

APR 14 1993

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)	
)	
Safeguards to Improve the)	CC Docket No. <u>93-6</u>
Administration of the Interstate)	RM-7736
Access Tariff and Revenue)	
Distribution Processes)	

AT&T COMMENTS

American Telephone and Telegraph Company ("AT&T") hereby comments on the Notice of Proposed Rulemaking (NPRM) in CC Docket No. 93-6, released by the Federal Communications Commission on February 11, 1993.

The Commission "proposes measures to improve the interstate access tariff and revenue distribution processes administered by the National Exchange Carrier Association, Inc. (NECA)" (NPRM ¶ 1). Specifically, the Commission seeks comment on "recommendations for improving . . . the composition and operation of NECA's Board, on the relationship between NECA and this Commission, and on the methods for strengthening NECA's internal operations" (id. at ¶ 4). AT&T fully supports the Commission's objectives. Because under the Commission's rules NECA serves as the administrator of a number of programs, including the Common Line (CL) pool, the Traffic Sensitive (TS) pool, the Universal Service Fund (USF), and the lifeline assistance program, it is essential that the Commission ensure that NECA

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administers these programs in accordance with the Commission's decisions. In one area, however, the Commission has not gone far enough.

The Commission's proposal to improve NECA's interstate access tariff and revenue distribution process recognizes "that on-line dial-up access to [NECA's] computer-based files would enhance [the Commission's] ability to assure that NECA administers the interstate access tariff and revenue distribution processes in accordance with [Commission] rules" (NPRM at ¶ 32). Access to this information should not be limited to the Commission. Subject to appropriate safeguards to ensure its confidentiality, access to this data should also be made available to interexchange carriers that pay the charges determined by this underlying data. These carriers have a strong incentive to verify the accuracy of the data. Affording them access to the NECA data files will ensure that there is extensive scrutiny of the pertinent information.

For example, currently NECA's public filings of the industry data used to administer the USF provide only a once-a-year frozen "snapshot" of the constantly changing cost and revenue requirement base which underlies the semi-annual USF tariff filings. When intervenors have challenged increases in the USF rates, NECA has disputed the sufficiency of their analyses based

on this information, due to its "snapshot" character.¹ However, interested parties could readily analyze the appropriateness of the specific LEC adjustments to prior period USF data (which are incorporated in the revenue requirement underlying the filed USF rates) by accessing NECA's data file containing "USF Data Collection Forms" for each cost reporting LEC.² This data file would supply information necessary to develop a multi-year trend analysis, and provide valuable insight into the cost growth characteristics of individual LECs and of the USF as a whole.

Similarly, to effectively administer its accounting, separations and access rules the Commission has established an automated system ("ARMIS") for collecting financial and operating data from Tier 1 LECs (those with operating revenues in excess of \$100 million).³ Because the

¹ For example, NECA suggested that AT&T's analysis of NECA's tariff filing for 1993 USF and Lifeline Assistance rates was flawed, partially because AT&T examined growth associated with only one year. See NECA Reply Comments in National Exchange Carrier Association, Inc., Tariff F.C.C. No. 5, Transmittal No. 518 (December 14, 1992), at p. 9.

² See Appendix 1, attached hereto, which sets forth the USF Data Collection Form.

³ See Automated Reporting Requirements for Certain Class A and Tier 1 Telephone Companies, CC Docket 86-182, Report and Order, 2 FCC Rcd. 5770 91987). ARMIS provides revenue, cost, and traffic data reports which enable the Commission and other interested parties to

(footnote continued on following page)

LECs participating in the NECA pooling process are not Tier 1 carriers,⁴ the filing of ARMIS reports by those carriers is not required by the Commission and the publicly-available data filed by NECA are insufficient substitutes for those reports.⁵ NECA, however, maintains data files containing information similar to the ARMIS data for each of the cost company LECs participating in the CL or TS pool, in order for an aggregation to be made to the NECA Pool TRP level.⁶ Access to the individual cost company reports submitted by LECs to NECA would provide an important vehicle for interested parties to monitor NECA's tariff and revenue distribution processes.⁷

(footnote continued from previous page)

monitor carriers' operations, and allows timely detection of apparent cost discrepancies.

⁴ Puerto Rico Telephone Company is the sole exception.

