BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Exhibit 2
Appendix A
WORKPAPER 2.1A–2

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS1
Function: Cross–Connection Cable and and Cable Support

Line	Description	Calculation	Value	FRC
1.	INITIAL regional installed investment required to provide 56 DS1s cross–connect capacity per 10' by 10' module. This investment consists of material, engineering and installation cost for cable, includes cable rack, and other supporting hardware. (Circuit – Other Digital)		$12,680.00	357C
2.	SUBSEQUENT regional installed investment required to provide 56 DS1s cross–connect capacity per 10' by 10' module. This investment consists of material, engineering and installation cost for cable. (Circuit –Other Digital).		$7,560.00	357C
3.	Typical C.O. digital circuit equipment objective utilization.		85%	
4.	INITIAL, regional, installed, utilized investment required to provide 56 DS1s cross–connect capacity per 10' by 10' module associated with cabling. (Circuit –Other Digital).	Line 1. divided by Line 3.	$14,917.65	357C
5.	SUBSEQUENT, regional, installed, utilized investment required to provide 56 DS1s cross–connect capacity per 10' by 10' module associated with cabling. (Circuit – Other Digital).	Line 2. divided by Line 3.	$8,894.12	357C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS1
Function: Cross–Connection Cable and and Cable Support

Line	Description	Calculation	Value	FRC
6.	INITIAL regional, incremental, IFCPC, capitalized work time (hours) including: preparing C.O. Equipment order to pass to Equipment Engineer; preparing planning documents and instructions (FEPS cable, span, eqpt, screens); instructing CP–F1 to inventory cable span, eqpt., screens; and monitoring and completing jobs for 28 DS1s cross–connect capacity per 10' by 10' module associated with cabling.		14.00	
7.	SUBSEQUENT regional, incremental, IFCPC, capitalized work time (hours) including: preparing C.O. Equipment order to pass to Equipment Engineer; preparing planning documents and instructions (FEPS cable, span, eqpt, screens); instructing CP–F1 to inventory cable span, eqpt., screens; and monitoring and completing jobs for 28 DS1s cross–connect capacity per 10' by 10' module associated with cabling.		6.00	
8.	Regional, directly assigned, IFCPC (JFC 3301) 1993 labor rate per hour.		$50.82	
9.	INITIAL regional, incremental, IFCPC capitalized cost for 28 DS1s cross–connect capacity per 10' by 10' module associated with cabling. (Circuit – Other Digital).	Line 6. * Line 8.	$711.48	357C
10.	SUBSEQUENT regional, incremental, IFCPC capitalized cost for 28 DS1s cross–connect capacity per 10' by 10' module associated with cabling. (Circuit – Other Digital).	Line 7. * Line 8.	$304.92	357C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS1
Function: Cross–Connection Cable and and Cable Support

Line	Description	Calculation	Value	FRC
11.	INITIAL, regional, incremental, utilized IFCPC capitalized cost for 28 DS1s cross–connect capacity per 10' by 10' module associated with cabling. (Circuit – Other Digital).	Line 9. divided by Line 3.	$837.04	357C
12.	SUBSEQUENT, regional, incremental, utilized IFCPC capitalized cost for 28 DS1s cross–connect capacity per 10' by 10' module associated with cabling. (Circuit – Other Digital).	Line 10. divided by Line 3.	$358.73	357C
13.	INITIAL, regional, installed, utilized investment per DS1 cross–connect excluding IFCPC capitalized cost associated with cabling. (Circuit – Other Digital).	Line 4. divided by 56.	$266.39	357C
14.	INITIAL, regional, incremental, utilized IFCPC capitalized cost per DS1 cross–connect associated with cabling. (Circuit – Other Digital).	Line 11. divided by 28.	$29.89	357C
15.	INITIAL, regional, installed, utilized investment per DS1 cross–connect associated with cabling. (Circuit – Other Digital).	Line 13. + Line 14.	$296.28	357C
16.	SUBSEQUENT, regional, installed, utilized investment per DS1 cross–connect excluding IFCPC capitalized cost associated with cabling. (Circuit – Other Digital).	Line 5. divided by 56.	$158.82	357C
17.	SUBSEQUENT, regional, incremental, utilized IFCPC capitalized cost per DS1 cross–connect associated with cabling. (Circuit – Other Digital).	Line 12. divided by 28.	$12.81	357C
18.	SUBSEQUENT, regional, installed, utilized investment per DS1 cross–connect associated with cabling. (Circuit – Other Digital).	Line 16. + Line 17.	$171.64	357C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS1
Function: Cross–Connection Cable and and Cable Support

Line	Description	Calculation	Value	FRC
19.	Probability of occurrence of INITIAL DS1 cross–connect capacity.		30%	
20.	Probability of occurrence of SUBSEQUENT DS1 cross–connect capacity.		70%	
21.	Weighted, regional, installed, utilized investment per DS1 cross–connect associated with cabling. (Circuit – Other Digital).	(Line 15. * Line 19.) + (Line 18. * Line 20.)	$209.03	357C
22.	1992 Regional Power Equipment Only loading.		0.05400	
23.	Regional power equipment investment associated with weighted, regional, installed, utilized investment per DS1 cross–connect associated with cabling. (Circuit – Other Digital).	Line 21. * Line 22.	$11.29	357C
24.	Total regional installed investments per DS1 cross–connect with power loadings associated with cabling.	Line 21. + Line 23.	$220.32	357C
25.	1992 Regional Land COE loading.		0.00148	
26.	Regional land investment associated with weighted, regional, installed, utilized investment per DS1 cross–connect associated with cabling.	Line 24. * Line 25.	$0.33	20C
27.	1992 Regional Building COE loading.		0.01971	
28.	Regional land investment associated with weighted, regional, installed, utilized investment per DS1 cross–connect associated with cabling.	Line 24. * Line 27.	$4.34	10C
29.	Grand total regional installed investments with land, building and power loadings associated with cabling.	Line 24. + Line 26. + Line 28.	$224.98	

