ORIGINAL

Sprint

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Enclosure

September 26, 2003

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk
& Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. **981834-TP &** 990321-TP

Dear Ms. Bayó:

Enclosed for filing on behalf of Sprint are the original and 15 copies of the following:

09288-03 1. Surrebuttal Testimony of Jimmy R. Davis and, Non-Proprietary Exhibits JRD-3 through JRD-10
09289-03 2. Non-Proprietary Surrebuttal Testimony of Randy G. Farrar, including Non-Proprietary Exhibits RGF-1 & RGF-2.
09290-03 3. Sprint's Requests for Confidential Classification.

In addition, pursuant to staff's direction, Sprint is filing the following:

09292-03 4. Two redacted hard copies of revised Exhibit JRD-2 and one CD-ROM containing the redacted Exhibit JRD-2.

Copies are being served on the parties in this docket via US mail.

Please acknowledge receipt of this filing by stamping and initialing a copy of this letter and returning same to the courier. If you have any questions, please do not hesitate to call me at 850/599-1560.

AUS
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OTH

Sincerely,

Susan S. Masterton

CERTIFICATE OF SERVICE
DOCKET NO. 981834-TP & 990321-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by electronic mail & U.S. mail this 26th day of September, 2003 to the following:

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Susan S. Masterton

BEFORE THE PUBLIC SERVICE COMMISSION

SURREBUTTAL TESTIMONY OF

Jimmy R. Davis

September 26, 2003

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INTRODUCTION

Q. Please state your name, place of employment, and business address.

A. My name is Jimmy R. Davis. I am employed by Sprint/United Management Company as a Senior Manager – Network Costing at 6450 Sprint Parkway, Overland Park, Kansas 66251. I am testifying on behalf of Sprint-Florida, Incorporated and Sprint Communications Company Limited Partnership (hereafter collectively referred to as "Sprint" or the "Company").

Q. Are you the same Jimmy R. Davis who previously filed direct and rebuttal testimonies in this case?

A. Yes.

Q. What is the purpose of your Surrebuttal Testimony?

A. I am introducing a Revised Exhibit JRD-2 which is Sprint's collocation cost study and associated element rate list. Revised Exhibit JRD-2 replaces the original Exhibit JRD-2, which was included with my direct testimony submitted on February 4, 2003. This revised study incorporates changes in the COR percentage for cross connect and power cable removal as explained in Sprint's Response to Staff's Interrogatory Number 72 part b. The revised study also reflects a recalculation of Sprint's floor space rate which is explained in detail later in my testimony. In addition, I will respond to the Rebuttal Testimony of AT&T witness Mr. Steve Turner in a number of costs related areas. Specifically, my testimony deals with Mr. Turner's comments relating to the use of BellSouth's collocation cost model as a common model in the state of Florida and his recommendation of using the same cost inputs for all three ILECs. Sprint's witness Randy Farrar also addresses issues relating to Mr. Turner's proposal in

his Surrebuttal Testimony, also filed today. I will also respond to the rebuttal testimonies of Staff witnesses Dr. David Gabel and Mr. Roland Curry regarding their comments on Sprint's cost inputs and study methodologies for various collocation rate elements.

Net Present Value Analysis is a Simple Solution to Cost Comparisons Among ILECs With Different Collocation Models

Q. On page 3 of his Rebuttal Testimony (lines 20 – 22), Mr. Turner claims that the use of three different collocation cost models makes it "almost impossible" to compare collocation costs. Do you agree with Mr. Turner's claim?

A. No, not at all. As an operating ALEC, Sprint routinely analyzes collocation costs of various ILECs in multiple states. In these analyses, Sprint deals with all types of variations in collocation cost structures.

Q. What types of variations in cost structures does Sprint encounter?

A. As expected there is the mix of one time non-recurring charges (NRCs) and monthly recurring charges (MRCs). Some ILECs recover certain costs up front through NRCs while others shift those costs to MRCs and recover them over time. In addition, some ILECs recover certain NRCs (e.g. project planning) on a per square foot basis as opposed to on a per job basis. Yet another example is that while some ILECs (like SBC and Verizon) recover cost for HVAC as a function of DC amps ordered, others recover HVAC through their floor space rate.

Q. On page 10 of his Rebuttal Testimony, Mr. Turner advocates the use of the BellSouth Collocation Model as the standard model for collocation pricing in

Florida. Should the Florida Commission order the use of the BellSouth Collocation Costs model in Florida, won't ALECs like Sprint who operate in numerous states including Florida still have to contend with multiple collocation cost models?

A. Yes, certainly. BellSouth only operates in the southeastern United States, so even if their model were the standard model in all of their states that would not address the fact that ALECs who operate both within and beyond the southeast would still contend with multiple models. In addition to BellSouth, Sprint's ALEC operation purchases collocation from Qwest, SWBT, Verizon–Bell Atlantic, Verizon–GTE, PacBell, and Ameritech all of which have differing collocation rate structures.

Q. So how does Sprint manage the variations of collocation cost structures among ILECs in various states?

A. It's quite simple really. Net Present Value (NPV) comparisons are used by Sprint to shift NRCs and MRCs into a common point in time. Sprint makes comparisons on a year-by-year and an accumulative basis.

Q. Has Sprint made NPV comparisons as part of this proceeding?

A. Yes. Exhibit JRD-3 contains NPV comparisons between Sprint and Verizon for two of the five physical collocations provided to Staff in Sprint's Response to Staff's Interrogatory Number 1. Sprint used Verizon's Response to Staff's interrogatories Numbers 224 and 225 to Verizon in which Staff asked Verizon to select the collocation rate elements needed to provision the two Sprint physical collocations. Sprint did have to make a few adjustments to what Verizon identified as necessary elements for the Sprint collocations however to ensure that all costs like cage ground bar (Verizon element 10) and DC power and cross connect cable material (represented by Verizon elements 100 through 111) were

accounted for. Exhibit JRD – 3 also contains similar NPV comparisons between Sprint and BellSouth, which involve key assumptions explained below.

Q. Could the Florida Commission Staff use NPV analysis to compare collocation costs among the three ILECs in this case?

A. Yes. Through discovery, Staff asked all three companies for similar information regarding their last five physical and virtual collocations. Furthermore, Staff asked all three ILECs to select collocation elements from their own cost structures necessary to provision selected collocations of the other two. Caution must be exercised however when making comparisons with BellSouth because under the BellSouth collocation cost structure, ALECs provision their own DC power and cross connect cables using BellSouth approved vendors. It should be noted that for collocations in BellSouth central offices, ALECs also provide all DC power and cross connect cable materials and bear the cost of engineering and project planning outside of BellSouth's cost structure. The comparisons between Sprint and BellSouth on Exhibit JRD–3 incorporate Sprint's costs from its collocation cost study for the cost components borne by the ALEC. The investment costs included in Sprint's collocation cost study from cross connects (recovered as MRCs by Sprint) are incorporated as NRCs for the purpose of comparison with BellSouth.

Sprint's Set of Collocation Elements is Comprehensive

Q. On page 10, line 25 of his Rebuttal Testimony, Mr. Turner asserts that Sprint's collocation rate list is "extremely limited" and "does not begin to

address all the necessary rate elements for collocation". Do you agree with this assertion?

A. Absolutely not! Sprint has provided more than 700 collocations system wide and has fulfilled all ALEC requests for collocation rate elements. As can be seen in Sprint's Response to Staff's Interrogatories Numbers 54 and 55, many of Sprint's elements encompass multiple elements of Verizon and Bell. For example, Sprint's single collocation element for floor space covers the cost of Verizon's elements of Floor Space (element 36 or 37), Space Modification (element 34), Environmental Conditioning (element 35), and Cage Ground Bar (element 10), all of which are necessary to provide collocation. In like manner, Sprint's collocation element for DS0 cross connects encompasses Verizon's elements of Overhead Superstructure (element 11), Facility Pull (element 13), DS0 Termination (element 15), Cable Rack Shared Space (element 44), Facility Termination (element 47), and Facility Cable –DS0 Cable (element 100), all of which are necessary to provide collocation. Sprint's collocation rate element lists are reviewed by both Sprint wholesale and Sprint ALEC operations for completeness. Furthermore, our experience tells us that ALECs like a more simple, straightforward rate structure. As an ALEC, Sprint advocates simplicity because it facilitates invoice auditing. Even Mr. Turner calls collocation "straightforward" (p 9, ln14), and Sprint sees no reason to complicate matters by having an unnecessarily complex rate structure.

Q. Has AT&T provided information on what specific collocation elements it believes are missing from Sprint's rate list?

A. Yes. AT&T listed what they believe are missing collocation elements in its Response to Staff's Interrogatory to AT&T Number 79.

Q. What comments does Sprint want to make concerning AT&T's list of "missing" elements provided in their response to Staff's Interrogatory to AT&T number 79 part a) dealing with physical collocation?

A. First, AT&T listed a series of 13 "disconnect only" rate elements. Sprint considers mass service disconnection to be a part of the decommissioning process. As described in under my direct testimony for issue 1C (pages 3 and 4), should an ALEC request to decommission a collocation site, Sprint's major augmentation fees would apply. If however, an ALEC loses a customer prior to decommissioning, Sprint may apply its UNE loop disconnect rates approved under Docket 990649-TP. Next, AT&T listed an element for a "2 fiber cross connect" (BellSouth element number H.1.31) for which Sprint has never received a request. Sprint's experience is that ALECs prefer to have redundancy with their fiber services which require a 4 fiber cross connect. Furthermore, BellSouth's rate elements for 2 and 4 fiber cross connects cover only jumper work since all cross connect cabling in BellSouth's collocation arrangements is self-provisioned by the ALEC. AT&T listed the BellSouth element called a "power reduction fee" (BS Element H.1.60). Sprint covers this need as a minor augment if only fuses need changing or as a major augment if DC power connections need altering. Then, AT&T listed a series of 5 Copper Entrance Cable related elements which are covered under Sprint's "Internal Cable Space" and "Internal Cable" elements. Finally, AT&T listed a series of adjacent and remote collocation rate elements as part of its Response to Staff's Interrogatory to AT&T Number 79 part a). To date, Sprint has not provisioned adjacent or remote collocation in any of its

operating territories in any state and has no cost-based data upon which to base standard rates. These collocation arrangements are not common, nor are they standard and therefore do not lend themselves to developing accurate generic rates. Due to the variability of configurations involved in adjacent and remote terminal collocation, Sprint proposes to cost adjacent or remote collocation on an individual case basis.

Q. Is Sprint's rate element for internal cable – per 100 pair copper stub cable intended for virtual collocation only?

A. Yes, and for good reason. Sprint's policy is for all copper entrance facilities to terminate on Sprint's mainframe to ensure the proper protection from the remainder of the office from lightning surges and electromagnetic interference. Since the copper cable is terminated on Sprint's mainframe, Sprint's policy is to perform all associated maintenance. If copper entrance facilities were categorized as physical collocation, the implication would be that the ALEC would perform the maintenance.

Q. What comments does Sprint want to make concerning AT&T's list of "missing" elements provided in its Response to Staff's Interrogatory to AT&T Number 79 part b) dealing with virtual collocation?

A. AT&T listed a series of (eight) "disconnect only" rate elements. Again, Sprint considers mass service disconnection to be a part of the decommissioning process. The only other element listed by AT&T under its Response to Staff's Interrogatory 79 part b) was 2-wire cross connects for virtual collocation. BellSouth's cross connect related elements (H.1.9 through H.1.12) only cover the actual "jumper" which connects the ILEC owned UNE loop with the ALEC owned interoffice cross connect cabling. Under BellSouth's model, the ALEC

self provisions all cross connect and power cabling. Sprint achieves cost recovery for 2 wire cross connects using UNE loop NRC's approved under Docket 990649-TP.

Collocation is Significantly More Risky Than Other UNEs

Q. On page 11 of his Rebuttal Testimony, Mr. Turner states that since collocation is the vehicle used for ALECs to obtain access to UNE loops, "it is only reasonable that the same cost factors that are used to establish the cost for unbundled elements should be used to establish the costs for collocation...". Do you agree?

A. No. There are significant differences between collocation as a UNE and the UNE loops ALECs gain access to through collocation. First of all, as explained in Sprint's Response to Staff's Interrogatory Number 74 and in my Rebuttal Testimony (Davis Rebuttal page 7, line 13 through page 8, line 7), collocation arrangements are uniquely designed and built to meet a particular ALEC's specific needs. Conversely, UNE loops are not built for the ALEC at all; rather, they are built by the ILEC in the normal course of business for the purpose of serving an end user. Should an ALEC discontinue service, the ILEC can use the same loop to serve the end customer. Collocation arrangements, on the other hand, are of no use to Sprint in serving the end customer. Once an ALEC has discontinued use of its collocation arrangement, if not sold to another ALEC, it will likely have to be decommissioned or redesigned and re-built. In any scenario, collocation arrangements are of no use to the ILEC.