⁵ For example, the only Tier 2 cost analysis reports currently available for public review are those summarized to the total NECA pool level on the T2 COS-1(H) and T2 COS-1(P) TRP reports, which are not disaggregated sufficiently to ascertain the reasonableness of the individual LEC costs underlying the NECA pool tariffs. Volume 1-2 NECA Tariff Review Plan Exhibits. See Appendix 2.

⁶ Volume 2, Exhibit 3, "Part 69 TRP Level of Detail EC Provided," contained in NECA's 1992 Annual Access Tariff Filing. See Appendix 3.

⁷ In the accompanying Exhibit A, AT&T presents additional suggestions for improvements in NECA's reporting for compliance monitoring purposes. The revenue requirements of the programs administered by NECA are immense, and continue to grow significantly.

(footnote continued on following page)

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CONCLUSION

For the reasons stated above, the Commission should revise the proposed rulemaking to permit interexchange carriers and other interested parties, subject to proper authorization and safeguards, on-line dial-up access to selected NECA data files to monitor NECA's compliance with Commission rules.

Respectfully Submitted,

AMERICAN TELEPHONE AND TELEGRAPH COMPANY

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Date: April 14, 1993

(footnote continued from previous page)

The revenue requirement for the NECA's CL, TS and special access for the 1993/94 test period is estimated to be \$1.766 billion. In addition, the revenue requirement for the Universal Service Fund and Lifeline Assistance Program is estimated to be \$862.6 million in 1993. Because of the magnitude of the revenue requirements involved in these NECA-administered programs, every effort should be made to enhance the analytical ability of the Commission and interested parties with respect to rule compliance by NECA's pool members.

National Exchange Carrier Association, Inc.

Universal Service Fund
1992 Data Collection Form

SAC: _____ SA Name: _____ Region: _____

I. EXCHANGE CARRIER/DATA IDENTIFICATION

(010) Study Area Code (010) _____

(020) Contact Name (020) _____

(030) Contact Telephone Number (030) (____) ____ - ____ Ext. _____

(040) USF Data Collection Period (040) 92-1

Data Line	Description	Latest View 1990 Amount	Data Line	Enter 1991 Amount	Data Source
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II. WORKING LOOPS

(060)	Total Loops (Cat 1.1, 1.2 and 1.3)	_____	(060)	_____	_____
(070)	Category 1.3 Loops (Excluding Cat 1.3 TWX Loops)	_____	(070)	_____	_____
(080)	Reserved	No Entry Required			

III. INVESTMENT, EXPENSE AND TAXES

Net Plant Investment

(160)	Acct 2001 - Telephone Plant in Service	_____	(160)	_____	_____
(170)	Acct 1220 - Material and Supplies	_____	(170)	_____	_____
(190)	Acct 3100 - Accumulated Depreciation	_____	(190)	_____	_____
(195)	Acct 3400 - Accumulated Amortization Tangible	_____	(195)	_____	_____
(200)	Reserved	No Entry Required			
(205)	Reserved	No Entry Required			
(210)	Acct 4340 - Net Noncurrent De- ferred Operating Income Taxes	_____	(210)	_____	_____
(220)	Net Plant Investment (Sum of Lines 160 + 170 minus Lines 190 through 210)	_____	(220)	_____	_____

National Exchange Carrier Association, Inc.

Universal Service Fund
1992 Data Collection Form

SAC: _____ SA Name: _____ Region: _____

Data Line	Description	Latest View 1990 Amount	Data Line	Enter 1991 Amount	Data Source
Selected Plant Accounts					
(230)	Acct 2210 - Central Office Switching Equipment	_____	(230)	_____	_____
(235)	Acct 2220 - Operator System Equipment	_____	(235)	_____	_____
(240)	Acct 2230 - Central Office Transmission Equipment	_____	(240)	_____	_____
(245)	Total Central Office Equipment (Sum of Lines 230 through 240)	_____	(245)	_____	_____
(250)	Circuit Equip. Category 4.13	_____	(250)	_____	_____
(255)	Acct 2410 - Cable and Wire Facilities Total	_____	(255)	_____	_____
(260)	Acct 3100 (2210) - Accumulated Depreciation Central Office Switching Equipment	_____	(260)	_____	_____
(265)	Acct 3100 (2220) - Accumulated Depreciation Operator System Equipment	_____	(265)	_____	_____
(270)	Acct 3100 (2230) - Accumulated Depreciation Central Office Transmission Equipment	_____	(270)	_____	_____

National Exchange Carrier Association, Inc.

