors. Beware that the definitions of "local" and "private line and tell" are defined by the lawing authority for gress recepts tain purposes and may very team state to state according to tain law

For more states which essess proces receipts ten on tecal, private time, and tell revenues, the grace receipts the factor is based on the everall effective ten rate

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Filed in Response to Order No. PSC-96-1579-FOF-TP BellSouth Telecommunications, Inc. Docket No. 960833-TP March 3, 1997

UNBUNDLED SUB-LOOPS

2-WIRE SUB-LOOP (DISTRIBUTION)

4-WIRE SUB-LOOP (DISTRIBUTION)

T S L R I C COST STUDY Documentation proprietary

SECTIONS A THRU 7

FLORIDA

UNBUNDLED SUB-LOOPS

COST STUDY DOCUMENTATION

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- SECTION A PROPRIETARY RATIONALE
- SECTION 1 INTRODUCTION AND OVERVIEW
- SECTION 2 DESCRIPTION OF STUDY PROCEDURES

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- SECTION 3 SUMMARY OF RESULTS
- SECTION 4 COST DEVELOPMENT RECURRING
- SECTION 5 COST DEVELOPMENT NONRECURRING
- SECTION 6 SPECIFIC STUDY ASSUMPTIONS
- SECTION 7 FACTORS AND LOADINGS

SECTION A

SECTION A

FLORIDA

UNBUNDLED SUB-LOOPS

PROPRIETARY RATIONALE

The Florida Unbundled Cost Studies for 2-Wire and 4-Wire Sub-Loops (Distribution) contain actual unit cost information for discrete cost elements. These costs reflect BellSouth's long run incremental cost of providing these elements 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 Unbundled Sub-Loop (Distribution) Cost Studies are considered proprietary.

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FLORIDA

UNBUNDLED SUB-LOOPS

INTRODUCTION AND OVERVIEW

The Total Service Long Run Incremental Cost (TSLRIC) studies for Unbundled 2-Wire and 4-Wire Sub-Loops (Distribution) are being provided in response to the Commission Order FPSC 96-1579-FPF-TP, issued December 31, 1996.

The TSLRIC presented in this study are volume sensitive. The Sub-Loops have no volume insensitive costs. Therefore, the Long Run Incremental Unit Costs (LRIC) and the TSLRIC are the same.

The unbundled cost elements referred to as 2-wire and 4-wire Sub-Loops (Distribution) represent the cost of the physical transmission facilities which extends from a remote terminal or other cross-connect device to a demarcation point at the customer's premises, (i.e., the Network Interface Device or NID): The cost of each facility is determined by loop characteristics as follows:

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

Loop costs represent outside plant distribution in a residence/business serving environment. 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.

The recurring costs presented in this study are levelized for the 1996-1998 study period. Nonrecurring costs follow the same convention and represent 1996-1998 levelized costs also. These long-run incremental costs are developed by using incremental loadings, annual cost factors based on 13.2% cost of money, and directly assigned labor rates.

FLORIDA

UNBUNDLED SUB-LOOPS

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of TSLRIC supporting the Unbundled 2-Wire and 4-Wire Sub-Loops (Distribution).

All costs are developed utilizing TSLRIC methodology. In determining these costs, direct incremental costing techniques are used that are in accordance with accepted economic theory. Direct incremental costs are based on cost causation and include all of the costs directly caused by expanding production, or, alternatively, costs that would be saved if the production levels were reduced. Costs may be volume sensitive and/or volume LRIC includes volume sensitive costs only, while insensitive. TSLRIC includes both volume sensitive and volume insensitive costs, For services with no volume insensitive costs, LRIC and TSLRIC are the same. Costs are forward-looking in nature because only future costs can be saved. Incremental costs are long run to assure that the time period studied is sufficient to capture all forward-looking costs affected by the business decision. Shared and common costs are not incremental and, therefore, are not included. Incremental costs include both recurring (capital and operating expenses) and nonrecurring (provisioning) costs. Incremental costs account for the expected change in cost to the firm resulting from a new service offering or from a change in demand for an existing service.

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 are the expenses for maintenance and ad valorem, gross receipts, and other taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. The first step in developing incremental recurring cost studies for the sub-loops is to determine the forward-looking network architecture. Material prices for the cables and associated equipment are defined. Next, account specific Telephone Plant Indices (TPIs) 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 utilization factors are also considered.

Levelized Inflation Factors (LIFs) for each specific plant account 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, Incremental Annual Cost Factors are used to calculate the direct cost of capital, maintenance and other operating 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. These costs are then summed and divided by twelve to arrive at a monthly cost per cost element.

DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting the 2-wire and 4-wire sub-loops. 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 inquiry, 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 directly assigned labor rate for the work group performing the function.

Utilizing work functions, work times and 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 discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the total nonrecurring cost.

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FLORIDA

UNBUNDLED SUB-LOOPS

SUMMARY OF RESULTS

This section contains a cost summary for the 1996 - 1998 TSLRIC of both recurring and nonrecurring cost elements studied for the Unbundled 2-wire and 4-Wire Sub-Loops (Distribution).

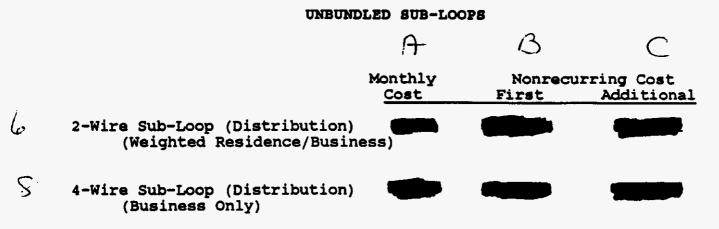
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SUMMARY OF RESULTS

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UNBUNDLED SUB-LOOPS

COST DEVELOPMENT - TSLRIC - RECURRING

This section describes the development of the recurring TSLRIC for the Unbundled 2-Wire and 4-Wire Sub-Loops (Distribution).

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. Annual cost factors are applied to convert the investment to cost.

The following sections explain how the investment for a typical Unbundled Sub-Loop (Distribution) is developed. After all loop investments are computed, annual and monthly costs are developed.

Tab A	Loop example (including distribution)	•
Tab B	Loop data from model	
Tab C	Conversion of cable sheath material investment to DSO equivalent material investment	
Tab D	Development of installation, engineering, and exempt material investments associated with cable placement	
Tab E	Loop investment results (single loop example)	
Tab F	Computation of average loop investments by class of service	
Tab G	Recurring cost spreadsheet and methodology	

TAB A

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RC : Facility Sec. Length : Flat Ga. Size 18 572 F ISC CADLE je choue = 642 = 12-454 CABUE 2624 F IL CABLE 2334 SC CABLE F 9 909 F SC CHOLE 790 1 SC CHBLE SCIL TC REGENERATOR CLLI MUN AT RT. F CABLE F 600 26 40 . CHBLE (D) Z4 Z5 F 56 X BOX 3600 Τ

"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 Copper Cable",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,"","" •

TAB B

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Page 1

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FLORIDA LOC. SAMPLE #: 2

LOOP # : 2.00	STATE: FL	SVC DESC: FI	orida Loop Survey Circu	uit	CIRCUIT ID: 3	053609149	CLLI: DRBHFLMA	
CIRCUIT T	YPE: V CIRCU	UIT LEVEL : DS	0 DESIGN: 3	CLASS OF S	VC : RESIDENCE	DLC	& MUX LOADINGS :	B
	ROUTE LI	ENGTH : 52,90	6 ROUTE MILE :	10.02	AIR MILES :	6.16		