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Exhibit 2
Appendix A
WORKPAPER 2.1B–2

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS3
Function: Cross–Connection Cable and and Cable Support

Line	Description	Source	Value	FRC
1.	INITIAL regional installed investment required to provide 12 DS3s cross–connect capacity per 10' by 10' module. This investment consists of material, engineering and installation cost for cable, includes cable rack, and other supporting hardware. (Circuit – Other Digital)		$22,029.00	357C
2.	SUBSEQUENT regional installed investment required to provide 12 DS3s cross–connect capacity per 10' by 10' module. This investment consists of material, engineering and installation cost for cable. (Circuit –Other Digital).		$17,109.00	357C
3.	Typical C.O. digital circuit equipment objective utilization.		85%	
4.	INITIAL, regional, installed, utilized investment required to provide 12 DS3s cross–connect capacity per 10' by 10' module associated with cabling. (Circuit –Other Digital).	Line 1. divided by Line 3.	$25,916.47	357C
5.	SUBSEQUENT, regional, installed, utilized investment required to provide 12 DS3s cross–connect capacity per 10' by 10' module associated with cabling. (Circuit – Other Digital).	Line 2. divided by Line 3.	$20,128.24	357C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS3
Function: Cross–Connection Cable and and Cable Support

Line	Description	Source	Value	FRC
6.	INITIAL regional, incremental, IFCPC, capitalized work time (hours) including: preparing C.O. Equipment order to pass to Equipment Engineer; preparing planning documents and instructions (FEPS cable, span, eqpt, screens); instructing CP–F1 to inventory cable span, eqpt., screens; and monitoring and completing jobs for 12 DS3s cross–connect capacity per 10' by 10' module associated with cabling.		14.00	
7.	SUBSEQUENT regional, incremental, IFCPC, capitalized work time (hours) including: preparing C.O. Equipment order to pass to Equipment Engineer; preparing planning documents and instructions (FEPS cable, span, eqpt, screens); instructing CP–F1 to inventory cable span, eqpt., screens; and monitoring and completing jobs for 12 DS3s cross–connect capacity per 10' by 10' module associated with cabling.		6.30	
8.	Regional, directly assigned, IFCPC (JFC 3301) 1993 labor rate per hour.		$50.82	
9.	INITIAL regional, incremental, IFCPC capitalized cost for 12 DS3s cross–connect capacity per 10' by 10' module associated with cabling. (Circuit – Other Digital).	Line 6. * Line 8.	$711.48	357C
10.	SUBSEQUENT regional, incremental, IFCPC capitalized cost for 12 DS3s cross–connect capacity per 10' by 10' module associated with cabling. (Circuit – Other Digital).	Line 7. * Line 8.	$320.17	357C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT --
RATE ELEMENT SPECIFIC INVESTMENTS

Exhibit 2
Appendix A
WORKPAPER 2.1B--2
Page 3 of 4

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect -- Per DS3
Function: Cross--Connection Cable and and Cable Support

Line	Description	Source	Value	FRC
11.	INITIAL, regional, incremental, utilized IFCPC capitalized cost for 12 DS3s cross--connect capacity per 10' by 10' module associated with cabling. (Circuit -- Other Digital).	Line 9. divided by Line 3.	$837.04	357C
12.	SUBSEQUENT, regional, incremental, utilized IFCPC capitalized cost for 12 DS3s cross--connect capacity per 10' by 10' module associated with cabling. (Circuit -- Other Digital).	Line 10. divided by Line 3.	$376.67	357C
13.	INITIAL, regional, installed, utilized investment per DS3 cross--connect excluding IFCPC capitalized cost associated with cabling. (Circuit -- Other Digital).	Line 4. divided by 12.	$2,159.71	357C
14.	INITIAL, regional, incremental, utilized IFCPC capitalized cost per DS3 cross--connect associated with cabling. (Circuit -- Other Digital).	Line 11. divided by 12.	$69.75	357C
15.	INITIAL, regional, installed, utilized investment per DS3 cross--connect associated with cabling. (Circuit -- Other Digital).	Line 13. + Line 14.	$2,229.46	357C
16.	SUBSEQUENT, regional, installed, utilized investment per DS3 cross--connect excluding IFCPC capitalized cost associated with cabling. (Circuit -- Other Digital).	Line 5. divided by 12.	$1,677.35	357C
17.	SUBSEQUENT, regional, incremental, utilized IFCPC capitalized cost per DS3 cross--connect associated with cabling. (Circuit -- Other Digital).	Line 12. divided by 12.	$31.39	357C
18.	SUBSEQUENT, regional, installed, utilized investment per DS3 cross--connect associated with cabling. (Circuit -- Other Digital).	Line 16. + Line 17.	$1,708.74	357C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS3
Function: Cross–Connection Cable and and Cable Support

