

ATTACHMENT C

BellSouth Telecommunications, Inc.
FPSC Docket No. 990649A-TP
Request for Confidential Classification
Page 1 of 1
2/08/02

REQUEST FOR CONFIDENTIAL CLASSIFICATION OF BELLSOUTH'S RESPONSE
TO AT&T AND MCI'S THIRD SET OF INTERROGATORIES, ITEM NO. 27,
ATTACHMENT 1, ITEM 36, ATTACHMENT 1-4, FILED FEBRUARY 8, 2002, IN
FLORIDA DOCKET NO. 990649A-TP

ONE HIGHLIGHTED COPY

Att 3-6-02 (entire document)
**DECLASSIFIED
CONFIDENTIAL**

This confidentiality request was filed by or
for a "telco" for DN ~~01558-02~~ No ruling
is required unless the material is subject to a
request per 119.07, FS, or is admitted in the
record per Rule 25-22.006(8)(b), FAC.

DOCUMENT NUMBER-DATE

01558 FEB-8 02

FPSC-COMMISSION CLERK

Based On ARGUS Extract Of 2000 Florida Cable & Wire Additions Data

	Telco Labor	Vendor Labor	Total Labor	Telco Eng	Vendor Eng	Total Eng	Exempt Material	Non-Exempt Material	Total Material	Other	Total
1C	561,986	1,403,490	1,965,476	587,985	305,067	893,052	344,332	1,450,359	1,794,691	(29,015)	4,624,204
5C	3,574,479	302,757	3,877,236	696,117	260,724	956,841	3,198,040	1,978,680	5,176,720	(201,818)	9,808,979
12C	3,596,650	180,951	3,777,601	2,782,738	1,025,346	3,808,084	2,078,733	1,822,865	3,901,598	(405,458)	11,081,825
22C	5,011,166	67,120	5,078,286	2,442,658	780,465	3,223,123	4,863,560	2,111,174	6,974,734	(210,896)	15,065,246
45C	12,151,906	27,025,335	39,177,241	10,635,669	8,674,133	19,309,802	15,221,512	10,368,745	25,590,256	1,901,090	85,978,390
52C	483,798	3,429	487,227	234,970	4,199	239,168	277,157	209,860	487,017	(37,958)	1,175,454
85C	3,949,303	329,358	4,278,662	384,505	612,090	996,595	2,050,199	7,111,580	9,161,779	(242,726)	14,194,309
812C	847,283	40,430	887,714	376,080	48,151	424,231	489,399	489,975	979,373	(18,765)	2,272,553
822C	2,406,245	94,757	2,501,002	122,866	57,285	180,151	1,640,350	1,846,586	3,486,936	249,984	6,418,073
845C	5,070,595	29,078,949	34,149,543	3,951,823	3,869,875	7,821,697	2,975,719	8,865,170	11,840,889	898,817	54,710,947
852C	126,211	1,230	127,442	21,052	-	21,052	82,049	34,189	116,238	(1,980)	262,752

Total Engineering Costs As A Ratio To
Total Non-Engineering Costs

1C	0.239350
5C	0.108092
12C	0.523539
22C	0.272174
45C	0.289639
52C	0.255444
85C	0.075513
812C	0.229522
822C	0.028880
845C	0.166812
852C	0.087100

DECLASSIFIED

PRIVATE/PROPRIETARY

No disclosure outside BellSouth except by written agreement.

DECLASSIFIED

RL: 01-11-005BT
Attachment 1

Assumptions

Macroeconomic Assumptions - The macroeconomic forecasts of GDP and its chain price index are from BellSouth's late September 2001 economic view. It provided a post September 11th outlook for the economy. JPC provided the forecasts of the other variables in line with BellSouth's general economic outlook.

The Conference Board has officially declared that a recession has begun in the U.S. economy with peak economic activity having been reached in the month of March 2001. That means that the expansion lasted exactly 10 years from the previous trough, reached in March 1991. Third quarter GDP fell 1.1 percent, and BellSouth's forecast for the year as a whole is for an increase of only 0.8 percent compared with 2000's growth rate of 4.1 percent. The long-term trend rate of growth in GDP during the 2001-2010 time period now averages 2.9 percent per year, a revision downward of almost 0.7 percentage points per year. Price increases are expected to remain modest averaging about 1.8 percent per year during the forecast period. Capital equipment price increases are expected to average slightly less than 1 percent per year during the forecast period as flat or declining electronic prices continue to offset most of the increases in other types of capital equipment. The unemployment rate has risen sharply since September 11th. Consequently, union wage growth will be somewhat lower than in the last forecast.

Indexes and Weights - The actual 2000 BellSouth indexes are in the forecast tables. The indexes and the forecasts are being composited using weights that are based on BellSouth's 1999 construction expenditures.

ESS Materials - BellSouth spent \$1 billion on digital switch construction in 2000, up about 8 percent from 1999. Much of that increase is associated with analog switch replacement. Based on ARIMIS reports, analog SPC switches in the BellSouth network were reduced from 83 to 69 between 1999 and 2000, leaving only about 4 percent of lines served by that technology. Digital switches increased by 11 during this time period.

The contracts for the large circuit switches being installed as replacements for the analog SPC switches called for upfront discounts on prices. Consequently, we do not anticipate that this account will experience the same price declines in the next few years as it did in 1999. Digital ESS material prices were about flat in 2000.

One factor that will contribute to further declines in the digital ESS account is the increased use of packet switching equipment in the network over the next few years. Before the end of this decade, that equipment will account for a majority of the expenditures on new switching equipment and thus will have a steadily increasing impact on the price trend. As this equipment becomes more widely used, its price is expected to decline further and will put downward pressure on the account overall.

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

Page

DECLASSIFIED

RL: 01-11-005BT
Attachment 1

Circuit - The circuit forecast is divided among analog, digital subscriber pair gain and other digital equipment. Throughout the forecast period the overall circuit account is weighted based on the relative expenditures on those three types of equipment in 1999. However, analog circuit was only about 1 percent of all circuit expenditures in 1999; therefore, it has virtually no impact on the combined circuit index. Based on 1999 weights, expenditures on digital SPG and other digital circuit equipment were split almost evenly.

Digital SPG - BellSouth spent \$828 million on equipment and installation of digital pair gain equipment in 2000, an increase of about 25 percent.

BellSouth's long term strategy for loop deployment focuses on FTTC or FTTH. DSL technology will be used to take advantage of existing copper-based distribution facilities, but is not a long-term strategy. Next generation digital loop carrier is being used to support current narrowband services and is the platform that probably will be used to support broadband services. Consequently, purchases of this equipment will continue. The older forms of loop carriers will be phased out over time and the purchases of plugs and other add-on equipment to those systems will be reduced over the next few years.

Interoffice Digital Circuit - BellSouth spent over \$900 million for the installation of digital circuit equipment other than pair gain equipment. That was a double-digit increase from 1999's level. SONET equipment dominated BellSouth's interoffice digital circuit purchases in 1999 and 2000. The prices for that equipment are continuing downward. While the use of WDM equipment is still somewhat limited and the recent turmoil in telecommunications equipment markets has caused some revisions to network improvement plans, this technology will continue to grow as a share of new purchases. With continuing improvements in manufacturing of optical equipment and wider use of the equipment in most networks, prices will tend to trend downward. It is unlikely that it will be feasible to put a fully optical system into place during the decade of this forecast. However, the movement toward that goal will put increasing amounts of that equipment in the network.

Copper and Copper Cable Prices - BellSouth's copper cable contracts have escalator clauses that adjust cable prices with a lag with respect to raw copper prices. Copper markets have been very volatile in recent years. Prices rose at double-digit rates in 1999 and then fell sharply as manufacturing demand began to weaken in 2000. With the U.S. economy in recession and other world economies slumping, copper prices fell further in 2001 and are expected to stay relatively weak during the first half of 2002. Beyond that prices will improve as the economic recovery increases the demand for copper. Copper cable prices will follow a similar pattern. Falling and then increasing as the recovery begins to push up raw copper prices.

Fiber Optic Cable Prices - BellSouth's fiber cable network has continued to grow strongly. 2000 demand for optical fiber and cable was relatively strong and prices did not fall by as much as they did in 1999. Prices fell only about 2.0 percent. By late in 2000, the telecommunications industry was in major turmoil and the equipment and fiber manufacturers faced significant adjustments due to lower demand. Many of those

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELL SOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

Page

DECLASSIFIED

RL: 01-11-005BT
Attachment 1

adjustments are still taking place. Consequently, some buyers are seeing fiber cable prices increasing as the major manufacturers try to improve their bottom lines. A significant amount of fiber manufacturing will be shutdown in the fourth quarter and prices are expected to remain relatively flat in the near term.

Other Outside Plant Materials - PVC prices have fallen sharply in 2001 and are expected to show further declines because of the declining price of crude oil and natural gas. Consequently, the cost of plastic conduit should decline by 2002.

Wages - A new contract was reached with BellSouth's unionized workforce in August 2001. That contract calls for semi-annual wage increases of 1.6 percent (in August 2001), 1.5 percent, 2 percent, 2.5 percent, 2.25 percent and 2.5 percent. The final wage increase takes place in February 2004. While, the contract calls for continuous bargaining, and therefore theoretically could leave the door open for some of the wage increases to be renegotiated, JPC considers that unlikely. Consequently, these increases will be the basis of the wage forecast for the union workers. Past August 2004, the forecast assumes that wage gains will reflect the experience in the general economy at that time. BellSouth's overhead costs have been moving downward over the past few years. Part of that reflects the gains from equities that have reduced the payments to the pension fund. However, recent events have severely eroded the value of most equity holdings. Consequently, it is less likely that changes in the benefits ratios will tend to offset wage gains.