Seg	ltem	Category	Field Code	Pid	Description	Feeder/Dist	Size	Gauge/Mode	Plcment/DB	Units	Unit Inv
1	1	Fiber	F5C	FOCALL40DB60	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40db	971.00	\$1.69
2	1	Fiber	F5C	FOCALL40DB60	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40db	845.00	\$1.69
3	1	Fiber	FSC	FOCALL40DB60	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40db	951.00	\$1.69
4	1	Fiber	F5C	FOCALL40DB60	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40db	3,256.00	\$1.69
5	1	Fiber	F5C	FOCALL40DB60	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40db	3,886.00	\$1.69
6	1	Fiber	F5C	FOCALL40DB36	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40db	3,148.00	\$0.45
7	1	Fiber	F5C	FOCALL40DB36	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40db	2,359.00	\$0.45
8	1	Fiber	F5C	FOCALLA0DB36	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40db	4,653.00	\$0.45
9	1	Fiber	F5C	FOCALLA0DB36	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40db	3,757.00	\$0.45
10	1	Fiber	F5C	FOCALLA0DB36	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40db	62.00	\$0.45
11	1	Fiber	F5C	FOCALL40DB30	CABLE FB-OPT ALL 40DB 30	F	30	Sgl	.40db	2,860.00	\$0.50
12	1	Fiber	F22C	FOCALLA0DB30	CABLE FB-OPT ALL 40DB 30	F	30	Sgl	.40db	1,600.00	\$0.50
13	1	Fiber	F5C	FOCALL40DB30	CABLE FB-OPT ALL 40DB 30	F	30	Sgl	.40db	240.00	\$0.50
14	1	Fiber	F5C	FOCALLA0DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	1,818.00	\$0.48
· 15	1	Fiber	F5C	FOCALLA0DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	1,652.00	\$0.48
16	1	Fiber	F45C	FOCALLA0DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgi	.40db	700.00	\$0.48
17	1	Fiber	F22C	FOCALLA0DB18	CABLE FB-OPT ALL 40DB 18	F .	18	Sgl	.40db	2,232.00	\$0.48
18	1	Fiber	F22C	FOCALLA0DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	509.00	\$0.48
19	1	Fiber	F22C	FOCALL40DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	482.00	\$0.48
20	1	Fiber	F45C	FOCALL40DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	572.00	\$0.48
21	1	Fiber	F5C	FOCALL40DB12	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40db	692.00	\$0.48
22	1	Fiber	F45C	FOCALL40DB12	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40db	2,604.00	\$0.48
23	1	Fiber	F22C	FOCALL40DB12	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40db	2,834.00	\$0.48
24	1	Fiber	F45C	FOCALL40DB12	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40db	909.00	\$0.48
25	1	Fiber	F45C	FOCALL40DB12	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40db	790.00	\$0.48
26	1	Fiber	F5C	FOCALL40DB18	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40db	5,276.00	\$0.48
28	1	Fiber	F5C	85CAVG	Underground Fiber Cable - Aver	F	60	Sgl	.40db	40.00	\$1.69
29	1	Fiber	F45C	845CAVG	Buried Fiber Cable - Average Siz	F	30	Sgl	.40db	25.00	\$0.50
31	1	Copper	45C	600B	26 Gauge Cable	D	600	26	B	20.00	\$2.92
32	1	Copper	45 C	900B	26 Gauge Cable	D	900	26	B	950.00	\$4.29
33	1	Copper	45C	400B	26 Gauge Cable	D	400	26	B	325.00	\$2.07
34	1	Copper	45C	2008	26 Gauge Cable	D	200	26	B	1,700.00	\$1.04
35	1	Copper	12C	50A	26 Gauge Cable	D	50	26	R	190.00	\$0.38

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TAB C

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SECTION 4, TAB C

FLORIDA

UNBUNDLED SUB-LOOPS

CONVERSION OF CABLE SHEATH MATERIAL INVESTMENTS TO DS0-EQUIVALENT MATERIAL INVESTMENTS

The Loop Investment Model stores cable investments at the actual price which BellSouth Telecommunications, Inc. currently pays for each cable type. The material investments are maintained at a "sheath foot" level and must be converted to a circuit-level (DSO-equivalent) material 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 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):

Cable Type	Placement_	Utilization Percentages
		· · · · · · · · · · · · · · · · · · ·

Copper	Distribution	38.8

For example:

349.2 pairs will typically be utilized in a 900 pair copper cable when it is placed as distribution.

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

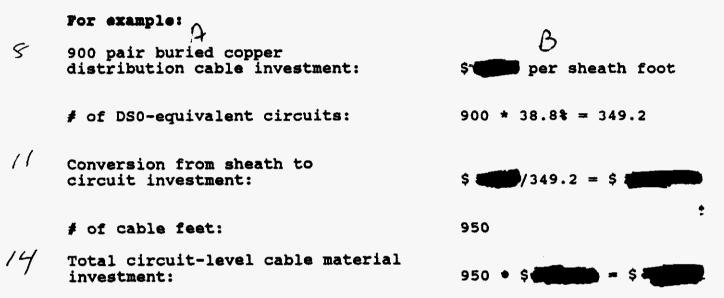
		DSO Equivalent Circuits
Cable Type	Placement	2-Wire
Copper	Distribution	1.0

TAB D

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TAB C Page 2

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



{Loop segment #32, Item #1 in the sample circuit data and results, Tab E}

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SECTION 4, TAB D

FLORIDA

UNBUNDLED SUB-LOOPS

DEVELOPMENT OF INSTALLATION, ENGINEERING, ELECTRONIC EQUIPMENT AND EXEMPT MATERIAL INVESTMENTS ASSOCIATED WITH CABLE PLACEMENT

After developing circuit-level cable material 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:	67	C	
	Field Code	Investment Description	In-plant Factor	
14	45C	Telco Installation Labor buried copper cable	-	!
16	45C	Telco Engineering Labor- buried copper cable		
78	45C	Contractor Installation : buried copper cable	Labor-	
<u> </u>	45C	Exempt Material- buried copper cable		
גע	45C	Right-of-Way	-	
a 3	{950 ft. of	el cable investment: 900 pair buried copper d the example circuit data	Station cable; Loop Segment #3 and results, Tab E}	32,
	Calculation	LE 3	•	
2 8 29	Compute \$	the Total Material Invest / (1-exempt material		
3 2		daterial Investment: L material investment - Ca	ble investment =	
35		nstallation Labor Investme L material investment • Te	ent: elco installation factor =	

25

Page 2 Telco Engineering Labor Investment: Total material investment • Telco engineering factor = Contractor Installation Labor Investment: Total material investment • Contr. install. factor = Right-of-Way Investment: Total material investment • ROW factor = TOTAL INVESTMENTS FOR THIS CABLE SEGMENT:

45C

13

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TAB D

TAB E

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.LO	OP # :					ESC : Florida Loop Survey Circuit			JIT ID : 3			CLLI : DRB	
A	сі В	rcui C	T TYPE		-		.02 .17			K	6.16	X LOADING	.S:B
50 H	item	M/I	FRC	Pid	Туре	Description	E/D	Size	Gg/Md	PI/db	Units	Unit Inv	Totaliny
1	1	М	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40d	971		
1	2	М	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
1	3	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		-
1	4	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
1	5	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
1	6	В	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
2	1	м	F5C	FOCALL40D	DV	CABLE FB-OFT ALL 40DB 60	F	60	Sgl	.40d	845		
2	2	М	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1	9	
2	3	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
2	4	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
2	5	Ĺ	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
2	6	В	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
3	1	М	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 60	F	60	Sgl	.40d	951		
3	2	м	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
3	3	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	п/а	1	4	
3	4	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
3	5	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
-	6	В	40	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
	1	М	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 60	F	60	Sgi	.40d	3,256		
4	2	м	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
4	3	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
4	4	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
4	5	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
4	6	В	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
5	1	М	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 60	F	60	Sgi	.40d	3,886		
5	2	м	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
5	3	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
5	4	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
5	5	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
5	6	В	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
6		. М	F5C	FOCALL40D		CABLE FB-OPT ALL 40DB 36	F	36	Sgi	.40d	3,148		
6		2 M	F5C	EXEMPT_MA	1	Exempt materials loadings	F	n/a	n/a	n/a	1		
6	3	L	F5C	INPLANT_E		Teko engineering labor	F	n/a	n/a	n/a	1		
ť	6 4	L	F5C	INPLANT_IN		Telco installation labor	F	n/a	n/a	n/a	1		
6		5 L	F5C	INPLANT_C		Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
		5 B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a .40d	1 2,359		
		M	F5C	FOCALL40D	1	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	1	2,359		
ſ		2 M	F5C	EXEMPT_MA		Exempt materials loadings	F	n/a	n/a	n/a n/a			
1	1	3 L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a n/a	n/a n/a			
\Box		4 L	F5C	INPLANT_IN		Telco installation labor	F	n/a	n/a n/a	n/a n/a	1		
2	7	5 L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	11/ a				

