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Legal Department  
**ORIGINAL**

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August 13, 1998  
RECORDS AND REPORTING

Mrs. Blanca S. Bayó  
Director, Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: **Docket No. 980733-TL**  
**Special Project No. 980000A - SP**

Dear Ms. Bayó:

Enclosed are an original and 15 copies of BellSouth Telecommunications, Inc.'s Revised Responses to the Data Requests served by the Public Service Commission's Division of Communications requesting an executive summary of all cost information included in BellSouth's responses to two previous data requests regarding 980000A-Undocketed Special Project, which we ask that you file in the captioned matter.

The revisions made by BellSouth for the executive summary are in the headings under the "non-recurring" sections of the documents attached. There were no changes or revisions to the content or data itself.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

*Mary K. Keyer*  
Mary K. Keyer

ACK  *6*  
 AFA   
 APF   
 CAF   
 CMU  *March 2*  
 CTR   
 EAG  Enclosures  
 LEG  *2* cc: Walter D'Haeseleer  
 LIN  All parties of record  
 OPC  A. M. Lombardo  
 RCH  *2* R. G. Beatty  
 SEC  *1* William J. Ellenberg II (w/o enclosures)  
 WAS   
 OTH

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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

08647 AUG 13 98

FPSC-RECORDS/REPORTING

CERTIFICATE OF SERVICE  
Special Project No. 980000A-SP

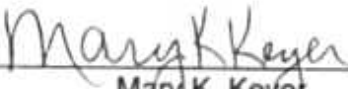
ORIGINAL

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Hand-Delivery this 13th day of August, 1998, to the following:

Division of Auditing and Financial Analysis  
Tim Devlin - Director  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Division of Communications  
Walter D'Haeseleer  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Jack Shreve  
Public Counsel  
Charles J. Beck  
Deputy Public Counsel  
Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street  
Room 812  
Tallahassee, FL 32399-1400

  
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Mary K. Keyer

DOCUMENT NUMBER-DATE

08647 AUG 13 1998

FPEC-RECORDS/REPORTING

# FLORIDA 980000A-SP: UNDOCKETED SPECIAL PROJECT EXECUTIVE SUMMARY

## STATEMENT OF PURPOSE

On June 19, 1998 the Florida Public Service Commission (the Commission) Staff requested contribution analyses be provided for the following services:

- "voice-grade, flat-rate residential local exchange service"
- "voice-grade, flat-rate single-line business local exchange service"
- ESSX/Centrex service
- PBX trunk service
- multi-line circuit-switched business services
- intrastate switched access charges
- intraLATA toll (including common line WATS/800-type services)
- features
  - 3-Way Calling
  - Call Waiting
  - Call Forwarding Busy Line
  - Call Forwarding Don't Answer
  - Call Return
  - Repeat Dialing
  - Call Selector
  - Preferred Call Forwarding
  - Caller ID Deluxe
  - Custom Code Restrictions

The staff data request specified that the cost studies and all associated work papers be filed with the Commission. This document contains BellSouth's Total Service Long Run Incremental Cost (TSLRIC) studies for all the services listed above except ESSX/Centrex service. The ESSX/Centrex cost studies are being filed as a separate document.

## OVERVIEW

The staff data request specified that the "cost standard should be total service long-run incremental cost (TSLRIC) per Section 364.3381(2), or a reasonably comparable measure." The cost studies filed in this document follow the TSLRIC standard per Section 364.3381(2). Additionally, these cost studies use the TELRIC Calculator<sup>®</sup>, which was introduced to the Commission in Docket Nos. 960833-TP, 960846-TP, 960757-TP, and 971140-TP.

**VOICE-GRADE, FLAT-RATE RESIDENTIAL LOCAL EXCHANGE SERVICE****Recurring**

Rate Group	Monthly Rate	Monthly Cost
1 \$	7.30 \$	47.79
2 \$	7.70 \$	58.47
3 \$	8.10 \$	39.63
4 \$	8.40 \$	33.51
5 \$	8.80 \$	33.16
6 \$	9.15 \$	28.72
7 \$	9.50 \$	26.93
8 \$	9.80 \$	24.18
9 \$	10.05 \$	24.82
10 \$	10.30 \$	23.87
11 \$	10.45 \$	24.23
12 \$	10.65 \$	21.40