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELL SOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

Page

DECLASSIFIED

BELLSOUTH TELECOMMUNICATIONS
HISTORICAL TELEPHONE PLANT INDEXES
ACCOUNTS ON A PART 32 USOA BASIS
1988=100

RL: 01-11-005BT
Attachment 2

ACCOUNT NAME	ACCT #	FRC	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	1/01
BUILDINGS	2121	10C	100.0	100.5	102.5	104.9	108.6	109.7	112.4	115.6	119.1	119.6	120.0	122.2	123.7	124.9
MOTOR VEHICLES	2112	40C	100.0	102.7	104.5	108.0	110.4	113.2	116.2	117.6	118.6	117.4	116.2	116.4	117.0	117.8
AIRCRAFT	2113	140C	100.0	104.1	110.3	117.7	122.9	125.8	129.6	135.7	141.0	143.6	143.8	145.0	152.8	158.4
GARAGE WORK EQUIP.	2115	340C	100.0	105.7	112.1	118.0	122.4	124.7	128.1	131.9	135.0	136.4	138.0	139.8	141.4	142.4
OTHER WORK EQUIP.	2116	540C	100.0	104.8	108.8	112.0	115.1	118.1	119.6	122.3	125.0	127.1	129.7	131.7	132.9	133.3
FURNITURE	2122	30C	100.0	103.9	107.4	109.7	111.2	113.1	116.5	119.3	122.1	124.2	125.0	126.1	127.5	128.4
OFFICE EQ.	2123		100.0	99.2	94.9	99.1	102.6	102.5	103.7	103.7	105.0	105.2	107.5	106.6	106.4	106.2
OFFICE SUPPORT EQUIP.		430C	100.0	102.3	102.3	102.6	103.7	103.7	104.0	104.2	104.7	105.1	105.0	105.0	105.4	105.3
OFFICE COMMON EQUIP.		718C	100.0	98.8	94.4	98.7	102.3	102.1	103.9	103.9	105.6	105.7	108.1	106.9	106.4	106.2
COMPUTER EQUIPMENT	2124	530C	100.0	99.9	95.8	79.4	66.6	58.4	53.7	48.1	40.4	32.6	26.0	21.7	19.2	18.2
GENERAL EQ. COMPOSITE			100.0	100.6	97.5	89.3	83.0	76.0	72.2	67.5	60.2	52.5	45.3	40.5	37.8	36.7
ANALOG ELECTRONIC	2211	77C	100.0	105.3	107.4	112.1	113.8	113.2	113.8	114.8	121.2	119.7	122.3	121.3	125.6	120.4
DIGITAL ELECTRONIC	2212	377C	100.0	96.6	96.7	93.8	97.2	99.9	96.6	97.4	107.7	107.3	104.3	99.5	99.3	102.1
OPERATOR SYSTEMS	2220	117C	100.0	97.2	95.3	92.1	92.7	95.3	91.3	92.0	100.5	101.0	102.7	96.4	96.7	99.4
RADIO	2231	67C	100.0	104.9	108.1	121.0	127.5	132.6	128.0	125.4	123.5	124.0	119.5	115.0	110.3	108.6
CIRCUIT COMPOSITE	2232		100.0	100.3	99.9	102.5	100.6	103.1	100.2	98.6	96.7	96.2	95.8	90.3	87.8	86.7
ANALOG CIRCUIT		57C	100.0	102.4	104.8	108.9	111.0	112.7	116.6	118.2	119.3	124.3	122.3	125.0	121.0	121.3
DIGITAL SUBS PAIR GAIN		257C	100.0	100.7	99.8	104.9	100.8	103.8	101.8	101.4	99.4	100.5	100.9	94.4	92.8	92.8
OTHER DIGITAL CIRCUIT		157C,357C	100.0	99.1	99.2	98.1	98.7	100.8	96.1	92.6	90.6	87.7	86.7	82.2	78.9	76.9
CENTAL OFC COMPOSITE			100.0	99.6	99.6	99.9	100.7	103.2	100.2	99.7	102.2	101.7	100.4	95.1	93.6	93.9
STATION APPARATUS	2311	318C	100.0	98.3	93.4	97.9	101.7	99.4	100.2	101.0	102.6	102.4	104.2	102.2	101.2	100.6
LARGE PBX	2341	258C	100.0	103.4	103.2	105.9	105.2	107.8	104.4	101.8	100.6	100.1	97.0	91.4	87.6	86.3
PUBLIC TELEPHONES	2351	198C	100.0	99.7	99.0	99.5	98.9	101.5	101.6	103.0	103.8	104.5	106.0	103.5	103.5	103.5
OTHER TERM EQUIPMENT	2362	558C,858C	100.0	101.2	101.1	102.4	102.6	104.6	103.7	102.2	100.2	99.7	101.3	98.4	95.9	95.7
STATION COMPOSITE			100.0	100.5	100.2	101.2	101.0	103.4	102.7	102.4	101.2	101.1	101.3	97.7	94.5	94.0
INSIDE PLANT COMPOSITE			100.0	99.6	99.6	100.0	100.7	103.2	100.3	99.8	102.2	101.7	100.4	95.2	93.6	93.9

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

DECLASSIFIED

BELLSOUTH TELECOMMUNICATIONS
HISTORICAL TELEPHONE PLANT INDEXES
ACCOUNTS ON A PART 32 USOA BASIS
1988=100

ACCOUNT NAME	ACCT #	FRC	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	1/01
POLES	2411	1C	100.0	102.8	104.5	106.6	111.6	113.9	116.6	125.9	128.0	131.3	134.6	136.7	137.8	139.8
AERIAL CABLE	2421		100.0	111.7	110.6	113.6	104.9	104.6	99.1	107.5	109.7	111.6	109.9	108.0	107.8	109.2
COPPER		12C,22C	100.0	113.6	112.8	116.1	105.9	106.3	101.4	111.5	114.0	116.1	115.1	114.5	114.4	115.9
OPTICAL		812C,822C	100.0	92.0	89.8	91.1	90.2	86.1	77.2	75.4	76.2	76.8	73.2	68.9	68.6	69.3
U.G. CABLE	2422		100.0	101.8	99.1	100.5	95.8	93.2	85.2	88.9	89.9	89.9	86.5	83.8	83.4	84.2
COPPER		5C	100.0	110.3	107.9	109.8	100.2	101.3	96.2	107.3	109.0	108.8	107.7	110.7	111.0	112.1
OPTICAL		85C	100.0	90.9	88.2	89.2	87.9	82.5	72.6	70.3	70.9	71.0	66.9	62.0	61.4	61.9
BURIED CABLE	2423		100.0	108.7	108.3	112.4	105.4	103.7	102.1	107.2	109.4	112.5	112.2	112.2	113.6	115.1
COPPER		45C	100.0	110.4	110.0	114.4	106.2	105.1	104.1	110.0	112.2	115.6	115.8	116.5	118.3	119.9
OPTICAL		845C	100.0	94.5	93.7	95.4	95.7	90.6	86.2	86.6	88.4	89.7	87.9	86.3	86.6	87.7
SUBMARINE CABLE	2424		100.0	106.5	106.5	109.7	107.2	100.8	95.8	96.1	98.4	100.6	102.1	95.2	95.0	95.4
COPPER		6C	100.0	118.3	119.2	123.4	119.3	118.8	116.3	124.1	125.5	129.2	131.2	128.9	131.7	132.4
OPTICAL		86C	100.0	97.1	95.7	97.4	97.2	91.2	86.4	86.4	88.7	90.5	91.9	82.9	81.5	81.8
INBLDG NETWK CABLE	2426		100.0	114.4	113.3	116.8	103.6	105.5	99.8	107.6	110.8	108.7	107.6	107.4	106.8	108.0
COPPER		52C	100.0	114.9	113.9	117.5	103.9	106.4	101.1	109.8	113.2	110.8	109.7	110.2	109.5	110.7
OPTICAL		852C	100.0	96.2	93.8	95.1	94.1	89.3	79.1	76.6	77.8	79.1	77.6	74.5	74.4	75.4
CABLE COMPOSITE			100.0	108.7	107.7	111.1	104.0	102.6	99.2	105.0	107.0	109.4	108.4	107.6	108.4	109.8
COPPER			100.0	111.3	110.7	114.7	105.7	105.2	102.8	110.2	112.5	115.3	115.0	115.5	116.7	118.2
OPTICAL			100.0	92.5	90.7	92.0	91.4	86.5	79.3	78.4	79.4	80.2	77.3	74.5	74.5	75.4
AERIAL WIRE	2431	3C	100.0	110.7	110.4	112.9	107.2	109.3	108.2	114.0	116.6	120.9	123.7	122.7	123.0	125.2
CABLE & WIRE COMP.			100.0	108.7	107.8	111.2	104.0	102.6	99.2	105.1	107.1	109.4	108.4	107.6	108.5	109.8
U.G. CONDUIT	2441	4C	100.0	96.8	95.6	93.9	93.9	83.9	87.9	95.7	96.6	98.7	99.2	99.2	102.1	104.1
OSP STRUCTURES			100.0	99.2	99.1	98.8	100.6	94.8	98.4	106.8	108.1	110.6	112.1	112.9	115.1	117.1
OSP COMPOSITE			100.0	107.6	106.7	109.7	103.6	101.6	99.1	105.3	107.2	109.6	108.8	108.1	109.1	110.5
ALL ACCOUNTS			100.0	102.2	101.7	101.9	99.8	99.4	96.6	97.7	98.0	96.8	94.4	90.4	89.2	89.5