Line	Description	Source	Value	FRC
19.	Probability of occurrence of INITIAL DS3 cross–connect capacity.		30%	
20.	Probability of occurrence of SUBSEQUENT DS3 cross–connect capacity.		70%	
21.	Weighted, regional, installed, utilized investment per DS3 cross–connect associated with cabling. (Circuit – Other Digital).	(Line 15. * Line 19.) + (Line 18. * Line 20.)	$1,864.96	357C
22.	1992 Regional Power Equipment Only loading.		0.05400	
23.	Regional power equipment investment associated with weighted, regional, installed, utilized investment per DS3 cross–connect associated with cabling. (Circuit – Other Digital).	Line 21. * Line 22.	$100.71	357C
24.	Total regional installed investments per DS3 cross–connect with power loadings. associated with cabling.	Line 21. + Line 23.	$1,965.66	357C
25.	1992 Regional Land COE loading.		0.00148	
26.	Regional land investment associated with weighted, regional, installed, utilized investment per DS3 cross–connect associated with cabling.	Line 24. * Line 25.	$2.91	20C
27.	1992 Regional Building COE loading.	Economic Analysis 6–30–92	0.01971	
28.	Regional land investment associated with weighted, regional, installed, utilized investment per DS3 cross–connect associated with cabling.	Line 24. * Line 27.	$38.74	10C
29.	Grand total regional installed investments with land, building and power loadings associated with cabling.	Line 24. + Line 26. + Line 28.	$2,007.32	

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Exhibit 2
Appendix A
WORKPAPER 2.1A–3

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS1
Function: Cross–Connection Equipment

Line	Description	Calculation	Value	FRC
1.	INITIAL regional installed investment required to provide 56 DS1s cross–connect capacity per 10' by 10' module. This investment consists of material, engineering and installation cost for intraoffice repeaters for 10% of the total capacity.		$2,220.00	357C
2.	SUBSEQUENT regional installed investment required to provide 56 DS1s cross–connect capacity per 10' by 10' module. This investment consists of material, engineering and installation cost for intraoffice repeaters for 10% of the total capacity.		$2,040.00	357C
3.	Typical C.O. digital circuit equipment objective utilization.		85%	
4.	INITIAL, regional, installed, utilized investment required to provide 56 DS1s cross–connect capacity per 10' by 10' module associated with repeaters. (Circuit – Other Digital).	Line 1. divided by Line 3.	$2,611.76	357C
5.	SUBSEQUENT, regional, installed, utilized investment required to provide 56 DS1s cross–connect capacity per 10' by 10' module associated with repeaters. (Circuit – Other Digital).	Line 2. divided by Line 3.	$2,400.00	357C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS1
Function: Cross–Connection Equipment

Line	Description	Calculation	Value	FRC
6.	INITIAL regional, incremental, IFCPC, capitalized work time (hours) including: preparing C.O. Equipment order to pass to Equipment Engineer; preparing planning documents and instructions (FEPS cable, span, eqpt, screens); instructing CP–F1 to inventory cable span, eqpt., screens; and monitoring and completing jobs for 28 DS1s cross–connect capacity per 10' by 10' module associated with repeaters.		2.00	
7.	SUBSEQUENT regional, incremental, IFCPC, capitalized work time (hours) including: preparing C.O. Equipment order to pass to Equipment Engineer; preparing planning documents and instructions (FEPS cable, span, eqpt, screens); instructing CP–F1 to inventory cable span, eqpt., screens; and monitoring and completing jobs for 28 DS1s cross–connect capacity per 10' by 10' module associated with repeaters.		1.60	
8.	Regional, directly assigned, IFCPC (JFC 3301) 1993 labor rate per hour.		$50.82	
9.	INITIAL regional, incremental, IFCPC capitalized cost for 28 DS1s cross–connect capacity per 10' by 10' module associated with repeaters. (Circuit – Other Digital)	Line 6. * Line 8.	$101.64	357C
10.	SUBSEQUENT regional, incremental, IFCPC capitalized cost for 28 DS1s cross–connect capacity per 10' by 10' module associated with repeaters. (Circuit – Other Digital)	Line 7. * Line 8.	$81.31	357C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS1
Function: Cross–Connection Equipment

Line	Description	Calculation	Value	FRC
11.	INITIAL, regional, incremental, utilized IFCPC capitalized cost for 28 DS1s cross–connect capacity per 10' by 10' module associated with repeaters. (Circuit – Other Digital).	Line 9. divided by Line 3.	$119.58	357C
12.	SUBSEQUENT, regional, incremental, utilized IFCPC capitalized cost for 28 DS1s cross–connect capacity per 10' by 10' module associated with repeaters. (Circuit – Other Digital).	Line 10. divided by Line 3.	$95.66	357C
13.	INITIAL, regional, installed, utilized investment per DS1 cross–connect excluding IFCPC capitalized cost associated with repeaters. (Circuit – Other Digital).	Line 4. divided by 56.	$46.64	357C
14.	INITIAL, regional, incremental, utilized IFCPC capitalized cost per DS1 cross–connect associated with repeaters. (Circuit – Other Digital).	Line 11. divided by 28.	$4.27	357C
15.	INITIAL, regional, installed, utilized investment per DS1 cross–connect associated with repeaters. (Circuit – Other Digital).	Line 13. + Line 14.	$50.91	357C
16.	SUBSEQUENT, regional, installed, utilized investment per DS1 cross–connect excluding IFCPC capitalized cost associated with repeaters. (Circuit – Other Digital).	Line 5. divided by 56.	$42.86	357C
17.	SUBSEQUENT, regional, incremental, utilized IFCPC capitalized cost per DS1 cross–connect associated with repeaters. (Circuit – Other Digital).	Line 12. divided by 28.	$3.42	357C
18.	SUBSEQUENT, regional, installed, utilized investment per DS1 cross–connect associated with repeaters. (Circuit – Other Digital).	Line 16. + Line 17.	$46.27	357C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Exhibit 2
Appendix A
WORKPAPER 2.1A–3