Universal Service Fund
1992 Data Collection Form

SAC: _____ SA Name: _____ Region: _____

Data Line	Description	Latest View 1990 Amount	Data Line	Enter 1991 Amount	Data Source
(285)	Reserved	No	Entry	Required	
(290)	Reserved	No	Entry	Required	
(295)	Reserved	No	Entry	Required	
(300)	Reserved	No	Entry	Required	
(305)	Reserved	No	Entry	Required	
(310)	Acct 4340 (2210) - Net Noncurrent Deferred Operating Income Taxes - Central Office Switching Equipment		(310)		
(315)	Acct 4340 (2220) - Net Noncurrent Deferred Operating Income Taxes - Operator System Equipment		(315)		
(320)	Acct 4340 (2230) - Net Noncurrent Deferred Operating Income Taxes - Central Office Transmission Equipment		(320)		
(325)	Acct 4340 (2210-2230) Net Noncurrent Deferred Operating Income taxes - Central Office Equipment (Sum of Lines 310 through 320)		(325)		
(330)	Acct 4340 (2410) - Net Noncurrent Deferred Operating Income Taxes - Cable and Wire Facilities		(330)		

National Exchange Carrier Association, Inc.

Universal Service Fund
1992 Data Collection Form

SAC: _____ SA Name: _____ Region: _____

Data Line	Description	Latest View 1990 Amount	Data Line	Enter 1991 Amount	Data Source
Plant	Specific Operation Expense				
(335)	Acct 6110 - Network Support Expense Total	_____	(335)	_____	_____
(340)	Acct 6110 - Benefits Portion of Network Support Expense	_____	(340)	_____	_____
(345)	Acct 6110 - Rents Portion of Network Support Expense	_____	(345)	_____	_____
(350)	Acct 6120 - General Support Expense Total	_____	(350)	_____	_____
(355)	Acct 6120 - Benefits Portion of General Support Expense	_____	(355)	_____	_____
(360)	Acct 6120 - Rents Portion of General Support Expense	_____	(360)	_____	_____
(365)	Acct 6210 - Central Office Switching Expense - Total	_____	(365)	_____	_____
(370)	Acct 6210 - Benefits Portion of Central Office Switching Expense	_____	(370)	_____	_____
(375)	Acct 6210 - Rents Portion of Central Office Switching Expense	_____	(375)	_____	_____
(380)	Acct 6220 - Operator System Expense - Total	_____	(380)	_____	_____
(385)	Acct 6220 - Benefits Portion Operator System Expense	_____	(385)	_____	_____
(390)	Acct 6220 - Rents Portion of Operator System Expense	_____	(390)	_____	_____
(395)	Acct 6230 - Central Office Expense - Transmission Equipment - Total	_____	(395)	_____	_____

National Exchange Carrier Association, Inc.

Universal Service Fund
1992 Data Collection Form

SAC: _____ SA Name: _____ Region: _____

Data Line	Description	Latest View 1990 Amount	Data Line	Enter 1991 Amount	Data Source
(400)	Acct 6230 - Benefits Portion of Central Office Expense - Transmission Equipment		(400)		
(405)	Acct 6230 - Rents Portion of Central Office Expense - Transmission Equipment		(405)		
(410)	Accts 6210 - 6230 - Central Office Expense Total (Sum of Lines 365 + 380 + 395)		(410)		
(415)	Reserved	No	Entry	Required	
(420)	Reserved	No	Entry	Required	
(425)	Reserved	No	Entry	Required	
(430)	Acct 6410 - Cable and Wire Facilities Expense - Total		(430)		
(435)	Acct 6410 - Benefits Portion Cable and Wire Facilities Expense		(435)		
(440)	Acct 6410 - Rents Portion Cable and Wire Facilities Expense		(440)		
(445)	Total Plant Specific Expense (Sum of Lines 335 + 350 + 365 + 380 + 395 + 415 + 430)		(445)		
Plant Non Specific Expense					
(450)	Acct 6530 - Network Operations				

National Exchange Carrier Association, Inc.