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

DECLASSIFIED

BELLSOUTH TELECOMMUNICATIONS
HISTORICAL TELEPHONE PLANT INDEXES
ACCOUNTS ON A PART 32 USOA BASIS
1988=100

ACCOUNT NAME	ACCT #	FRC	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	1/01
MOTOR VEHICLES	2112	40C	100.0	102.7	104.5	108.0	110.4	113.2	116.2	117.6	118.6	117.4	116.2	116.4	117.0	117.8
AIRCRAFT	2113	140C	100.0	104.1	110.3	117.7	122.9	125.8	129.6	135.7	141.0	143.6	143.8	145.0	152.8	158.4
GARAGE WORK EQUIPMENT	2115	340C	100.0	105.7	112.1	118.0	122.4	124.7	128.1	131.9	135.0	136.4	138.0	139.8	141.4	142.4
OTHER WORK EQUIPMENT	2116	540C	100.0	104.8	108.8	112.0	115.1	118.1	119.6	122.3	125.0	127.1	129.7	131.7	132.9	133.3
FURNITURE	2122	30C	100.0	103.9	107.4	109.7	111.2	113.1	116.5	119.3	122.1	124.2	125.0	126.1	127.5	128.4
OFFICE MACHINES	2123		100.0	99.2	94.9	99.1	102.6	102.5	103.7	103.7	105.0	105.2	107.5	106.6	106.4	106.2
OFFICE SUPPORT EQUIP.		430C	100.0	102.3	102.3	102.6	103.7	103.7	104.0	104.2	104.7	105.1	105.0	105.0	105.4	105.3
OFFICE COMMON EQUIP.		718C	100.0	98.8	94.4	98.7	102.3	102.1	103.9	103.9	105.6	105.7	108.1	106.9	106.4	106.2
MATERIALS			100.0	98.3	93.4	97.9	101.7	99.4	100.2	101.0	102.6	102.4	104.2	102.2	101.2	100.6
CONTRACT LABOR			100.0	101.6	103.4	107.1	110.3	113.3	117.0	120.8	124.0	127.1	130.9	135.6	140.6	143.4
TELCO LABOR			100.0	103.3	105.8	107.3	108.8	112.0	115.7	114.2	117.5	119.7	123.4	124.4	124.3	126.7
GEN. PURPOSE COMPUTERS	2124	530C	100.0	99.9	95.8	79.4	66.6	58.4	53.7	48.1	40.4	32.6	26.0	21.7	19.2	18.2
ANALOG ELECTRONIC SWITCH	2211	77C	100.0	105.3	107.4	112.1	113.8	113.2	113.8	114.8	121.2	119.7	122.3	121.3	125.6	120.4
MATERIAL (UNLOADED)			100.0	102.2	103.8	106.8	109.1	107.4	109.2	111.3	115.8	113.9	116.6	116.7	121.4	116.0
INSTALLATION			--	--	--	--	--	--	--	--	--	--	--	--	--	--
EQ SPEC			--	--	--	--	--	--	--	--	--	--	--	--	--	--
MATERIAL (LOADED)			100.0	105.4	107.5	112.4	114.1	113.4	113.8	114.5	121.1	119.4	121.9	121.0	125.5	120.0
TELCO LABOR COE			100.0	103.3	105.9	107.3	108.8	112.0	115.7	114.3	117.5	119.8	123.5	124.5	124.3	126.7
TELCO ENGINEERING			100.0	104.9	105.0	106.5	107.7	108.1	109.9	117.4	119.4	124.7	129.9	123.7	121.9	124.3
DIGITAL ELECTRONIC SWITCH	2212	377C	100.0	96.6	96.7	93.8	97.2	99.9	96.6	97.4	107.7	107.3	104.3	99.5	99.3	102.1
MATERIAL (UNLOADED)			100.0	98.4	96.0	91.2	92.3	94.1	91.2	93.0	100.1	100.2	102.2	96.8	97.3	100.0
INSTALLATION			--	--	--	--	--	--	--	--	--	--	--	--	--	--
EQ SPEC			--	--	--	--	--	--	--	--	--	--	--	--	--	--
MATERIAL (LOADED)			100.0	96.1	96.0	92.9	96.4	99.1	95.5	96.1	106.6	106.1	103.0	98.2	98.1	100.8
TELCO LABOR COE			100.0	103.3	105.9	107.4	108.8	112.0	115.7	114.3	117.6	119.8	123.5	124.5	124.4	126.8
TELCO ENGINEERING			100.0	104.9	105.0	106.5	107.7	108.1	109.9	117.4	119.4	124.6	129.8	123.7	121.9	124.3
OPERATOR SYSTEMS	2220	117C	100.0	97.2	95.3	92.1	92.7	95.3	91.3	92.0	100.5	101.0	102.7	96.4	96.7	99.4
MATERIAL (UNLOADED)			100.0	98.4	96.0	91.2	92.3	94.1	91.2	93.0	100.1	100.2	102.2	96.8	97.3	100.0
LOADED MATERIAL			100.0	96.8	94.8	91.5	92.1	94.8	90.6	91.3	99.8	100.2	101.9	95.7	96.0	98.7
TELCO LABOR COE			100.0	103.3	105.8	107.3	108.7	111.9	115.6	114.2	117.4	119.7	123.4	124.4	124.2	126.6
TELCO ENGINEERING			100.0	104.9	104.9	106.5	107.8	108.2	109.9	117.5	119.4	124.7	129.9	123.8	122.0	124.4
RADIO	2231	67C	100.0	104.9	108.1	121.0	127.5	132.6	128.0	125.4	123.5	124.0	119.5	115.0	110.3	108.6
MATERIAL (UNLOADED)			100.0	106.6	109.8	121.7	129.4	133.8	129.9	127.7	123.7	123.7	119.4	115.9	111.4	109.7
INSTALLATION			--	--	--	--	--	--	--	--	--	--	--	--	--	--
EQ SPEC			--	--	--	--	--	--	--	--	--	--	--	--	--	--
MATERIAL (LOADED)			100.0	104.9	108.4	122.1	129.1	134.8	129.2	125.4	123.4	123.8	119.1	114.7	109.9	108.2
TELCO LABOR COE			100.0	103.3	105.9	107.4	108.9	112.1	115.8	114.4	117.6	119.9	123.6	124.6	124.5	126.9
TELCO ENGINEERING			100.0	104.9	105.1	106.5	107.7	108.1	109.8	117.4	119.4	124.6	129.8	123.7	121.9	124.3

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

BELLSOUTH TELECOMMUNICATIONS
HISTORICAL TELEPHONE PLANT INDEXES
ACCOUNTS ON A PART 32 USOA BASIS
1988=100

ACCOUNT NAME	ACCT #	FRC	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	1/01
CIRCUIT-ANALOG & DIGITAL	2232		100.0	100.3	99.9	102.5	100.6	103.1	100.2	98.6	96.7	96.2	95.8	90.3	87.8	86.7
ANALOG CIRCUIT	57C		100.0	102.4	104.8	108.9	111.0	112.7	116.6	118.2	119.3	124.3	122.3	125.0	121.0	121.3
MATERIAL (UNLOADED)			100.0	103.8	105.9	109.3	112.2	112.5	118.1	121.7	120.9	125.6	123.6	127.5	123.7	124.0
INSTALLATION			--	--	--	--	--	--	--	--	--	--	--	--	--	--
EQ SPEC			--	--	--	--	--	--	--	--	--	--	--	--	--	--
LOADED MATERIAL			100.0	102.2	104.5	109.7	111.9	113.4	117.4	119.5	120.5	125.7	123.3	126.1	122.0	122.3
TELCO LABOR COE			100.0	103.3	105.9	107.4	108.8	112.0	115.7	114.3	117.5	119.8	123.5	124.5	124.4	126.8
TELCO ENGINEERING			100.0	104.9	105.0	106.5	107.7	108.1	109.8	117.4	119.4	124.6	129.8	123.7	121.9	124.3
OTHER DIGITAL CIRCUIT	157C,357C		100.0	99.1	99.2	98.1	98.7	100.8	96.1	92.6	90.6	87.7	86.7	82.2	78.9	76.9
MATERIAL (UNLOADED)			100.0	99.2	98.8	99.4	100.0	101.2	97.8	94.4	91.4	89.7	86.4	81.8	77.5	75.5
INSTALLATION			--	--	--	--	--	--	--	--	--	--	--	--	--	--
EQ SPEC			--	--	--	--	--	--	--	--	--	--	--	--	--	--
LOADED MATERIAL			100.0	98.8	98.8	97.6	98.2	100.2	95.2	91.4	89.2	86.2	85.1	80.6	77.3	75.3
TELCO LABOR COE			100.0	103.3	105.9	107.3	108.8	112.0	115.7	114.3	117.5	119.8	123.5	124.5	124.3	126.7
TELCO ENGINEERING			100.0	104.9	105.0	106.5	107.7	108.1	109.9	117.4	119.4	124.7	129.9	123.7	121.9	124.3
CIRCUIT-DIG. SUB. PAIR GAIN	257C		100.0	100.7	99.8	104.9	100.8	103.8	101.8	101.4	99.4	100.5	100.9	94.4	92.8	92.8
MATERIAL (UNLOADED)			100.0	100.8	99.3	100.8	99.7	101.5	99.2	99.0	95.8	95.1	92.2	87.9	85.8	85.6
INSTALLATION			--	--	--	--	--	--	--	--	--	--	--	--	--	--
EQ SPEC			--	--	--	--	--	--	--	--	--	--	--	--	--	--
LOADED MATERIAL			100.0	100.5	99.3	104.7	100.1	103.1	100.8	100.2	98.0	99.0	99.2	92.4	90.8	90.6
TELCO LABOR COE			100.0	103.3	105.8	107.3	108.8	112.0	115.7	114.2	117.5	119.8	123.4	124.5	124.3	126.7
TELCO ENGINEERING			100.0	104.9	104.9	106.5	107.7	108.1	109.9	117.4	119.4	124.7	129.9	123.7	121.9	124.3
STATION APPARATUS	2311	318C	100.0	98.3	93.4	97.9	101.7	99.4	100.2	101.0	102.6	102.4	104.2	102.2	101.2	100.6
LARGE PBX	2341	258C	100.0	103.4	103.2	105.9	105.2	107.8	104.4	101.8	100.6	100.1	97.0	91.4	87.6	86.3
MATERIAL (UNLOADED)			100.0	100.6	99.6	100.8	100.4	102.0	99.3	97.5	94.5	93.4	90.3	85.9	82.5	81.2
LOADED MATERIAL			100.0	103.3	102.7	105.7	104.6	107.3	103.1	100.0	98.4	97.6	94.1	88.7	85.0	83.7
INSTALLATION (CONTRACT)			--	--	--	--	--	--	--	--	--	--	--	--	--	--
TELCO LABOR			100.0	103.3	105.9	107.4	108.9	112.1	115.8	114.4	117.6	119.9	123.6	124.6	124.5	126.9
TELCO ENGINEERING			100.0	104.9	105.0	106.5	107.7	108.1	109.8	117.4	119.4	124.6	129.8	123.7	121.9	124.3
PUBLIC TELEPHONES	2351	198C	100.0	99.7	99.0	99.5	98.9	101.5	101.6	103.0	103.8	104.5	106.0	103.5	103.5	103.5
MATERIAL			100.0	99.7	99.0	99.5	98.9	101.5	101.6	102.9	103.8	104.5	105.9	103.5	103.5	103.5
TELCO LABOR			100.0	103.3	105.9	107.5	108.9	112.1	115.8	114.4	117.6	119.9	123.6	124.6	124.5	126.9
CONTRACT LABOR			100.0	101.6	103.4	107.1	110.3	113.3	117.0	120.8	124.0	127.1	130.9	135.6	140.6	143.4
OTHER TERMINAL EQUIPMENT	2362	558C,858C	100.0	101.2	101.1	102.4	102.6	104.6	103.7	102.2	100.2	99.7	101.3	98.4	95.9	95.7
MATERIAL			100.0	100.6	99.6	100.8	100.4	102.0	99.3	97.5	94.5	93.4	90.3	85.9	82.5	81.2
TELCO LABOR			100.0	103.3	105.8	107.3	108.8	112.0	115.7	114.2	117.5	119.7	123.4	124.4	124.3	126.7
TELCO ENGINEERING			100.0	104.9	105.0	106.5	107.7	108.1	109.9	117.4	119.4	124.7	129.9	123.7	121.9	124.3
CONTRACT LABOR			100.0	101.6	103.4	107.1	110.3	113.3	117.0	120.8	124.0	127.1	130.9	135.6	140.6	143.4