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS1
Function: Cross–Connection Equipment

Line	Description	Calculation	Value	FRC
19.	Probability of occurrence of INITIAL DS1 cross–connect capacity.		30%	
20.	Probability of occurrence of SUBSEQUENT DS1 cross–connect capacity.		70%	
21.	Weighted, regional, installed, utilized investment per DS1 cross–connect associated with repeaters. (Circuit – Other Digital).	(Line 15. * Line 19.) + (Line 18. * Line 20.)	$47.66	357C
22.	1992 Regional Power Equipment Only loading.		0.05400	
23.	Regional power equipment investment associated with weighted, regional, installed, utilized investment per DS1 cross–connect associated with repeaters. (Circuit – Other Digital).	Line 21. * Line 22.	$2.57	357C
24.	Total regional installed investments per DS1 cross–connect with power loadings associated with repeaters.	Line 21. + Line 23.	$50.24	357C
25.	1992 Regional Land COE loading.		0.00148	
26.	Regional land investment associated with weighted, regional, installed, utilized investment per DS1 cross–connect associated with repeaters.	Line 24. * Line 25.	$0.07	20C
27.	1992 Regional Building COE loading.		0.01971	
28.	Regional land investment associated with weighted, regional, installed, utilized investment per DS1 cross–connect associated with repeaters.	Line 24. * Line 27.	$0.99	10C
29.	Grand total regional installed investments with land, building and power loadings associated with repeaters.	Line 24. + Line 26. + Line 28.	$51.30	

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Exhibit 2
Appendix A
WORKPAPER 2.1B–3

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS3
Function: Cross–Connection Equipment

Line	Description	Source	Value	FRC
1.	INITIAL regional installed investment required to provide 12 DS3s cross–connect capacity per 10' by 10' module. This investment consists of material, engineering and installation cost for intraoffice repeaters for 10% of the total capacity.		$3,971.00	357C
2.	SUBSEQUENT regional installed investment required to provide 12 DS3s cross–connect capacity per 10' by 10' module. This investment consists of material, engineering and installation cost for intraoffice repeaters for 10% of the total capacity.		$3,791.00	357C
3.	Typical C.O. digital circuit equipment objective utilization.		85%	
4.	INITIAL, regional, installed, utilized investment required to provide 12 DS3s cross–connect capacity per 10' by 10' module associated with repeaters. (Circuit – Other Digital).	Line 1. divided by Line 3.	$4,671.76	357C
5.	SUBSEQUENT, regional, installed, utilized investment required to provide 12 DS3s cross–connect capacity per 10' by 10' module associated with repeaters. (Circuit – Other Digital).	Line 2. divided by Line 3.	$4,460.00	357C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Exhibit 2
Appendix A
WORKPAPER 2.1B–3

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS3
Function: Cross–Connection Equipment

Line	Description	Source	Value	FRC
6.	INITIAL regional, incremental, IFCPC, capitalized work time (hours) including: preparing C.O. Equipment order to pass to Equipment Engineer; preparing planning documents and instructions (FEPS cable, span, eqpt, screens); instructing CP–F1 to inventory cable span, eqpt., screens; and monitoring and completing jobs for 12 DS3s cross–connect capacity per 10' by 10' module associated with repeaters.		2.00	
7.	SUBSEQUENT regional, incremental, IFCPC, capitalized work time (hours) including: preparing C.O. Equipment order to pass to Equipment Engineer; preparing planning documents and instructions (FEPS cable, span, eqpt, screens); instructing CP–F1 to inventory cable span, eqpt., screens; and monitoring and completing jobs for 12 DS3s cross–connect capacity per 10' by 10' module associated with repeaters.		1.40	
8.	Regional, directly assigned, IFCPC (JFC 3301) 1993 labor rate per hour.		$50.82	
9.	INITIAL regional, incremental, IFCPC capitalized cost for 12 DS3s cross–connect capacity per 10' by 10' module associated with repeaters. (Circuit – Other Digital)	Line 6. * Line 8.	$101.64	357C
10.	SUBSEQUENT regional, incremental, IFCPC capitalized cost for 12 DS3s cross–connect capacity per 10' by 10' module associated with repeaters. (Circuit – Other Digital)	Line 7. * Line 8.	$71.15	357C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS3
Function: Cross–Connection Equipment