Loop Investment Model - Version 1.0

	LOC			SI T TYPE			ESC : Florida Loop Survey Circuit VEL : DS0 DESIGN : 3 CLASS	05.63	CIRCI /C: RESID	UTT ID : 3			CLLI : DRE	
	Δ	<u></u>		••••••	ROUTE L	ENGŢ	H: 52,908 ROUTE MILE: 10).02		ILES:	یں ری	6.16		,5:5 , /
	17		C M/L	FRC	Pid	Туре	Description	/7 1/D		Gg/Md	К РИЛЬ	<u> </u>	Unit Inv	Totaliny
	7		в	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
	8		м М	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40d	4,653		
۶ŀ	8	-	M	F5C	EXEMPT_MA		Exempt materials loadings	F	n/a	n/a	n/a	1		
┝	8		L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	, = π/a	1		
÷	8		L	F5C	INPLANT_IN	-	Telco installation labor	F	n/a	n/a	n/a	1		
(ŀ	8	_	- L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
시	- 8		В	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
}	- 9	1	м	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 36	F	36	Sgi	.40d	3,757		
1	- 9	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
٦ ا	9		L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
6 1	9		L	F5C	INPLANT_IN	-	Telco installation labor	F	n/a	n/a	n/a	1		
ś	9		L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
2 9	- 9		B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
- h	10		M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 36	F	36	Sgl	.40d	62		
اب	10	2	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	п/а	n/a	n/a	1		
沋	10		L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
1	10		Ľ	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
-1			- L	F5C	INPLANT_C	Ď٧	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
4		-6	В	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
ر پ	-111	_	_	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 30	F	30	Sgl	.40d	2,860		
ł	11	_	M	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
1	11		Ľ	F5C	INPLANT_E	DV	Teko engineering labor	F	n/a	n/a	n/a	1		
3 4	- 11		- L	F5C	INPLANT_IN	DV	Teko installation labor	F	n/a	n/a	n/a	1		
	11		L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
	11			4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
"	12		Г М	F22C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 30	F	30	Sgl	.40d	1,600		4
4	12		M	F22C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		•
<u>د ج</u>	12		L		INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
-1 5	12		L	F22C	INPLANT_IN	- · .	Telco installation labor	F	n/a	n/a	n/a	' 1		
ł	12			F22C	INPLANT_C		Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
ات 7	12		B	1C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	. 1		
/ د	13		M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 30	F	30	Sgi	.40d	240		
ッ こ	13		M	F5C	EXEMPT_MA	<u> </u>	Exempt materials loadings	F	n/a	n/a	n/a	1		
7 で	13	3	t	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
()	13		L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		-
1	13		L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
3	13	6	В	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
4	I	1	м	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	1,818		
3		-2	м	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
10	14	3	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
17	14	4	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
1			1	1	l	L								

LO	op #	: 2.00	51	TATE: FL	SVC D	ESC : Florida Loop Survey Circuit		CIRC	JIT ID : 3	3053609	149	CLLI : DRE	HFLMA
	CIRCUIT TYPE : V CIRCUIT LEVEL : DS0 DESIGN : 3 CLASS OF SVC: RESIDENCE DLC & MUX LOADINGS :B												
A	в	C	3	BOUTEL		H: 52,908 ROUTE MILE: 10).02 H			K	6.16	М	N
	dem.	M/I	FRC	Pid	Туре	Description	F/D	Size	Gg/Md	₽ţ/db	Units	Unit Inv	Totaliny
14	5	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
14	6	В	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
15	1	М	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	1,652		
15	2	М	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
15	3	Ľ,	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
15	4	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1	-	
15	5	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
15	6	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
16	1	М	F45C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	700		
16	2	М	F45C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
16	3	L	F45C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
16	4	L	F45C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		4
16	5	L	F45C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
16	6	В	F45C	SUPPORT_L	DV	ROW ldg for buried	F	n/a	n/a	n/a	1		
17	1	М	F22C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	2,232		
17	2	М	F22C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
17	3	L	F22C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1	ţ	
	4	L	F22C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1	ł	
,ţ	5	L	F22C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1	ł	
/ ¹ /1	6	В	1C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1		
/ 18	1	М	F22C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40đ	509		
18	2	Μ	F22C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
18	3	L	F22C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
18	4	L	F22C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
18	5	L	F22C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
18	6	B	1C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1		
; 19	1	М	F22C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgi	.40d	482		
19	2	М	F22C			Exempt materials loadings	F	n/a	n/a	n/a	1		
. 19	3	L	F22C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	• 1		
. 19		L	F22C	INPLANT_IN	[Telco installation labor	F	n/a	n/a	n/a	1		
7 19		L	F22C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
19		В	1C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1		
1 20		М	F45C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	572		
20	2		F45C	EXEMPT_MA	[Exempt materials loadings	F	n/a	n/a	n/a	1		
20		L	F45C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a			
、 20		L	F45C	INPLANT_IN		Telco installation labor	F	n/a	n/a	n/a			
20		L	F45C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a			
1	6		F45C	SUPPORT_L	DV	ROW ldg for buried	F	n/a	n/a	n/a .40d	692		
		M	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 12	F	12	Sgl n/a	.400 n/a	1		
(<u>21</u>		M	F5C	EXEMPT_MA	1	Exempt materials loadings	F	n/a n/a	n/a n/a	n/a n/a			
<u><u></u>²¹</u>	3	L	F5C	INPLANT_E	DV	Telco engineering labor	ſ	11/ @		, «			

Loop Investment Model - Version 1.0

	LOC	CI		ST T TYPE			ESC : Florida Loop Survey Circuit EVEL : DS0 DESIGN : 3 CLASS (OF SV	CIRCU /C: RESID	JTT ID : 3 ENCE			CLLI : DRI X LOADINO	
	A	R	С	Λ	ROUTE L).02 /+	AIR MI		ν	6.1 6		33.5
K		aem	M/I	FRC	Pid	Туре	Description	F/D		Gg/Md	Pl/db	Unîts	Unit Inv	Totaliny
1	21	4	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	π/a	n/a	1		
ĺ	21	5	Ĺ	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
	21	6	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
	22	1	М	F45C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40d	2,604	-	
	22	2	М	F45C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
치	22	3	. L	F45C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
3	22	4	L	F45C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
	22	5	L	F45C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
′₹	22	6	B	F45C	SUPPORT_L	DV	ROW ldg for buried	F	n/a	n/a	n/a	1		
6	23	1	М	F22C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40d	2,834		
7	23	2	М	F22C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1	-	
<u>ا</u>	23	3	L	F22C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
<i>i</i> -	23	4	L	F22C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
- ان	23	5	L	F22C	INPLANT_C	DV	Contractor engineering & installation labor	F	п/а	n/a	n/a	1		
,	23	6	В	1C	SUPPORT_L	DV	Pole ldg for aerial	F	n/a	n/a	n/a	1		
ιF	24	1	М	F45C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40d	909		
<u>ا</u> ل	24	2	М	F45C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
1	╾┺	3	L	F45C	INPLANT_E	DV	Teko engineering labor	F	п/а	n/a	n/a	1		
Ś		4	L	F45C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
	24	5	L	F45C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
7	24	6	В	F45C	SUPPORT_L	DV	ROW ldg for buried	F	n/a	n/a	n/a	1		
	25	1	М	F45C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 12	F	12	Sgl	.40d	790		
ĺ –	25	2	М	F45C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
\mathbf{F}	25	3	L	F45C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
	25	4	L	F45C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		-
	25	5	L	F45C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
5	25	6	B	F45C	SUPPORT_L	DV	ROW ldg for buried	F	n/a	n/a	n/a	1		
,	26	1	м	F5C	FOCALL40D	DV	CABLE FB-OPT ALL 40DB 18	F	18	Sgl	.40d	5,276		
$\frac{1}{2}$	26	2	м	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	, 1		
	26	3	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
沜	26	4	L	F5C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
5	26	5	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	п/а	n/a	1		
_	26	6	B	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
ΰĽ	28	1	м	F5C	85CAVG	DV	Underground Fiber Cable - Average Size	F	60	Sgl	.40d	40		
γĒ	28	2	м	F5C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
太	28	3	L	F5C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
	28	4	L	F5C	INPLANT_IN	DV	Teko installation labor	F	n/a	n/a	n/a	Ĩ		
4		5	L	F5C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
犭		6	в	4C	SUPPORT_L	DV	Conduit ldg for undg	F	n/a	n/a	n/a	1		
	29	1	м	F45C	845CAVG	DV	Buried Fiber Cable - Average Size	F	30	Sgl	.40d	25		
ット	29	2	м	F45C	EXEMPT_MA	DV	Exempt materials loadings	F	n/a	n/a	n/a	1		
1		-									<u> </u>		L	<u> </u>