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

BELLSOUTH TELECOMMUNICATIONS
HISTORICAL TELEPHONE PLANT INDEXES
ACCOUNTS ON A PART 32 USOA BASIS
1988=100

ACCOUNT NAME	ACCT #	FRC	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	1/01
AERIAL CABLE COMPOSITE	2421		100.0	111.7	110.6	113.6	104.9	104.6	99.1	107.5	109.7	111.6	109.9	108.0	107.8	109.2
AERIAL CABLE-COPPER MATERIAL	22C		100.0	113.6	112.8	116.1	105.9	106.3	101.4	111.5	114.0	116.1	115.1	114.5	114.4	115.9
TELCO LABOR			100.0	104.1	106.3	108.2	111.0	115.8	114.8	115.8	119.2	124.8	128.3	130.5	132.2	134.9
TELCO ENGINEERING			100.0	104.9	104.9	106.5	107.8	108.2	109.9	117.5	119.4	124.7	129.9	123.8	122.0	124.4
CONTRACT ENGINEERING			100.0	104.9	104.9	106.5	107.8	108.2	109.9	117.5	119.4	124.7	127.3	131.4	135.3	137.6
OTHER CONTRACT LABOR			100.0	101.6	103.4	107.1	110.3	113.3	117.0	120.8	124.0	127.1	130.9	135.6	140.6	143.4
AERIAL CABLE-OPTICAL MATERIAL	822C		100.0	92.0	89.8	91.1	90.2	86.1	77.2	75.4	76.2	76.8	73.2	68.9	68.6	69.3
TELCO LABOR			100.0	84.5	80.8	81.6	79.3	71.1	57.7	53.6	53.6	52.8	48.1	42.9	42.0	42.2
TELCO ENGINEERING			100.0	104.1	106.5	108.6	111.5	116.3	115.3	116.3	119.8	125.3	128.9	131.1	132.8	135.5
CONTRACT ENGINEERING			100.0	104.9	104.8	106.5	107.8	108.2	109.9	117.5	119.5	124.7	129.9	123.8	122.0	124.4
OTHER CONTRACT LABOR			100.0	104.9	104.8	106.5	107.8	108.2	109.9	117.5	119.5	124.7	127.4	131.5	135.4	137.6
U.G. CABLE COMPOSITE	2422		100.0	101.8	99.1	100.5	95.8	93.2	85.2	88.9	89.9	89.9	86.5	83.8	83.4	84.2
U.G. CABLE-COPPER MATERIAL	5C		100.0	110.3	107.9	109.8	100.2	101.3	96.2	107.3	109.0	108.8	107.7	110.7	111.0	112.1
TELCO LABOR			100.0	117.8	109.9	111.6	85.9	85.3	75.9	94.5	95.0	90.8	86.8	90.3	89.6	89.7
TELCO ENGINEERING			100.0	104.1	106.4	108.2	111.1	115.9	114.9	115.9	119.3	124.9	128.4	130.6	132.3	135.0
CONTRACT ENGINEERING			100.0	104.9	104.9	106.5	107.8	108.2	109.9	117.5	119.4	124.7	129.9	123.8	122.0	124.4
OTHER CONTRACT LABOR			100.0	104.9	104.9	106.5	107.8	108.2	109.9	117.5	119.4	124.7	127.4	131.5	135.4	137.6
U.G. CABLE-OPTICAL MATERIAL	85C		100.0	90.9	88.2	89.2	87.9	82.5	72.6	70.3	70.9	71.0	66.9	62.0	61.4	61.9
TELCO LABOR			100.0	84.5	80.8	81.6	79.3	71.1	57.7	53.6	53.6	52.8	48.1	42.9	42.0	42.2
TELCO ENGINEERING			100.0	104.1	106.0	107.2	110.0	114.8	113.7	114.8	118.2	123.7	127.1	129.3	131.0	133.7
CONTRACT ENGINEERING			100.0	104.9	105.1	106.4	107.7	108.1	109.8	117.4	119.3	124.6	129.8	123.7	121.9	124.3
OTHER CONTRACT LABOR			100.0	104.9	105.1	106.4	107.7	108.1	109.8	117.4	119.3	124.6	127.2	131.3	135.2	137.5
BURIED CABLE COMPOSITE	2423		100.0	108.7	108.3	112.4	105.4	103.7	102.1	107.2	109.4	112.5	112.2	112.2	113.6	115.1
BURIED CABLE-COPPER MATERIAL	45C		100.0	110.4	110.0	114.4	106.2	105.1	104.1	110.0	112.2	115.6	115.8	116.5	118.3	119.9
TELCO LABOR			100.0	124.1	118.9	127.9	95.7	94.6	89.8	100.8	99.9	101.6	95.9	93.9	96.1	96.4
TELCO ENGINEERING			100.0	104.1	106.4	108.5	111.3	116.2	115.1	116.2	119.6	125.2	128.7	130.9	132.6	135.3
CONTRACT ENGINEERING			100.0	104.9	104.9	106.5	107.8	108.2	109.9	117.5	119.4	124.7	129.9	123.8	122.0	124.4
OTHER CONTRACT LABOR			100.0	104.9	104.9	106.5	107.8	108.2	109.9	117.5	119.4	124.7	127.3	131.4	135.4	137.6
BURIED CABLE-OPTICAL MATERIAL	845C		100.0	94.5	93.7	95.4	95.7	90.6	86.2	86.6	88.4	89.7	87.9	86.3	86.6	87.7
TELCO LABOR			100.0	84.5	80.8	81.6	79.3	71.1	57.7	53.6	53.6	52.8	48.1	42.9	42.0	42.2
TELCO ENGINEERING			100.0	104.1	106.0	107.2	110.0	114.8	113.7	114.8	118.2	123.7	127.1	129.3	131.0	133.7
CONTRACT ENGINEERING			100.0	104.9	104.8	106.6	107.8	108.2	109.9	117.5	119.5	124.7	129.9	123.8	122.0	124.4
OTHER CONTRACT LABOR			100.0	104.9	104.8	106.6	107.8	108.2	109.9	117.5	119.5	124.7	127.4	131.5	135.4	137.6