Line	Description	Source	Value	FRC
11.	INITIAL, regional, incremental, utilized IFCPC capitalized cost for 12 DS3s cross–connect capacity per 10' by 10' module associated with repeaters. (Circuit – Other Digital).	Line 9. divided by Line 3.	$119.58	357C
12.	SUBSEQUENT, regional, incremental, utilized IFCPC capitalized cost for 12 DS3s cross–connect capacity per 10' by 10' module associated with repeaters. (Circuit – Other Digital).	Line 10. divided by Line 3.	$83.70	357C
13.	INITIAL, regional, installed, utilized investment per DS3 cross–connect excluding IFCPC capitalized cost associated with repeaters. (Circuit – Other Digital).	Line 4. divided by 12.	$389.31	357C
14.	INITIAL, regional, incremental, utilized IFCPC capitalized cost per DS3 cross–connect associated with repeaters. (Circuit – Other Digital).	Line 11. divided by 12.	$9.96	357C
15.	INITIAL, regional, installed, utilized investment per DS3 cross–connect associated with repeaters. (Circuit – Other Digital).	Line 13. + Line 14.	$399.28	357C
16.	SUBSEQUENT, regional, installed, utilized investment per DS3 cross–connect excluding IFCPC capitalized cost associated with repeaters. (Circuit – Other Digital).	Line 5. divided by 12.	$371.67	357C
17.	SUBSEQUENT, regional, incremental, utilized IFCPC capitalized cost per DS3 cross–connect associated with repeaters. (Circuit – Other Digital).	Line 12. divided by 12.	$6.98	357C
18.	SUBSEQUENT, regional, installed, utilized investment per DS3 cross–connect associated with repeaters. (Circuit – Other Digital).	Line 16. + Line 17.	$378.64	357C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Exhibit 2
Appendix A
WORKPAPER 2.1B–3
Page 4 of 4

Service Name: Expanded Interconnection Service
Rate Element: Cross Connect – Per DS3
Function: Cross–Connection Equipment

Line	Description	Source	Value	FRC
19.	Probability of occurrence of INITIAL DS3 cross–connect capacity.		30%	
20.	Probability of occurrence of SUBSEQUENT DS3 cross–connect capacity.		70%	
21.	Weighted, regional, installed, utilized investment per DS3 cross–connect associated with repeaters. (Circuit – Other Digital).	(Line 15. * Line 19.) + (Line 18. * Line 20.)	$384.83	357C
22.	1992 Regional Power Equipment Only loading.		0.05400	
23.	Regional power equipment investment associated with weighted, regional, installed, utilized investment per DS3 cross–connect associated with repeaters. (Circuit – Other Digital).	Line 21. * Line 22.	$20.78	357C
24.	Total regional installed investments per DS3 cross–connect with power loadings associated with repeaters.	Line 21. + Line 23.	$405.61	357C
25.	1992 Regional Land COE loading.		0.00148	
26.	Regional land investment associated with weighted, regional, installed, utilized investment per DS3 cross–connect associated with repeaters.	Line 24. * Line 25.	$0.60	20C
27.	1992 Regional Building COE loading.	Economic Analysis 6–30–92	0.01971	
28.	Regional land investment associated with weighted, regional, installed, utilized investment per DS3 cross–connect associated with repeaters.	Line 24. * Line 27.	$7.99	10C
29.	Grand total regional installed investments with land, building and power loadings associated with repeaters.	Line 24. + Line 26. + Line 28.	$414.21	

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Exhibit 2
Appendix A
WORKPAPER 2.1D

Service Name: Virtual Expanded Interconnection Service
Rate Element: Floor Space – Per Ampere
Function: DC Power Generation

Line	Description	Calculation	Value	FRC
1.	Installed investment required to provide standard 48V DC power per ampere (Electronic Digital).		$62.12	377C
2.	Installed investment required to provide standard 48V DC power per ampere (Electronic Analog).		$62.12	77C
3.	Total installed investments per ampere.	Line 1. + Line 2.	$124.23	
4.	1992 Current Land COE loading.		0.00148	
5.	Land investment associated with standard DC power per ampere installed investment.	Line 3. * Line 4.	$0.18	20C
6.	1992 Current Building COE loading.		0.01971	
7.	Building investment associated with standard DC power per ampere installed investment.	Line 3. * Line 6.	$2.45	10C
8.	Grand total installed investment with land and building loadings per ampere.	Line 3. + Line 5. + Line 7.	$126.86	

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Exhibit 2
Appendix A
WORKPAPER 2.1C

Service Name: Virtual Expanded Interconnection Service
Rate Element: Floor Space – Per Square Foot
Function: Floor Space

Line	Description	Calculation	Value	FRC
1.	Installed investment required to provide support items to prepare site for equipment installation, including: lighting; overhead racks; bay framing; AC power outlets; and, miscellaneous items, per square foot.		$61.20	10C
2.	Regional book gross investment for central office building floor space per assignable square foot.		$72.71	10C
3.	Regional book gross investment for land associated with central office building floor space per assignable square foot.		$2.75	20C
4.	Total regional, installed investments per square foot.	Line 1. + Line 2. + Line 3.	$136.66	

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Exhibit 2
Appendix A
WORKPAPER 2.1

Service Name: Virtual Expanded Interconnection Service
Rate Element: Cable Support Structure
Function: Entrance Facility Space