Universal Service Fund
1992 Data Collection Form

SAC: _____ SA Name: _____ Region: _____

Data Line	Description	Latest View 1990 Amount	Data Line	Enter 1991 Amount	Data Source
(465)	Reserved	No	Entry	Required	
(470)	Reserved	No	Entry	Required	
(480)	Reserved	No	Entry	Required	
(485)	Reserved	No	Entry	Required	
(500)	Reserved	No	Entry	Required	
(505)	Reserved	No	Entry	Required	

Depreciation & Amort. Expenses

(510) Acct 6560 (2210)-Depreciation
and Amortization Expense -

National Exchange Carrier Association, Inc.

Universal Service Fund
1992 Data Collection Form

SAC: _____ SA Name: _____ Region: _____

Data Line	Description	Latest View 1990 Amount	Data Line	Enter 1991 Amount	Data Source
(550)	Acct 6720 - General Administrative Expense - Total	_____	(550)	_____	_____
(555)	Acct 6720 - Benefits Portion - General Administrative Expense	_____	(555)	_____	_____
(565)	Total Corporate Operations Expense (Sum of Lines 535 + 550)	_____	(565)	_____	_____
Other Expenses and Revenues					
(600)	Benefits Portion of All Operating Expenses - Total	_____	(600)	_____	_____
(610)	Rents Portion of All Operating Expenses - Total	_____	(610)	_____	_____
(620)	Reserved		No Entry Required		
(630)	Reserved		No Entry Required		
Taxes					
(650)	Acct 7200 - Operating Taxes	_____	(650)	_____	_____
(655)	Reserved		No Entry Required		
IV. PART 36 - COST STUDY DATA					
(700)	Cost Study Average Cable and Wire Facilities Acct 2410	_____	(700)	_____	_____
(710)	Cost Study Average Cable and Wire Facilities Cat 1 - Total Exchange Line C&WF Excluding Wide Band	_____	(710)	_____	_____

National Exchange Carrier Association, Inc.

Universal Service Fund
1992 Data Collection Form

SAC: _____ SA Name: _____ Region: _____

Data Line	Description	Latest View 1990 Amount	Data Line	Enter 1991 Amount	Data Source
V.	AMORTIZABLE TANGIBLE ASSETS (Refer to instructions prior to completing this section)				
(800)	Acct 2680 - Amortizable Tangible Assets	_____	(800)	_____	_____
(805)	Acct 2680 (2230) - Amortizable Tangible Assets - Central Office Transmission Equipment	_____	(805)	_____	_____
(810)	Acct 2680 (2230) - Amortizable Tangible Assets - Central Office Transmission Equipment Allocated to Category 4.13	_____	(810)	_____	_____
(815)	Acct 2680 (2410) - Amortizable Tangible Assets - Cable and Wire Facilities	_____	(815)	_____	_____
(820)	Acct 2680 (2410) - Amortizable Tangible Assets - Cable and Wire Facilities Allocated to Category 1	_____	(820)	_____	_____
(830)	Acct 6560 (2680)-Deprecitation and Amortization Expense - Amortizable Tangible Assets	_____	(830)	_____	_____

VI. COMMENTS / SIGNIFICANT CHANGE EXPLANATION

National Exchange Carrier Association, Inc.

Universal Service Fund
1992 Data Collection Form

SAC: _____ SA Name: _____ Region: _____

CERTIFICATION

I, _____ certify that
(Name and Title of Individual Executing Certification)

I have overall responsibility for the preparation and submission of information on behalf of _____ required under FCC rules relating to the Universal Service Fund (USF) program. I hereby certify that I have the required authority to execute this certification, and that, to the best of my knowledge, information and belief, all statements of fact contained in this report are true and that said report is an accurate statement of the affairs of the above named company with respect to the USF data set forth therein for the period January 1, 1991 to December 31, 1991.