Q. What collocation cost inputs did Sprint modify as a result of the unique nature of collocation arrangements as opposed to the UNEs associated with Docket Number 990649 – TP?

A. As explained in Sprint's Response to Staff's Interrogatory Number 11, the depreciation lives were reduced to reflect the most current lives supported by Sprint. Sprint considers this to be a very conservative adjustment given that over half of the collocations built by Sprint since 1996 have already been abandoned as reported in Sprint's Response to Staff's Interrogatory Number 69. In addition, Sprint used actual decommissioning work order cost to arrive at an appropriate cost of removal for collocation cable elements (power and cross connect). These elements in particular are costly to remove as compared to their investment value; therefore, a higher cost of removal percentage is appropriate to match cost recovery with cost causation. This added cost of removal is discounted, however to reflect that removal costs are incurred in a future period.

The BellSouth Model Will Not Meet Sprint's Needs for Costing Collocation

Q. As stated earlier, Mr. Turner advocates the use of the BellSouth Collocation Model as the standard model for collocation pricing in Florida. Does the BellSouth Company Specific Collocation Model meet Sprint's needs for cost recovery?

A. No. Several types of costs incurred by Sprint in the course of ALEC collocation are missing from BellSouth's Collocation Model. This is of a particular concern given BellSouth's Response to Staff's Interrogatory to BellSouth Number 112 which asked about adding collocation elements to BellSouth's cost model.

BellSouth's reply was that "the user is not able to modify the structure of the study by adding or deleting elements".

Q. Please provide examples of collocation costs incurred by Sprint, that are absent in BellSouth's company specific model.

A. As mentioned above, the BellSouth model assumes the ALEC self provisions its DC power cable connections (Sprint elements 13 – 19 on page 5 of 107 in Exhibit JRD-2) using BellSouth's approved vendors. Furthermore, BellSouth's model assumes the ALEC provides their own cross connect cable material (for DS0, DS1, and DS3) and installation labor for cross connects. Other cost elements excluded from BellSouth's model are: Project Management Fees for collocation build outs (either direct billed from the approved vendor to the ALEC or absorbed by the ALEC), shared and common space in its floor space rate element and manhole, conduit and cable vault space for its cable entrance facilities.

Q. On page 7, lines 6-8 of his Rebuttal Testimony, Mr. Turner makes a statement that all cost models "develop the investment for the particular component including any installation cost and related support investments". Does BellSouth's model build investments for BellSouth's collocation rate elements?

A. No. The BellSouth model does not build investments. As an example, the DC power plant investment per amp is developed as a separate study and is incorporated as an input into the BellSouth model as opposed to being developed within the BellSouth model.

Q. In contrast to the BellSouth model, how does Sprint's collocation cost model develop the DC power investment per amp?

A. Sprint's model starts with equipment costs for the individual components of a DC power plant and builds the cost of each size of plant based on design criteria provided by a Sprint DC power engineer. Engineering and installation labor is added to provide a complete investment cost per amp for various sizes of the DC power plants used in Sprint's ILEC territory (see Workpaper 5.0 of Revised Exhibit JRD-2). Finally, a weighted average investment per amp is developed using actual DC power plant sizes for each central office in Sprint's Florida operation. Thus, Sprint's collocation cost model does "develop the investment for the particular component including any installation cost and related support investments" which is the structure Mr. Turner says all cost models have (Turner Rebuttal page 7, lines 6-7). If Sprint were to use the BellSouth model, Sprint would have to separately develop an investment cost per DC amp as does BellSouth.

Using the Same Inputs for All Three ILECs is Not Appropriate

Q. On page 15, lines 4 - 11 of his Rebuttal Testimony, Mr. Turner recommends that all three ILECs in this case use the same cost inputs that he recommends for BellSouth. Is this appropriate?

A. No. The three ILECs in this case are vastly different in their size on a system wide basis and have different economies of scale for their central office switching centers within the state of Florida.

Q. How does the size of an ILEC on a system level influence its cost inputs?

A. Larger corporations have greater purchasing power than smaller ones due to the volume of their purchases.

Q. What impact do differing economies of scale in central office switching centers have on costs?

A. Larger switching centers lead to larger DC power plants which can be constructed at a much lower cost per amp than smaller DC power plants. This is evidenced by the relative comparison of DC power plant investment per amp on work paper 5.0 of Revised Exhibit JRD-2. Even though many of the components (rectifiers, batteries, etc) used to build the various sizes of DC power plants cost the same, combining these components into larger DC power plants lowers the cost per amp. In addition, larger central office switching centers require larger central office buildings which can also be built at a lower cost per square foot than smaller central office buildings. Mr. Turner alludes to his understanding of these principles on page 22, lines 23-26 of this Rebuttal Testimony as he compares the relative sizes of BellSouth and ALECs by mentioning the "economies which BellSouth enjoys".

Q. What evidence can you present to demonstrate size and economies of scale differences among the three ILECs?

A. The top portion of Exhibit JRD-4 is a comparison of the number of access lines each of three ILECs have in the state of Florida as well as throughout their multi-state operations. This exhibit clearly shows that although Verizon and Sprint's Florida operations are of a similar size, Verizon is more than 7 times the size of Sprint on a system wide level. Furthermore, BellSouth is roughly 3 times the size of Sprint, both within the state of Florida and on a system wide basis. Size at the system level is what determines purchasing power when it comes to buying the necessary goods and services to provide service. A company which is 3 to 7 times larger than another will certainly have more purchasing power. Exhibit

JRD - 4 also provides a comparison showing the number of central office switching centers by size for the three ILECs. This portion of the exhibit clearly shows that BellSouth has at least 26 central office switching centers that are larger than Sprint's largest central office switch. Furthermore, BellSouth has nearly 4 times as many central office switching centers in the range of 4,000 to 8,000 access lines which is representative of Sprint's largest central office switching centers. ILECs with larger central office switching centers are able to place larger quantities of DC power plant components at each location (batteries, rectifiers, etc.) to achieve greater economies of scale.

Q. Given the size differences in switching centers in Florida and overall lines served on a system-wide basis, does Sprint enjoy the same economies of scale as the other LECs in this case?

A No. Sprint does not enjoy the economies of scale of either BellSouth or Verizon. Because of less purchasing power, Sprint is not able to obtain equipment like DC power plant (batteries, rectifiers, power boards, generators, etc), DC power cable, and cross connect cable materials as cheaply as these larger ILECs. Furthermore, Sprint's central office switching centers are not as large as BellSouth (or Verizon) in the state of Florida and therefore cannot achieve the same efficiencies in DC power plant and central office building construction.

Mr. Turner's Recommended Cost Input for the AC Power Component of the DC Power Rate per Amp is Incorrect.

Q. What is the AC power component of the DC power rate?

A. As explained in my direct testimony for issue 6 (B), AC power is purchased from an electric utility then converted to DC power (by rectifiers) within the DC power plant. This issue was discussed extensively during the hearing on issues 1 through 8 for this case on August 11 and 12, 2003.

Q. What is Mr. Turner's recommendation concerning the cost of the AC component and on what does he base his recommendation?

A. On page 28 of his Rebuttal Testimony (beginning with line 19), Mr. Turner points to a U. S. Department of Energy report on AC power costs (Exhibit SET-5) and recommends $.053 per KWH as a cost input for AC power based on the 2002 actual revenue to electric utilities from consumers in the "Industrial" category for the state of Florida.

Q. What justification does Mr. Turner provide for his recommendation?

A. Mr. Turner relies on his own experience and states that he is "confident in this section" (page 29, line 1). He adds: "from experience I know that the incumbent LECs tend to have AC power rates that are most closely approximated by the rates in this column" (page 29, line 1). Later in the same paragraph he states that "The bottom line, however, is that I have used the industrial category for 2002 in identifying the appropriate AC kilowatt hour rate for BellSouth and the other incumbents" (page 20, lines 6-8).

Q. Is Mr. Turner's recommendation appropriate for Sprint?

A. No. This recommendation is inappropriate for some very compelling reasons. First, I consulted Ms. Charlene Harris-Russell with the US Department of Energy who was listed as a contact on the web site associated with the report represented by Exhibit SET-5 attached to Mr. Turner's testimony. According to Ms. Harris-Russell, a telephone company's switching center would typically come under the

commercial use category. This fact was confirmed by interview with Sprint's Energy Manager.

Q. What rate per amp corresponds to the commercial category according to the US Department of Energy?

A. As can be seen on Mr. Turner's Exhibit SET-5 attached to his Rebuttal Testimony, the actual revenue to electric utilities from users in the "Commercial" category for 2002 in the state of Florida is $ .067 per KWH.

Q. Has Sprint provided proof of its AC power costs?

A. Yes. As a matter of fact, it was AT&T who requested cost support for Sprint's AC cost input of $ 0.0671 per KWH. In response to AT&T's Request for Production of Documents Number 17 (provided March 14, 2003 more than a month before Mr. Turner's testimony was filed), Sprint provided AT&T with an analysis of actual electric bills (usage and cost) for the 12 month period from October, 2001 through September, 2002 for 445 meter locations throughout Sprint's territory in Florida amounting to more than 10,000 data points (445*2*12). It is obvious that Mr. Turner completely ignored the extensive factual data supplied by Sprint in response to AT&T's request. This cost analysis strongly supports Sprint's cost of $ 0.0671 per KWH which is identical to the U.S. Department of Energy's reported revenue of $ 0.067 per KWH for users under the "Commercial" classification for 2002.

Q. On page 29 of his Rebuttal Testimony, Mr. Turner makes mention of load sharing arrangements with AC power providers where ILECs provide their own AC power by running their generators periodically in exchange for a lower rate. Does Sprint have any such arrangements?

A. Yes. The savings resulting from these arrangements are reflected in Sprint's actual cost analysis provided in our Response to AT&T POD Number 19.

Sprint's Collocation Cost Model Provides Cost Recovery only if ALECs pay for the DC Power They Order

Q. On page 31 (lines 1-19) of his revised Rebuttal Testimony, Mr. Turner states that "While List 1 Drain is the current that the equipment draws when it is operating at normal voltages, the equipment will not always draw that current." Is this statement germane to DC power rate development?

A. No. Sprint's DC power rate is developed with the intention of having the ALEC pay for a share of the DC power plant base on the amount of DC power they order. The ALEC can base their DC power needs on any criteria they wish; however, the ALEC must pay for the DC power they order for Sprint to recover its cost.

Q. What are some of the key assumptions made by Sprint in its collocation cost model for the development of a DC power rate per amp?

A. Sprint's collocation cost model develops an investment cost per amp using the DC power plant's capacity to supply power. A DC power plant's capacity is defined by the number and size of rectifiers, batteries, power boards, generators, etc. which make up the DC power plant's infrastructure. By ordering DC power, the ALEC is telling Sprint how much of the DC power plant's capacity it wants to serve its collocated equipment. Although the Sprint incurs the cost of building the DC power plant up front, the investment cost per amp determined by Sprint's collocation cost model is used to develop a **monthly** recurring charge rather than

a **non-recurring** charge per amp of DC power ordered by the ALEC. This gives the ALEC the advantage of having no up front cost when placing an order for DC power amps.

Q. Also on page 31 (lines 23-24) of his revised Rebuttal Testimony, Mr. Turner discusses metering of actual usage. Is metering of actual usage taken into account in Sprint's collocation cost model?

A. No. As stated previously, the investment in the DC power plant and its capacity to provide DC power are variables used to determine the DC power rate per amp. If the Florida Commission were to order the metering of DC power, Sprint's DC power rate per amp would have to be adjusted upward to account for the gap between the DC power plant capacity ordered by the ALEC and the DC power actually used by the ALEC's equipment. Exhibit JRD-5 is a reproduction of attachment "Staff POD 62-C-3" which was included as part of Sprint's response to Staff's request for the Production of Documents Number 62. As can be seen from the exhibit, the ALECs represented are only using 13.7% of the DC power plant they ordered. Without an adjustment in the DC power rate per amp to account for the difference between what an ALEC orders verses what it uses, the ALEC will have no incentive to limit the DC power plant capacity it orders and Sprint would bear the cost of the DC power plant infrastructure ordered but unused by the ALEC. The over-ordering of DC power plant capacity will, as it has in the past, drive Sprint to overbuild DC power plant. It is important to both Sprint and the ALEC for the ALEC to order DC power in smaller increments with the intention of being proportionate with its collocated equipment's DC power needs.

