### PROFESSIONAL ASSOCIATION

ATTORNEYS AND COUNSELORS

123 SOUTH CALHOUN STREET

POST OFFICE BOX 6526

TALLAHASSEE, FLORIDA 32314

(850) 222-7800

FAX (850) 224-8551

FAX (850) 425-3415

ANGELA R. MORRISON
GABRIEL E. NIETO
GARY V. PERKO
MICHAEL P. PETROVICH
DAVID L. POWELL
WILLIAM G. PRESTON
CAROLYN S. RAEPPLE
DOUGLAS S. ROBERTS
GARY P. SAMS
TIMOTHY G. SCHOENWALDER
ROBERT P. SMITH
CHERYL G. STUART
W. STEVE SYRES
T. RENT WETHERELL. II

OF COUNSEL ELIZABETH C. BOWMAN

Writer's Direct Dial No. (850) 425-2313

### BY HAND DELIVERY

JAMES S. ALVES

BRIAN H. BIBEAU

KATHLEEN BLIZZARD

KEVIN B. COVINGTON

THOMAS M. DIROSE

WILLIAM H. GREEN

KIMBERLY A. GRIPPA

WADE L. HOPPING GARY K. HUNTER, JR.

ROBERT A. MANNING

FRANK E. MATTHEWS

RICHARD D. MELSON

JONATHAN T. JOHNSON

PETER C. CUNNINGHAM

RANDOLPH M. GIDDINGS

RICHARD S. BRIGHTMAN

Blanca Bayó Director, Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

Re: CONFIDENTIAL MATERIALS

Flow Through of 1998 LEC Switched Access Reductions

Docket No. 980459-TP

Dear Ms. Bayó:

Enclosed is a copy of the back-up information for the tariffs filed by MCI Telecommunications Corporation to flow-through the effect of the LEC access charge reductions that became effective on October 1, 1998. Most of the information on this exhibit is proprietary confidential business information of MCI within the meaning of Section 364.183(1), Florida Statutes.

One copy is enclosed which highlights the information for which MCI claims confidentiality. Two redacted copies are also enclosed.

MCI requests that this information be returned to it once the staff has completed its analysis.

If you have any questions, please call.

12577 -43

This document has been placed in confidential storage pending advice from OPR staff on further handling. 'ery truly yours,

Rie O Me

ichard D. Melson

cc: Cathy Bedell Sue Ollila

Julie Davis

DECUMENT NUMBER-DATE

12076 NOV -9 8

FRSC-RECORDS/REPORTING

220454-Lb

E

Rate Change

Ong CCL

Sprint

Total Switched Access Savings (Sum lines 1-3)

Required % reduction in IXC's FL intrastate long distance rates (line 4/line 5)

Annual intrastate I MOUS X

IXC Rate Change

Annual Reduction

rwide intrastate long distance study period billable revenue

×

Minutes (MOUS)

Study Period # Intrastate

Monthly SW Access

Samos



\$0.0042878 X \$0.0066423 X

0.005554 X



















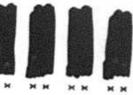






\$0.0012 = \$0.0010 = Page 1

\$0.0057 =



\$0.0051 =

\$0.0042 =

intraLATA 800 Service interLATA intraLATA retworkMCI One interLATA

interLATA intraLATA

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\$0.0046 =





MCI One Savings

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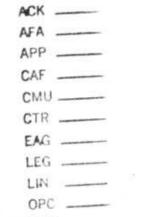








\$0.0123 =



RCH. SEC

OTH

2576 NOV -9 8 FPSC-RECORDS/REPORTING

## Percentage Reduction of IntraLATA Toll Rates

0

- Total IntraLATA Dollar Reduction\*
- Total IntraLATA Revenue\*
- Percent Reduction (line a/line b)
- LEC Percentage Switched Access Reduction (comes from IXC Flow-Through Worksheet, Line 6)

331%

3.74%

NOTE: Line 1c must be no greater than Line 2.



# Mass Markets - Residential & Small Business Services

Description of how dollars calculated (e.g., rate elements included, etc.) For total intraLATA dollar reduction, see IXC Flow Through Worksheet. These calculations include MOUs multiplied by the average change in the rate to

For Total intraLATA revenue the MOUs were multiplied by the new intraLATA tariffed rate

### Business Markets - Business Services

Description of how dollars calculated (e.g., rate elements included, etc.)

obtain the total dollar reduction For total intraLATA dollar reduction, see IXC Flow Through Worksheet. These calculations include MOUs multiplied by the average change in the rate to

For Total intraLATA revenue the MOUs were multiplied by the new intraLATA tariffed rate

ercentage of revenues for each business unit for the study period. ach business units' (i.e.,Residential, Small Business, and Business Markets) portion of the total reduction is calculated on a pro rata basis using the **Business Markets** 

Total Study Period Revenues Residential Small Business





IXC Flow Through Summary

- Annualized Effect of Flow Through to Residential Rates
- Annualized Effect\* of Flow Through to Business Rates μ Total Annuaized Flow Through\* (line 1 + line 2)