Signature: _____

Name: _____

Title: _____

Company: _____

Date: _____

COMPANY NAME: _____
STUDY AREA CODE: _____ (enter as a label)
BASE YEAR: 1990
FORECAST PERIOD: _____
TRANSITIONAL SPE: _____ (enter as a decimal)
COE CAT 3 ALLOC: _____ (enter as a decimal)

PART 69 TRP LEVEL OF DETAIL
EC PROVIDED

TRP ITEM	FORECASTED	TOTAL INTERSTATE	TOTAL ACCESS	TOTAL CL	TOTAL TS SW	TOTAL TS SP	COMMON LINE		
	TOTAL COMPANY						Pay	BFP	I/M
UNCOLLECTIBLES	\$	\$	0	0	0	0	\$	\$	\$
PLANT SPECIFIC	\$	\$	0	0	0	0	\$	\$	\$
PLNT NON SPEC x/D&A	\$	\$	0	0	0	0	\$	\$	\$
CUST. OPER-MARKETING	\$	\$	0	0	0	0	\$	\$	\$
CUST. OPER-SERVICES	\$	\$	0	0	0	0	\$	\$	\$
CORP. OPERATIONS	\$	\$	0	0	0	0	\$	\$	\$
ACCESS	\$	\$	0	0	0	0	\$	\$	\$
DEPRECIATION & AMORT	\$	\$	0	0	0	0	\$	\$	\$
FCC EXP ADJUSTMENT	\$	\$	0	0	0	0	\$	\$	\$
EQUAL ACCESS EXPENSE	\$	\$	0	0	0	0	\$	\$	\$
TOT EXP LESS TAXES	0	0	0	0	0	0	0	0	0
OTHER INCOME & EXP.	\$	\$	0	0	0	0	\$	\$	\$
SIT AMT - INTERSTATE	N/A	\$	0	0	0	0	\$	\$	\$
GRT AMT - INTERSTATE	N/A	\$	0	0	0	0	\$	\$	\$
OTH. ST. AND LOC TAXES	\$	\$	0	0	0	0	\$	\$	\$
TOTAL OTHER TAXES	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0	0	0	0	0
FIXED CHARGES	\$	\$	0	0	0	0	\$	\$	\$
IRS INC. ADJ.	\$	\$	0	0	0	0	\$	\$	\$
FCC TAX INC. ADJ.	\$	\$	0	0	0	0	\$	\$	\$
ITC AMORTIZATION	\$	\$	0	0	0	0	\$	\$	\$
FCC ITC ADJ.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SUPPORT PLANT	\$	\$	0	0	0	0	\$	\$	\$
OPER. SYSTEM EQUIP	\$	\$	0	0	0	0	\$	\$	\$
COE-SWITCHING	\$	\$	0	0	0	0	\$	\$	\$
COE-TRANSMISSION	\$	\$	0	0	0	0	\$	\$	\$
C & M FACILITIES	\$	\$	0	0	0	0	\$	\$	\$
TOT EQUIPMENT	\$	\$	0	0	0	0	\$	\$	\$
AMORTIZABLE ASSETS	\$	\$	0	0	0	0	\$	\$	\$
EQUAL ACCESS INVEST	\$	\$	0	0	0	0	\$	\$	\$
TOTAL PLANT	0	0	0	0	0	0	0	0	0

COMPANY NAME: _____
 STUDY AREA CODE: _____ (enter as a label)
 BASE YEAR: 1990
 FORECAST PERIOD: _____
 TRANSITIONAL SPF: _____ (enter as a decimal)
 COE CAT 3 ALLOC: _____ (enter as a decimal)