Wednesday, February 26, 1997 LOOP INVESTMENT RESULTS FOR LAFL2W2 Page 5												age 5		
LOOP # : 2.00 STATE : FL SVC DESC : Florida Loop Survey Circuit CIRCUIT ID : 3053609149 CLLI : DRBHFLMA CIRCUIT TYPE : V CIRCUIT LEVEL : DS0 DESIGN : 3 CLASS OF SVC: RESIDENCE DLC & MUX LOADINGS :B														
	_	CII		IITE	ROUTE LI			.02, ,	AIR_MI		DL	6.16	A LUADIN	65:5
	7	B	C	Ь	Ē	F	6	H		\underline{J}	ĸ		М	\mathcal{N}
S.	10 10	lem	M/I.	FRC	Pid	Туре	Description	F/D	Size	Gg/Md	Pl/db	Units	Unit Inv	Totaliny
	29	3	L	F45C	INPLANT_E	DV	Telco engineering labor	F	n/a	n/a	n/a	1		
	29	4	L	F45C	INPLANT_IN	DV	Telco installation labor	F	n/a	n/a	n/a	1		
	29	5	L	F45C	INPLANT_C	DV	Contractor engineering & installation labor	F	n/a	n/a	n/a	1		
	29	6	B	F45C	SUPPORT_L	DV	ROW ldg for buried	F	n/a	n/a	n/a	1		
	36	1	B	257C	DLC Equipm	DV	COT Hardwire, common plugs, channel unit	F	n/a	п/а	со	1		
	36	2	В	257C	DLC Equipm	DV	MCE&P	F	n/a	n/a	со	1		
	36	3	В	20C	DLC Equipm	DV	Land	F	n/a	n/a	со	1		
	36	4	В	10C	DLC Equipm	DV	Building	F	n/a	n/a	0	1		
	36	5	B	257C	DLC Equipm	DV	RT hardwire, common plugs, channel unit	F	n/a	n/a	RT	1		
	36	6	В	257Ċ	DLC Equipm	DV	MCE&P	F	n/a	n/a	RT	1		
	36	7	В	4C	DLC Equipm	DV	CEV	F	n/a	n/a	RT	1		
	36	8	В	10C	DLC Equipm	DV	Hut	F	n/a	n/a	RT	1		
	37	1	8	257C	MUX Equipm	DV	Multiplexer, DSX-1 Panel, fiber terminal	F	n/a	n/a	CO	1		
	37	2	В	257C	MUX Equipm	DV	MCE&P	F	n/a	n/a	co	1		
	37	3	В	20C	MUX Equipm	DV	Land	F	n/a	n/a	co	1		
	37	4	В	10C	MUX Equipm	DV	Building	F	n/a	n/a	со	1		
	37	5	В	257C	MUX Equipm	DV	Multiplexer, DSX-1 Panel, fiber terminal	F	n/a	n/a	RT	1		
F	•	6	B	257C	MUX Equipm	DV	MCE&P	F	n/a	n/a	RT	1		
		7	В	10C	MUX Equipm	DV	Building	F	n/a	n/a	RT	1		
ţ.	37	8	8	4C	MUX Equipm	DV	CEV	F	n/a	n/a	RT	1		
7							INVESTME	NT SU	JBTOTAL	FOR IN	/ TYPE:	DV	Ĺ	
ż							INVESTM	ENT	SUBTOT	AL FOR	FEEDE	R	C	
S	eg I	tem	M/I	FRC	Pid	Type	Description	F/D	Size	Gg∕Md	PI/db	Units	Unit Inv	Fotaliny

	See,	Item	M/I	FRC	Pid	Type	Description	ŀ/D	Size	Gg/Md	P¥db	Laits	Unit Inv	I gtalinv
	31	1	М	45C	600B	DV	26 Gauge Cable	D	600	26	В	20		
	31	2	М	45C	EXEMPT_MA	DV	Exempt materials loadings	D	n/a	n/a	n/a	1		
	31	3	L	45C	INPLANT_E	DV	Telco engineering labor	D	n/a	n/a	n/a	1		
ļ	31	4	L	45C	INPLANT_IN	DV	Telco installation labor	D	n/a	n/a	n/a	1		
1	31	5	L	45C	INPLANT_C	DV	Contractor engineering & installation labor	D	n/a	n/a	n/a	1		
l∜	31	6	В	45C	SUPPORT_L	DV	ROW ldg for buried	D	n/a	n/a	n/a	1		
	32	1	М	45C	900B	DV	26 Gauge Cable	D	900	26	8	950		
1	32	2	М	45C	EXEMPT_MA	DV	Exempt materials loadings	D	n/a	n/a	n/a	1		
	32	3	L	45C	INPLANT_E	DV	Telco engineering labor	D	n/a	n/a	n/a	1		
	32	4	L	45C	INPLANT_IN	DV	Telco installation labor	D	n/a	n/a	n/a	1		
1	32	5	Ĺ	45C	INPLANT_C	DV	Contractor engineering & installation labor	D	n/a	n/a	n/a	1		
1	32	6	B	45C	SUPPORT_L	DV	ROW ldg for buried	D	n/a	n/a	n/a	1		
,	-	1	М	45C	400B	DV	26 Gauge Cable	D	400	26	B	325		
ł	•	2	М	45C	EXEMPT_MA	DV	Exempt materials loadings	D	n/a	n/a	n/a	1		
Å	33	3	L	45C	INPLANT_E	DV	Telco engineering labor	D	n/a	n/a	n/a	1		
1	33	4	L	45C	INPLANT_IN	DV	Telco installation labor	D	n/a	n/a	n/a	1		

Loop Investment Model - Version 1.0

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	We	dnesc	lay, F	ebruary	26, 1997		LOOP INVESTMENT F	RESULTS F	OR	LAFL2	:W2			Pa	ige 6
	Ľ0	ор # С1		-5 ויז די			ESC : Florida Loop Survey Circ EVEL : DS0 DESIGN : 3		DF SN	CIRCU /C: RESID	UIT ID : 3 DENCE			CLLI : DRE X LOADING	
	A	ß	С	0	ROUTEL		H : 52,908 ROUTE MIL	.E: 10	.02 /1		LES	K	6.16	Μ	N
		.cm	M/I	ERC	Pid	Гуре	Description		F/D	Size	Gg/Md	₽₽аь	Units	Unit Inv	Totaliny
ſ	33	5	L	45C	INPLANT_C	DV	Contractor engineering & insta	llation labor	D	n/a	n/a	n/a	1		
ſ	33	6	В	45C	SUPPORT_L	DV	ROW ldg for buried		D	n/a	n/a	n/a	1		
ľ	34	1	М	45C	2008	DV	26 Gauge Cable		D	200	26	B	1,700		
[34	-	М	45C	EXEMPT_MA	DV	Exempt materials loadings		Ď	n/a	n/a	n/a	1		
Γ	34	3	L	45C	INPLANT_E	DV	Telco engineering labor		D	n/a	n/a	n/a	1		
ſ	34	_	L	45C	INPLANT_IN	DV	Telco installation labor		D	n/a	n/a	n/a	1		
ſ	34		L	45C	INPLANT_C	DV	Contractor engineering & insta	llation labor	D	n/a	n/a	n/a	1		
/[34		В	45C	SUPPORT_L	DV	ROW ldg for buried		D	n/a	n/a	n/a	1		
Ł	35		М	12C	50A	DV	26 Gauge Cable		D	50	26	R	190		
ſ	35		М	12C	EXEMPT_MA	DV	Exempt materials loadings		D	n/a	n/a	n/a	1		
1	35	3	L	12C	INPLANT_E	DV	Teko engineering labor		D	n/a	n/a	n/a	1		
۶ſ	35	4	L	12C	INPLANT_IN	DV	Telco installation labor		D	n/a	n/a	n/a	1		
F	35	5	L	12C	INPLANT_C	DV	Contractor engineering & insta	llation labor	D	n/a	n/a	n/a	1		
۷)	<u>.</u>						INVESTMEN	NT SI	JBTOTAL	FOR IN	/ TYPE:	DV		
,	1							INVESTM	ENT	SUBTOTA	AL FOR	DISTRI	BUTION		
E	<i>9</i> .2	_						1	.00	P MAKE	UP INV	ESTM	ENT TO	TAL:	

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TAB F

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SECTION 4, TAB F

FLORIDA

UNBUNDLED SUB-LOOPS

COMPUTATION OF AVERAGE LOOP INVESTMENTS BY CLASS OF SERVICE

After developing investments for each circuit with distribution facilities 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 the average distribution portion of 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 - distribution only) is **(Determine)** for the 2-Wire Sub-Loop (Distribution) study. (See Tab G, Spreadsheet, Line 116, Column D).

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TAB G

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SECTION 4, TAB G

FLORIDA

UNBUNDLED SUB-LOOPS

OVERVIEW OF RECURRING COST SPREADSHEET METHODOLOGY

The following spreadsheets reflect the Unbundled 2-Wire and 4-Wire Sub-Loop (Distribution) loop costs. 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 an average 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 distribution average investment for Residence and the 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 TSLRIC associated with each investment is determined by multiplying the levelized investment by the TSLRIC 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 a cost additive for computer-related costs.