Q. Why is it important to the ALEC to order an amount DC power which is proportionate with its equipment needs?

A. To save money. If they order less, they pay for less. This holds true for both the AC power component of the DC power rate as well as the component which recovers the DC power plant investment made by the ILEC. In addition, Sprint is willing to work with the ALECs on upsizing their DC power cables (while right-sizing their fuses) which feeds their collocated equipment offering even more savings on the NRCs related to installing DC power cable feeds.

Q. Why is it important to Sprint for the ALEC to order an amount DC power which is proportionate with their equipment needs?

A. DC power plant capacity of a particular Central Office should be planned from a community point of view. This means recognizing that Sprint and all the ALECs housed in a particular central office are competing for the same customers. If the DC power plant of a particular central office is shared properly, additions to DC power plants should be more limited to growth in services actually purchased by consumers rather than being driven by the over-ordering of DC power plant capacity by ALECs. To help ensure that DC power plants are shared between Sprint and the ALECs, the ALECs need to be given the financial incentives to order DC power in smaller increments. If ALECs order DC power in smaller increments, Sprint is given the opportunity to shift DC power plant capacity it no longer needs to the ALEC as the ALEC grows. Meanwhile if the ALEC decides to discontinue offering service, Sprint would not have to absorb the carrying cost associated with DC power plant additions, driven by ALECs' over-ordering of DC power. An ability to shift DC power plant capacity to whoever needs it as they need it would lessen the need to charge the ALEC with an expensive up front

investment per amp in the form of a non-recurring charge to enable Sprint to achieve full cost recovery of its DC power plant investment.

Q. Can Sprint present evidence that ALECs have discontinued their collocations after it has added capacity to DC power plants?

A. Yes. Exhibit JRD-6 is a list of ALECs that have discontinued service in 4 Sprint central offices. Also shown is the cost of DC power capacity added to these offices.

Q. How can the Florida Commission help to provide ALECs with the financial incentive to be more efficient by ordering an amount DC power which is proportionate with their equipment needs?

A. By reinforcing that an ALEC is to pay for all DC power amps ordered.

The Costs Included in Sprint's Rate Elements for AC Outlets and Overhead Lights Are Not Already Included in its Floor Space Rate Element

Q. On page 23 of his Rebuttal Testimony, Dr. Gabel states that "it appears that Sprint's building investment calculations already include the cost of permanent fixtures such as overhead lighting and AC receptacles." Is Dr. Gabel's comment correct?

A. No. Both the AC receptacles and overhead lighting collocation elements are only charged when applicable. As explained in Sprint's Response to Staff Interrogatory Number 30, R. S. Means does in fact account for the cost of AC outlets along the perimeter of a finished space (like along the permanent walls) but the R.S. Means construction cost estimator does not account for AC outlets that ALECs often add to their equipment bays which are located out in the middle

of the floor. In like manner, although R.S. Means does cover overhead lights, Sprint has found that ALECs sometimes want to add additional lighting. Sprint only charges for AC outlets and additional overhead lighting when ALECs request these elements and Sprint incurs the cost. As can be seen in Sprint's Response to Staff Interrogatory Number 1, ALECs do not always order these elements, in that only three of five collocators ordered an AC outlet(s) while none of the five collocators ordered additional overhead lights.

Sprint's Floor Space Rate Development is TELRIC compliant

Q. What key characteristics of Sprint's floor space rate development cause it to be TELRIC compliant?

A. Sprint's floor space rate development using R.S. Means is based on the forward looking cost (as opposed to embedded cost) of building a central office building on a scale which fits the total demand for space by both the ILEC and the ALECs sharing the space.

Q. How does the use of forward looking cost and the scale of total demand affect cost recovery?

A. By using forward looking cost on a scale of total demand, Sprint's floor space rate assumes that finished transmission space is available meaning that the cost for routine site preparations for items like ductwork and cable rack extensions for transmission space is accounted for. Therefore, unlike the other two ILECs in this proceeding, Sprint does not have a separate rate element for "space preparation" (e.g. BellSouth H1.41-H1.45) or "building modification" (e.g. Verizon element No. 34).

Q. What methodology for building floor space cost development does Staff witness Dr. Gabel advocate?

A. Staff witness Gabel endorses Verizon's indexing of embedded cost methodology.

Q. Do you consider Verizon's methodology to be TELRIC compliant?

A. No. Since embedded costs are being used, it is obviously not forward looking. Even Dr. Gabel himself states that "this approach is somewhat inconsistent with the FCC's pricing rules that require the use of forward –looking efficient technology" (Gabel Rebuttal, page 8, lines 7-9).

Q. Do you agree with Dr. Gabel's assertions that if embedded cost indexing is used, the inclusion of space preparation cost for ALECs in the building investment account negates the need for separate a rate element like BellSouth's "space preparation" MRCs or Verizon's "building modification" MRC?

A. No. Using embedded cost while assuming all collocation related modification costs are already accounted for would not fairly attribute the cost of preparing collocation space to the ALECs. The investment associated with space preparation for ALECs is very small compared to the investment cost of the entire building and would therefore not have a material affect on the overall investment cost per square foot. Under the Verizon methodology, ALECs should bear the full cost of space preparation since they are the cost causers. Otherwise, ALEC operations would be subsidized by the ILEC.

Q. On pages 28 of his Rebuttal Testimony, Dr. Gabel recommends that Sprint convert embedded building cost to current cost to duplicate the Verizon

methodology and to do so in central offices where collocation exists. Has Sprint performed such an analysis?

A. Yes, we have. Indexing the vintage data of the sample of offices shown on Exhibit JRD-7 yielded a cost of $227 which is higher than the cost derived from R.S. Means ($146 from lines 1 and 2 of Workpaper 4.0 of Revised Exhibit JRD-2). This sample of central offices is from the same random sample used to perform additional analysis on Sprint's floor space rate gross up factor discussed later in my Surrebuttal Testimony.

Q. What opinions are offered by ALEC and Staff witnesses concerning Sprint's use of R. S. Means?

A. AT&T witness Turner is a strong proponent of R.S. Means (Turner Rebuttal, page 45) while Staff witness Gabel is not. Mr. Turner speaks of R.S. Means as being an independent verifiable source (page 46, line 6) that "has been used by state Commissions and incumbents in developing investments for collocation". One such Commission, as Mr. Turner reports (page 46), is the Texas Public Utilities Commission. Dr. Gabel, on the other hand, criticizes R. S. Means while using a disclaimer statement from a product other than R. S. Means (page 28, lines 10-13)!! Witness Gabel's footnote number 28 on page 28 of his Rebuttal Testimony reveals that his quoted disclaimer statement actually comes from the "2000 National Construction Cost Estimator" not R.S. Means. The act of criticizing one product while using disclaimers from another constitutes an inappropriate use of unrelated facts. This is similar to attempting to discredit the reliability of a Toyota by quoting the repair occurrences of a Buick.

Q. If the Florida Commission were to adopt Verizon's methodology for floor space rate structure, what additional collocation elements would Sprint need to employ?

A. As can be seen from Sprint's Response to Staff's Interrogatory Number 54 and on the attached Exhibit JRD-3, Sprint's floor space rate element encompasses Verizon's elements of: floor space, building modification, environmental conditioning, and cage ground bar. These last 3 elements would need to be added to Sprint's collocation rate list.

Q. If the Florida Commission were to adopt Verizon's floor space rate, would Sprint double recover for security systems as Dr. Gabel asserts on page 44, lines 21-25?

A. No. Sprint charges security systems to the Furniture and Office Equipment Investment Account as opposed to the Building Investment Account; therefore, Sprint's security system investments added as a result of collocation are not contained in the vintage data for the Building Investment Account.

Gabel's Criticisms of Sprint's Floor Space Rate Development Contains Numerous Inaccuracies

Q. On page 9 of his Rebuttal Testimony, Dr. Gabel states that "if a new *central office* building were to be constructed, it might be smaller than today's central offices" (clarification added). What are reasons this would not be the case?

A. Dr. Gabel was making reference to the trend towards smaller switching equipment; however, that does not take into account the fact that additional space is needed to house the ever growing number of systems necessary to provide modern telecommunications including fiber systems, SS7 networks, digital cross connects, and ATM networks. Furthermore, collocation itself adds to the general requirements for space. However, even if newer central offices were smaller, their cost per square foot would be higher which would offset the effects of shorter cable runs.

Q. Should Sprint's actual measurements for DC power and cross connect cables be adjusted to reflect the assumption of a new building under R.S. Means as Dr. Gabel suggests (Gabel Rebuttal, page 10, lines 4-6)?

A. No. As just explained, Sprint does not see any valid reasons for why a new central office building housing telecommunications network equipment would be materially different in size as compared to an existing one. Furthermore, even if a new building would actually be built, collocation would fairly be spread throughout the central office as it is today. Sprint's Response to Staff Request for the Production of Documents Number 20 shows a wide range of cable lengths for both DC power feeds and cross connects clearly indicating that collocations are indeed spread throughout Sprint's central offices.

Q. On page 43, line 26 of his Rebuttal Testimony, Dr. Gabel comments that of the 48 observations Sprint used for its security additive, only 2 were in the state of Florida. Has Sprint since examined other security system costs in the state of Florida?

A. Yes we have. Exhibit JRD-8 provides a list of price quotes for security systems in central office buildings in the state of Florida. As can be seen the overall average investment per square foot for the Florida systems is $ 2.63 while the overall average investment per square for security systems used in Sprint's study is $2.92.

Q. Does this difference in cost have a material affect on Sprint's rate for floor space?

A. No. Since Sprint spreads the cost of the security system enhancement based on the total usable square footage in the central office, as advocated by Dr. Gabel on page 43 of his Rebuttal Testimony, the security additive accounts for less than 2 percent of Sprint's floor space rate. The difference of $ .29 per square foot between the Florida specific security systems versus the security systems used in the study accounts for a difference of less than 2 tenths of one percent (0.2%) in Sprint's floor space rate.

Q. On page 44, line 15, Dr. Gabel reported that Sprint's cost per square foot for the security additive is $ .70 compared to $ 0.0125 for BellSouth. In his footnote 49 at the bottom of the page, he says that he arrived at his figure by taking Sprint's additive for security and applying Sprint's annual charge factor. Are Dr. Gabel's calculations correct?

A. No. As their name implies, annual charge factors are used to calculate annual charges. To arrive at a monthly recurring charge, the analyst must divide the annual charge by twelve, which Dr. Gabel did not do. Dr. Gabel should have reported $0.70 divided by 12 or $ 0.058 per square foot compared to Bell's $0.0125 per square foot.

Q. Can the difference between Sprint's and BellSouth's cost per square foot for security systems be explained?

A. Certainly. If you take BellSouth's MRC cost and back into an investment per square foot using BellSouth's ACF for buildings, you arrive at $ .77 per square foot (.0125 / .1936 * 12 months per year). The average security investment per square foot in Sprint's larger buildings is comparable to BellSouth's cost. As shown on Exhibit JRD-4, BellSouth has much larger central office switching centers/buildings than Sprint. Sprint simply does not have the same economies of scale as does BellSouth.

Q. What questionable comments does Dr. Gabel make concerning floor space lease costs?

A. Dr. Gabel cites comments from a North Carolina proceeding making reference to an anomalously low historic floor space lease costs. What Dr. Gabel does not mention however, is that three of the five leases cited are from extremely small towns (two of which have populations of less than 300 people) and involve 30 year old leases with little to no provisions for inflationary increases. One other lease was for a small remote switch at a strip shopping center. None of these four locations had any collocation in them nor likely ever will. These buildings and leases are hardly comparable with the larger towns and the value of property in Florida. It should be noted that Sprint does not lease space in Florida for central office equipment buildings (see Sprint's Response to Staff's Interrogatory Number 25).

Q. On page 24 of his Rebuttal Testimony, Dr. Gabel expresses concern over the statistical validity of Sprint's sample of five sets of floor plans for its central

office buildings in evaluating its floor space gross up factor. Why did Sprint use five?

A. As covered in our Response to Staff's POD Number 13, Sprint's selection of five central offices was based on the need to work with a manageable number of offices to analyze given the labor intensive nature of this study.

Q. Has Sprint examined additional floor space plans since the filing of its study in February?

A. Yes. Sprint has added a random selection of 14 additional central office buildings containing collocation for a total of 19. As shown on Exhibit JRD–7, this is now a statistically valid sample of Sprint's central offices.

Q. On page 27 of his Rebuttal Testimony, Dr. Gabel's footnote number 27 asserts that "49 of Sprint's 134 COs (roughly 37%) are at or near capacity". Is this assertion true?