Line	Description	Calculation	Value	FRC
1.	Installed investment for cable rack (5") riser per linear foot (Circuit – Other Digital).		$35.00	357C
2.	Typical C.O. digital circuit equipment objective utilization.		85%	
3.	Installed, utilized investment for cable rack (5") riser per linear foot (Circuit – Other Digital).	Line 1. divided by Line 2.	$41.18	357C
4.	Typical average cable rack length (linear feet) from cable vault to the equipment.		350	
5.	Installed investment for cable rack (5") riser per average length (Circuit – Other Digital).	Line 3. * Line 4.	$14,411.76	357C
6.	Maximum cable capacity per rack.		30	
7.	Installed investment for cable rack (5") riser per cable, per average length (Circuit – Other Digital).	Line 5. divided by Line 6.	$480.39	357C
8.	1992 Current Land COE loading.		0.00148	
9.	Land investment associated with Installed investment for cable rack (5") riser per cable, per average length.	Line 7. * Line 8.	$0.71	20C

BELLSOUTH TELECOMMUNICATIONS, INC.

UNIT INVESTMENT DEVELOPMENT –
RATE ELEMENT SPECIFIC INVESTMENTS

Service Name: Virtual Expanded Interconnection Service
Rate Element: Cable Support Structure
Function: Entrance Facility Space

Line	Description	Calculation	Value	FRC
10.	1992 Current Building COE loading.		0.01971	
11.	Building investment associated with installed investment for cable rack (5") riser per cable, per average length.	Line 7. * Line 10.	$9.47	10C
12.	Grand total installed investments with land and building loadings.	Line 7. + Line 9. + Line 11.	$490.57	

APPENDIX B

Exhibit 2
Appendix B

1992 BELLSOUTH TELECOMMUNICATIONS
ACCOUNT AVERAGE ANNUAL COST FACTORS
INCREMENTAL -- DIRECTLY ASSIGNED

		FRC 357C	FRC 377C	FRC 77C	FRC 20C	FRC 10C
Depreciation		0.1119	0.0830	0.1023	0.0000	0.0259
Cost of Money		0.0769	0.0791	0.0756	0.1191	0.1143
Income Tax -- Total		0.0341	0.0350	0.0325	0.0538	0.0509
Federal Income Tax		0.0290	0.0308	0.0276	0.0457	0.0433
State & Local Income Tax		0.0051	0.0054	0.0049	0.0081	0.0076
Capital Cost		0.2229	0.1981	0.2104	0.1729	0.1911
Maintenance		0.0081	0.0355	0.0244	0.0000	0.0032
Tax -- Total		0.0120	0.0120	0.0120	0.0120	0.0120
Advalorem Tax		0.0113	0.0113	0.0113	0.0113	0.0113
Capital Stock Tax		0.0006	0.0006	0.0006	0.0006	0.0006
Other Tax		0.0001	0.0001	0.0001	0.0001	0.0001
Administration -- Total		0.0369	0.0369	0.0369	0.0369	0.0369
Sec. Investment Charges		0.01825	0.01825	0.01825	0.01825	0.01825
General Support:						
Garage Work Equipment	6115	0.00004	0.00004	0.00004	0.00004	0.00004
Furniture and Artworks	6122	0.00015	0.00015	0.00015	0.00015	0.00015
Office Equipment	6123	0.00101	0.00101	0.00101	0.00101	0.00101
General Purpose Computers	6124	0.00393	0.00393	0.00393	0.00393	0.00393
Network Operations						
Network Administration	6532	0.00000	0.00000	0.00000	0.00000	0.00000
Engineering	6535	0.00235	0.00235	0.00235	0.00235	0.00235
Access	6540	0.00032	0.00032	0.00032	0.00032	0.00032
Marketing						
Product Management	6611	0.00000	0.00000	0.00000	0.00000	0.00000
Sales	6612	0.00000	0.00000	0.00000	0.00000	0.00000
Product Advertising	6613	0.00000	0.00000	0.00000	0.00000	0.00000
Total Customer Oper. Exp.						
Customer Services	6623	0.00744	0.00744	0.00744	0.00744	0.00744
Executive and Planning						
Executive	6711	0.00000	0.00000	0.00000	0.00000	0.00000
Planning	6712	0.00000	0.00000	0.00000	0.00000	0.00000
General and Administrative						
Accounting and Finance	6721	0.00169	0.00169	0.00169	0.00169	0.00169
External Relations	6722	0.00000	0.00000	0.00000	0.00000	0.00000
Human Resources	6723	0.00000	0.00000	0.00000	0.00000	0.00000
Information Managment	6724	0.00168	0.00168	0.00168	0.00168	0.00168
Legal	6725	0.00000	0.00000	0.00000	0.00000	0.00000
Procurement	6726	0.00000	0.00000	0.00000	0.00000	0.00000
Research and Development	6727	0.00000	0.00000	0.00000	0.00000	0.00000
Other	6728	0.00000	0.00000	0.00000	0.00000	0.00000
Operating Cost		0.0570	0.0844	0.0733	0.0489	0.0521
TOTAL		0.2799	0.2825	0.2837	0.2216	0.2432

PHYSICAL COLLOCATION
(DIRECTLY ASSIGNED)