**Nonrecurring**

Rate Element	Rate	Cost
Line Connection - 1st	\$ 40.00 \$	53.37
Line Connection - Add'l.	\$ 12.00 \$	19.60
Line Change - 1st	\$ 23.00 \$	7.50
Line Change - Add'l.	\$ 11.00 \$	4.92
Secondary Service Order	\$ 10.00 \$	6.88
Premises Work - 1st 15 Min.	\$ 25.00 \$	27.09
Premises Work - Add'l. 15 Min.	\$ 9.00 \$	11.68

**VOICE-GRADE, FLAT-RATE SINGLE-LINE BUSINESS LOCAL EXCHANGE SERVICE****Recurring**

Rate Group	Monthly Rate	Monthly Cost
1 \$	19.80 \$	27.12
2 \$	20.80 \$	46.33
3 \$	21.90 \$	32.45
4 \$	22.90 \$	27.00
5 \$	23.85 \$	29.32
6 \$	24.90 \$	25.10
7 \$	25.75 \$	24.67
8 \$	26.60 \$	23.58
9 \$	27.40 \$	22.48
10 \$	28.00 \$	21.59
11 \$	28.60 \$	21.75
12 \$	29.10 \$	20.39

**Nonrecurring**

Rate Element	Rate	Cost
Line Connection - 1st	\$ 56.00 \$	88.37
Line Connection - Add'l.	\$ 12.00 \$	46.99
Line Change - 1st	\$ 38.00 \$	14.04
Line Change - Add'l.	\$ 11.00 \$	9.36
Secondary Service Order	\$ 19.00 \$	13.20
Premises Work - 1st 15 Min.	\$ 28.00 \$	27.09
Premises Work - Add'l. 15 Min.	\$ 9.00 \$	11.68

Monthly rates do not include the following Subscriber Line Charges:

Primary Residence \$3.50 Non-Primary Residence \$5.00

Business-Single Line \$3.50 Business-Multiline \$8.14

Additionally, ESSX/Centrex revenues do not include Subscriber Line Charges.

**ESSX/CENTREX SERVICE****Recurring**

Service	Total Revenue	Total Cost
ESSX* Service	\$ 4,346,631.83	\$ 2,643,715.18
MultiServ** Service	\$ 1,577,509.88	\$ 1,309,390.00
Total ESSX/Centrex	\$ 5,924,141.71	\$ 3,953,105.18

**Nonrecurring**

Service	Total Revenue	Total Cost
ESSX* Service	\$ 27,304.60	\$ 12,971.67
MultiServ** Service	\$ 24,247.65	\$ 19,656.50
Total ESSX/Centrex	\$ 51,552.25	\$ 32,628.17

\* Registered Service Mark of BellSouth Corporation

\*\* Service Mark of BellSouth Corporation

**PBX TRUNK SERVICE****Flat Rate Trunks with Hunting****Recurring**

Rate Group	Monthly Rate	Monthly Cost
1	\$ 40.06	\$ 34.48
2	\$ 42.09	\$ 53.69
3	\$ 44.31	\$ 39.81
4	\$ 46.34	\$ 34.36
5	\$ 48.26	\$ 36.68
6	\$ 50.38	\$ 32.46
7	\$ 52.11	\$ 32.03
8	\$ 53.82	\$ 30.94
9	\$ 55.44	\$ 30.84
10	\$ 56.66	\$ 28.95
11	\$ 57.87	\$ 29.11
12	\$ 58.88	\$ 27.75

**Flat Rate Trunks without Hunting****Recurring**

Rate Group	Monthly Rate	Monthly Cost
1	\$ 33.66	\$ 34.33
2	\$ 35.36	\$ 53.59
3	\$ 37.23	\$ 39.71
4	\$ 38.93	\$ 34.26
5	\$ 40.55	\$ 36.58
6	\$ 42.33	\$ 32.36
7	\$ 43.78	\$ 31.93
8	\$ 45.22	\$ 30.84
9	\$ 46.58	\$ 30.74
10	\$ 47.60	\$ 28.85
11	\$ 48.82	\$ 29.01
12	\$ 49.47	\$ 27.65

**Nonrecurring**

Rate Element	Rate	Cost
Line Connection - 1st	\$ 56.00	\$ 88.37
Line Connection - Add'l	\$ 12.00	\$ 46.99
Line Change - 1st	\$ 38.00	\$ 14.04
Line Change - Add'l	\$ 11.00	\$ 9.36
Secondary Service Order	\$ 19.00	\$ 13.20
Premises Work - 1st 15 Min	\$ 28.00	\$ 27.09
Premises Work - Add'l 15 Min	\$ 9.00	\$ 11.68

Monthly rates do not include the following Subscriber Line Charges:

Primary Residence \$3.50 Non-Primary Residence \$5.00

Business-Single Line \$3.50 Business-Multiline \$8.14

Additionally, ESSX/Centrex revenues do not include Subscriber Line Charges.