A. No. Dr. Gabel referenced Sprint's web site containing information on full site locations. Dr. Gabel assumed that all 49 sites listed are central offices, while at the time of the study only one of these sites was a central office with the remaining 48 closed sites were digital line carrier systems.

Q. Is this one closed office included in your random sample of central office buildings?

A. Yes.

Q. What incorrect assumptions has Dr. Gabel made about Sprint allocation of egress space its floor space factor?

A. Dr. Gabel failed to recognize that Sprint's inclusion of egress (labeled "E" as shown in column "h" of Exhibit JRD–7) only includes the egress contained within the equipment transmission room. The egress used by Sprint in its calculation of

the floor space rate consists of the aisles on either end of the rows of equipment bays along with space which allows access to caged collocation. Without this aisle space, the collocation is unusable because a technician would not place or access equipment. It would therefore be inappropriate to spread Sprint's egress space to any other elements.

Q. How did Sprint determine shared and growth space for its floor space rate calculation?

A. For shared space (labeled "S" in column "f" of Exhibit JRD-7), Sprint excluded space (stairways, halls, equipment staging areas, bathrooms, and break rooms) that would not be used by the ALEC. For growth space (labeled "G" in column "g" of Exhibit JRD–7), Sprint only counted space that is available for both Sprint and the ALECs to occupy as equipment space. Sprint bears the full cost of all this space; therefore, ALECs should bear a fair share of this cost. This can only be accomplished by allocating shared, growth and egress space to only transmission space.

Q. In footnote number 26 on page 27 of his Rebuttal Testimony, witness Gabel claims that Sprint included "office space" as shared space in it's Winter Park Central Office Building. Is this true?

A. No. The space Dr. Gabel is referring to is obviously a hallway which leads to a transmission space shared by Sprint and the ALECs. After consulting with building engineering, this space was appropriately and clearly relabeled "HALL" on the drawing and used as shared space in our analysis.

Q. What is Sprint's space allocation for Air Conditioning?

A. The space identified for Air Conditioning Equipment (column "k" of Exhibit JRD–7), is for space containing the central office's heating and cooling system (HVAC).

Q. In its original study, why did Sprint allocate all of its AC equipment space to transmission space?

A. According to Sprint's facility engineers, more than half of the cooling capacity of a central office building is needed to cool the equipment in the building as opposed to the building itself if it were empty. Nonetheless in retrospect, some of the AC equipment space allocated by Sprint to the transmission space could have been allocated to office and power space (vaults are generally not cooled). Sprint's desire is to recover only its cost; therefore, Sprint has made adjustments to reflect the sharing of AC space (labeled "A" in column "l" of Exhibit JRD–7), to more than just transmission space in its recalculation of its floor space gross up factor which is covered below.

Q. How did Sprint allocate AC equipment space in its recalculation of the gross up factor?

A. As can be seen in columns "d", "j", and "l" of Exhibit JRD-9, Sprint allocated the AC equipment space based on the square footage of all identified space in the building excluding unconditioned spaced (e.g. cable vaults).

Q. What floor space gross up factor is supported by Sprint's additional data coupled with the adjustment in how AC space is allocated?

A. As can be seen from the results of Exhibit JRD-7, Sprint's revised gross up factor is 49.2 %. This higher factor, when combined with the small reduction in Sprint's security additive discussed previously, results in a revised floor space rate of

$7.87 per square foot per month (see Revised Exhibit JRD-2). Sprint's floor space rate in its original filing on February 4th, 2003 was $9.65.

Gabel Mischaracterizes Sprint's Presentation of its Forward Looking Costs

Q. On page 32 of his Rebuttal Testimony, as part of his comments on the reliance of SME inputs, Dr. Gabel comments that the "incumbent LECs have greater access to the cost information necessary to calculate the incremental cost of unbundled elements in the network" and "incumbent LECs must prove to the state commission the nature and magnitude of any forward-looking cost that it seeks to recover in the prices of interconnection and unbundled network elements". Has Sprint presented its forward looking cost in this proceeding?

A. Yes. As covered in Sprint's Response to Staff's Interrogatory Number 15, 90% of the first year collocation costs are supported by either actual cost analysis or forward looking vendor quotes while 99% of the ongoing monthly recurring charges are supported by actual cost analysis or forward looking vendor quotes.

Q. What comments has Dr. Gabel made concerning Sprint's actual cost derivations through work order analysis and vendor quotes?

A. On page 37, Dr. Gabel acknowledges that Sprint has substantially supported its rates through actual cost (through work order analysis) or vendor quotes; however, he still expresses a preference towards Verizon's lower work times. In fact, throughout his "analysis" Dr. Gabel simply picks the lowest number without regard as to whether or not the low number is accurate. This is the case for DSO cross connect cable pulls (page 50 of Gabel's Rebuttal). Dr. Gabel prefers

Verizon's lower work time for cable pulls and terminations which are supported by SME inputs to Sprint's work time for cable installations which are based on work order analysis. Even though he otherwise is critical of SME inputs, he does not introduce the possibility that Verizon's SME based work times are understated. Another possibility is that Verizon's SME based work times represent a best case scenario involving comparatively easy installations of a relatively large number of DS0s installed per job. Of the 75 work orders examined by Sprint in determining the actual work times for cross connects, only 6 involved installations of more than 2,000 DS0s while 4 of 5 collocations included by Verizon in its Response to Staff's Interrogatory to Verizon No. 1, involved installations of more than 2,000 DSOs. Sprint's work times for cross connect cable installations reflect the quantities typically installed by Sprint as well as the realities of the difficulties of doing this type of work.

Q. Where else did Dr. Gabel simply pick the lowest work time input without regard to its accuracy?

A. Although Sprint and BellSouth's collocation application fees are similar ($2,758 and $2,785 respectively), on page 39 of his Rebuttal Testimony, Dr. Gabel recommends that both Sprint and BellSouth use Verizon's work times for its Application Fee. In this situation, Verizon is clearly the outlier, but Dr. Gabel disregards the possibility that Verizon has omitted some costs they are entitled to or is recovering some of their application related costs in some other way. He simply picks the Verizon rate because it is the lowest number.

Sprint - Proposed Rates

Sprint Rate Elements	Qty	NRC Rates	MRC Rates	Total NRCs	Total MRCs
Application Fee	1	2 758 17	0 00	2,758 17	0.00
New Collo - Admin Transm Engr & Project Mgt Fee	1	5 700 28	0 00	5 700 28	0 00
Subtotal Adm/Trans/Proj Mgt Fee				5,700.28	0.00
Floor Space (per square foot)	21	0 00	7 87	0 00	165 27
Subtotal Floor Space				0.00	165.27
AC Outlet Installation (per outlet 20 amps)	2	1,106 54	0 00	2,213 08	0 00
DS1 Cross Connect (per 28 DS1s)	4	0 00	41 47	0 00	165 88
Subtotal DS1				0 00	165 88
DS3 Cross Connect (per 12 DS3)	1	0 00	207 85	0 00	207 85
Subtotal DS3				0 00	207 85
Optical Cross Connect (per 4 Fibers)	1	0	15 98	0 00	15 98
Subtotal Fiber				0 00	15 98
Power Costs Per Used Ampere Ordered	50	0 00	16 14	0 00	807 00
Subtotal Amps Ordered				0.00	807 00
Power Costs Connection to Power Plant 35-60 Amps	1	2 707 34	36 51	2,707 34	36 51
Subtotal DC Power Connection				2,707.34	36.51
Internal Cable - 48 fiber *	2	1 074 69	40 18	2 149 38	80 36
Internal Cable Space Per 48 Fiber Cable*	2	0 00	31 94	0 00	63 88
Subtotal Internal Cable				2,149.38	144.24
Security Card Per Card	1	15		15 00	
Totals				$ 16,643.25	$ 1,542 73

Verizon - Proposed Rates

Verizon Rate Elements and number (BKE-3)	Qty	NRC Rates	MRC Rates	Total NRCs	Total MRCs
1 Engineering/Major Augment - Caged/Cageless	1	1 380 25	$ -	1,380.25	$0.00
12 Facility Pull - Engineering	1	$ 83 61		$ 83 61	
27 DC Power Engineering	1	$ 83 61		$ 83 61	
Subtotal Adm/Trans/Prol. Mot. Fee				$ 167.22	$0 00
36 Caged Floor Space (per square foot)	21	$ -	$ 3 83	$ -	$80 43
34 Building Modification	1		$ 237 96		$237 96
35 Environmental Conditioning	50		$ 3 21		$160 50
10 Cage Grounding Bar	1	1423 65		1 423 65	
11 Overhead Superstructure/Cable Support	1	$ 1 247 53		$ 1 247 53	
Subtotal Floor Space				$ 2671.18	$478.89
16 DS1 Cable Termination (connectorized)	4	$ 1 15		$ 4 60	
48 DS1 Facility Termination	4		$ 10 47		$41 88
44 Cable Rack Shared Space DS1	4		$ 0 18		$0 72
101 Facility Cable (Connectorized) DS1	4	$ 121 70		$ 486 80	
13 Facility Pull Labor (Metallic)	4	$ 128 80		$ 515 20	
Subtotal DS1				$ 1,006 60	$42 60
17 DS3 Coaxial Cable Termination (Preconnectorized)	24	$ 1 15		$ 27 60	
49 DS3 Facility Termination	24		$ 25 11		$602 64
44 Cable Rack Shared Space	24		$ 0 18		$4 32
102 Facility Cable - DS3 Coaxial Cable	24	$ 36 12		$ 866 88	
13 Facility Pull Labor (Metallic)	24	$ 128 80		$ 3,091 20	
Subtotal DS3				$ 3,986 68	$606.96
120 Facility Termination Fiber Optic Patchcord	1		$ 0 47		$0 47
111 Fiber Optic Patchcord 24 Fiber (Connectorized)	1	$ 775 15		$ 775 15	
14 Fiber Optic Patchcord Pull Labor	1	$ 212 75		$ 212 75	
20 Fiber Optic Patchcord Termination	1	$ 1 15		$ 1 15	
121 Cable Duct Space Fiber Optic Patchcord	1		$ 0 14		$0 14
45 Cable Rack Shared Space Fiber Innerduct	73		$ 0 01		$0 44
Subtotal Fiber				$ 989.06	$1.05
46 DC Power (per 1 amp)	50	$ -	$ 25 45	$	$1,272 50
Subtotal Amps Ordered				$ -	$1,272.50
104 Power Cable - Wire Power 1/0	4	32 83		$ 131 32	
107 Power Cable - Wire Power 4/0	4	$ 62 98		$ 251 92	
29 DC Power Ground Wire	1	$ 9 38		$ 9 38	
28 DC Power - Cable Pull/Termination	8	$ 838 79		$ 6,710 32	
Subtotal DC Power Connection				$ 7,102.94	$0.00
21 Fiber Cable Pull Engineering	1	$1 371 12		$ 1 371 12	
22 Fiber Cable Pull Place Innerduct	192	$ 0 73		$ 140 16	
23 Fiber Cable Pull - Labor (per linear foot)	640	$ 0 49		$ 313 60	
24 Fiber Cable Pull Cable Fire Retardant	2	$ 45 98		$ 91 96	
25 Fiber Cable Splice - Engineering	1	$ 68 56		$ 68 56	
26 Fiber Cable Splice (per fiber strand)	96	$ 41 03		$ 3 938 88	
Subtotal Internal Cable				$ 4,563.15	
3 Access Card Administration	1	$ 31 64		$ 31 64	
Totals				$ 21,887 72	$2,402 00

* Verizon did not include Internal Cable elements

	NRC	MRC
Sprint - Fl	$ 15 543 25	$1 542 73
Verizon - Fl	$ 21 887 72	$2 402 00
BellSouth - Fl	$ 19 935 57	$1 006 93
NPV	9 86%	

	Sprint	Verizon	BellSouth
Year 1	$ 33 205 72	$ 49 387 81	$ 31 463 79
Year 2	$ 16 077 25	$ 25 031 94	$ 10 493 55
Year 3	$ 14 634 31	$ 22 785 31	$ 9,551 75
Year 4	$ 13,329 87	$ 20,740 21	$ 8,694 47
Total	$ 77,238 14	$ 117,945.37	$ 60,203 56

Year	1	2	3	4
Year by Year Sprint	$ 33 206	$ 16 077	$ 14 634	$ 13,321
Cumulative	$ 33 206	$ 49 283	$ 63 917	$ 77 238
Year by Year Verizon	$ 49 388	$ 25 032	$ 22 785	$ 20 740
Cumulative	$ 49 388	$ 74 420	$ 97 205	$ 117,945
Year by Year BellSouth	$ 31 464	$ 10 494	$ 9 552	$ 8,694
Cumulative	$ 31 464	$ 41 957	$ 51,509	$ 60,204