PART 69 TRP LEVEL OF DETAIL
EC PROVIDED

VOLUME 2
 EXHIBIT 3
 PAGE 2 OF 4

TRP ITEM	FORECASTED TOTAL COMPANY	TOTAL INTERSTATE	TOTAL ACCESS	TOTAL CL	TOTAL TS SM	TOTAL TS SP	-----COMMON LINE-----		
							Pay	BFP	I/W
PROP HELD-FUTURE USE	\$	\$	0	0	0	0	\$	\$	\$
PLANT UNDER CONST.	\$	\$	0	0	0	0	\$	\$	\$
PLANT ACQ. ADJ	\$	\$	0	0	0	0	\$	\$	\$
INVEST IN NON-AFF-COS	\$	\$	0	0	0	0	\$	\$	\$
INVENTORIES	\$	\$	0	0	0	0	\$	\$	\$
CASH WORKING CAPITAL	\$	\$	0	0	0	0	\$	\$	\$
FCC INVESTMENT ADJ.	\$	\$	0	0	0	0	\$	\$	\$
TOT OTH INVESTMENTS	0	0	0	0	0	0	0	0	0
OTH JURIS ASSETS-NET	\$	\$	0	0	0	0	\$	\$	\$
ACCUMULATED DEPR.	\$	\$	0	0	0	0	\$	\$	\$
ACCUMULATED AMORT.	\$	\$	0	0	0	0	\$	\$	\$
DEFERRED FIT	\$	\$	0	0	0	0	\$	\$	\$
CUSTOMER DEPOSITS	\$	\$	0	0	0	0	\$	\$	\$
OTHER ACCRUED LIAB.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ALL OTHER RESERVES	\$	\$	0	0	0	0	\$	\$	\$
FCC RESERVE ADJ.	\$	\$	0	0	0	0	\$	\$	\$
TOTAL RESERVES	0	0	0	0	0	0	0	0	0

COMPANY NAME: _____
 STUDY AREA CODE: _____ (enter as a label)
 BASE YEAR: 1990
 FORECAST PERIOD: _____
 TRANSITIONAL SPF: _____ (enter as a decimal)
 COE CAT 3 ALLOC: _____ (enter as a decimal)

PART 69 TRP LEVEL OF DETAIL
 EC PROVIDED

TRP ITEM	FORECASTED		TOTAL ACCESS	TOTAL CL	TOTAL TS SW	TOTAL TS SP	TS SWITCHED					Equal Access	TS SPECIAL	B&C+IX OTHER
	TOTAL COMPANY	TOTAL INTERSTATE					Common Transport	Dedicated Transport	Local Switch	--Information-- Dir Asst	Surcharge			
UNCOLLECTIBLES	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
PLANT SPECIFIC	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
PLNT NON SPEC R/D&A	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
CUST. OPER-MARKETING	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
CUST. OPER-SERVICES	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
CORP. OPERATIONS	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
ACCESS	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
DEPRECIATION & AMORT	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
FCC EXP ADJUSTMENT	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
EQUAL ACCESS EXPENSE	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
TOT EXP LESS TAXES	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER INCOME & EXP.	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
SIT AMT - INTERSTATE	N/A	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
GRT AMT - INTERSTATE	N/A	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
OTH. ST AND LOC TAXES	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL OTHER TAXES	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FIXED CHARGES	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
IRS INC. ADJ.	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
FCC TAX INC. ADJ.	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
ITC AMORTIZATION	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
FCC ITC ADJ.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SUPPORT PLANT	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
OPER. SYSTEM EQUIP	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
COE-SWITCHING	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
COE-TRANSMISSION	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
C & W FACILITIES	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
IOT EQUIPMENT	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
AMORTIZABLE ASSETS	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
EQUAL ACCESS INVEST	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL PLANT	0	0	0	0	0	0	0	0	0	0	0	0	0	0

COMPANY NAME: _____
 STUDY AREA CODE: _____ (enter as a label)
 BASE YEAR: 1990
 FORECAST PERIOD: _____
 TRANSITIONAL SPF: _____ (enter as a decimal)
 COE CAT 3 ALLOC: _____ (enter as a decimal)

PART 69 TRP LEVEL OF DETAIL
EC PROVIDED

TRP ITEM	FORECASTED		TOTAL ACCESS	TOTAL CL	TOTAL TS SW	TOTAL TS SP	TS SWITCHED					Equal Access	TS SPECIAL	B&C+IX OTHER
	TOTAL COMPANY	TOTAL INTERSTATE					Common Transport	Dedicated Transport	Local Switch	--Information-- Dir Asst	Surcharge			
PROP HELD-FUTURE USE	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
PLANT UNDER CONST.	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
PLANT ACQ. ADJ	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
INVEST IN NON-AFF-COS	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
INVENTORIES	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
CASH WORKING CAPITAL	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
FCC INVESTMENT ADJ.	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
TOT OTN INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OTN JURIS ASSETS-NET	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
ACCUMULATED DEPR.	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
ACCUMULATED AMORT.	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
DEFERRED FIT	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
CUSTOMER DEPOSITS	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
OTHER ACCRUED LIAB.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ALL OTHER RESERVES	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
FCC RESERVE ADJ.	\$	\$	0	0	0	0	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL RESERVES	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Filing Entity: NECA POOL
COSA: NECL

