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**BY HAND DELIVERY**

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.

Very truly yours,



Richard D. Melson

12577-98  
This document has been placed in confidential storage pending advice from OPR staff on further handling.

cc: Cathy Bedell  
Sue Ollila  
Julie Davis

DOCUMENT NUMBER-DATE

12577 NOV-98

FPSC-RECORDS/REPORTING

ORIGINAL

Name of DXC: MCI Telecommunications  
Study Period: June, 1998

Sheet 1

980459-TP

[Redacted]

LEC	Rate Change	X	Study Period # Intrastrate Minutes (MOUS)	Monthly SW Access Savings	Annual SW Access Savings
1. GTE					
Orig CCL	\$0.0042878	X	[Redacted]	[Redacted]	[Redacted]
2. Term CCL	\$0.0066423	X	[Redacted]	[Redacted]	[Redacted]
3. Sprint	\$				
	0.005554	X	[Redacted]	[Redacted]	[Redacted]
4. Total Switched Access Savings (Sum lines 1-3)				\$	[Redacted]
5. Statewide intrastate long distance study period billable revenue				\$	[Redacted]
6. Required % reduction in DXC's FL intrastate long distance rates (line 4/line 5)				3.31%	
Rate Element	Annual Intrastrate MOUs X		DXC Rate Change	Annual Production	
Consumer					
Emergency Service					
interLATA	[Redacted]	X	\$0.0128 =	[Redacted]	
interLATA	[Redacted]	X	\$0.0064 =	[Redacted]	
MCI One Savings					
interLATA	[Redacted]	X	\$0.0123 =	[Redacted]	
Small Business Preferred					
interLATA	[Redacted]	X	\$0.0046 =	[Redacted]	
Business Markets					
Video					
interLATA	[Redacted]	X	\$0.0042 =	[Redacted]	
interLATA	[Redacted]	X	\$0.0037 =	[Redacted]	
Video	[Redacted]	X	\$0.0051 =	[Redacted]	
interLATA	[Redacted]	X	\$0.0045 =	[Redacted]	
800 Service	[Redacted]	X	\$0.0057 =	[Redacted]	
interLATA	[Redacted]	X	\$0.0028 =	[Redacted]	
interLATA	[Redacted]	X	\$0.0012 =	[Redacted]	
networkMCI One	[Redacted]	X	\$0.0010 =	[Redacted]	
interLATA	[Redacted]	X		[Redacted]	
interLATA	[Redacted]	X		[Redacted]	
Total					

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC   1
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

Percentage Reduction of IntraLATA Toll Rates

a. Total IntraLATA Dollar Reduction*	=	[REDACTED]	Total
b. Total IntraLATA Revenues*	=	[REDACTED]	
c. Percent Reduction (line a/line b)	=	37.4%	
2. LEC Percentage Switched Access Reduction (comes from IXC Flow-Through Worksheet, Line 6)	=	3.31%	

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

Determination of Residence & Business Calculation

**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 obtain the total dollar reduction

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.)

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

For Total IntraLATA revenue the MOUs were multiplied by the new IntraLATA tariffed rate.

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

Business Markets	[REDACTED]
Small Business	[REDACTED]
Residential	[REDACTED]
Total Study Period	[REDACTED]
Revenues	[REDACTED]

IXC Flow Through Summary

1. Annualized Effect\* of Flow Through to Residential Rates = [REDACTED]
2. Annualized Effect\* of Flow Through to Business Rates = [REDACTED]
3. Total Annualized Flow Through\* (line 1 + line 2) = [REDACTED]

\* see IXC Flow Through Worksheet