DECLASSIFIED

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

BELLSOUTH TELECOMMUNICATIONS
HISTORICAL TELEPHONE PLANT INDEXES
ACCOUNTS ON A PART 32 USOA BASIS
1988=100

ACCOUNT NAME	ACCT #	FRC	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	1/01
SUB CABLE-COMPOSITE	2424		100.0	106.5	106.5	109.7	107.2	100.8	95.8	96.1	98.4	100.6	102.1	95.2	95.0	95.4
SUB CABLE-COPPER	6C		100.0	118.3	119.2	123.4	119.3	118.8	118.3	124.1	125.5	129.2	131.2	128.9	131.7	132.4
MATERIAL			100.0	124.1	118.9	127.9	95.7	94.8	89.8	100.8	99.9	101.6	95.9	93.9	96.1	96.4
TELCO LABOR			100.0	104.1	108.1	107.4	110.2	115.0	113.9	115.0	118.4	123.9	127.4	129.5	131.3	134.0
TELCO ENGINEERING			100.0	104.9	105.1	106.4	107.7	108.1	109.8	117.4	119.3	124.6	129.8	123.7	121.9	124.3
CONTRACT ENGINEERING			100.0	104.9	105.1	106.4	107.7	108.1	109.8	117.4	119.3	124.6	127.2	131.3	135.2	137.5
OTHER CONTRACT LABOR			100.0	102.0	104.2	107.0	109.9	105.1	106.6	109.4	113.1	116.4	118.9	121.2	122.7	124.5
SUB CABLE-OPTICAL	86C		100.0	97.1	95.7	97.4	97.2	91.2	86.4	86.4	88.7	90.5	91.9	82.9	81.5	81.8
MATERIAL			100.0	84.5	80.8	81.8	79.3	71.1	57.7	53.6	53.6	52.8	46.1	42.9	42.0	42.2
TELCO LABOR			100.0	104.1	108.4	108.3	111.1	115.9	114.9	115.9	119.3	124.9	128.4	130.6	132.3	135.1
TELCO ENGINEERING			100.0	104.9	104.8	106.8	107.8	108.2	109.9	117.5	119.5	124.7	129.9	123.8	122.0	124.4
CONTRACT ENGINEERING												127.4	131.5	135.4	137.7	
OTHER CONTRACT LABOR			100.0	102.0	104.2	107.0	109.9	105.1	106.6	109.4	113.1	116.4	118.9	121.2	122.7	124.5
INTBLDG NW CABLE-COMPOSITE	2428		100.0	114.4	113.3	116.8	103.6	105.5	99.8	107.6	110.8	108.7	107.6	107.4	106.8	108.0
INTBLDG NW CABLE-COPPER	52C		100.0	114.9	113.9	117.5	103.9	106.4	101.1	109.8	113.2	110.8	109.7	110.2	109.5	110.7
MATERIAL			100.0	126.9	122.2	127.7	84.4	85.8	86.6	99.8	103.0	97.2	91.2	82.0	89.3	89.2
TELCO LABOR			100.0	104.1	108.4	108.4	111.2	116.0	115.0	118.0	119.5	125.0	128.5	130.7	132.5	135.2
TELCO ENGINEERING			100.0	104.9	104.9	106.5	107.8	108.2	109.9	117.5	119.4	124.7	129.9	123.8	122.0	124.4
CONTRACT ENGINEERING			100.0	104.9	104.9	106.5	107.8	108.2	109.9	117.5	119.4	124.7	127.3	131.4	135.4	137.6
OTHER CONTRACT LABOR			100.0	101.6	103.4	107.1	110.3	113.3	117.0	120.8	124.0	127.1	130.9	135.6	140.6	143.4
INTBLDG NW CABLE-OPTICAL	852C		100.0	98.2	93.8	95.1	94.1	89.3	79.1	76.6	77.8	79.1	77.6	74.5	74.4	75.4
MATERIAL			100.0	84.5	80.8	81.8	79.3	71.1	57.7	53.6	53.6	52.8	46.1	42.9	42.0	42.2
TELCO LABOR			100.0	104.1	108.6	108.9	111.7	116.6	115.5	116.6	120.0	125.6	129.2	131.4	133.1	135.9
TELCO ENGINEERING			100.0	104.9	104.8	106.8	107.8	108.2	109.9	117.5	119.5	124.7	129.9	123.8	122.0	124.4
CONTRACT ENGINEERING			100.0	104.9	104.8	106.8	107.8	108.2	109.9	117.5	119.5	124.7	127.4	131.5	135.4	137.6
OTHER CONTRACT LABOR			100.0	101.6	103.4	107.1	110.3	113.3	117.0	120.8	124.0	127.1	130.9	135.6	140.6	143.4
CABLE COMPOSITE			100.0	108.7	107.7	111.1	104.0	102.6	99.2	105.0	107.0	109.4	108.4	107.6	108.5	109.8
CABLE-COPPER			100.0	111.3	110.7	114.7	105.7	105.2	102.8	110.2	112.5	115.3	115.0	115.5	116.7	119.2
CABLE-OPTICAL			100.0	92.5	90.7	92.0	91.4	86.5	79.3	78.4	79.4	80.2	77.3	74.5	74.5	75.4
OSP STRUCTURES			100.0	99.2	99.1	98.8	100.8	94.8	98.4	108.8	108.1	110.8	112.1	112.9	115.1	117.1
POLE LINES	2411	1C	100.0	102.8	104.5	108.6	111.8	113.9	116.6	125.9	128.0	131.3	134.6	138.7	137.8	139.8
MATERIAL			100.0	100.0	100.0	99.3	108.8	110.8	114.5	134.3	134.3	134.0	134.9	134.9	129.2	129.8
TELCO LABOR			100.0	104.1	106.4	108.3	111.1	115.9	114.9	115.9	119.4	124.9	128.4	130.6	132.4	135.1
TELCO ENGINEERING			100.0	104.9	105.0	108.5	107.7	108.1	109.9	117.4	119.4	124.6	129.8	123.7	121.9	124.3
CONTRACT ENGINEERING			100.0	104.9	105.0	106.5	107.7	108.1	109.9	117.4	119.4	124.6	127.3	131.4	135.3	137.5
OTHER CONTRACT LABOR			100.0	103.5	108.8	111.2	115.5	118.1	121.2	124.9	127.8	132.1	137.1	141.3	145.9	148.5
U.G. CONDUIT	2441	4C	100.0	96.8	95.6	93.9	93.9	83.9	87.9	95.7	96.6	96.7	99.2	99.2	102.1	104.1
MATERIAL			100.0	87.0	81.3	72.1	69.5	70.0	73.9	83.9	77.0	76.1	71.4	67.6	72.4	73.7
TELCO LABOR			100.0	104.1	106.4	108.5	111.3	118.1	115.1	116.1	119.6	125.1	128.6	130.8	132.6	135.3
TELCO ENGINEERING			100.0	104.9	104.9	106.5	107.8	108.2	109.9	117.5	119.4	124.7	129.9	123.8	122.0	124.4
CONTRACT ENGINEERING			100.0	104.9	104.9	106.5	107.8	108.2	109.9	117.5	119.4	124.7	127.3	131.4	135.4	137.6
OTHER CONTRACT LABOR			100.0	99.9	101.1	103.2	104.4	88.0	92.7	100.4	103.6	106.4	108.3	110.2	112.2	114.5

DECLASSIFIED

BELL SOUTH REGION - BUILDINGS SUBCOMPONENTS

1988 = 100

BUILDING SUBCOMPONENTS	1988	1/89	1989	1/90	1990	1/91	1991	1/92	1992	1/93	1993	1/94	1994
GENERAL REQUIREMENTS	100.0	100.0	104.0	104.0	108.1	108.1	112.2	112.2	116.3	116.3	120.1	120.1	123.5
SITWORK	100.0	104.7	102.8	104.2	103.6	103.3	111.0	119.1	117.2	115.5	109.5	109.9	110.7
CONCRETE	100.0	103.3	99.1	98.7	98.6	98.8	99.3	100.8	99.1	97.7	88.6	89.3	91.4
MASONRY	100.0	102.3	96.3	97.3	97.2	98.3	98.6	100.0	100.5	101.6	100.5	101.0	101.5
METALS	100.0	109.7	106.9	109.2	111.2	113.8	113.7	114.3	112.0	110.1	115.6	113.3	114.8
WOOD & PLASTICS	100.0	103.5	98.9	97.9	98.0	98.7	98.2	99.6	99.8	99.7	98.2	97.3	99.5
THERM & MOIST PRO	100.0	102.4	102.9	106.8	107.2	108.3	106.5	105.4	110.0	115.0	113.8	114.7	114.5
DOORS & WINDOWS	100.0	105.4	100.1	100.6	100.8	101.8	101.1	101.7	101.8	101.9	115.4	116.5	118.7
FINISHES	100.0	90.1	93.7	95.1	96.7	98.7	98.6	99.8	99.5	99.7	98.6	98.1	100.6
SPECIALTIES	100.0	105.6	105.2	107.2	107.7	107.8	105.4	103.1	105.3	107.5	110.3	111.4	112.0
SPEC CONST	100.0	106.5	104.9	106.2	107.9	109.4	110.1	110.8	110.0	109.2	109.8	108.5	110.6
CONVEYING SYSTEMS	100.0	107.9	113.6	123.0	123.3	123.3	123.7	124.2	122.7	121.1	128.1	133.1	135.5
MECHANICAL	100.0	93.3	99.8	103.6	104.3	105.7	107.2	110.2	113.3	116.9	122.2	126.9	125.2
ELECTRICAL	100.0	102.0	100.2	100.2	100.6	102.6	103.5	105.8	114.0	122.4	124.4	127.6	131.3
FURNISHINGS	100.0	102.2	103.9	106.1	107.4	109.4	109.7	110.3	111.2	112.1	113.1	115.3	116.5
GENERAL EQUIPMENT	100.0	103.4	105.5	108.0	109.6	112.0	113.3	114.5	115.2	116.3	117.2	118.4	119.5

