

REDACTED

SPRINT

DOCKET NO. 030851-TP

BELLSOUTH'S FIRST SET

INTERROGATORY NO. 12

PAGE 1 OF 1

- 12. Please state the total number of end users customers in Florida located outside Sprint's ILEC territory to whom you only provide qualifying service.**

Answer:

Please see Sprint's previously filed objections. Sprint does not maintain the information in the manner requested. Sprint's records are not identified, divided, or separated as qualifying or non-qualifying services during the normal course of business.

The total number of end user customers in Florida located outside of Sprint's ILEC territory is [REDACTED] for Sprint's facilities based local service offering and [REDACTED] for Sprint's UNE-P based local service offering.

Response provided by John Felz.

SPRINT
DOCKET NO. 030851-TP
BELLSOUTH'S FIRST SET
INTERROGATORY NO. 13
PAGE 1 OF 1

13. For those end user customers in Florida located outside Sprint's ILEC territory to whom you only provide qualifying service, please state the average monthly revenues you receive from each such end user-customer.

Answer:

Please see Sprint's previously filed objections. Sprint does not maintain the information in the manner requested. Sprint's records are not identified, divided, or separated as qualifying or non-qualifying services during the normal course of business.

The average monthly revenues received from end user customers in Florida located outside of Sprint's ILEC territory is [REDACTED] for Sprint's facilities based local service offering and approximately [REDACTED] for Sprint's UNE-P based local service offering.

Response provided by John Felz.

SPRINT
DOCKET NO. 030851-TP
BELLSOUTH'S FIRST SET
INTERROGATORY NO. 14
PAGE 1 OF 1

14. For those end user customers in Florida located outside Sprint's ILEC territory to whom you only provide qualifying service, please state the average number of lines that you provide each such end user customer.

Answer:

Please see Sprint's previously filed objections. Sprint does not maintain the information in the manner requested. Sprint's records are not identified, divided, or separated as qualifying or non-qualifying services during the normal course of business.

The average number of lines provided to end user customers in Florida located outside of Sprint's ILEC territory is ■ for Sprint's facilities based local service offering and ■ for Sprint's UNE-P based local service offering.

Response provided by John Felz.

20. Please provide a breakdown of Sprint's total number of end user customers in Florida located outside Sprint's ILEC territory by class or type of end user customer (e.g., residential customers, small business customers, mass market customers, enterprise customers, or whatever type of classification that you use to classify your customers. For each such classification, and/or if you provide another type of classification, define and describe with specificity the classification so that it can be determined what kinds of customers you have in each classification).

Answer:

For Sprint's facilities based local service offering there are [REDACTED] business customers.

For Sprint's UNE-P based local service offering there are [REDACTED] residential and [REDACTED] business customers.

Response provided by John Felz.

SPRINT
DOCKET NO. 030851-TP
BELLSOUTH'S FIRST SET
INTERROGATORY NO. 21
PAGE 1 OF 1

21. For each class or type of end user customer referenced in Interrogatory No. 20, please state the average acquisition cost for each such end user class or type. Please provide this information for each month from January 2000 to the present.

Answer:

See Attachment 21 for customer acquisition costs related to Sprint's facilities based local service offering.

For Sprint's UNE-P based local service offering, the average residential customer acquisition cost is [REDACTED]. This figure reflects Sprint's customer acquisition costs incurred selling local service to Sprint's existing long distance customer base and does not include media advertising costs or other outbound customer acquisition efforts. The average small business customer acquisition cost for Sprint's UNE-P based local service offering is [REDACTED].

Response provided by John Felz.

29. **What cost of capital do you use in evaluating whether to offer a qualifying or non-qualifying service outside Sprint's ILEC territory and how is that cost of capital determined?**

Answer:

Depending on the situation and project being evaluated Sprint uses a weighted average cost of capital in a range approximately centered around ■■■, which reflects the ability of Sprint's outside-of-ILEC-territory ventures to leverage the financial stability of the entirety of Sprint Corporation, including its ILEC territories. If another entrant did not exhibit the broad spectrum of market participation that Sprint Corporation exhibits — incumbent local service, wireless service, inter-exchange service, etc. — it is possible that the entrant would require a higher weighted average cost of capital. The weighted average cost of capital is determined by first calculating the cost of equity for companies with similar risk levels, usually using standard financial models such as discounted cash flow models and/or capital asset pricing models, and adjusting that cost of equity for issuance costs, then by determining the cost of debt for similarly situated companies, then by weighting each of these components by the components of an appropriate capital structure.

Response provided by Brian Staihr.