BellSouth - Proposed Rates

BellSouth Rate Elements and number (WBS-2)	Qty	NRC Rates	MRC Rates	Total NRCs	Total MRCs
H 1 1 Application Cost - Initial	1	2 765 00	0 00	2,765.00	0.00
New Collo Admin Transm Engr & Project Mgt Fee See Note (2)	1	5 700 28	0 00	5 700 28	0 00
Subtotal Adm/Trans/Prol Mot. Fee				$ 700.28	0 00
H 1 6 Floor Space (per square foot)	21	0 00	5 28	0 00	110 88
H 1 41 Space Preparation C O Modifica per sq ft Cageless	21	0 00	2 36	0 00	49 98
H 1 42 Space Preparation Common Systems Modification per Sq Ft Cageless	21	0 00	2 50	0 00	52 50
Subtotal Floor Space				0 00	213.36
H 1 11 DS1 Cross Connect Panel & Installation (per DS1)	112	0 00	0 3786	0 00	42 40
DS1 Cross Connect ALEC Maintenance (per 28 DS1s) See Note (1)	4	0 00	11 96	0 00	47 84
DS1 Cross Connect ALEC Provisioned Materials (per 28 DS1s) See Note (1)	4	377 83	0 00	1 511 32	0 00
DS1 Cross Connect ALEC Provisioned Installation Labor (per 28 DS1s) See Note (1)	4	470 26	0 00	1,881 04	0 00
Subtotal DS1				3,392.36	90.24
H 1 12 DS3 Cross Connect Panel & Installation (per DS3)	12	0 00	4 16	0 00	49 92
DS3 Cross Connect ALEC provided Maintenance (per 12 DS3)	1	0 00	59 93	0 00	59 93
DS3 Cross Connect ALEC Provisioned Materials (per 12 DS3s) See Note (1)	1	1 699 66	0 00	1 699 66	0 00
DS3 Cross Connect ALEC Provisioned Installation Labor (per 12 DS3s) See Note (1)	1	407 36	0 00	407 36	0 00
Subtotal DS3				2,107.02	109.85
H 1 32 Optical Cross-Connect (per 4 Fibers)	1	0 00	3 34	0 00	3 34
Optical Cross-Connect ALEC Maintenance (per 4 Fibers)	1	0 00	4 61	0 00	4 61
Optical Cross Connect ALEC Provisioned Materials (per 4 fibers) See Note (1)	1	159 27	0 00	159 27	0 00
Optical Cross Connect ALEC Provisioned Installation Labor (per 4 fibers) See Note (1)	1	99 36	0 00	99 36	0 00
Subtotal Fiber	x			258 63	7.96
H 1 71 Power Costs - Per Used Ampere Ordered #	50	0 00	10 87	0 00	543 50
Subtotal Amps Ordered				0.00	543.50
Power Costs - ALEC Provisioned Connection to Power Plant 35-60 Amps Maintenance See Note (1)	1	0 00	31 65	0 00	31 65
Power Costs - ALEC Provisioned Power Cable Material 35 - 60 amp See Note (1)	1	1713 77	0 00	1 713 77	0 00
Power Costs - ALEC Provisioned Power Cable Installation Labor 35 - 60 amp See Note (1)	1	993 56	0 00	993 56	0 00
Subtotal DC Power Connection				2 707.33	31.65
H 1 5 Fiber Entrance Cable Installation per Cable	2	1 473 00	0 00	2 946 00	0 00
H 1 7 Cable Support Structure per Fiber Entrance Cable	2	0 00	5 19	0 00	10 38
Subtotal Internal Cable				2 946 00	10.38
H 1 38 Security Access System - New Card Activation per Card	1	38 95		38 95	
Totals				$ 19 936.57	$ 1 006 93

BellSouth did not include Cross Connect Cable or DC Power Connections

Note (1) Sprint's cost used for ALEC provisioned cost
Note (2) Sprint Engineering and Project Management Fee used to represent ALEC incurred cost for Engineering and Project Management BellSouth s elements of Cable Records and Firm Order Processing (H 1 45) omitted to avoid cost duplication

Sprint - Proposed Rates

Sprint Rate Elements	Qty	NRC Rates	MRC Rates	Total NRCs	Total MRCs
Application Fee	1	2,758 17	0.00	2,758.17	0.00
New Collo - Admin, Transm. Engr & Project Mgt Fee	1	5,700.28	0.00	5,700.28	0 00
Subtotal Adm/Trans/Prol. Mgt. Fee				5,700.28	0.00
Floor Space (per square foot)	72	0 00	7 87	0 00	566 64
Subtotal Floor Space				0.00	566.64
AC Outlet Installation (per outlet 20 amps)	2	1106 54	0 00	2,213.08	0.00
DSO Switchboard Cable per 100 Pair	6	0 00	29 72	0 00	178 32
Subtotal DS0				0.00	178.32
DS1 Cross Connect (per 28 DS1s)	15	0 00	41 47	0 00	622 05
Subtotal DS1				0.00	622 05
DS3 Cross Connect (per 12 DS3)	2	0 00	207 85	0 00	415 70
Subtotal DS3				0.00	415.70
Power Costs - Per Load Ampere Ordered	210	0 00	16 14	0 00	3,389 40
Subtotal Amps Ordered				0.00	3,389.40
Power Costs - Connection to Power Plant up to 30 Amps	1	1,650 12	23 05	1,650 12	23 05
Power Costs - Connection to Power Plant 35-60 Amps	3	2,707 34	36 51	8,122 01	109 53
Subtotal DC Power Connection				9,772.13	132.58
Security Card - Per Card	1	$ 15 00		$ 15 00	
Totals				$ 20,458.66	$ 5,304.59

Verizon - Proposed Rates

Verizon Rate Elements and number (BKE-3)	Qty	NRC Rates	MRC Rates	Total NRCs	Total MRCs
1. Engineenng/Major Augment - Caged/Cageless	1	1,380 25	$ -	1,380.25	$0.00
27 DC Power - Engineering	1	$ 83.61		$ 83 61	
Subtotal Adm/Trans/Prol. Mgt. Fee				83.61	0.00
36. Caged Floor Space (per square foot)	72	$ -	$ 3 83	$ -	$275 76
34 Building Modification	1		$ 237 96		$237 96
35. Environmental Conditioning	50		$ 3.21		$160 50
10 Cage Grounding Bar	1	1423 65		1,423 65	
11 Overhead Superstructure/Cable Support	1	$ 1,247 53		$ 1,247 53	
Subtotal Floor Space				2,671.18	574.22
15 DS0 Cable Termination (connectorized)	6	$ 4 60		$ 27 60	
47 DS0 Facility Termination	6		$ 3 21		$19 26
44 Cable Rack Shared Space- DS0	6		$ 0 18		$1 08
100 Facility Cable (Connectorized) - DS0	6	$ 265 43		$ 1,592 58	
13 Facility Pull - Labor (Metallic)	6	$ 128 80		$ 772 80	
Subtotal DS0				2,392.98	20.34
16 DS1 Cable Termination (connectorized)	15	$ 1 15		$ 17 25	
48 DS1 Facility Termination	15		$ 10 47		$157 05
44 Cable Rack Shared Space- DS1	15		$ 0 18		$2 70
101 Facility Cable (Connectorized) - DS1	15	$ 121 70		$ 1,825 50	
13 Facility Pull - Labor (Metallic)	15	$ 128 80		$ 1 932 00	
Subtotal DS1				3,774.75	159.75
17 DS3 Coaxial Cable Termination (Preconnectorized)	48	$ 1 15		$ 55 20	
49 DS3 Facility Termination	48		$ 25 11		$1,205 28
44 Cable Rack Shared Space	48		$ 0 18		$8 64
102 Facility Cable - DS3 Coaxial Cable	48	$ 36 12		$ 1,733 76	
13 Facility Pull - Labor (Metallic)	48	$ 128 80		$ 6,182 40	
Subtotal DS3				7,971.36	1,213.92
46 DC Power (per 1 amp)	210		$ 25.45		$5,344 50
Subtotal Amps Ordered				$ -	$5,344.50
104 Power Cable - Wire Power 1/0	4	$ 32.83		$ 131.32	
107 Power Cable - Wire Power 4/0	12	$ 62 98		$ 755.76	
29 DC Power - Ground Wire	1	$ 9 38		$ 9 38	
28 DC Power - Cable Pull/Termination	16	$ 838 79		$ 13,420 64	
Subtotal DC Power Connection				14,317.10	0.00
3 Access Card Administration	1	$ 31 64		$ 31 64	
Totals				$ 32,622.87	$ 7,412.73

	NRC	MRC
Sprint - Fl	$ 20,458 66	$5,304 59
Verizon - Fl	$ 32,622 87	$7,412 73
BellSouth	$ 42,366 95	$3,750 47
NPV	9 86%	

	Sprint	Verizon	BellSouth
Year 1	$ 81,191 21	$ 117,490 02	$ 85,305 50
Year 2	$ 55 281 76	$ 77,250 28	$ 39,084.79
Year 3	$ 50,320 19	$ 70,317 02	$ 35,576 91
Year 4	$ 45 803 92	$ 64,006 02	$ 32,383 86
Total	$ 232,597 08	$ 329,063 34	$ 192,351.06

Year	1	2	3	4
Year by Year - Sprint	$ 81,191	$ 55,282	$ 50,320	$ 45,804
Cumulative	$ 81 191	$ 136,473	$ 186,793	$ 232,597
Year by Year - Verizon	$ 117,490	$ 77,250	$ 70,317	$ 64,006
Cumulative	$ 117,490	$ 194,740	$ 265,057	$ 329,063
Year by Year - BellSouth	$ 85,306	$ 39,085	$ 35,577	$ 32,384
Cumulative	$ 85,306	$ 124,390	$ 159,967	$ 192,351

BellSouth - Proposed Rates

BellSouth Rate Elements	Qty	NRC Rates	MRC Rates	Total NRCs	Total MRCs
H.1.1 Application Cost - Initial	1	2,785 00	0 00	2,785.00	0 00
New Collo - Admin, Transm Engr & Project Mgt Fee	1	5,700 28	0 00	5,700.28	0 00
Subtotal Adm/Trans/Prol. Mgt. Fee				5,700.28	0.00
H 1 6 Floor Space (per square foot)	72	0 00	5 28	0 00	380 16
H 1 41 Space Preparation - C O Modifica per sq ft - Cageless	72	0 00	2 38	0 00	171 36
H 1 42 Space Preparation - Common Systems Modification per Sq Ft - Cageless	72	0 00	2 50	0 00	180 00
H 1 45 Space Preparation - Firm Order Processing	1	287 36	0 00	287 36	0 00
Subtotal Floor Space				287.36	731.52
H 1 10 DS0 4-Wire Cross Connects	600	0 00	0 0208	0 00	12 48
DS0 Cross Connect ALEC Provided Maintenance (per 100 DS0) See Note (1)	6	0 00	8 57	0 00	51 42
DS0 Cross Connect ALEC Provisioned Materials (per 100 DS0s) See Note (1)	6	326 59	0 00	1,959 54	0 00
DS0 Cross Connect ALEC Provisioned Installation Labor (per 100 DS0s) See Note (1)	6	814.72	0 00	4,888 32	0 00
Subtotal DS0				6,847.86	63 90
H 1.11 DS1 Cross Connect Panel & Installation (per DS1)	420	0.00	0.3786	0 00	159 01
DS1 Cross Connect ALEC Maintenance (per 28 DS1s) See Note (1)	15	0 00	11 96	0.00	179 40
DS1 Cross Connect ALEC Provisioned Materials (per 28 DS1s) See Note (1)	15	377 83	0 00	5,667 45	0 00
DS1 Cross Connect ALEC Provisioned Installation Labor (per 28 DS1s) See Note (1)	15	470 26	0 00	7,053.90	0 00
Subtotal DS1				12,721.35	338 41
H 1 12 DS3 Cross Connect Panel & Installation (per DS3)	24	0.00	4 16	0.00	99 84
DS3 Cross Connect ALEC provided Maintenance (per 12 DS3)	2	0 00	59 93	0.00	119 86
DS3 Cross Connect ALEC Provisioned Materials (per 12 DS3s) See Note (1)	2	1,699 66	0 00	3,399.32	0 00
DS3 Cross Connect ALEC Provisioned Installation Labor (per 12 DS3s) See Note (1)	2	407 36	0 00	814 72	0 00
Subtotal DS3				4,214.04	219.70
H 1 71 Power Costs - Per Used Ampere	210	0 00	10 87	0 00	2,282 70
Subtotal Amps Ordered				0.00	2,282.70
Power Costs - Connection to Power Plant ALEC Provided Maintenance up to 30 Amps See Note (1)	1	0 00	19.29	0.00	19.29
Power Costs - ALEC Provisioned Power Cable Material up to 30 Amps See Note (1)	1	775.78	0.00	775.78	0 00
Power Costs - ALEC Provisioned Power Cable Installation Labor up to 30 Amps See Note (1)	1	874 34	0 00	874 34	0 00
Power Costs - Connection to Power Plant ALEC Provided Maintenance 35-60 Amps See Note (1)	3	0 00	31 65	0 00	94 95
Power Costs - ALEC Provisioned Power Cable Material 35 - 60 amp See Note (1)	3	1713 77	0.00	5,141 31	0 00
Power Costs - ALEC Provisioned Power Cable Installation Labor 35 - 60 amp See Note (1)	3	993 56	0 00	2,980 68	0 00
Subtotal DC Power Connection				9,772.11	114.24
H 1 38 Security Access System - New Card Activation, per Card	1	38.85		38 95	
Totals				$ 42,366.95	$ 3,750.47