BUILDING SUBCOMPONENTS	1/95	1995	1/96	1996	1/97	1997	1/98	1998	1/99	1999	1/00	2000	1/01
GENERAL REQUIREMENTS	123.5	126.8	128.2	130.8	131.8	134.8	136.5	139.6	141.3	144.0	145.8	149.5	151.8
SITWORK	111.8	113.3	115.0	116.5	117.2	118.2	118.7	120.1	121.6	122.8	124.2	124.6	125.6
CONCRETE	92.7	95.6	97.4	99.0	99.9	101.7	103.1	104.4	106.1	108.1	110.1	111.1	112.7
MASONRY	102.5	104.2	105.8	108.3	109.9	110.6	111.4	112.8	114.2	114.3	115.9	117.6	119.6
METALS	116.8	121.1	126.1	130.4	134.3	136.8	139.4	138.8	138.5	139.7	140.6	143.6	146.4
WOOD & PLASTICS	101.3	99.4	99.1	99.2	100.3	101.5	101.6	102.0	103.0	105.0	107.4	109.4	112.3
THERM & MOIST PRO	113.7	115.6	117.6	124.6	130.2	131.0	132.2	135.8	140.0	139.5	140.7	140.0	138.8
DOORS & WINDOWS	120.6	123.0	125.9	127.5	129.1	130.5	131.4	134.0	136.9	134.2	131.5	133.9	135.5
FINISHES	102.7	100.6	101.0	100.1	101.5	100.1	98.9	97.7	99.2	96.8	98.7	95.7	97.2
SPECIALTIES	112.7	115.9	118.6	122.0	125.1	125.4	125.8	124.5	123.2	122.7	122.3	123.2	124.3
SPEC CONST	112.8	116.8	120.4	123.5	126.3	128.1	130.1	131.9	133.8	134.3	134.9	136.7	138.5
CONVEYING SYSTEMS	138.0	139.6	140.6	143.8	146.7	148.7	150.8	153.5	156.3	158.8	161.4	161.4	161.5
MECHANICAL	123.2	126.1	130.6	127.8	125.3	119.1	113.6	114.4	116.1	117.1	118.7	116.8	116.0
ELECTRICAL	134.4	137.5	141.6	139.8	139.6	138.8	139.1	137.5	137.7	136.7	137.0	137.1	137.1
FURNISHINGS	117.7	119.3	121.3	122.1	123.7	124.2	124.6	125.0	125.4	126.1	126.8	127.5	128.4
GENERAL EQUIPMENT	121.4	123.3	125.5	126.4	127.5	128.5	129.5	130.5	131.9	132.4	132.9	133.7	134.6

DECLASSIFIED

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELL SOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

BELLSOUTH TELECOMMUNICATIONS
FORECAST TELEPHONE PLANT INDEXES
ACCOUNTS ON PART 32 USOA BASIS
NOVEMBER 2001 FORECAST OF % COST CHANGE

ACCOUNT NAME	ACCT #	FRC	ACTUAL												
			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011+	
BUILDINGS	2121	10C	1.3	2.4	1.7	2.0	2.0	2.1	2.1	2.1	2.1	2.1	2.2	2.0	
MOTOR VEHICLES	2112	40C	0.5	-0.5	0.0	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
AIRCRAFT	2113	140C	5.4	5.2	1.0	1.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	
GARAGE WORK EQ	2115	340C	1.2	0.7	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	
OTHER WORK EQ	2116	540C	0.9	0.2	0.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	
FURNITURE	2122	30C	1.1	1.1	1.0	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
OFFICE EQUIPMENT	2123	430,718C	-0.2	0.1	0.0	1.0	1.0	1.0	0.0	1.0	1.0	1.0	1.0	1.0	
OFFICE SUPPORT EQUIP.			0.4	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	
OTHER COMMON EQUIP.			-0.4	0.2	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	
G.P. COMPUTERS	2124	530C	-11.2	-12.5	-13.0	-14.0	-14.0	-14.0	-14.0	-14.0	-14.0	-14.0	-14.0	-8.0	
GEN EQUIP. COMPOSITE			-6.6	-7.5	-7.0	-7.0	-6.0	-6.0	-5.0	-5.0	-4.0	-3.0	-3.0	0.0	
ANALOG ELECTRONIC	2211	77C	3.5	2.3	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	--	
DIGITAL ELECTRONIC	2212	377C	-0.1	0.7	0.0	0.0	-2.0	-2.0	-1.0	0.0	0.0	0.0	0.0	1.0	
OPERATOR SYSTEMS	2220	117C	0.3	0.6	0.0	0.0	-2.0	-2.0	-1.0	0.0	0.0	0.0	0.0	1.0	
RADIO	2231	67C	-4.1	-1.1	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	
CIRCUIT COMPOSITE	2232		-2.8	-2.4	-3.0	-1.0	-2.0	-1.0	-2.0	-2.0	-1.0	-2.0	-2.0	0.0	
ANALOG		57,457C	-3.2	0.8	-1.0	2.0	0.0	2.0	0.0	0.0	0.0	1.0	1.0	--	
DIGITAL SPG		257C	-1.7	-0.8	-2.0	0.0	-2.0	0.0	-1.0	0.0	0.0	0.0	0.0	0.0	
OTHER DIGITAL		157,357C	-3.9	-4.1	-4.0	-2.0	-2.0	-2.0	-2.0	-3.0	-3.0	-4.0	-4.0	-1.0	
COE COMPOSITE			-1.7	-1.1	-2.0	-1.0	-2.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	1.0	
STATION APPARATUS	2311	318C	-1.0	-0.6	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	
LARGE PBX	2341	258C	-4.2	-2.6	-3.0	-1.0	-3.0	-2.0	-3.0	-3.0	-3.0	-3.0	-3.0	1.0	
PUBLIC TELEPHONES	2351	198C	0.0	-0.3	-1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	
OTHER TERM EQUIP.	2362	558,858C	-2.5	-0.3	-1.0	1.0	-1.0	0.0	0.0	0.0	1.0	0.0	1.0	1.0	
STATION COMPOSITE			-3.3	-0.2	-1.0	0.0	-1.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	
ISP COMPOSITE			-1.7	-1.0	-2.0	-1.0	-2.0	-1.0	-1.0	-1.0	-1.0	-1.0	-1.0	1.0	

DECLASSIFIED

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

BELLSOUTH TELECOMMUNICATIONS
FORECAST TELEPHONE PLANT INDEXES
ACCOUNTS ON PART 32 USOA BASIS
NOVEMBER 2001 FORECAST OF % COST CHANGE

ACCOUNT NAME	ACCT #	FRC	ACTUAL												
			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011+	
POLES	2411	1C	0.8	3.1	2.5	2.7	3.1	2.9	3.0	3.9	3.6	3.6	3.6	4.0	
AERIAL CABLE	2421		-0.2	2.2	0.0	2.0	3.0	2.0	2.0	3.0	3.0	3.0	3.0	1.0	
COPPER		22C	0.0	2.5	0.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0	3.0	
OPTICAL		822C	-0.6	0.9	1.0	0.0	0.0	0.0	-1.0	1.0	1.0	0.0	1.0	1.0	
U.G. CABLE	2422		-0.4	0.6	0.0	1.0	1.0	1.0	0.0	2.0	2.0	1.0	2.0	1.0	
COPPER		5C	0.3	0.6	-1.0	2.0	4.0	3.0	3.0	3.0	3.0	4.0	4.0	3.0	
OPTICAL		85C	-1.0	0.6	0.0	-1.0	0.0	0.0	-2.0	0.0	0.0	-2.0	1.0	1.0	
BURIED CABLE	2423		1.3	2.7	1.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	
COPPER		45C	1.6	2.7	1.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	
OPTICAL		845C	0.4	2.5	2.0	1.0	2.0	2.0	2.0	2.0	3.0	2.0	3.0	2.0	
SUBMARINE CABLE	2424		-0.2	-0.3	-2.0	-1.0	0.0	0.0	-1.0	0.0	0.0	-2.0	0.0	1.0	
COPPER		6C	2.2	0.3	-4.0	1.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	
OPTICAL		86C	-1.8	-0.7	-1.0	-2.0	-2.0	-2.0	-4.0	-2.0	-2.0	-5.0	-1.0	0.0	
INTRABLDG NETWORK CABLE	2426		-0.5	2.2	0.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	
COPPER		52C	-0.6	2.3	0.0	2.0	4.0	3.0	3.0	3.0	3.0	4.0	4.0	3.0	
OPTICAL		852C	-0.1	1.4	2.0	1.0	1.0	1.0	1.0	2.0	2.0	1.0	2.0	2.0	
CABLE COMPOSITE			0.8	2.4	1.0	2.0	3.0	2.0	2.0	3.0	3.0	3.0	3.0	2.0	
COPPER			1.1	2.6	0.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	
OPTICAL			0.0	1.9	1.0	1.0	1.0	1.0	1.0	2.0	2.0	1.0	2.0	2.0	
CONDUIT SYSTEMS	2441	4C	2.9	1.8	1.3	2.9	2.9	3.1	3.2	3.3	3.4	3.4	3.4	3.0	
OSP STRUCTURES			2.0	2.3	1.8	2.8	3.0	3.0	3.1	3.6	3.5	3.5	3.5	3.0	
OSP COMPOSITE			0.9	2.5	0.7	2.2	2.6	2.5	2.5	2.9	3.1	2.9	3.2	3.0	
TOTAL COMPOSITE			-1.3	-0.5	-1.0	0.0	-1.0	0.0	0.0	0.0	1.0	0.0	1.0		

DECLASSIFIED

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

BELLSOUTH TELECOMMUNICATIONS
FORECAST TELEPHONE PLANT INDEXES
ACCOUNTS ON PART 32 USOA BASIS
NOVEMBER 2001 FORECAST OF % COST CHANGE