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F131	32.XLS	2/27/97					3
	Α	8	D	E	F	G	н]
97							
98	TSLRIC - 100% Nonintegrated - 2-Wire A	Inalog Voice Grade					[
99 100	Weighted Residential & Business Loop	Cost - DISTRIBUTION ONLY					
	State:	Florida					
102				Levelized		1/96	
102 103				Investment		6/3/6	
<u>104</u> 105			Average	Inflation	Levelized	Direct	Direct
			Investment	Factor	Investment	ACF	Cost
106			-		(D*E)	0.1320	(F*G)
107	Land	***			_		
108 109	Land	200	\$ -	1.059	\$ -	0.1772	\$ -
110	Buildings	10C	\$ -	1.059	s -	0.1 951	
111					•	0.1301	3 -
112	Digital Circuit-Pair Gain	257C,D257C,F257C	\$-	0.962	\$ -	0.2294	s -
113							
114	Poles	1C	\$	1. 072	s 💭	0.2145	\$ #
115	Aerial Cable-Metallic	~~~					
117		220, 120		1.061		0.2778	s 🚛
	Aeriai Cable-Fiber	822C, D22C, F22C, T22C, F22C	\$ -	1.003	s .	0.2081	s .
119		812C, D12C,F12C,T12C			•		Ť
120							
121	Underground Cable-Metallic	5C	S	1.069	\$ 🗩	0.2634	·s 🗰
122			· · · · ·		_		
	Underground Cable-Fiber	85C, D5C,F5C,T5C	\$.	1.000	\$-	0.2063	S -
124	Buried Cable-Metallic	45C	5	1.058	s 🕋	0.2738	
126				1.000		0.2100	
127	Burled Cable-Fiber	845C, D45C, F45C, T45C	\$.	1.041	\$-	0.2056	s -
128							
	Submerine Cable-Metallic	6C	\$ -	1.054	\$-	0.2338	\$ -
130					•	0.0007	
131	Submarine Cable-Fiber	86C, D6C, F6C, T6C	\$ -	1.0 00	• -	0.2327	\$ -
	Intrabidg Ntwk-Metallic	52C	5	1.069	s (111)	0.2253	: .
134							
135	Intrabidg Ntwk-Fiber	852C, D52C, F52C, T52C	\$ -	1.000	\$-	0.2253	\$-
136							
137	Conduit Systems	40		1.044	•	0.1586	•
138	A order! Desce	220		1.061	s inte	0.2778	
139	Aerial Drop	22C		1 1.001		0.4110	•
	Buried Drop	45C	5	1.058	•	0.2736	s (1996)
142		-					
143	Annual Total	Sum(D106.D141)	s 🗰		s and		3 💻
	Monthly Total						s (1111)
145							
146 147	Monthly Computer Cost						•
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	Total Levelized Monthly Cost	Sum(H144.H148)					\$

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10 11					(U E)	0.1920	(FG)
12	Land	200	\$ -	1.059	s -	0.1772	
13		200		1.004	• -	V.1774	• •
	Buildings	10C	S -	1.059	s .	0.1951	s .
15				1.000	• -	0.1301	• •
16	Digital Circuit-Pair Gain	257C,D257C,F257C	5 -	0.962	5	0.2294	
17	Carlos Carvares da Carlo		L	0.002	• •	V.2237	•
	Poles	1C	S (1.072	s 🛲	0.2145	s 200
19							
_	Aerial Cable-Metallic	220, 120	\$	1.061	; .	0.2778	: 200
21							
	Aerial Cable-Fiber	822C, D22C, F22C, T22C, F22C	\$ -	1.003	\$ -	0.2081	\$.
23		812C, D12C, F12C, T12C					
23 24							
25	Underground Cable-Metallic	50	\$	1.069	s 🗰	0.2634	's 🛑
26							
27	Underground Cable-Fiber	85C, D5C,F5C,T5C	\$ -	1.000	\$-	0.2063	s -
28	-						
29	Buried Cable-Metallic	45C	5	1.058	s	0.2736	s 200
30							
31	Burled Cable-Fiber	845C, D45C, F45C, T45C	S -	1.041	s -	0.2056	s -
32	· ·						
	Submarine Cable-Metallic	6C	\$ -	1.054	\$-	0.2338	\$ -
34							
35	Submarine Cable-Fiber	86C, D6C,F6C,T6C	<u>s</u> -	1.000	\$ -	0.2327	\$ -
36							
	Intrabidg Ntwk-Metailic	52C	\$	1.069	\$	0.2253	s 200
38					•		
	Intrabidg Ntwk-Fiber	852C,D52C,F52C,T52C	\$-	1.000	\$ -	0.2253	\$-
40	Conduit Systems						
41	Conduit Systems	4C	3	1.044	s 🚛	0.1686	s 💭
42	Aerial Drop				1		
43	Aerial Drop	220	\$	1.061	s 💭	0.2778	s 🚛
44	4			ı .			
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48	Monthly Total						•
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51 52	4						
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FLORIDA

UNBUNDLED SUB-LOOPS

COST DEVELOPMENT - NONRECURRING

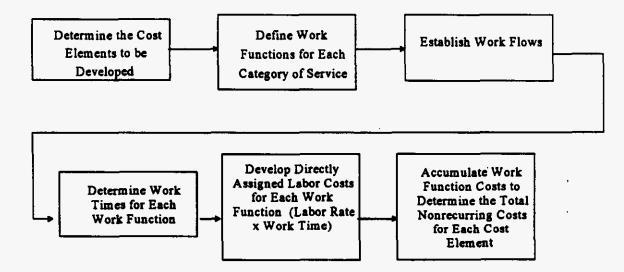
Nonrecurring TSLRIC are one-time costs incurred as a result of provisioning, installing, disconnecting and completion of orders initiated by a customer request for the Unbundled 2-Wire and 4-Wire Sub-Loops (Distribution). The Nonrecurring Cost Study is performed to determine the service inquiry, service order, provisioning and disconnect costs associated with the cost element. Calculations for the nonrecurring costs are included in this section.

Figure 5-1 shows a generalized flow of the steps necessary for developing nonrecurring costs. Each part of this flow will be explained in more detail in this section.

Figure 5-1

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Generalized Flow Diagram for Developing Nonrecurring Costs



The first step in developing nonrecurring costs is to determine the cost elements to be studied. Each cost element is then described by all of the individual work functions required to provision the element. An example of a work function is the designing of a circuit in the Circuit Provisioning Group.

The work functions required to provide the Unbundled 2-Wire and 4-Wire Sub-Loops (Distribution) can be grouped into five categories. These are:

- 1) Service Inquiry
- 2) Service Order
- 3) Engineering
- 4) Connect and Test
- 5) Technician Travel Time

Work functions included in these categories range from clerical activities to installation activities. The work functions and work times involved in the provisioning of the Unbundled distribution sub-loops are identified by individuals knowledgeable about and/or responsible for performing the functions. These work functions and work times are then used to describe the flow of work within the various work centers involved in provisioning the element.

A spreadsheet model is used to incorporate the specific work functions and labor rates. In order to arrive at the nonrecurring cost for the element studied, the work times for each work function required is multiplied by the appropriate levelized 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. Next, the individual work function costs are accumulated into the installation cost for the cost element studied.

Utilizing work functions, work times, and 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 discounted disconnect cost is added to the installation cost and gross receipts tax is applied to develop the total nonrecurring cost.

Nonrecurring costs are calculated separately on a first and additional basis. "First" refers to the first item on a service order. "Additional" costs are the incremental costs of providing one or more duplicates of the first item on the same service order at the same time as the first.

The following workpapers reflect the cost development.

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1 SUMMARY OF NONRECURR 2 3 4 5	ING TSLRIC	STATE: WORKPAPER: PAGE: DATE:	FLORIDA 1100 1 OF 1 27-Feb-97
6 2 WIRE DISTRIBUTION SUB-	LOOP		
/ 8 (1996-1998 Level Increment	al Costs)		
9 10 A	B	C	0
11 DESCRIPTION	SOURCE	<u>FIRST</u>	ADDTL
12 13 Service Inquiry 14	WP1150 Col G LN16 thru LN17		
15 Service Order 16	WP1150 Col G LN20 thru LN23		
17 Engineering 18	WP1150 Col G LN26 thru LN27		
19 Connect & Test 20	WP1150 Col G LN30 thru LN32		
21 Technician Travel Time 22	WP1150 Col G LN35		
23 24 Total Nonrecurring TSLRIC	Sum of LN13, LN15, LN17, LN19, LN21		

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1 DEVELOPMENT OF NONRECURRING TSLRIC				I							STATE:		FLORIDA
2 2 WIRE DISTRIBUTION SUB-LOOP											WORKPAP	ER:	115
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21 NETWORK ADMINISTRATION **													
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25 ENGINEERING								_					
26 FACILITIES ASSIGNMENT (FACS)													
27 CIRCUIT PROVISIONING CENTER (CPC)													
28									+				
29 COMMECT & TEST													
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11	DESCRIPTION	SOURCE	EIRST	ADDTL
12 13 14	Service Inquiry	WP1250 Col G LN16 thru LN17		
	Service Order	WP1250 Col G LN20 thru LN23		
17 18	Engineering	WP1250 Col G LN26 thru LN27		
	Connect & Test	WP1250 Col G LN30 thru LN32		
21 22		WP1250 Col G LN35		
23				
24	Total Nonrecurring TSLRIC	Sum of LN13, LN15, LN17, LN19, LN21		

PRIVATE/PROPRIETARY: No use or disclosure outside BELLSOUTH except by written agreement.