BellSouth did not include Cross Connect Cable or DC Power Connections

Note (1): Sprint's cost used for ALEC provisioned cost
Note (2) Sprint Engineering and Project Management Fee used to represent ALEC incurred cost for Engineering and Project Management. Bell South's elements of Cable Records and Firm Order Processing (H 1 45) omitted to avoid cost dupulication

	NPV Sprint	NPV Verizon	NPV BellSouth
Collo. 1	$ 77,238.14	$ 117,945.37	$ 60,203.56
Collo. 2	$232,597.08	$329,063.34	$192,351.06

Density and Economies of Scale Statistics

Access Line Comparason - Sprint vs. BellSouth vs. Verizon

Line No.	Item	Sprint	BellSouth	Verizon
1	Total System Access Lines	7,953,455	22,300,335	58,028,209
2	Compared to Sprint		2.80	7.30
3	Total Switched Access Lines - Florida	2,132,474	5,953,460	2,299,682
4	Compared to Sprint		2.79	1.08
5	Total Plant in Service - Florida	4,803,328,000	###########	5,322,217,000
6	Compared to Sprint		3.03	1.11

Sources ARMIS 2002 Filing except Line 1 for Sprint which is from an internal company report, Station Data

Comparison of Offices By Size - Sprint vs. BellSouth vs. Verizon

Line No.	Classification	Sprint Offices	Sprint % of total	BellSouth Offices	BellSouth % of total	Verizon Offices	Verizon % of total
7	Under 1000 lines	9	6.77%	4	2.07%	2	2.25%
8	1000-4999 lines	33	24 81%	34	17.62%	11	12.36%
9	5000-9999 lines	19	14.29%	16	8.29%	9	10.11%
10	10000-19999 lines	28	21.05%	30	15.54%	16	17.98%
11	20000-29999 lines	15	11.28%	11	5.70%	9	10.11%
12	30000-39999 lines	13	9 77%	10	5.18%	11	12.36%
13	40000-49999 lines	7	5 26%	24	12.44%	6	6.74%
14	50000-59999 lines	2	1.50%	10	5.18%	9	10.11%
15	60000-69999 lines	3	2.26%	19	9.84%	11	12.36%
16	70000-79999 lines	4	3.01%	9	4.66%	5	5.62%
17	80000-99999 lines			10	5.18%		
19	100000-119999 lines			10	5.18%		
21	120000 and above			6	3.11%		
23	Totals	133	100.00%	193	100.00%	89	100.00%

Source: Most recent version of FCC's HCPM model used for Federal USF dated 12/18/01 (www.fcc.gov/wcb/tapd/hcpm/welcome.html)

Conclusions:

Sprint is by far the smallest of the three companies. BellSouth and Verizon are signficantly larger, and therefore command better purchasing power and greater economies of scale than Sprint.

Sprint - Florida, Inc.
Amperage Utilization
Manual CLEC Power Readings

Staff POD 62-C-3

ALEC	DC Power Readings						Total Amps Used	Fused Amps	Load Amps *	% Utilization
	Day 1			Day 2						
	9:00	1:00	3:30	9:00	1:00	3:30				
ALEC # 1 - Sprint Central Office # 1 - 2 Bays										
Bay # 1										
Feed A	4.7	5 3	6.0	4.9	5.3	-	5.24			
Feed B	4.7	5 2	6.0	4.9	5.3	-	5.22			
Bay # 1 Total							10.46			
Bay # 2										
Feed A	1.8	3.3	6.4	4.9	5.5	-	4.38			
Feed B	3.8	3.4	6.2	5.3	6.8	-	5.10			
Bay # 2 Total							9.48			
Total Amps - ALEC # 1							**19.94**	135	**108**	**18.5%**
ALEC # 2 - Sprint Central Office # 2 - 1 Bay										
Feed A	3.8	4.1	4.1	3.1	3 9	-	3 80			
Feed B	5.5	5.1	5 2	3.8	3 8	-	4.68			
Total Amps - ALEC # 2							**8.48**	40	**32**	**26.5%**
ALEC # 3 - Sprint Central Office # 2 - 2 Bays										
Bay # 1										
Feed A	-	0.3	0 3	0.2	0.2	0.2	0 24			
Feed B	0.9	1.1	1 1	0.7	1.2	1.2	1.03			
Bay # 1 Total							1.27			
Bay # 2										
Feed A	5 9	5.6	5.6	6.0	5.6	-	5.74			
Feed B	5.6	5.3	5.4	5.7	5.7	-	5.54			
Bay # 2 Total							11.28			
Total Amps - ALEC # 3							**12.55**	200	**160**	**7.8%**
Total Amps							**40.97**	375	**300**	
Weighted Average Percent Utilization										**13.7%**

* Sprint used 1.25 factor to convert from Load Amps to Fused Amps (factor varies from 1.25 to 1.33)

Location	Cost of Power Addition	Completion Date	ALEC Name	Reason for Leaving	Equivalent Load Amps
Altamonte Springs	$410,018	9/1/01		Abandon	96A
				Abandon	32A
				Abandon	96A
				Decommission	32A
				Decommission	64A
				Decommission	80A
				Abandon	96A
				Abandon	64A
Apopka	$161,842	10/16/00		Abandon	96A
				Decommission	64A
				Abandon	152A
				Decommission	80A
				Decommission	32A
Kissimmee	$1,282,885	12/1/00		Abandon	96A
				Decommission	32A
				Decommission	48A
				Decommission	32A
				Abandon	64A
Winter Park	$753,376	2/11/00		Abandon	96A
	$981,660	3/31/01		Abandon	144A
				Abandon	96A
				Decommission	32A
				Decommission	32A
				Decommission	160A

Location	Building	Total Bldg. Investment	Total Bldg. Sq. Ft.	Bldg. Investment/Sq. Ft.
Ft. Myers Beach	FLFMBA	$411,878	3,528	$116.75
Apopka	FLAPKI	$914,619	7,813	$117.06
Arcadia	FLARCA	$934,522	5,057	$184.80
Bonifay	FLBONA	$1,041,893	4,641	$224.50
Cape Coral	FLCCLB	$2,151,194	10,270	$209.46
Destin	FLDESC	$1,177,779	4,213	$279.56
North Cape Coral	FLCCLC	$773,111	5,209	$148.42
Winter Park	FLWNTB	$11,780,951	41,489	$283.95
Orange City	FLORCA	$1,351,539	7,474	$180.83
Lehigh Acres	FLLEHA	$1,119,790	4,179	$267.96
Maitland	FLMTDG	$2,645,014	8,384	$315.48
North Naples	FLNAPB	$930,443	7,194	$129.34
Naples Southeast	FLNAPD	$1,628,614	7,572	$215.08
Tallahassee - Thomasville	FLTLHT	$911,626	5,488	$166.11
TOTALS		$27,772,973	122,511	**$226.70**

Security Installation Bids in Sprint-Florida, Inc. Central Offices

Central Office	Address	City	CLLI	CO Sq. Ft.	Bid Amount
Altamonte Springs Co	450 Sanford Ave.	Altamonte Springs	ALSPFLXA	13,402	$7,267
Apopka Co.	200 2nd St.	Apopka	APPKFLXA	4,948	$18,700
Bonita Springs Co.	28160 Beaumont Rd.	Bonita Springs	BNSPFL	6,738	$16,043
Cape Coral Co.	4001 Palm Tree Blvd	Cape Coral	CPCRFLXAH01	9,785	$16,989
Casselberry Co	1510 Lake Drive	Casselberry	CSLBFLXA	5,077	$11,644
Cypress Lake Co.	7461 Winkler Rd	Cypress Lake	CYLKFLXA	8,591	$17,988
Destin Co.	575 Main St. - 32541	Destin	DESTFLXAH01	3,225	$12,337
Eglin Airforce Base	BLDG 75 Eglin AFB	Ft Walton	EGLINFLAT	2,675	$9,452
Ft. Walton Beach 862	630 Denton Blvd	Ft Walton Beach	FTWBFLXB	6,146	$15,256
Ft. Walton Beach Co.	212 Hollywood Blvd.	Ft. Walton Beach	FTWBFLXA	12,468	$24,100
Golden Gate Co.	4661 Sunset Blvd	Golden Gate	GLGCFLXA	3,962	$17,589
Golden Rod Co.	7601 Citrus Ave	Golden Rod	GLRDFLXA	10,739	$28,593
Kissimmee Co.	418 E. Broadway	Kissimmee	KSSMFLXA	9,430	$36,866
Lake Brantley Co.	916 St. Rd. 434	Atlamonte Springs	LKBRFLXA	8,565	$14,904
Leesburg Co.	425 N. 3rd St.	Leesburg	LSBGFLXA	11,470	$71,131
Marco Island Co.	401 Bald Eagle Dr.	Marco Island	MOISFLXAH04	3,327	$16,139
N. Cape Coral Co.	906 Country Club Rd.	N. Cape Coral	CPCRFLXB	5,332	$17,847
Naples Mooring Co.	990 N. 26th Ave.	Naples	NPLSFLXD	9,468	$17,535
Ocala Co.	319 SE Broadway	Ocala	OCALFLXA	1,323	$18,347
Port Charlotte Co.	3391 S. Tamiami Dr	Port Charlotte	PTCTFLXA	13,285	$14,760
Punta Gorda Co.	113 W. Olympia Ave	Punta Gorda	PNGRFLXA	10,643	$20,511
Sebring Co.	130 S. Ridgewood Dr.	Sebring	SBNGFLXA	5,573	$14,760
Shady Road Co.	2463 SW College Rd	Ocala	OCALFLXBH02	3,807	$15,775
South Ft. Myers	3825 Cleveland Blvd.	Ft. Myers	FTMYFLXC	9,538	$17,099
Tallahassee	3968 Perkins Road	Tallahassee	TLHSFLXHH04	3,688	$14,398
Tallahassee 222 Co	132 N. Calhoun St.	Tallahassee	TLHSFLXA	28,920	$42,727
Tallahassee 385 Co	124 Willis Rd.	Tallahassee	TLHSFLXB	10,380	$21,768
Tallahassee 877 Co.	1337 Blairstone Dr.	Tallahassee	TLHSFLXD	11,378	$31,947
Tallahassee 893 Co.	5000 Thomasville Rd.	Tallahassee	TLHSFLXF	3,668	$14,396
Tallahassee-Mabry Ofc	706 Mabry St.	Tallahassee	TLHSFLXC	6,918	$26,487
W. Kissimmee Co.	3080 Vineland Rd	Kissimmee	KSSMFLXB	3,910	$11,226
Winter Garden Co.	33 N. Main St	Winter Garden	WNGRFLXA	12,528	$65,875
Winter Park Local Co.	151 New York Ave	Winter Park	WNPKFLXA	12,373	$16,935
Totals				**273,280**	**$717,389**
Security Investment Per Square Foot					**$2.63**