ACCOUNT NAME	ACCT #	FRC	ACTUAL										
			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
BUILDINGS	2121	10C	123.7	126.5	128.5	131.6	134.6	137.7	140.8	143.8	146.9	149.9	153.0
MOTOR VEHICLES	2112	40C	117.0	115.8	116.0	118.0	117.2	118.2	119.2	120.2	121.2	122.2	123.2
AIRCRAFT	2113	140C	152.8	160.7	162.6	164.6	170.0	175.1	180.3	185.4	190.6	196.7	202.9
GARAGE WORK EQUIPMENT	2115	340C	141.4	142.4	143.4	144.4	145.4	146.5	147.5	148.5	149.5	150.5	151.5
OTHER WORK EQUIPMENT	2116	540C	132.9	133.0	133.0	134.3	135.3	137.7	140.8	143.8	146.9	149.9	153.0
FURNITURE	2122	30C	127.5	129.3	130.3	132.6	135.7	137.4	138.4	139.4	140.4	141.4	142.4
OFFICE EQUIPMENT	2123	430,718C	106.4	106.0	106.0	107.1	108.1	109.1	109.0	110.1	111.1	112.1	113.1
OFFICE SUPPORT EQUIP.	2123.1		105.4	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0
OFFICE COMM EQUIP.	2123.2		106.4	106.0	106.0	107.1	108.1	109.1	110.1	111.1	112.1	113.1	114.1
COMPUTER EQUIPMENT	2124	530C	19.2	16.5	14.8	12.9	11.2	9.5	7.7	6.9	6.0	5.2	4.3
GEN EQUIP. COMPOSITE			37.8	35.0	32.6	30.7	29.1	27.3	25.7	24.7	24.0	23.3	22.3
ANALOG ELECTRONIC	2211	77C	125.6	128.5	131.6	134.6	137.7	140.8	143.8	146.9	149.9	153.0	156.1
DIGITAL ELECTRONIC	2212	377C	99.3	100.0	100.0	100.0	98.0	96.0	95.0	95.0	95.0	95.0	95.0
OPERATOR SYSTEMS	2220	117C	96.7	98.0	98.0	98.0	96.0	94.1	93.1	93.0	93.0	93.0	93.0
RADIO	2231	67C	110.3	108.9	107.9	108.0	108.0	108.0	108.0	108.0	108.0	108.0	108.0
CIRCUIT COMPOSITE	2232		87.8	86.2	83.4	82.2	80.4	79.2	77.4	75.5	74.3	72.5	71.5
ANALOG		57,457C	121.0	122.2	120.8	123.4	123.0	125.5	125.0	125.0	125.0	126.3	127.3
DIGITAL SUBS PAIR GAIN		257C	92.8	92.1	90.2	90.0	88.2	88.0	87.1	87.0	87.0	87.0	87.0
OTHER DIGITAL		157,357C	78.9	75.8	73.0	71.5	70.6	69.6	68.6	66.9	65.0	62.4	59.5
COE COMPOSITE			93.6	93.1	91.1	90.1	88.2	87.1	86.1	85.1	84.2	83.2	82.2
STATION APPARATUS	2311	318C	101.2	100.0	100.0	100.0	100.0	101.0	102.0	103.0	104.0	105.0	106.1
LARGE PBX	2341	258C	87.6	85.4	82.5	81.2	78.6	77.4	74.7	72.8	70.8	68.9	66.9
PUBLIC TELEPHONES	2351	198C	103.5	104.0	103.0	104.0	104.0	104.0	104.0	104.0	104.0	104.0	104.0
OTHER TERM EQUIPMENT	2362	558,858C	95.9	96.0	95.0	96.0	95.0	95.0	95.0	95.0	96.0	96.0	97.0
STATION COMPOSITE			94.5	95.0	94.1	94.0	93.1	93.0	93.0	93.0	93.0	93.0	93.0
INSIDE PLANT COMPOSITE			93.6	93.1	91.1	90.1	88.2	87.1	86.1	85.1	84.2	83.2	82.2

DECLASSIFIED

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

BELLSOUTH TELECOMMUNICATIONS
FORECAST TELEPHONE PLANT INDEXES
ACCOUNTS ON PART 32 USOA BASIS
NOVEMBER 2001 FORECAST OF % COST CHANGE

ACCOUNT NAME	ACCT #	FRC	ACTUAL										
			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
POLES	2411	1C	137.8	142.1	144.8	149.4	153.5	157.6	162.7	169.5	176.8	184.1	191.4
AERIAL CABLE	2421		107.8	110.2	110.0	112.2	115.4	117.3	119.3	122.6	126.7	130.8	134.9
COPPER		22C	114.4	117.4	117.0	120.5	124.6	128.8	132.9	137.0	141.1	146.6	152.9
OPTICAL		822C	68.6	69.7	70.7	71.0	71.0	71.0	70.3	70.7	71.7	72.0	72.7
U.G. CABLE	2422		83.4	83.8	84.0	84.8	85.9	86.9	87.0	88.7	90.8	91.9	93.8
COPPER		5C	111.0	112.1	110.9	113.2	117.5	121.5	125.7	129.8	133.9	139.4	144.6
OPTICAL		85C	61.4	61.6	62.0	61.4	61.0	61.0	59.8	60.0	60.0	58.8	59.6
BURIED CABLE	2423		113.6	117.4	118.2	120.4	123.6	127.7	131.8	136.0	140.1	144.2	148.3
COPPER		45C	118.3	121.5	123.2	126.7	130.8	134.9	139.1	143.2	147.3	151.4	155.5
OPTICAL		845C	86.6	88.7	90.8	91.9	93.8	95.9	97.9	100.0	103.0	105.1	108.2
SUBMARINE CABLE	2424		95.0	95.0	93.1	92.1	92.0	92.0	91.1	91.0	91.0	89.2	89.0
COPPER		6C	131.7	132.0	126.7	128.3	131.8	134.6	137.7	140.8	143.8	146.9	149.9
OPTICAL		86C	81.5	80.2	79.2	77.4	75.5	73.5	71.0	69.6	68.6	65.6	65.3
INTRABLDG NETWORK CABLE	2426		106.8	109.1	109.0	111.2	114.3	117.4	120.5	124.6	128.8	132.9	137.0
COPPER		52C	109.5	111.2	111.0	113.2	117.5	121.5	125.7	129.8	133.9	139.4	144.6
OPTICAL		852C	74.4	74.7	76.5	77.8	78.8	79.8	80.8	82.6	84.7	85.9	87.7
CABLE COMPOSITE			108.4	110.2	111.1	113.2	116.4	118.3	120.4	123.6	127.7	131.8	136.0
COPPER			116.7	120.5	121.0	124.6	128.8	132.9	137.0	141.1	145.2	149.4	153.5
OPTICAL			74.5	76.5	77.8	78.8	79.8	80.8	81.8	83.6	85.7	86.9	88.7
CONDUIT SYSTEMS	2441	4C	102.1	104.0	105.0	108.2	111.2	114.3	117.4	120.5	124.6	128.8	132.9
OSP STRUCTURES			115.1	117.3	119.3	122.6	126.7	130.8	134.9	140.4	144.2	149.8	156.0
OSP COMPOSITE			109.1	112.3	113.1	115.3	118.5	120.4	123.6	127.7	131.8	136.0	140.1
TOTAL COMPOSITE			89.2	88.1	87.1	87.0	86.1	86.0	86.0	86.0	86.9	87.0	87.9

DECLASSIFIED

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

BELLSOUTH TELECOMMUNICATIONS TPI COMPONENTS
NOVEMBER 2001 FORECAST

MATERIALS
(percentage changes)

	COPPER AERIAL CABLE	COPPER U.G. CABLE	COPPER BURIED CABLE	COPPER SUBMARINE CABLE	COPPER INTRBLDG CABLE	COMBINED COPPER CABLE	COMBINED OPTICAL CABLE	POLES	CONDUIT
1998	-5.6	-4.4	-5.6	-5.6	-6.2	-5.5	-8.9	0.7	-6.2
1999	-2.9	4.0	-2.1	-2.1	0.9	-1.7	-10.8	0.0	-5.4
2000	-2.0	-0.8	2.3	2.3	-2.9	0.4	-2.1	-4.2	7.2
2001	1.0	-2.1	0.6	-0.2	0.8	0.5	-1.0	0.2	-4.4
2002	-5.9	-5.9	-4.6	-4.4	-5.7	-5.2	-1.0	0.6	-4.0
2003	0.8	1.0	1.2	0.7	0.8	1.0	-3.0	0.6	2.7
2004	4.0	4.2	3.2	3.2	4.0	3.6	-2.5	2.4	2.1
2005	2.5	2.5	2.3	2.2	2.5	2.4	-2.5	0.6	2.2
2006	2.0	2.2	1.9	1.8	2.0	2.0	-5.0	0.6	2.3
2007	2.0	2.4	1.8	1.7	2.0	1.9	-2.5	4.2	2.3
2008	2.4	2.8	2.1	2.0	2.4	2.3	-2.5	1.9	2.4
2009	2.6	2.9	2.3	2.2	2.6	2.4	-6.5	2.0	2.4
2010	2.6	2.9	2.3	2.2	2.6	2.4	-2.5	2.1	2.4

	UNLOADED RADIO	UNLOADED ANALOG CIRCUIT	UNLOADED DIGITAL SPG	UNLOADED OTHER DIG CIRCUIT	UNLOADED ANALOG ESS	UNLOADED DIGITAL ESS	UNLOADED OPERATOR SYSTEMS
1998	-3.5	-1.6	-3.0	-3.7	2.4	2.0	2.0
1999	-2.9	3.2	-4.7	-5.3	0.1	-5.3	-5.3
2000	-3.9	-3.0	-2.4	-5.2	4.0	0.6	0.6
2001	-1.2	0.7	-1.0	-4.2	2.2	0.7	0.7
2002	-1.0	-1.3	-2.5	-4.2	1.9	0.1	0.1
2003	-0.1	2.1	-0.6	-1.9	2.4	-0.4	-0.4
2004	-0.2	-0.4	-2.4	-2.0	2.4	-1.6	-1.6
2005	-0.3	2.0	0.1	-2.0	2.4	-1.8	-1.8
2006	-0.5	-0.1	-1.7	-2.0	2.2	-1.3	-1.3
2007	-0.5	0.1	-0.8	-3.0	2.1	-0.4	-0.4
2008	-0.4	0.3	-0.6	-3.0	2.1	0.0	0.0
2009	-0.4	0.5	-0.5	-4.0	2.1	0.1	0.1
2010	-0.4	0.5	-0.5	-4.0	2.1	0.1	0.1