**MULTI-LINE CIRCUIT-SWITCHED BUSINESS SERVICE****Flat Rate Multi-line Business with Hunting***Recurring***Rate Group**

	<b>Monthly Rate</b>	<b>Monthly Cost</b>
1 \$	26.20 \$	27.22
2 \$	27.53 \$	46.43
3 \$	28.98 \$	32.55
4 \$	30.31 \$	27.10
5 \$	31.56 \$	29.42
6 \$	32.95 \$	25.20
7 \$	34.08 \$	24.77
8 \$	35.20 \$	23.68
9 \$	36.26 \$	23.58
10 \$	37.06 \$	21.69
11 \$	37.85 \$	21.85
12 \$	38.51 \$	20.49

**Flat Rate Multi-line Business without Hunting***Recurring***Rate Group**

	<b>Monthly Rate</b>	<b>Monthly Cost</b>
1 \$	19.80 \$	27.12
2 \$	20.80 \$	46.33
3 \$	21.90 \$	32.45
4 \$	22.90 \$	27.00
5 \$	23.85 \$	29.32
6 \$	24.90 \$	25.10
7 \$	25.75 \$	24.67
8 \$	26.60 \$	23.58
9 \$	27.40 \$	23.48
10 \$	28.00 \$	21.59
11 \$	28.60 \$	21.75
12 \$	29.10 \$	20.39

*Nonrecurring***Rate Element**

	<b>Rate</b>	<b>Cost</b>
Line Connection - 1st	\$ 56.00 \$	88.37
Line Connection - Add'l	\$ 12.00 \$	46.99
Line Change - 1st	\$ 38.00 \$	14.04
Line Change - Add'l	\$ 11.00 \$	9.36
Secondary Service Order	\$ 19.00 \$	13.20
Premises Work - 1st 15 Min	\$ 28.00 \$	27.09
Premises Work - Add'l 15 Min	\$ 9.00 \$	11.68

Monthly rates do not include the following Subscriber Line Charges:

Primary Residence \$3.50 Non-Primary Residence \$5.00

Business-Single Line \$3.50 Business-Multiline \$8.14

Additionally, ESSX/Centrex revenues do not include Subscriber Line Charges.

**INTRASTATE SWITCHED ACCESS CHARGES**

Rate Element	Rate	Cost
Common Transport Facility, minute miles	\$ 0.0000400	\$ 0.0000207
Common Transport Termination, minutes	\$ 0.0003600	\$ 0.0002429
Access Tandem Switching MOU	\$ 0.0005000	\$ 0.0011548
Local Switching 1 - Premium	\$ 0.0087600	\$ 0.0025008
Local Switching 2 - Premium	\$ 0.0087600	\$ 0.0025008
Local Switching FGs - Transitional	\$ 0.0056940	\$ 0.0025008
Total Local Switching (Weighted Average Rate)	\$ 0.0087530	\$ 0.0025008

**INTRALATA TOLL (INCLUDING COMMON LINE WATS/800-TYPE SERVICES)**

Rate Element	Rate	Cost
MTS	\$ 0.129600	\$ 0.006106
OCP	\$ 0.284600	\$ 0.006106
WATS/800	\$ 0.149300	\$ 0.006106

**FEATURES****Residential****Recurring**

Rate Group	Monthly Rate	Monthly Cost
3-Way Calling	\$ 3.75	\$ 0.6236
Call Waiting	\$ 4.00	\$ 0.0082
Call Forwarding Busy Line	\$ 1.00	\$ 0.0021
Call Forwarding Don't Answer	\$ 1.00	\$ 0.0041
Call Return	\$ 4.00	\$ 0.2603
Repeat Dialing	\$ 4.00	\$ 0.2898
Call Selector	\$ 4.00	\$ 0.0650
Preferred Call Forwarding	\$ 4.00	\$ 0.0362
Caller ID Deluxe	\$ 7.50	\$ 0.2230
Custom Code Restrictions	\$ 0.30	\$ 0.0284