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F4WDIL

1 DEVELOPMENT OF NONRECURRING TELRIC					1		[STATE:		FLORIDA
2 4 WIRE DISTRIBUTION SUB-LOOP											WORKPAR	'EA:	1250
3				1							PAGE:		1 OF 1
4 LEVEL 1996 - 1998										<u> </u>	DATE:		27.Feb-97
5				DISCOUN	TED DISCONNE	CT FACTOR:	0.8981						
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FLORIDA

UNBUNDLED SUB-LOOPS

SPECIFIC STUDY ASSUMPTIONS

The cost studies for the Unbundled 2-Wire and 4-Wire Sub-Loops (Distribution) are based on TSLRIC methodology. Specific Network deployment strategies, first choice provisioning guidelines, and equipment purchasing information are used to develop the TSLRIC.

Cost study assumptions are as follows.

- 1. Forward-looking technology assumes that all copper placements will be 26 gauge cable.
- 2. Utilization of cable segments is applied as follows:

Cable Pair Utilization

copper (distribution) 38.8% utilization

- 3. Study period of 1996 to 1998 based on 1995 investments and factors.
- 4. The cost of money is 13.2%.
- 5. The service order activities in this study assume manual interface with ALECs.
- 6. The Unbundled Sub-Loops (USLs) represented in this study are ordered separately from other Unbundled Network Elements (UNEs). No recombination of elements is assumed.

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FLORIDA

UNBUNDLED SUB-LOOPS

FACTORS AND LOADINGS

Following are the TSLRIC annual cost factors, miscellaneous loadings and labor rates used in the Unbundled 2-Wire and 4-Wire Sub-Loop (Distribution) studies.

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FLORIDA

UNBUNDLED SUB-LOOPS

FACTORS AND LOADINGS

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Miscellaneous Loadings	(see attached d	atabase wor}	(sheet)
Computer System Monthly Cost		\$(0.18
Sales Tax		(0.06
Loadings: Pole Conduit			2522 3895
Annual Cost Factors:	(see attach	ed spreadsh	eet)
Gross Receipts Tax Factor		1.0	0152
Discounted Disconnect Factor 2-Wire (Weighted) 4-Wire			9080 : 8981
<pre>1995 Directly Assigned Hourly Customer Point of Contac CO Install & Maintenance Circuit Provisioning Cer Network Administration Facilities Assignment Ce Installation & Maintenar Outside Plant Engineerin Special Svc Coord & Test To create a Levelized labor 1 1995 Labor Rate * [((1+Infl)</pre>	<pre>t (ICSC) a (NTEL) nter (CPC) anter(FACS) nce (POTS) ng (OSPE) ting (SSC) rate from a 1995 flYr1)/(1+com)^1) {r3)/(1+com)^3)]/</pre>	\$38.30 \$39.09 \$34.41 \$32.89 \$31.28 \$38.94 \$45.26 \$36.41 Labor Rate: + ((1+Infl	\$41.50 \$36.54 \$34.92 \$33.21 \$41.35 \$48.06 \$38.66 Yr2)/
$(1/(1+com)^2) + (1/(1+com)^2)$ NOTE: Infl = Labor Infla		COM = Cost	of Money
Example: \$ 31.28 • [(1.029/1.132 [^] (1.029*1.034*1.035)/(3 (1/1.132 [^] 2) + (1/1.133	1.132^3)]/((1/1.1	34)/1.132^2) L32^1) +	+
Labor Inflation: Year 1 3.0 Year 2 3.3 Year 3 3.4	*	Telco COE 2.9% 3.4% 3.5%	

AERIAL CA - METAL

AERIAL CA - FIBER

UNGROUND CA - METAL

UNGROUND CA - FIBER

SUBMARINE CA-METAL

SUBMARINE CA-FIBER

INTROLD NTWK-METAL

INTROLD NTWK-FIBER

CONDUIT SYSTEMS

BURIED CA - METAL

BURIED CA - FIBER

5C, 805C

45C, 846C

F45C, T45C

4C, 84C, 94C

SC. 805C

52C

22C, 12C, 802C

822C, 812C, 882C, 982C, D22C.

F22C T22C D12C F12C T12C

85C,865C,966C,D5C,F5C,T5C

845C,858C,956C,D45C,

86C.886C.D6C.F6C.T6C

852C 052C F52C T52C

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1		_	13.2%		(a+b+c)			**********	(e+f+g) =========================	₩₩₩₩₩₩₩₩₩₩₩ ₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩	**************************************					
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127 NOTE: Certain states in the BellSouth region (GA & NC) assess gross receipts tax only on "local" revenues. For those states, it is necessary to publish "local", "private line and toll", and "combined" factors. Bewere that the definitions of "local" and "private line and toll" are defined by the taxing authority for gross receipts tax purposes and may vary from state to state according to tax taw. 128

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For those states which assess gross receipts tax on local, private line, and toll revenues, the gross receipts tax factor is based on the overall effective tax rate.

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1	12C	FL	Aerial Cable - Metallic (Entrance Cable)						
วี	22C	FL	Aerial Cable - Metallic						
1	248C	FL	Aerial Cable - Metallic (Service Drop)						
2	45C	FL	Buried Cable - Metallic						
5	52C	FL	Intrabldg Ntwk Cable - Metallic						
9	548C	FL	Buried Cable - Metallic (Service Drop)						
U	5C	FL	Underground - Metallic						
1	6C	FL	Submarine Cable - Metallic						
£	F12	FL	Aerial Cable - Non-Metallic (Entrance Cable)						
3	F22	FL	Aerial Cable - Non-Metallic (Distr)						
4	F45	FL	Buried Cable - Non-Metallic (Distr)						
5	F52	FL	Intrabldg Ntwk Cable - Non-Metallic (Distr)	1					
6	F5C	FL	Underground Cable - Non-Metallic (Distr)						
7	F6C	FL	Submarine Cable - Non-Metallic (Distr)						

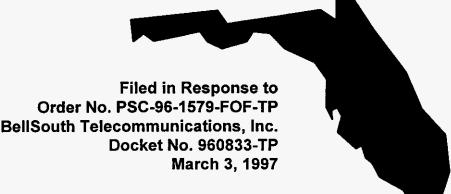
Loop Investment Model - Version 1.0

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NETWORK INTERFACE DEVICE ACCESS

TSLRIC COST STUDY DOCUMENTATION proprietary

SECTIONS A THRU 6

FLORIDA

NETWORK INTERFACE DEVICE ACCESS

COST STUDY DOCUMENTATION

CONTENTS

SECTION APROPRIETARY RATIONALESECTION 1INTRODUCTION AND OVERVIEWSECTION 2DESCRIPTION OF STUDY PROCEDURESSECTION 3SUMMARY OF RESULTSSECTION 4COST DEVELOPMENT - NONRECURRING
TSLRICSECTION 5SPECIFIC STUDY ASSUMPTIONSSECTION 6FACTORS AND LOADINGS

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SECTION A

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SECTION A

FLORIDA

NETWORK INTERFACE DEVICE ACCESS

PROPRIETARY RATIONALE

The cost study for the Network Interface Device Access contains actual unit cost information for a discrete cost element. This cost reflects BellSouth's long run incremental cost of providing the element 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 Network Interface Device Access Cost Study is considered proprietary.

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NETWORK INTERFACE DEVICE ACCESS

INTRODUCTION AND OVERVIEW

The Total Service Long Run Incremental Cost (TSLRIC) study for NID Access is being provided in response to Commission Order PSC 96-1579-FOF-TP issued December 31, 1996.

NID Access is designed to allow an Alternate Local Exchange Company (ALEC) the opportunity to connect its loop to the inside wire portion of BellSouth Telecommunications' (BST's) NID. It is expected that the ALEC will provision a loop and a NID to the customer's location. In these circumstances, the ALEC may perform a physical cross-connect of the inside wire to its loop. This will provide a communication pathway from the ALEC, through BST's NID, to the end user's inside wire.

In those cases where BST does not have a NID, but instead terminates its loop directly to the inside wire of the end user, BST will install a NID and (at the ALEC's request) will install a second NID for the ALEC. Also, the cross-connect from the BST NID to the ALEC NID will be provided.

These TSLRIC results are for the 1996-1998 study period.

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NETWORK INTERFACE DEVICE ACCESS

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of costs NID Access.

In determining costs, BellSouth uses direct incremental costing techniques that are in accordance with accepted economic theory. Direct incremental costs are based on cost causation and include all of the costs directly caused by expanding production, or, alternately, costs that would be saved if the production levels were reduced. The production unit may be an entire service or a unit of the service depending on the cost object involved. Costs for a service may include volume sensitive and/or volume insensitive costs. Costs are forward looking in nature because only future costs can be saved. Incremental costs affected by the business decision. Shared and common costs are not incremental and, therefore, are not included. Incremental costs include both recurring (capital and operating expenses) and nonrecurring (service provisioning) costs. Incremental costs account for the expected change in cost to the firm resulting from a new service offering or a change in demand for an existing service. There are no recurring costs associated with NID Access.