DECLASSIFIED

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

BELLSOUTH TELECOMMUNICATIONS TPI COMPONENTS
NOVEMBER 2001 FORECAST

MATERIALS
(percentage changes)

	VEHICLES	WORK EQUIP	GARAGE WORK EQUIP	OFFICE EQUIP	FURNITURE	COMPUTERS	OTHER COMM EQUIP	PUBLIC PHONES	OTHER TERM EQUIP	STATION APPARATUS
1998	-1.0	2.0	1.2	-0.1	0.6	-20.4	1.8	1.3	-3.1	0.0
1999	0.2	1.5	1.3	0.0	0.9	-16.6	-1.9	-2.3	-5.1	0.0
2000	0.5	0.9	1.2	0.4	1.1	-11.3	-1.0	0.0	-4.0	0.0
2001	-0.5	0.2	0.7	-0.2	1.1	-12.5	-0.4	-0.3	-2.5	0.3
2002	0.3	0.4	0.9	0.3	1.0	-13.4	0.0	-0.9	-3.3	0.3
2003	0.4	1.2	1.2	0.3	1.8	-13.5	0.3	1.0	-1.2	0.3
2004	0.6	1.3	1.3	0.3	1.6	-14.0	0.6	0.2	-2.9	0.3
2005	0.6	1.5	1.5	0.3	1.5	-14.1	0.5	0.3	-1.7	0.3
2006	0.6	1.5	1.5	0.3	1.4	-14.2	-0.1	0.1	-2.6	0.3
2007	0.6	1.5	1.5	0.3	1.4	-14.2	-0.1	0.1	-2.7	0.3
2008	0.6	1.5	1.5	0.3	1.5	-14.3	-0.1	0.2	-2.6	0.3
2009	0.6	1.5	1.5	0.3	1.5	-14.3	0.2	0.1	-3.0	0.3
2010	0.6	1.5	1.5	0.3	1.5	-14.3	0.2	0.1	-3.0	0.3

LABOR
(percentage changes)

	TELCO ENGINEERING	TELCO COE	TELCO OSP	TELCO STATION	CONTRACT CONDUIT	CONTRACT BUR&UG CABLE	CONTRACT AERIAL CABLE	CONTRACT POLES	CONTRACT ENGINEER OSP
1998	4.2	3.1	2.8	3.1	1.8	2.1	3.0	3.8	2.1
1999	-4.8	0.8	1.7	0.8	1.8	1.9	3.6	3.1	3.2
2000	-1.4	-0.1	1.3	-0.1	1.8	2.5	3.7	3.3	4.5
2001	3.2	3.3	3.0	3.3	3.2	3.3	3.8	3.8	4.1
2002	2.8	3.2	3.2	3.2	2.4	2.3	3.1	3.1	3.3
2003	2.9	3.8	3.7	3.8	2.9	2.6	3.3	3.3	3.3
2004	3.4	2.6	3.1	2.6	3.0	2.7	3.4	3.4	3.3
2005	3.7	2.7	2.7	2.7	3.2	3.1	3.7	3.7	3.7
2006	3.8	3.4	3.6	3.4	3.3	3.2	3.7	3.7	3.8
2007	3.9	3.7	3.9	3.7	3.4	3.3	3.8	3.8	3.9
2008	4.1	4.1	4.1	4.1	3.5	3.5	4.0	4.0	4.1
2009	4.1	4.1	4.1	4.1	3.5	3.5	4.0	4.0	4.1
2010	4.1	4.1	4.1	4.1	3.5	3.5	4.0	4.0	4.1

DECLASSIFIED

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

BELLSOUTH TELECOMMUNICATIONS TPI COMPONENTS
NOVEMBER 2001 FORECAST ASSUMPTIONS

	CH PRICE INDEX NONRESIDENTIAL STRUCTURES	CHAIN PRICE INDEX GDP	GDP 1996\$	CAPITAL EQUIPMENT PPI	UNION WAGES PPI	COPPER CATHODE PPI	PVC PPI	SEMICONDUCTOR PPI
1997	4.2	2.0	4.4	-0.1	2.6	-2.9	3.8	-11.0
1998	3.3	1.2	4.3	-0.5	3.1	-27.2	-15.6	-9.4
1999	2.5	1.4	4.1	0.0	2.7	-3.6	13.5	-4.3
2000	4.1	2.3	4.1	0.9	3.0	16.4	30.2	-4.7
2001	3.8	2.0	0.8	0.6	3.6	-14.0	-15.6	-4.4
2002	2.5	1.5	2.2	0.5	2.7	-1.5	-7.5	-4.5
2003	2.6	2.2	3.6	0.6	2.9	7.5	3.5	-4.5
2004	2.6	1.9	3.1	0.6	3.0	4.5	2.5	-5.0
2005	2.7	1.8	3.4	0.7	3.3	3.0	2.6	-5.0
2006	2.7	1.7	3.4	0.7	3.4	3.0	2.6	-5.0
2007	2.7	1.7	3.4	0.7	3.5	4.0	2.6	-5.0
2008	2.8	1.8	3.2	0.7	3.7	4.0	2.6	-5.0
2009	2.8	1.8	3.2	0.7	3.7	4.0	2.6	-5.0
2010	2.8	1.8	3.2	0.7	3.7	4.0	2.6	-5.0

DECLASSIFIED

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.

BELLSOUTH COMMUNICATIONS

TPI COMPARED TO OTHER PRICE INDEXES
1988=100

	TOTAL TPI	GDP CH PRICE IND	CPI URBAN
1959	29.6	27.4	24.6
1960	29.6	27.8	25.0
1961	29.4	28.1	25.3
1962	29.2	28.5	25.5
1963	29.5	28.8	25.9
1964	29.8	29.2	26.2
1965	29.8	29.8	26.6
1966	30.4	30.6	27.4
1967	31.7	31.6	28.2
1968	33.5	33.0	29.4
1969	35.4	34.6	31.0
1970	37.7	36.4	32.8
1971	40.1	38.3	34.2
1972	42.7	40.0	35.3
1973	44.9	42.3	37.5
1974	50.6	45.9	41.7
1975	55.5	50.2	45.5
1976	59.9	53.2	48.1
1977	62.3	56.6	51.2
1978	64.8	60.6	55.1
1979	68.7	65.5	61.4
1980	72.3	71.3	69.7
1981	78.6	77.9	76.8
1982	85.1	82.7	81.6
1983	89.7	86.0	84.2
1984	94.2	89.2	87.8
1985	98.6	92.0	91.0
1986	99.9	94.0	92.6
1987	100.5	96.7	96.0
1988	100.0	100.0	100.0
1989	102.2	103.9	104.8
1990	101.7	107.9	110.5
1991	101.9	111.6	115.1
1992	99.8	114.0	118.6
1993	99.4	117.0	122.1
1994	96.6	119.5	125.3
1995	97.7	122.0	128.8
1996	98.0	124.3	132.6
1997	96.8	126.7	135.7
1998	94.4	128.3	137.8
1999	90.4	130.1	140.8
2000	89.2	133.0	145.6

TPI COMPARED TO OTHER PRICE INDEXES
PERCENT CHANGE

	TOTAL TPI	GDP CH PRICE IND	CPI URBAN
1960	0.0	1.5	1.6
1961	-0.7	1.1	1.2
1962	-0.7	1.4	0.8
1963	1.0	1.1	1.6
1964	1.0	1.4	1.2
1965	0.0	2.1	1.5
1966	2.0	2.7	3.0
1967	4.3	3.3	2.9
1968	5.7	4.4	4.3
1969	5.7	4.8	5.4
1970	6.5	5.2	5.8
1971	6.4	5.2	4.3
1972	6.5	4.4	3.2
1973	5.2	5.7	6.2
1974	12.7	8.5	11.2
1975	9.7	9.4	9.1
1976	7.9	6.0	5.7
1977	4.0	6.4	6.4
1978	4.0	7.1	7.6
1979	6.0	8.1	11.4
1980	5.2	8.9	13.5
1981	8.7	9.3	10.2
1982	8.3	6.2	6.3
1983	5.4	4.0	3.2
1984	5.0	3.7	4.3
1985	4.7	3.1	3.6
1986	1.3	2.2	1.8
1987	0.6	2.9	3.7
1988	-0.5	3.4	4.2
1989	2.2	3.9	4.8
1990	-0.5	3.8	5.4
1991	0.2	3.4	4.2
1992	-2.1	2.2	3.0
1993	-0.4	2.6	3.0
1994	-2.8	2.1	2.6
1995	1.1	2.1	2.8
1996	0.3	1.9	3.0
1997	-1.2	1.9	2.3
1998	-2.5	1.3	1.5
1999	-4.2	1.4	2.2
2000	-1.3	2.2	3.4

DECLASSIFIED

PRIVATE/PROPRIETARY

CONTAINS PRIVATE AND/OR PROPRIETARY INFORMATION.
MAY NOT BE USED OR DISCLOSED OUTSIDE THE BELLSOUTH COMPANIES
EXCEPT PURSUANT TO A WRITTEN AGREEMENT.