FLOOR SPACE FACTOR
ASSIGNABLE TRANSMISSION SPACE AS A PERCENT OF SHARED, AIR, GROWTH, EGRESS & TRANSMISION SPACE

		a	b	c	d	e	(S) f	(G) g	(E) h=0 2 * e	(X) i	j	k	(A) l	(SAGEX) m	n
		(Excluded)	(Excluded)	(Excluded)	= b+c (Excluded)						= f+g+h+i		=k*j/(j+d)	= j+l	=i/m
Line No.	Office	Vault	Office	Power	Office & Power	Total Transmission	Shared	Growth	Egress = 20% of Total Trans Space	Assignable Transmission Space	Total Shared, Growth, Egress & Transmission	Total Space for Air Cond Equip	Air Cond Space For Shared, Growth, Egress & Transmission	Total Shared, Air Cond, Growth, Egress & Transmission	Percent Assignable Trans Space (X) to SAGEX
1	Calhoun	1,248	50,691	11,658	62,349	21,988	9,131	6,955	4,398	17,590	38,074	5,971	2,264	40,338	43 6%
2	Winter Park	1,888	19,859	3,774	23,633	6,958	4,730	1,778	1,392	5,566	13,466	2,502	908	14,374	38 7%
3	Orange City	693	1,939	404	2,343	2,732	628	489	546	2,186	3,849	589	366	4,215	51 9%
4	Ft Myers Beach		150	300	450	1,454	299	1,145	291	1,163	2,898	180	156	3,054	38 1%
5	Forest			228	228	1,279	117	167	256	1,023	1,563	102	89	1,652	61 9%
6	Apopka		675	1,223	1,898	3,391	224	1,822	678	2,713	5,437	478	354	5,791	46 8%
7	Arcadia	466	369	564	933	2,605	507	546	521	2,084	3,658			3,658	57 0%
8	Bonifay		2,521	670	3,191	769	436	245	154	615	1,450			1,450	42.4%
9	North Cape Coral	127		664	664	3,173	683	562	635	2,538	4,418			4,418	57 5%
10	Cypress Lake	673	1,334	966	2,300	6,865	341	441	1,373	5,492	7,647			7,647	71.8%
11	Destin		239	1,206	1,445	1,997	401	167	399	1,598	2,565	203	130	2,695	59 3%
12	Lehigh Acres		274	267	541	2,750	375	323	550	2,200	3,448	190	164	3,612	60 9%
13	Marco Island		785	349	1,134	1,691	278	1,045	338	1,353	3,014	42	31	3,045	44 4%
14	Maitland		98	622	720	5,533	94	2,037	1,107	4,426	7,664			7,664	57 8%
15	North Naples	844	535	466	1,001	4,037	175	726	807	3,230	4,938	411	342	5,280	61 2%
16	Naples Southeast		614	530	1,144	3,631	313	2,484	726	2,905	6,428			6,428	45 2%
17	Tallahassee Willis	483	3,635	1,503	5,138	4,715	338	608	943	3,772	5,661	426	223	5,884	64 1%
18	Tallahassee Thomasville	517	236	1,111	1,347	2,241	968	98	448	1,793	3,307	317	225	3,532	50 8%
19	Cape Coral	398	796	1,280	2,076	3,658	799	2,542	732	2,926	6,999	797	615	7,614	38 4%
20	Total	7,337	84,750	27,785	112,535	81,467	20,837	24,180	16,293	65,174	126,464	12,208	5,867	132,351	49 2%

Notes
Vault, power & office space are excluded from the factor calculation, except that a portion of air conditioning rooms is allocated to office & power space
Vault & power room floor space is recovered in collo elements other than the floor space element
General office space is not relevant to the calculation of the central office floor space factor

Sample Size Determination

Confidence Level	95%
Std Deviation	9.97%
Error (e)	4.50%
Z-value	1.96
Sample Size	18.85
Sample Required	19.00

From studying this sample, we can be 95% certain the actual average (percent assignable space) is within 4.5% of our sample average given the data set consists of 19 observations.

Sprint Florida, Inc.
Docket 981834-TP, 990321-TP
September 25, 2003

Exhibit JRD-10

Florida Ground Bar Cost Summary

Ground Bar Type	#777 (18"X4")	#535 (12"X4")	#2/0 (12"X2")
Custom Built Ground Bar Assembly	$219.60	$195.20	$185.20
Insulated Conductor Cable - 100 ft.	$2,006.96	$1,668.34	$1,075.71
Labor to Bond Ground Bar *	$2,300.00	$2,300.00	$2,300.00
Total	$4,526.56	$4,163.54	$3,560.91

* Cost excludes Sprint Engineering

Exhibit JRD-10
p. 2

Vendor Name removed

QUOTE

DATE: June 25, 2003

LAKE PLACID, FL 33862-1589

To:
SPRINT-FLORIDA, INCORPORATED
P.O. BOX 165000
ALTAMONTE SPRINGS, FL 32716-5000
MAIL CODE: FLAPKA0241

ATTN: GEORGE NILSEN

QUOTE #: 0395-SF
SITE NAME:
WORK ACTIVITY #:
JOB DESCRIPTION: CUSTOM BUILT GROUND BAR ASSEMBLY.

#777

LINE ITEM	DESCRIPTION	HOURS	RATE	AMOUNT
1	CUSTOM BUILT GROUND BAR ASSEMBLY—PER SPRINT STANDARDS 18" X 4"	---	---	166.00
2	3/8" SILICON BRONZE BOLT KIT: (BOLT, 2 FLAT WASHERS, LOCK WASHER, NUT)-- $ 2.40 EACH X 14	---	---	33.60
3	**OPTIONAL: 1/2" SILICON BRONZE BOLT KIT: (BOLT, 2 FLAT WASHERS, LOCK WASHER, NUT)--$ 4.29 EACH X 14			
			ESTIMATED SUBTOTAL	219.60
			ESTIMATED TAX	0.00
			ESTIMATED TOTAL	219.60

Does not include shipping / TAX

Exhibit JRD-10
p. 3

Ground Rac Assembly:

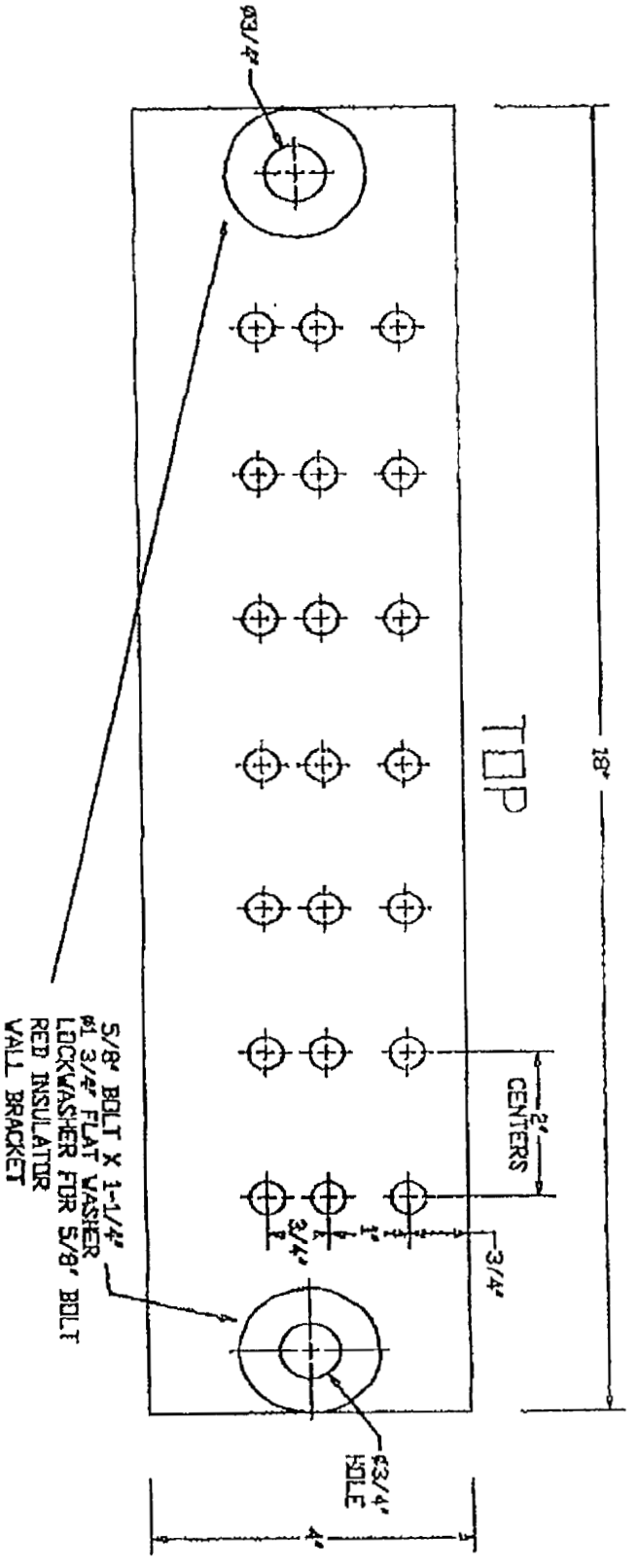
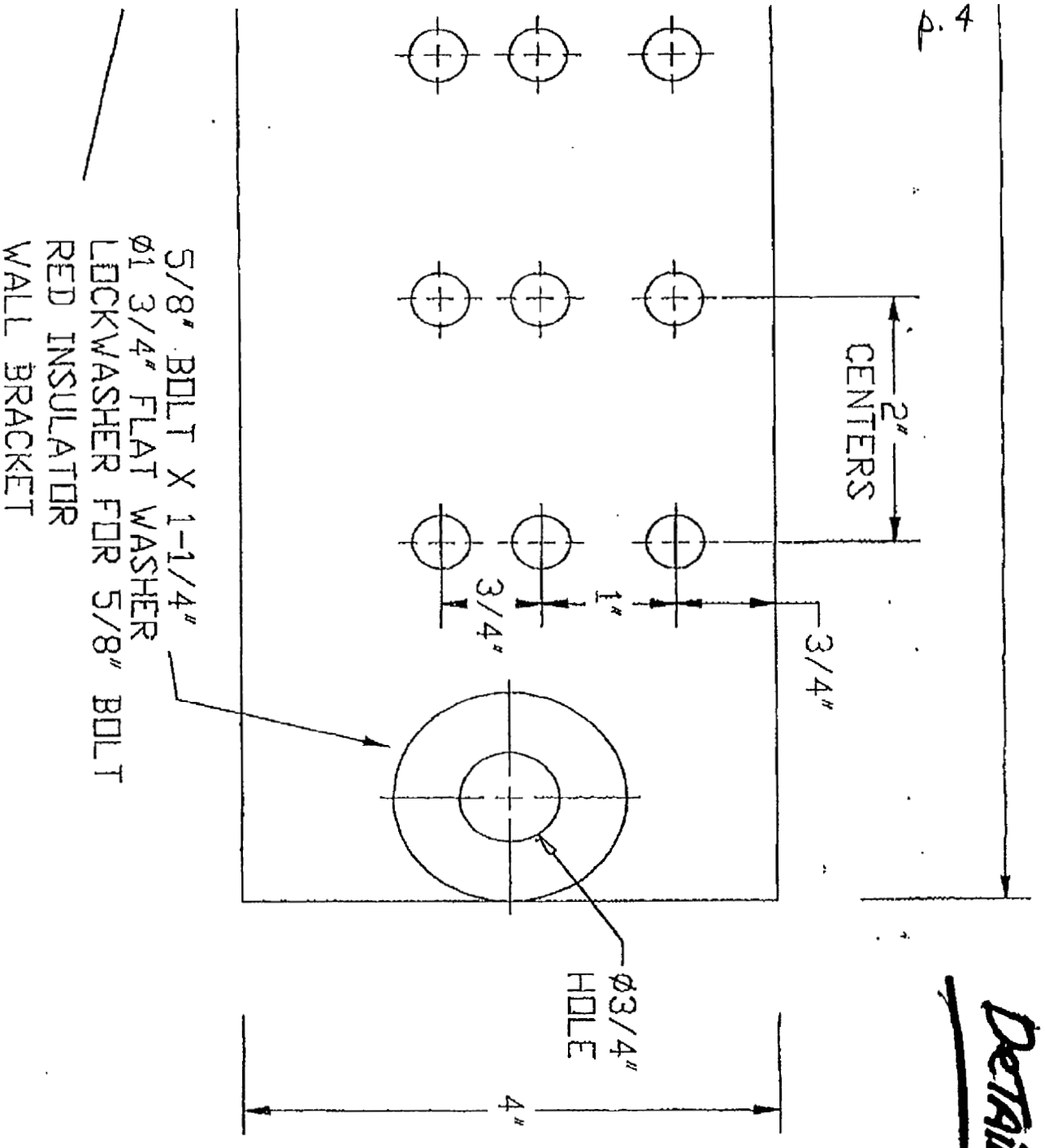


Exhibit JRD-10
p. 4



Detail View:

Exhibit JRD-10
p. 5

Vendor Name removed

QUOTE

DATE: June 26, 2003

LAKE PLACID, FL 33862-1589

To:
SPRINT-FLORIDA, INCORPORATED
P.O. BOX 165000
ALTAMONTE SPRINGS, FL 32716-5000
MAIL CODE: FLAPKA0241

ATTN: GEORGE NILSEN

QUOTE #: 0396-SF
SITE NAME:
WORK ACTIVITY #:
JOB DESCRIPTION: CUSTOM BUILT GROUND BAR ASSEMBLY (4" X 12").