TIER 2
HISTORIC COST ANALYSIS SUMMARY (\$000)

-----COMMON LINE-----				
PYCOS PERIOD	PAY	INSIDE		
1/91 THRU 12/91	PHONE	WIRE	BFP	TOTAL
	(I)	(J)	(K)	(L)=I+J+K
REVENUES				
100 Network Access	N/A	N/A	N/A	757,430
110 Uncollectibles	N/A	N/A	N/A	727
120 Common Line Support (NOTE 1)	N/A	N/A	N/A	N/A
130 Long Term	N/A	N/A	N/A	N/A
140 Transitional	N/A	N/A	N/A	N/A
150 Miscellaneous	N/A	N/A	N/A	N/A
160 Net Revenues	N/A	N/A	N/A	756,703
EXPENSES				
170 Plant Specific	3,223	6,276	82,749	92,248
180 Plant Non Specific excl Depr & Amort	700	2,138	38,449	41,287
190 Depreciation/Amortization	2,722	7,036	98,391	108,149
200 Customer Operations	1,216	228	13,555	14,999
210 Access	N/A	N/A	N/A	N/A
220 Corporate Operations	1,910	3,109	59,175	64,194
230 AFUDC	0	0	0	0
240 Other Expenses and Adjustments	6	33	306	345
250 Taxes Other than FIT	501	1,336	27,735	29,572
260 Total Expenses and Other Taxes	10,278	20,156	320,360	350,794
NECA ADJUSTMENTS				
261 NECA Administrative Expenses	338	596	16,615	17,549
262 Average Schedule Settlements	4,207	7,411	206,781	218,399

T1FD-2

EXHIBIT A

To further encourage scrupulous adherence by NECA to the Commission rules, AT&T suggests that the "Part 69 TRP Level of Detail EC Provided" report be augmented to include the data listed in Appendix 4 attached hereto, which is required by the FCC to be reported on the T2 COS-1 Report by all other Tier 2 LECs not participating in NECA pools.¹ These data are required to ensure that there is a balance between total booked amounts and those reported through the correct use of the Commission's accounting and allocation rules (Parts 32, 64, 36 and 69 of the FCC rules). Without the proper identification and subtraction of Non-Regulated and Other Costs from Total Company booked amounts, it is impossible to determine if the amounts Subject to Separations are accurate. Because the Separations (Part 36) and access allocations (Part 69) procedures are performed on the Subject to Separations amounts, it is critical to verify and monitor the Part 64 and Other Adjustments that are made to Total Company amounts. This is particularly relevant,

¹ The additional data would include Total Company Part 64, Other Adjustments, Total Company Subject to Separations, Billing & Collection, and Interexchange. These data are needed to ensure that there is a balance between total booked amounts and those identified through the correct use of the Commission's accounting and allocation rules (Parts 32, 64, 36, and 69 of the FCC rules). These data for historic periods should be available until the pools results are finalized, which is usually two years after the close of the period.

for the LEC industry continues to grow in the provision of non-regulated services.² In addition, having data regarding Subject to Separations amounts would be useful as a cross-verification to the regulated costs reported for purposes of the development of the revenue requirements underlying the Universal Service Fund program.

² For example, at least 194 LECs have cable TV holdings which are not included in a separate subsidiary, and at least 49 LECs have cellular licenses and do not operate a separate cellular subsidiary. See "Television and Cable Factbook" and "1991 Mobile Communications Dictionary"

Filing Entity:

TIER 2
HISTORIC COST ANALYSIS SUMMARY

PYCOS PERIOD 1/92 THRU 12/92	INTERSTATE			NON REGULATED IS ACCESS
	INTERSTATE	BILLING & COLLECTION	INTEREXCHANGE	
	(E)	(F)	(G)	(H)=E-F-G
REVENUES				
100 Network Access	N/A	N/A	N/A	
110 Uncollectibles	N/A	N/A	N/A	
120 Common Line Support (NOTE 1)	N/A	N/A	N/A	
130 Long Term	N/A	N/A	N/A	
140 Transitional	N/A	N/A	N/A	
150 Miscellaneous	N/A	N/A	N/A	
160 Net Revenues	N/A	N/A	N/A	
EXPENSES				
170 Plant Specific				
180 Plant Non Specific excl Depn & Amort				
190 Depreciation/Amortization				
200 Customer Operations				
210 Access		N/A		N/A
220 Corporate Operations				
230 AFUDC	N/A	N/A	N/A	
240 Other Expenses and Adjustments				
250 Taxes Other than FIT				
260 Total Expenses and Other Taxes				
FIT ADJUSTMENTS				
270 Adjustments for FIT				
280 Amortized ITC				
290 Federal Income Taxes		N/A	N/A	
300 TOTAL EXPENSES AND TAXES		N/A	N/A	
TELEPHONE PLANT IN SERVICE				
310 General Support				
320 Central Office Equipment - Switch				
330 Central Office Equipment - Trans				
340 Cable and Wire				
350 Info Orig/Term Equipment				
360 Amortizable Assets				
370 Total Plant in Service				
ADJUSTMENTS TO TPIS				
380 Depreciation/Amortization Reserve				
390 Access. Deferred Income Tax				
400 Other Rate Base Adjustments				
RETURN DATA				
410 Average Rate Base		N/A	N/A	
420 Return	N/A	N/A	N/A	
430 Rate of Return	N/A	N/A	N/A	

NOTE 1: CCL support data contained on Lines 120 thru 140 is not applicable for companies that participate in the NECA pool.

Filing Entity:

TIER 2
HISTORIC COST ANALYSIS SUMMARY

T2COS-1(H)
PAGE 3 OF 4

PYCOS PERIOD 1/92 THRU 12/92	COMMON LINE			TOTAL (L)=I+J+K
	PAY PHONE (I)	INSIDE MINE (J)	BFP (K)	
REVENUES				
100 Network Access	N/A	N/A	N/A	_____
110 Uncollectibles	N/A	N/A	N/A	_____
120 Common Line Support (NOTE 1)	N/A	N/A	N/A	_____
130 Long Term	N/A	N/A	N/A	_____
140 Transitional	N/A	N/A	N/A	_____
150 Miscellaneous	N/A	N/A	N/A	_____
160 Net Revenue	N/A	N/A	N/A	_____
EXPENSES				
170 Plant Specific	_____	_____	_____	_____
180 Plant Non Specific excl Depr & Amort	_____	_____	_____	_____
190 Depreciation/Amortization	_____	_____	_____	_____
200 Customer Operations	_____	_____	_____	_____
210 Access	N/A	N/A	N/A	N/A
220 Corporate Operations	_____	_____	_____	_____
230 AFUDC	_____	_____	_____	_____
240 Other Expenses and Adjustments	_____	_____	_____	_____
250 Taxes Other than FIT	N/A	N/A	N/A	_____
260 Total Expenses and Other Taxes	N/A	N/A	N/A	_____
FIT ADJUSTMENTS				
270 Adjustments for FIT	_____	_____	_____	_____
280 Amortized ITC	_____	_____	_____	_____
290 Federal Income Taxes	N/A	N/A	N/A	_____
300 TOTAL EXPENSES AND TAXES	N/A	N/A	N/A	_____
TELEPHONE PLANT IN SERVICE				
310 General Support	_____	_____	_____	_____
320 Central Office Equipment - Switch	_____	_____	_____	_____
330 Central Office Equipment - Trans	_____	_____	_____	_____
340 Cable and Wire	_____	_____	_____	_____
350 Info Orig/Term Equipment	_____	_____	_____	_____
360 Amortizable Assets	_____	_____	_____	_____
370 Total Plant in Service	_____	_____	_____	_____
ADJUSTMENTS TO TPIS				
380 Depreciation/Amortization Reserve	_____	_____	_____	_____
390 Accum. Deferred Income Tax	_____	_____	_____	_____
400 Other Rate Base Adjustments	_____	_____	_____	_____
RETURN DATA				
410 Average Rate Base	_____	_____	_____	_____
420 Return	N/A	N/A	N/A	_____
430 Rate of Return	N/A	N/A	N/A	_____

NOTE 1: CCL support data contained on Lines 120 thru 140 is not applicable for companies that participate in the NECA pool.