DEVELOPMENT OF NONRECURRING COSTS

Nonrecurring costs are "one-time" costs incurred as a result of provisioning, installing, and disconnecting the offering. 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 request, review and close-out of service order, travel and installation. 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 directly assigned labor rate for the work group performing the function.

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FLORIDA

NETWORK INTERFACE DEVICE ACCESS

SUMMARY OF RESULTS

This section contains a unit cost summary for the 1996 - 1998 TSLRIC for NID Access. Only nonrecurring costs are applicable.

	Nonrecurring Cost
Installation of 2 wire/4 wire NID	\$ 96.03
Cross Connect, 2 wire or 4 wire	\$ 8.73
Installation of Additional 2 wire/4 wire NID	\$ 41.70

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FLORIDA

NETWORK INTERFACE DEVICE ACCESS

COST DEVELOPMENT - NONRECURRING

Nonrecurring costs are one-time costs incurred as a result of the service order and provisioning activities initiated by a customer request for the offering.

The first step in developing nonrecurring costs is to determine the cost elements to be studied. Each cost element is then described by all of the individual work functions required to provision the element. An example of a work function is the installation of a NID.

The work functions required to provide NID Access can be grouped into four categories. These are:

- 1) Service order processing of the customer's Service Request
- 2) Review and close-out service order
- 3) Travel
- 4) Installation

The basic process by which nonrecurring costs are calculated consists of combining unit work times with hourly costs of each specific service category. These labor times and service order related work times are multiplied by the directly assigned labor rates for the work groups performing the activities. The price of any associated material is added to the labor cost.

The following workpaper details the cost development.

FLORIDA

NETWORK INTERFACE DEVICE ACCESS

SPECIFIC STUDY ASSUMPTIONS

The cost study for NID Access is based on TSLRIC methodology.

Cost study assumptions are as follows:

- 1. The Alternate Local Exchange Company (ALEC) is allowed access to BellSouth's Network Interface Device where space capacity exists. BellSouth's loop will remain connected to the NID to be properly grounded and protected.
- 2. The cost of money applied is 13.2%
- 3. This cost study is based on a study period of 1996 to 1998 and incorporates 1995 investments and factors.

1	2W/4W NETWORK INTERFACE	DEVICE				······	ST	ATE: FLORIDA			
2.	DEVELOPMENT AND SUMMAR	ORKPAPER 1									
<u>3.</u> <u>4</u> .			GE 1 OF 1								
5		<u> </u>				,,					
6.	INSTALLATION OF 2W/	4W NID		HOURS		LABOR		COST			
7.				······································	. •		· •				
8.	SERVICE REQUEST	JFC 2300		0.5		\$40.74		\$20.37			
9	REVIEW/CLOSE-OUT ORDER	JFC 410X		0.3		\$41.42		\$12.43	• • • • • • •		
10.	TRAVEL	JFC 410X		0.5		\$41.42	\$20.71				
11.	INSTALL NID	JFC 410X		0.6		\$41.42	\$24.85				
12.											
13.	MATERIAL					·	<u> </u>				
14.	GROSS RECEIPTS TAX FACTOR	<u>د</u>		<u>-</u>				1.0152			
<u>15.</u> 16.	TOTAL COST				_				· · · · · · · · · · · · · · · · · · ·		
17				.N8+LN9+LN10	+LN	11+LN13)XLN1	4	\$96.03	· · · · ·		
18.				· · · · · · · · · · · · · · · · · · ·			- · · · -				
19.				<u> </u>							
20	PROVISION OF 2W/4W CROS	SCONNECT	Г	HOURS		LABOR		COST			
21.				1100110	6	LAUOR					
22	PROVISION CROSS CONNECT	JFC 410X		0.2		\$41.42		\$8.28			
23.								00.20			
24	MATERIAL										
25	GROSS RECEIPTS TAX FACTOR	2		·				1.0152			
26.	-+										
27.	TOTAL COST		(L	N22+LN24)xLN	25			\$8.73			
28.			_								
29											
30.	INSTALLATION OF ADDITIONA	L 2W/4W NID		HOURS		LABOR		COST			
31.	· · · · · · · · · · · · · · · · · · ·										
32.	INSTALL NID	JFC 410X		0.6		\$41.42		\$24.85			
33.				:							
34.	MATERIAL										
35.	GROSS RECEIPTS TAX FACTOR	<u> </u>		• .				1.0152			
36.				.N32+LN34)xLN	35			\$41.70			
37.	TOTAL COST			11347LI134/XLI	22			474 C. (V			
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NETWORK INTERFACE DEVICE ACCESS

FACTORS AND LOADINGS

Following are the labor rates and other factors used in the NID Access cost study.

Levelized 1996 - 1998 Directly Assigned Hourly Labor Rates:

Customer Point of Contact (ICSC) Network Technician	<u>JFC</u> 2300 410X	<u>1995</u> \$ 38.30 \$ 38.94	<u>1996 - 1998</u> \$ 40.74 \$ 41.42
Levelized Labor Factor			1.0638
Florida Sales Tax Rate (included in material)			0.06

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Labor Levelization Factor Base Year 1995

Labor Inflation Factors

1. 1996	1.031
2. 1997	1.034

3. 1998 1.035

Present Worth Factors @ 13.20%

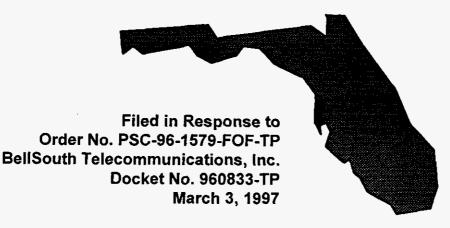
4. 1996	0.8834
5. 1997	0.7804
6. 1998	0.6894

Labor Levelization Factor ((LN1 x LN4) + (LN1 x LN2 x LN5) + (LN1 x LN2 x LN3 x LN6))/ (LN4 + LN5 + LN6) 1.0638

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FLORIDA



UNBUNDLED NETWORK INTERFACE DEVICE

T S L R I C COST STUDY DOCUMENTATION

PROPRIETARY

SECTIONS A THRU 7

FLORIDA

UNBUNDLED NETWORK INTERFACE DEVICE

COST STUDY DOCUMENTATION

CONTENTS

- SECTION A PROPRIETARY RATIONALE
- SECTION 1 INTRODUCTION AND OVERVIEW
- SECTION 2 DESCRIPTION OF STUDY PROCEDURES
- SECTION 3 SUMMARY OF RESULTS
- SECTION 4 COST DEVELOPMENT RECURRING
- SECTION 5 COST DEVELOPMENT NONRECURRING
- SECTION 6 SPECIFIC STUDY ASSUMPTIONS
- SECTION 7 FACTORS AND LOADINGS

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SECTION A

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SECTION A

FLORIDA

UNBUNDLED NETWORK INTERFACE DEVICE

PROPRIETARY RATIONALE

The Cost Study for the Unbundled Network Interface Device (NID) contains actual unit cost information for a discrete cost element. This cost reflects BellSouth's long run incremental cost of providing the element 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 Unbundled NID Cost Study is considered proprietary.

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UNBUNDLED NETWORK INTERFACE DEVICE

INTRODUCTION AND OVERVIEW

The Total Service Long Run Incremental Cost (TSLRIC) study for the Unbundled NID is being provided in response to Commission Order PSC 96-1579-FOF-TP issued December 31, 1996.

The TSLRIC presented in this study are volume sensitive. The NID has no volume insensitive costs. Therefore, the Long Run Incremental Unit Costs (LRIC) and the TSLRIC are the same.

The Unbundled NID cost element represents the average cost of a terminating device at the end of a loop with drop wire which is located at the customer's premises. This cost does not represent a building entrance or intrabuilding termination. As ordered, the Alternate Local Exchange Company (ALEC) is allowed direct connection to the NID where spare capacity is available. : BellSouth's loop will remain connected to the Unbundled NID.

The average NID investment includes material, installation, and travel for a typical buried or typical aerial termination. This investment is weighted by the occurrence of placement (aerial/buried) and service type (residence or business). In addition, the investment represents the termination of a single loop (one pair).

The recurring cost presented in this study is levelized for the 1996-1998 study period. Nonrecurring costs do not apply. Long run incremental costs are developed by using incremental loadings, annual cost factors based on 13.2% cost of money, and directly assigned labor rates.