FOOTNOTE NUMBER: 42
FUNCTION: ENTRANCE FACILITY SPACE FUNCTION

FRC	TOTAL INV	ANNUAL DEP	ANNUAL COM	ANNUAL FEDERAL INC TAX	ANNUAL STATE & LOCAL INC TAX	ANNUAL CAP COSTS
357C	3500.00	361.55	259.15	101.50	17.85	780.15
377C	0.00	0.00	0.00	0.00	0.00	0.00
77C	0.00	0.00	0.00	0.00	0.00	0.00
20C	5.15	0.00	0.62	0.24	0.04	0.00
10C	68.99	1.79	7.99	2.98	0.52	13.16
TOTAL	3574.17	393.44	277.65	104.72	18.42	794.23

FRC	ANNUAL MTCE	ANNUAL ADVAL TAX	ANNUAL CAPITAL STOCK TAX	ANNUAL OTHER TAX	ANNUAL ADMIN XXXX (SECONDARY INV.)
357C	26.35	39.55	2.10	0.36	63.98
377C	0.00	0.00	0.00	0.00	0.00
77C	0.00	0.00	0.00	0.00	0.00
20C	0.00	0.00	0.00	0.00	0.00
10C	0.22	0.78	0.04	0.01	1.26
TOTAL	26.57	40.39	2.14	0.36	65.23

FRC	ANNUAL ADMIN 6110	ANNUAL ADMIN 6122	ANNUAL ADMIN 6123	ANNUAL ADMIN 6124	ANNUAL ADMIN 6532	ANNUAL ADMIN 6535	ANNUAL ADMIN 6540
357C	0.14	0.52	3.54	13.76	0.00	8.23	1.12
377C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
77C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20C	0.00	0.00	0.01	0.02	0.00	0.01	0.00
10C	0.00	0.01	0.07	0.27	0.00	0.16	0.02
TOTAL	0.14	0.54	3.61	14.05	0.00	8.40	1.14

FRC	ANNUAL ADMIN 6511	ANNUAL ADMIN 6512	ANNUAL ADMIN 6513	ANNUAL ADMIN 6623	ANNUAL ADMIN 6711	ANNUAL ADMIN 6712	ANNUAL ADMIN 6721
357C	0.00	0.00	0.00	26.54	0.00	0.00	5.92
377C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
77C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20C	0.00	0.00	0.00	0.04	0.00	0.00	0.01
10C	0.00	0.00	0.00	0.51	0.00	0.00	0.12
TOTAL	0.00	0.00	0.00	26.59	0.00	0.00	6.04

FRC	ANNUAL ADMIN 6722	ANNUAL ADMIN 6723	ANNUAL ADMIN 6724	ANNUAL ADMIN 6725	ANNUAL ADMIN 6726	ANNUAL ADMIN 6727	ANNUAL ADMIN 6728
357C	0.00	0.00	5.68	0.00	0.00	0.00	0.00
377C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
77C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20C	0.00	0.00	0.01	0.00	0.00	0.00	0.00
10C	0.00	0.00	0.12	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	5.00	0.00	0.00	0.00	0.00

FRC	ANNUAL OPERATING COSTS	ANNUAL TOTAL	MONTHLY TOTAL
357C	198.38	979.51	81.63
377C	0.00	0.00	0.00
77C	0.00	0.00	0.00
20C	0.25	1.15	0.10
10C	3.59	16.78	1.40
TOTAL	203.20	997.43	83.12

PHYSICAL COLLOCATION
(DIRECTLY ASSIGNED)

FOOTNOTE NUMBER: 46
FUNCTION: FLOOR SPACE FUNCTION

FRC	TOTAL INV	ANNUAL DEP	ANNUAL CON	ANNUAL FEDERAL INC TAX	ANNUAL STATE & LOCAL INC TAX	ANNUAL CAP COSTS
357C	0.00	0.00	0.00	0.00	0.00	0.00
377C	0.00	0.00	0.00	0.00	0.00	0.00
77C	0.00	0.00	0.00	0.00	0.00	0.00
20C	276.00	0.00	30.75	12.97	2.88	47.55
10C	7271.00	189.32	861.08	314.83	94.29	1329.49
10C	38181.74	0.00	0.00	0.00	0.00	0.00
TOTAL	45727.74	189.32	893.83	327.40	97.46	1437.04

FRC	ANNUAL MTCE	ANNUAL ADVAL TAX	ANNUAL CAPITAL STOCK TAX	ANNUAL OTHER TAX	ANNUAL ADMIN XXXX (SECONDARY INV.)
357C	0.00	0.00	0.00	0.00	0.00
377C	0.00	0.00	0.00	0.00	0.00
77C	0.00	0.00	0.00	0.00	0.00
20C	0.00	0.11	0.17	0.00	0.00
10C	20.27	62.16	4.36	0.73	132.71
10C	115.81	426.97	21.72	3.89	566.50
TOTAL	136.08	494.24	26.24	4.37	699.21

FRC	ANNUAL ADMIN 8115	ANNUAL ADMIN 8162	ANNUAL ADMIN 8163	ANNUAL ADMIN 8164	ANNUAL ADMIN 8532	ANNUAL ADMIN 8535	ANNUAL ADMIN 8540
357C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
377C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
77C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20C	0.01	0.04	0.29	1.88	0.00	0.88	0.06
10C	0.29	1.08	7.34	28.08	0.00	17.30	2.30
10C	1.45	5.43	36.55	142.33	0.00	85.05	11.58
TOTAL	1.75	6.55	44.18	171.85	0.00	102.78	14.00