30. With regard to the cost of capital you use in evaluating whether to provide a qualifying or non-qualifying service outside Sprint's ILEC territory, what are the individual components of that cost of capital, such as the debt-equity ratio, the cost of debt and the cost of equity?

Answer:

The individual components of the weighted average cost of capital will vary, depending on the nature of the project being evaluated and the selection of similarly-situated companies. The cost of equity generally falls in a range of [REDACTED]. The cost of debt generally falls in a range of [REDACTED]. And the relative capital structure falls in a range of [REDACTED] equity and [REDACTED] debt.

Response provided by Brian Staihr.

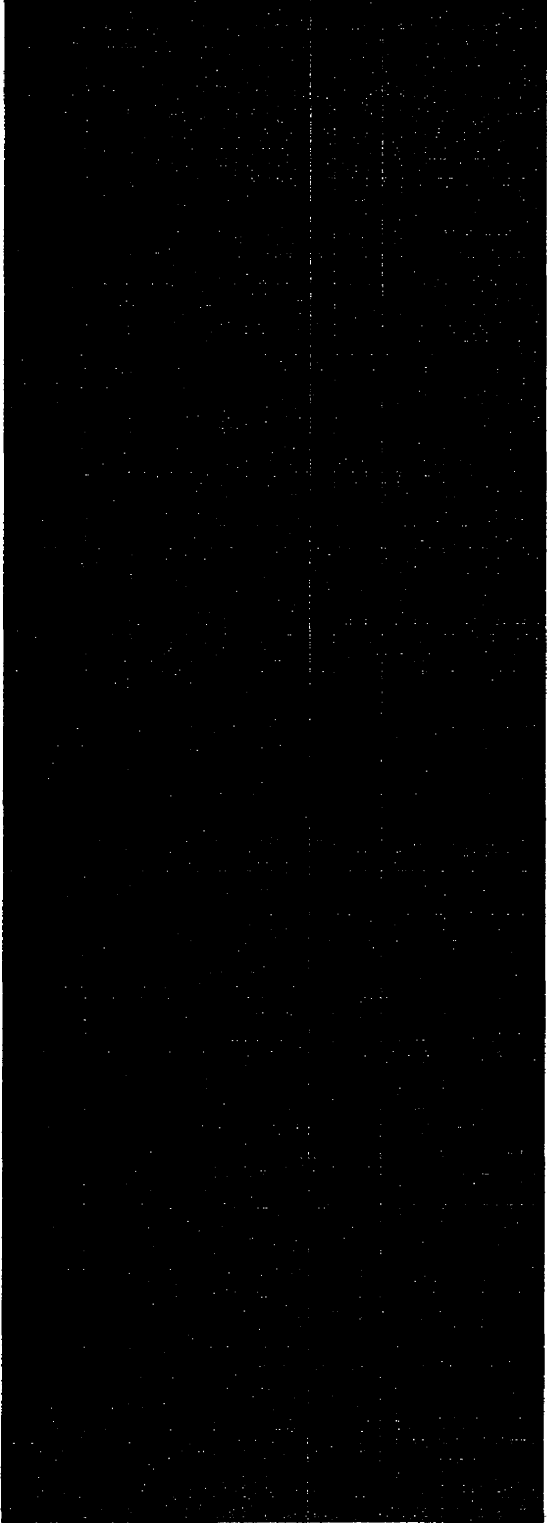
Sprint's UNE-P Based Local Service Offering

Sprint cannot identify the boundaries of the wire centers in which it is providing qualifying services. The CLLI code, location, and address of all BellSouth switches in which Sprint is providing local services are:

SWITCH	LOCATION	ADDRESS	CITY	STATE	ZIP
					

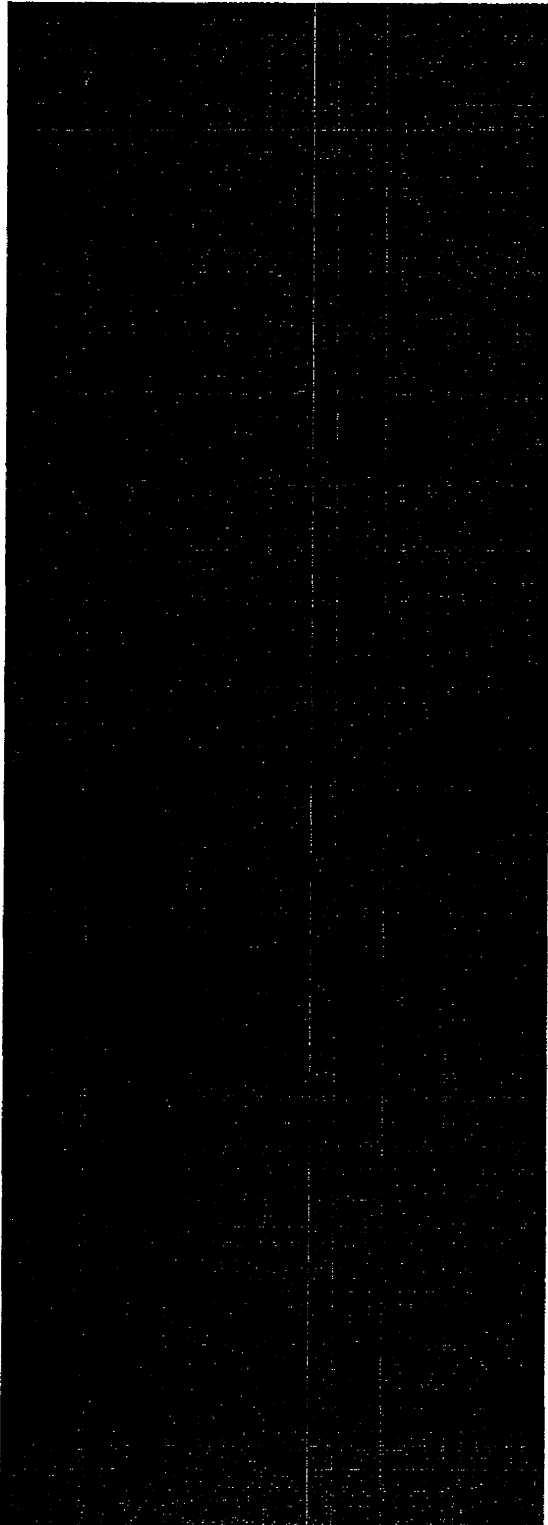
Sprint
Docket No. 030851-TP
BellSouth's First Set of Interrogatories
Filed: February 9, 2004
Interrogatory No. 4
Sprint's UNE-P Based Local Service Offering

Switch	VGE Residential Lines	VGE Business Lines
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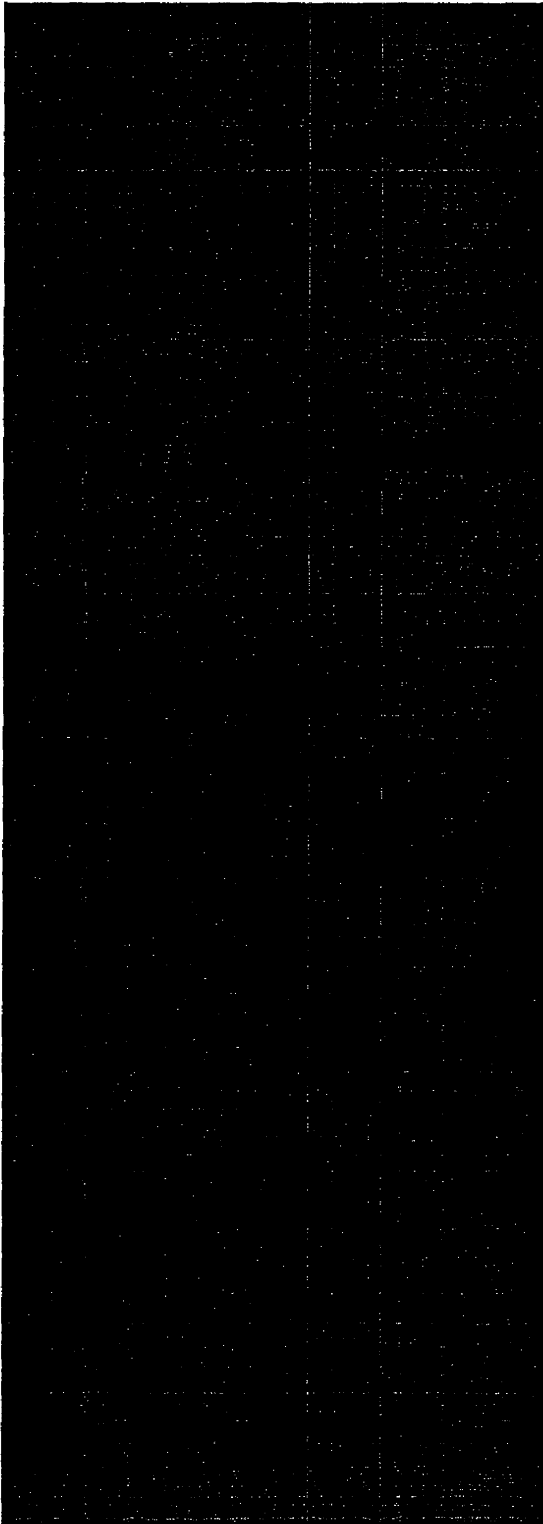
Sprint
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Sprint's UNE-P Based Local Service Offering