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UNBUNDLED NETWORK INTERFACE DEVICE

DESCRIPTION OF STUDY PROCEDURES

This section describes the general principles for the development of TSLRIC supporting the Unbundled NID.

costs are developed utilizing TSLRIC methodology. A11 In determining this cost, direct incremental costing techniques are used that are in accordance with accepted economic theory. Direct incremental costs are based on cost causation and include all of costs directly caused by expanding production, the or, alternatively, costs that would be saved if the production levels were reduced. Costs may be volume sensitive and/or volume LRIC include volume sensitive costs only, while insensitive. TSLRIC include both volume sensitive and volume insensitive costs. For services with no volume insensitive costs, LRIC and TSLRIC are the same. Costs are forward-looking in nature because only future costs can be saved. Incremental costs are long run to assure that the time period studied is sufficient to capture all forwardlooking costs affected by the business decision. Shared and common costs are not incremental and, therefore, are not included. Incremental costs include both recurring (capital and operating expenses) and nonrecurring (provisioning) costs. Incremental costs account for the expected change in cost to the firm resulting from a new service offering or from a change in demand for an existing service.

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 are the expenses for maintenance and ad valorem, gross receipts, and other taxes. These expenses contribute to the ongoing cost to the Company associated with the initial capital investment. The investment for the Unbundled NID includes material and labor for installation and travel. The investment is considered installed or inplant.

Levelized Inflation Factors for each specific plant account 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.

Next, Incremental Annual Cost Factors are used to calculate the direct cost of capital, maintenance and other operating 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. These costs are then summed and divided by twelve to arrive at a monthly cost per cost element.

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UNBUNDLED NETWORK INTERFACE DEVICE

SUMMARY OF RESULTS

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This section contains a cost summary for the 1996 - 1998 TSLRIC of an Unbundled NID. Only recurring cost is applicable.

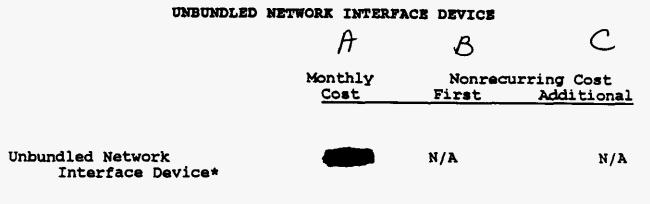
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SUMMARY OF RESULTS

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* Direct access to BellSouth's NID where spare capacity exists.

PRIVATE / PROPRIETARY No use or disclosure outside BELLSOUTH except by written agreement.

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UNBUNDLED NETWORK INTERFACE DEVICE

COST DEVELOPMENT - TSLRIC - RECURRING

This section describes the development of the recurring TSLRIC for the Unbundled NID.

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. Annual cost factors are applied to convert the investment to cost.

The attached worksheet identifies the development of the Unbundled NID investment and cost.

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NID.2	XLS	2/27/97								I
	A	8		D	Ë	<u> </u>	F		H	
1	UNBUNDLED NETWORK INTERFACE	DEVICE				· · · ·	ł		-	
	TSLRIC									
3										
	State:	Florida								
5										
	COST DEVELOPMENT									
7					Levelized					
8		· · · · · · · · · · · · · · · · · · ·			Investment	1		3/96		
78910			٨.	/erage	Inflation	L	velized	Direct	Direct	
			Inve	estment	Factor	<u>In</u>	estment	ACF		Cost
11							(D*E)	13.20%		(F*G)
12										
	Residence:						_			
	Aerial NID (22C)	+F53	3		1.061	\$		0.2778	\$	
15				-						
	Buried NID (45C)	+D53	\$		1.058	\$		0.2736	\$	
17										
	Business:									_
	Aerial NID (22C)	+G53	\$		1.061	\$		0.2778	\$	
20							_			
	Buried NID (45C)	+E53	1		1.058	\$		0.2736	\$	
22										
	Combined Residence/Business:					•				
	Aeriai NID	(F55*D14)+(G55*D19)	L <u>×</u>		1.051	\$		0.2778	\$	
25						•				
	Buried NID	(D55*D16)+(E55*D21)	5		1.058	\$		0.2736	5	
27 28										
29	Monthly NID Cost	=(H24+H26)/12							Ŧ	
30										i
31	******		****		*******					
32	······································									
33										
	INVESTMENT DEVELOPMENT									ł
35				Buried (45C)		Aerial (2	2C)		
36		Source	Res		Bus.	Res		<u>Bus.</u>		
37				•			3			
38										
	Material NID (1-6 pair)	Network	\$	-	5	2		5		
	Install NID (35 minutes)	(35/60) * \$38.94	\$		5	\$		S INCOME		
	Travel (28 minutes)	(25/50) * \$38.94	\$		5	S		5		
	Sales Tax on Mat'l (1.06)	.05*D39	\$		5	È S	-	s 📻		
	Total	SUM D39.D42	\$		s 🛋	1		\$100		
44				-						
45	% Placement	RTAP Capital \$ Report 248C/548		70.89%	70.899	6	29.11%	29.11%		
46		• • • • • • •								
46 47										
48	Weighted NID investment									
49	Weighted NID investment	D43*D45, E43*E45, etc.	\$		5	\$				
50										
	Average # of Lines Per Customer	MKIS		1,16	1.\$	3	1.16	1.93		
52										
	Average NID Investment Per Loop	D49*D51, E49*E51, etc.	8		3			: .		
54					-		,			
55	% Access Lines	CRIS Report 4/95		77.10%	22.909	6	77.10%	22.90%		

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UNBUNDLED NETWORK INTERFACE DEVICE

COST DEVELOPMENT - NONRECURRING

Nonrecurring costs are not applicable to the Unbundled NID.

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UNBUNDLED NETWORK INTERFACE DEVICE

SPECIFIC STUDY ASSUMPTIONS

The cost study for the Unbundled NID is based on TSLRIC methodology.

Cost study assumptions are as follows.

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- 1. The material investment represents the termination of a single loop in an average NID sized for residence or business customers.
- 2. The Alternate Local Exchange Company (ALEC) is allowed access to BellSouth's NID where space capacity exists. BellSouth's loop will remain connected to the NID to be properly grounded and protected.

- 3. The cost of money is 13.2%
- 4. This cost study is based on a study period of 1996 to 1998 and incorporates 1995 investments and factors.

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UNBUNDLED NETWORK INTERFACE DEVICE

FACTORS AND LOADINGS

Following are the TSLRIC annual cost factors, miscellaneous loadings and labor rates used in the Unbundled NID cost study.

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FLORIDA

UNBUNDLED NETWORK INTERFACE DEVICE

FACTORS AND LOADINGS

Sales Tax Rate

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0.06

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1995 Directly Assigned Hourly Labor Rates

Installation and Maintenance

<u>1995</u> \$38.94

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30-JUN-95

1995 FLORIDA

ACCOUNT AVERAGE LEVELIZED INFLATION FACTORS FOR FORWARD-LOOKING STUDIES

Land	200	1.059
Building	10C,110C,810C	1.0 59
Gen Purpose Computer	530C,630C,730C,830C	0.857
Analog Switch	77C, 877C, 977C	1.019
Digital Switch	377C, 887C	1.012
Operator Systems	117 C, 417C	1.010
Radio	67C, 167C, 867C, 967C	1.059
Circuit-DDS	157C	0.978
Circuit-Digital Pair Gain	257C, D257C, F257C	0.962
Circuit-Other Digital	F357C, 857C, 957C	0.970
•	357C, T357C	
Circuit- Analog Pair Gain	457C	1.0 00
Circuit-Other Analog	57C	1.050
	158C, 258C	0.977
Public	298C, 988C, 998C	1.032
	198C, 188C, 288C,	
Other Terminal	358C,368C,378C,558C	0.994
	828C, 858C, 928C,958C	0.334
	D958C, F958C	
oies	1C, 811C	1.072
Aerial Cable-Copper	22C, 12C, 802C	1.061
Aerial Cable-Fiber	D22C, F22C, T22C,	1.003
	D12C, F12C,T12C,812C	1.000
	622C, 882C, 982C	
Lindowenund Cable Conner	5C, 805C	1.069
Underground Cable-Copper	985C, D5C, F5C, T5C	1.000
Underground Cable-Fiber	85C, 885C	1.000
	45C, 846C	1.058
Buried Cable-Copper		1.041
Buried Cable-Fiber	D45C, F45C, T45C,	1.041
	845C, 856C, 956C	1.0 54
Submarine Cable-Copper	6C, 806C	1.000
Submarine Cable-Fiber	86C, 886C, D6C, F6C	1,000
	TBC	1 080
Introidg Ntwk Cable-Copper	52C	1.069
Introldg Ntwk Cable-Fiber	852C,D52C,F52C,T52C	1.000
Aerial Wire	30	1.000
Conduit	4C, 84C, 94C	1. 044

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NOTE: Castan states in the Balliandh region (GA & NC) assess gross receipts tax only on "local" reveatures. For these states, & is necessary to publish "local", "private line and tal", and "castaread" factors Beners but the definitions of "local" and "private line and tal" are defined by the tening cultively for gross receipts tax pulpases and may vary been state to state exclusions to tax. CONDUCT SYSTEMS 128 127

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UNGROUND CA - METAL

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For these states which assess grees receipts ter an local, plotte los, and tell revenues, the grees receipted ter factor is based on the overall effective ter rele-

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