FRC	ANNUAL ADMIN 8811	ANNUAL ADMIN 8818	ANNUAL ADMIN 8819	ANNUAL ADMIN 8820	ANNUAL ADMIN 8711	ANNUAL ADMIN 8718	ANNUAL ADMIN 8721
357C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
377C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
77C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20C	0.00	0.00	0.00	0.06	0.00	0.00	0.46
10C	0.00	0.00	0.00	64.10	0.00	0.00	12.29
10C	0.00	0.00	0.00	269.27	0.00	0.00	61.18
TOTAL	0.00	0.00	0.00	335.41	0.00	0.00	73.92

FRC	ANNUAL ADMIN 8722	ANNUAL ADMIN 8723	ANNUAL ADMIN 8724	ANNUAL ADMIN 8725	ANNUAL ADMIN 8726	ANNUAL ADMIN 8727	ANNUAL ADMIN 8728
357C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
377C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
77C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20C	0.00	0.00	0.46	0.00	0.00	0.00	0.00
10C	0.00	0.00	12.29	0.00	0.00	0.00	0.00
10C	0.00	0.00	60.80	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	73.55	0.00	0.00	0.00	0.00

FRC	ANNUAL OPERATING COSTS	ANNUAL TOTAL	MONTHLY TOTAL
357C	0.00	0.00	0.00
377C	0.00	0.00	0.00
77C	0.00	0.00	0.00
20C	10.44	60.98	5.08
10C	378.53	1766.02	147.33
10C	1894.14	1894.14	157.91
TOTAL	2283.11	3721.14	310.43

PHYSICAL COLLOCATION
(DIRECTLY ASSIGNED)

FOOTNOTE NUMBER: 49
FUNCTION: DC POWER GENERATION FUNCTION

FRC	TOTAL INV	ANNUAL DEP	ANNUAL COM	ANNUAL FEDERAL INC TAX	ANNUAL STATE & LOCAL INC TAX	ANNUAL CAP COSTS
357C	0.02	0.00	0.00	0.00	0.00	0.02
377C	3105.50	207.79	246.95	85.03	18.77	515.30
77C	3105.52	217.69	294.75	89.71	19.26	653.40
20C	0.19	0.00	1.08	0.40	0.07	1.56
10C	129.40	5.17	10.69	5.60	0.90	23.29
TOTAL	6342.61	376.62	495.31	180.46	32.99	1293.56

FRC	ANNUAL MTCE	ANNUAL ADVAL TAX	ANNUAL CAPITAL STOCK TAX	ANNUAL OTHER TAX	ANNUAL ADMIN XXXX (SECONDARY INV.)
357C	0.00	0.00	0.00	0.00	0.00
377C	110.25	30.00	1.86	0.31	58.88
77C	75.77	33.00	1.86	0.31	56.50
20C	0.00	0.10	0.01	0.00	0.17
10C	0.39	1.38	0.07	0.01	2.20
TOTAL	186.41	71.87	3.81	0.63	118.75

FRC	ANNUAL ADMIN 8115	ANNUAL ADMIN 8123	ANNUAL ADMIN 8123	ANNUAL ADMIN 8124	ANNUAL ADMIN 8532	ANNUAL ADMIN 8535	ANNUAL ADMIN 8540
357C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
377C	0.12	0.47	3.14	10.20	0.00	7.30	0.89
77C	0.12	0.47	3.14	10.20	0.00	7.30	0.98
20C	0.00	0.00	0.01	0.04	0.00	0.02	0.00
10C	0.00	0.02	0.12	0.46	0.00	0.29	0.04
TOTAL	0.25	0.95	6.41	20.90	0.00	14.91	2.03

FRC	ANNUAL ADMIN 8611	ANNUAL ADMIN 8612	ANNUAL ADMIN 8613	ANNUAL ADMIN 8623	ANNUAL ADMIN 8711	ANNUAL ADMIN 8712	ANNUAL ADMIN 8721
357C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
377C	0.00	0.00	0.00	24.10	0.00	0.00	5.85
77C	0.00	0.00	0.00	23.10	0.00	0.00	5.28
20C	0.00	0.00	0.00	0.01	0.00	0.00	0.02
10C	0.00	0.00	0.00	0.91	0.00	0.00	0.21
TOTAL	0.00	0.00	0.00	47.12	0.00	0.00	10.72

FRC	ANNUAL ADMIN 8722	ANNUAL ADMIN 8723	ANNUAL ADMIN 8724	ANNUAL ADMIN 8725	ANNUAL ADMIN 8726	ANNUAL ADMIN 8727	ANNUAL ADMIN 8728
357C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
377C	0.00	0.00	0.02	0.00	0.00	0.00	0.00
77C	0.00	0.00	0.02	0.00	0.00	0.00	0.00
20C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10C	0.00	0.00	0.21	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	10.69	0.00	0.00	0.00	0.00

FRC	ANNUAL OPERATING COSTS	ANNUAL TOTAL	MONTHLY TOTAL
357C	0.02	0.00	0.00
377C	291.56	877.18	73.10
77C	327.51	882.81	73.41
20C	0.46	2.04	0.17
10C	9.37	29.77	2.48
TOTAL	498.31	1788.38	149.18