Switch	VGE Residential Lines	VGE Business Lines
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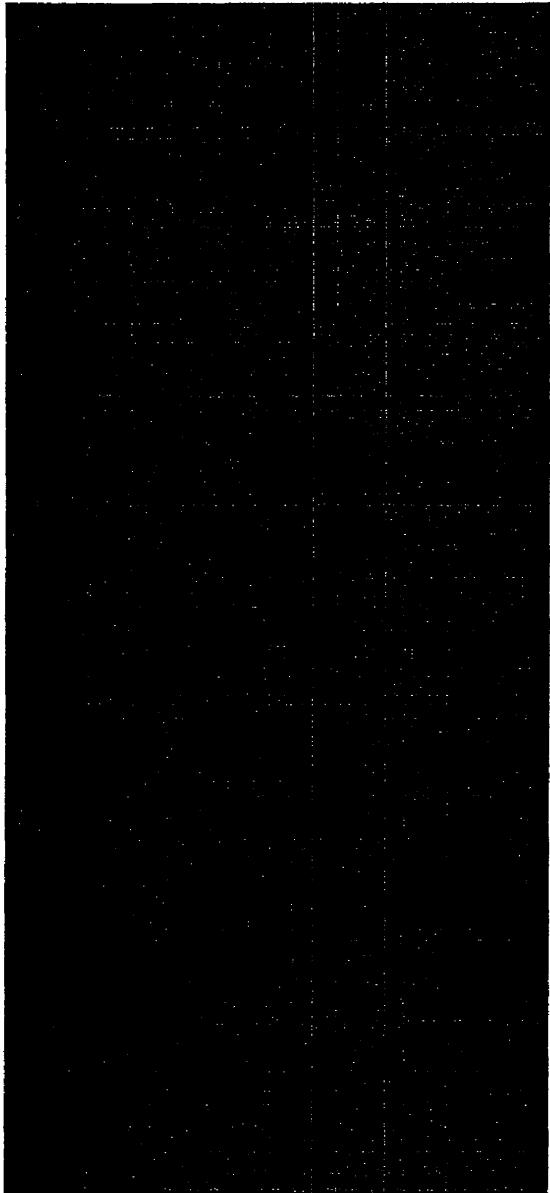
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Switch	VGE Residential Lines	VGE Business Lines
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Sprint
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Sprint's UNE-P Based Local Service Offering

Switch	VGE Residential Lines	VGE Business Lines
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Sprint's Facilities Based Local Service Offering
Docket No. 030851-TP
BellSouth's First Set of Interrogatories
Filed: February 9, 2004
Interrogatory No. 4
Sprint's Facilities Based Local Service Offering

Wire Center VGE Lines



Sprint
Docket No. 030851-TP
BellSouth's First Set of Interrogatories
Filed: February 9, 2004
Interrogatory No. 5
Facilities Based Local Service

SWITCH	One Line	Two Lines	Three Lines	Four Lines	Five Lines	Six Lines	Seven Lines	Eight Lines	Nine Lines	Ten Lines	Eleven Lines	Twelve Lines	Twelve + Lines
Business													



030851-TP
Response to BST 1st Interrogatories

Attachment No. 9

* PROPRIETARY*

030851-TP

Attachment to Interrogatory 56b

On CD

PROPRIETARY

030851-TP

Attachment to Interrogatory 56c

PROPRIETARY

030851-TP

Attachment to Int. 59

PROPRIETARY

030851-TP

Attachment to 60a

CD Only

Proprietary

030851-TP

Attachment to 60b

Proprietary

Bad Debt Expense

Time Period	Sprint-CLEC Actual	Sprint-CLEC Forecasted	Allegiance Telecom	Talk America
2000			9.1%	10.2%
2001			8.0%	19.0%
2002			8.6%	3.5%
2003 (Simple Average)				
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				
2004 (Simple Average)				
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

- 15. To the extent not already produced, produce all documents that support each adjustment or input value Sprint contends should be made to or used in the BACE model for purposes of this proceeding.**

Response:

Please refer to Sprint witness Dickerson's Rebuttal Testimony, pages 16 – 24 and Exhibits KWD-4, KWD-5, KWD-6 and KWD-7. See also the following PODs and Interrogatory Responses:

PODs 8, 12, 13 and 14.

Interrogatories 21, 32, 34, 49, 50, 51, 52, 53, 55, 56 and 60.

030851-TP

Attachment to POD-3

On CD

PROPRIETARY

030851-TP

Attachment to POD 12

PROPRIETARY