**Business****Recurring**

Rate Group	Monthly Rate	Monthly Cost
3-Way Calling	\$ 4.00	\$ 0.8661
Call Waiting	\$ 5.80	\$ 0.0205
Call Forwarding Busy Line	\$ 3.25	\$ 0.0021
Call Forwarding Don't Answer	\$ 3.25	\$ 0.0041
Call Return	\$ 5.00	\$ 0.3657
Repeat Dialing	\$ 4.50	\$ 0.4304
Call Selector	\$ 4.50	\$ 0.0702
Preferred Call Forwarding	\$ 5.00	\$ 0.0427
Caller ID Deluxe	\$ 9.99	\$ 0.3679
Custom Code Restrictions	\$ 0.43	\$ 0.0284

Monthly rates do not include the following Subscriber Line Charges:

Primary Residence \$3.50 Non-Primary Residence \$5.00

Business-Single Line \$3.50 Business-Multiline \$8.14

Additionally, ESSX/Centrex revenues do not include Subscriber Line Charges.

# FLORIDA 980000A-SP: UNDOCKETED SPECIAL PROJECT

## SECTION 1

### EXECUTIVE OVERVIEW

#### STATEMENT OF PURPOSE

On June 19, 1998, the Florida Public Service Commission (the Commission) Staff requested a contribution analysis be provided for "ESSX/Centrex service", Data Request Item Number 1(e).

Additionally, the staff requested that the cost studies and all associated work papers that support the contribution analysis be filed with the Commission, Data Request Item Number 1(f). This document contains BellSouth's Total Service Long Run Incremental Cost (TSLRIC) studies for ESSX® Service and MultiServ.<sup>SM</sup> Service, which were used to support the contribution analysis.

#### OVERVIEW

The staff data request specified the "cost standard should be total service long-run incremental cost (TSLRIC) per Section 364.3381(2), or a reasonably comparable measure." The cost studies filed in this document follow the TSLRIC standard per Section 364.3381(2).

ESSX® Service has been grandfathered. The cost support included in this document reflects the most currently available data in support of the tariffed rate elements. Listed below are the ESSX® Service studies used to support the contribution analysis. The index number indicates the section in this document where the studies can be found.

Item	Study Number	Vintage	Index Number
ESSX – Features	910706	10/91	2A *
Area Communications Service (ACS)	890877	9/89	2B *
CLASS on ESSX	900514	8/90	2C *
Calling Name Display	900515	9/90	2D *
Simplified Message Desk Interface (SMDI)	920345	6/92	2E *
Integrated Digital Services-BBG	900927.01	2/92	2F *
Loop		1988	2G *
Loop – Very Small		1992	2H *

\* These sections contain proprietary information and are not included in the non-proprietary version.



# FLORIDA 980000A-SP: UNDOCKETED SPECIAL PROJECT

## SECTION 1

ESSX® Service was replaced by MultiServ<sup>SM</sup> Service. The MultiServ<sup>SM</sup> Service studies, used to support the costs in the contribution analysis reflect the most currently available data and are listed below.

Item	Study Number	Vintage	Index Number
Central Office Features	940043	12/94	3A *
Loop		11/94	3B *
Customer Control	940050	12/94	3C *
ISDN	940042	12/94	3D *
ISDN Interoffice Transport		4/94	3E *
Rate Element-Specific Costs		11/95	3F *
Automatic Call Distribution (ACD)	940041	12/94	3G *

\* These sections contain proprietary information and are not included in the non-proprietary version.

In the course of mapping cost study results to the rate elements contained in the tariffs, it was observed that an exact correlation was not always obtainable. Thus, the following explanations should be considered when reviewing this document:

1. The ESSX® Service Loop Cost Study expresses loop costs on a banded basis (¼ mile, ½ mile, ¾ mile, etc). The tariff structure establishes the same price for loops up to 2½ miles and a second price for loops that are farther than 2½ miles from the central office. Loop distributions by mileage band were applied to the banded costs to obtain costs that support the tariff rate structure.
2. BellSouth did not retain the cost support for the ESSX® Service Assume Dial 9 feature, Customer Administration Service, ECAS Capability, and Code Restriction feature.
3. The costs for ESSX® Service Group A feature packages (USOC ELX##) are based on the sum of the costs of the individual features adjusted for the assumed penetration of the features.