535

LINE ITEM	DESCRIPTION	HOURS	RATE	AMOUNT
1	CUSTOM BUILT GROUND BAR ASSEMBLY—PER SPRINT STANDARDS 12" X 4"	---	---	176.00
2	3/8" SILICON BRONZE BOLT KIT: (BOLT, 2 FLAT WASHERS, LOCK WASHER, NUT)--$ 2.40 EACH X 8	---	---	19.20
3	**OPTIONAL: 1/2" SILICON BRONZE BOLT KIT: (BOLT, 2 FLAT WASHERS, LOCK WASHER, NUT)--$ 4.20 EACH X 8			
			ESTIMATED SUBTOTAL	195.20
			ESTIMATED TAX	0.00
			ESTIMATED TOTAL	195.20

Exhibit JRD-10
p. 6

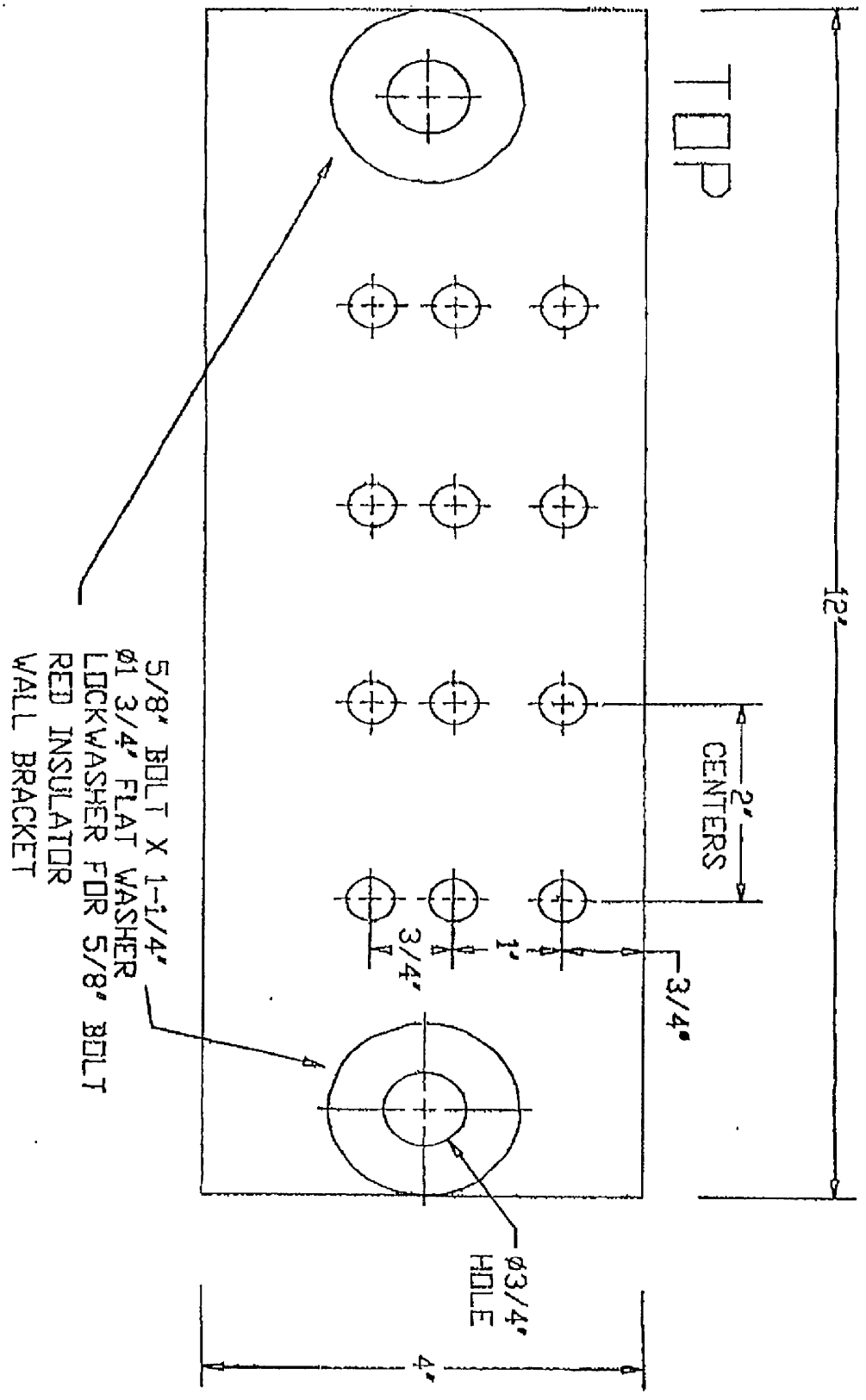


Exhibit JRD-10
p.7

Vendor Name removed

QUOTE

DATE: June 26, 2003

LAKE PLACID, FL 33862-1669

To:
SPRINT-FLORIDA, INCORPORATED
P.O. BOX 165000
ALTAMONTE SPRINGS, FL 32716-5000
MAIL CODE: FLAPKA0241

ATTN: GEORGE NILSEN

QUOTE #: 0397-SF
SITE NAME:
WORK ACTIVITY #:
JOB DESCRIPTION: CUSTOM BUILT GROUND BAR ASSEMBLY (2" X 12").

#2/6

LINE ITEM	DESCRIPTION	HOURS	RATE	AMOUNT
1	CUSTOM BUILT GROUND BAR ASSEMBLY—PER SPRINT STANDARDS 12" x 2"	—	—	166.00
2	3/8" SILICON BRONZE BOLT KIT: (BOLT, 2 FLAT WASHERS, LOCK WASHER, NUT)– $ 2.40 EACH X 8 3/8" HARDWARE ONLY (No option)	—	—	19.20
			ESTIMATED SUBTOTAL	185.20
			ESTIMATED TAX	0.00
			ESTIMATED TOTAL	185.20

Exhibit JRD-10
p. 8

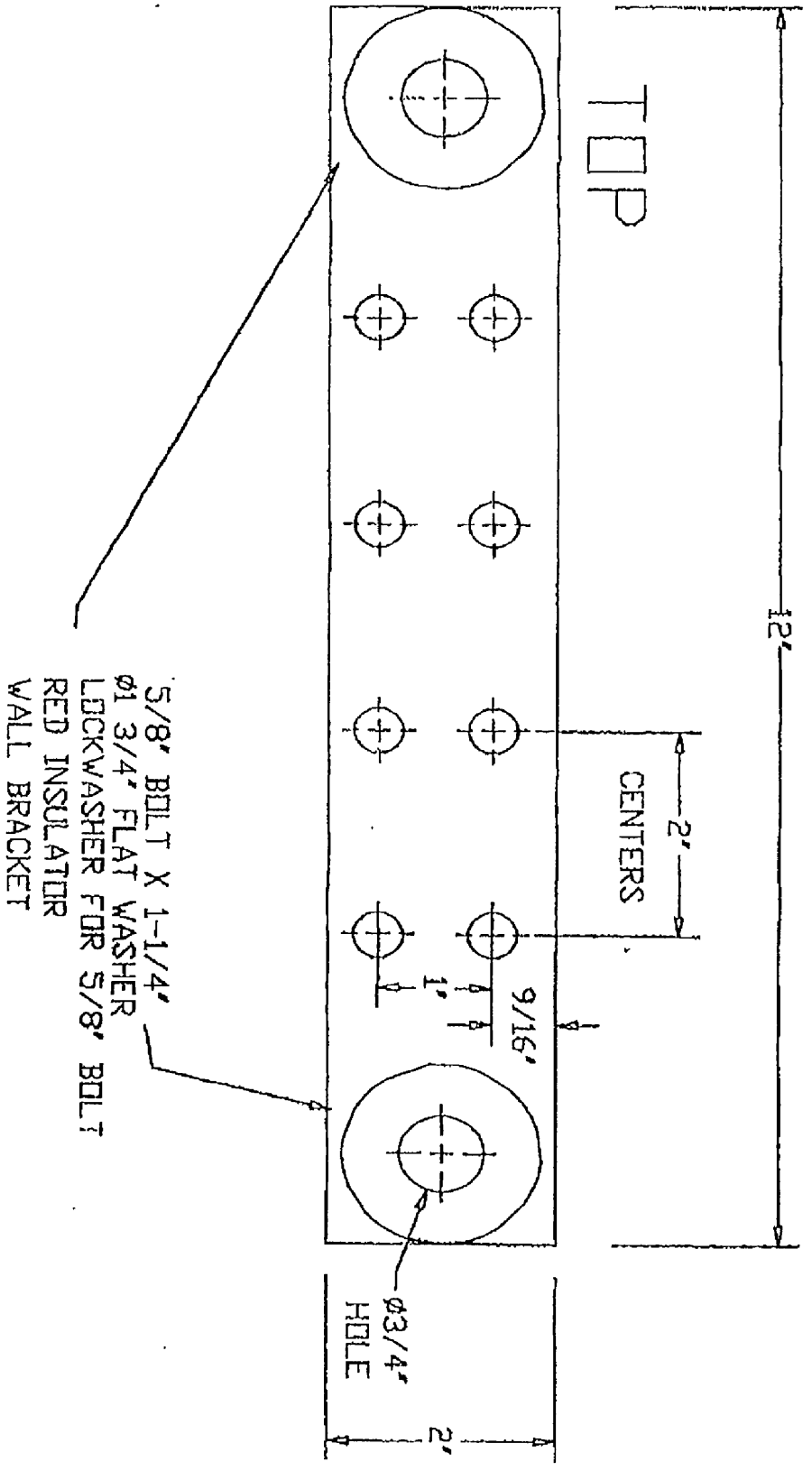


Exhibit JRD-10
p. 9

Vendor Name Removed

QUOTE

DATE: [redacted]

LAKE PLACID, FL 33862-1589

To:
SPRINT-FLORIDA, INCORPORATED
P.O. BOX 165000
ALTAMONTE SPRINGS, FL 32716-5000
MAIL CODE: FLAPKA0241

ATTN: GEORGE NILSEN

QUOTE #: 0405-SF
SITE NAME:
WORK ACTIVITY #:
JOB DESCRIPTION: BONDING GROUND BARS-MATERIAL COSTS.

LINE ITEM	DESCRIPTION	HOURS	RATE	AMOUNT
1	MATERIAL TO BOND GROUND BARS FOR 777	----	----	2,006.96
2	MATERIAL TO BOND GROUND BARS FOR 535	----	----	1,668.34
3	MATERIAL TO BOND GROUND BARS FOR 2/0	----	----	1,075.71
	SEE BELOW FOR DETAIL.....			
			ESTIMATED SUBTOTAL	
			ESTIMATED TAX	
			ESTIMATED TOTAL	

100' OF 777 CABLE= $1,300.00
TWO 777 LUGS= $89.80
FOUR ½" HARDWARE ASSEMBLIES= $17.16
MISC. PVC, HANGERS, ETC.= $600.00

100' OF 535 CABLE= $1,014.00
TWO 535 LUGS= $37.18
FOUR ½" HARDWARE ASSEMBLIES= $17.16
MISC. PVC, HANGERS, ETC.= $600.00

100' OF 2/0 CABLE= $452.00
TWO 2/0 LUGS= $14.40
FOUR 3/8" HARDWARE ASSEMBLIES= $9.31
MISC. PVC, HANGERS, ETC.= $600.00

Exhibit JRD-10
p. 10

Vendor Name removed

QUOTE

DATE: AUGUST 7, 2004

LAKE PLACID, FL 33862-1589

To:
SPRINT-FLORIDA, INCORPORATED
P.O. BOX 165000
ALTAMONTE SPRINGS, FL 32716-5000
MAIL CODE: FLAPKA0241

ATTN: GEORGE NILSEN

QUOTE #: 0404-SF
SITE NAME: N/A
WORK ACTIVITY #:
JOB DESCRIPTION: BONDING GROUND BARS-LABOR COSTS.

LINE ITEM	DESCRIPTION	HOURS	RATE	AMOUNT
1	LABOR TO BOND GROUND BARS – USING 100' OF EITHER (777), (535), OR (2/0) CABLE.	----	----	2,250.00
2	ENGINEERING	----	----	50.00
			ESTIMATED SUBTOTAL	2,300.00
			ESTIMATED TAX	0.00
			ESTIMATED TOTAL	2,300.00