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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
Local Exchange Carriers' Rates,	)	
Terms, and Conditions for	)	CC Docket No. 94-97 Phase I
Expanded Interconnection Through	)	
Virtual Collocation for Special	)	
Access and Switched Transport	)	

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U S WEST COMMUNICATIONS, INC. DIRECT CASE

Kathryn Marie Krause
Suite 700
1020 19th Street, N.W.
Washington, DC 20036
303-672-2859

Attorney for
U S WEST COMMUNICATIONS, INC.

Of Counsel,
Laurie J. Bennett

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U S WEST COMMUNICATIONS, INC. DIRECT CASE

I. INTRODUCTION AND SUMMARY

U S WEST Communications, Inc. ("U S WEST") herein responds to the Common Carrier Bureau's ("Bureau") questions as posed in its Investigation Order released February 28, 1995.[1] U S WEST is confident that the information we provide herein is reasonable. It should satisfy the concerns of the Bureau, and the Bureau should permit U S WEST's Virtual Expanded Interconnection ("VEIC") rates, terms and conditions to remain in effect as promulgated by U S WEST.

Below, for the Bureau's convenience, U S WEST's instant filing tracks, virtually verbatim, the questions asked by the Bureau in the Order in which they were asked.

[1]See In the Matter of Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection for Special Access And Switched Transport, CC Docket No. 94-97, Phase I, Order Designating Issues for Investigation, DA 95-374, rel. Feb. 28, 1995 ("Investigation Order" or "Order").

II. RESPONSES TO ISSUES DESIGNATED FOR INVESTIGATION

A. "Are The Overhead Loadings Established In The LECs' Virtual Collocation Tariffs Justified?"[2]

Under this heading, the Bureau requests that the local exchange carriers ("LEC") respond to several items. U S WEST will address each of these items in order.

1. "Comparable Services"[3]

a. "All LECs must comment on whether there are additional services that should be considered comparable services. In particular, the LECs must address whether a promotional offering should be considered a comparable service."[4]

In U S WEST's opinion, there are no additional common carrier services that are comparable to our VEIC services. U S WEST has no other services which originate from interconnector-designated equipment ("IDE") in U S WEST's wire center and terminates on a U S WEST service in that same wire center.

Furthermore, promotional offerings should not be considered as comparable "services." Promotional offerings are generally not "services" at all. By their very nature, such offerings are generally of limited duration and are not intended to last

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[2] Id. § III at Issue A.

[3] Id. § III at 2.

[4] Id. ¶ 17(a) (footnote omitted).

the life cycle of a product. Establishing permanent, long-term rates for a new service, based on a short-term, limited duration pricing theory and practice, would be inconsistent with sound product-cycle management principles.

That is not to say that under certain circumstances a limited duration promotional offering might not be appropriate with respect to VEIC services, or certain elements of that service, just as it is to other services. For example, U S WEST extended one of our promotional offerings to our Expanded Interconnection Collocation ("EIC") services.[5] However, such a promotional offering may not be appropriate with respect to each element of VEIC service.[6] The application of any specific promotional offering would have to be analyzed with respect to its appropriateness and relevancy for VEIC services and rate elements.

b. "All LECs must list all of their unit investment components, and all of the annual cost factors applied to those components, for the following four services: DS1 virtual collocation service; DS3 virtual collocation service; a comparable DS1 service with the lowest overhead loading; and a comparable DS3 service with the lowest overhead loading. Unit investment components should include, but not be limited to, circuit equipment, fiber, conduit, buildings, and land. Annual cost factors should include, but not be limited to, depreciation, cost of money,

[5]See, e.g., our Network Project Plan which was filed as a promotional offering pursuant to U S WEST Transmittal No. 411. That promotion offered customers, for a limited time, a waiver of 50 percent of nonrecurring charges when installing, moving, rearranging, or rolling over at least fifty (50) channel terminations. This promotional offering included the application of Expanded Interconnection Channel Terminations ("EICT").

[6]For example, the IDE is recovered pursuant to a one-time nonrecurring charge. U S WEST would not apply a 50 percent promotional discount to this rate element, while it might apply such a promotion to other more traditional-type nonrecurring charge rate elements.

> income taxes, maintenance expense, administrative expense, marketing expense, and other taxes."[7]

U S WEST has repeatedly stated our position that we currently do not offer any service that is "comparable" to our VEIC services. Having restated our philosophical position, and in order to be responsive to the Bureau's request, we herein state that of the four services identified by the Bureau, the DS1 monthly channel termination rate element (excluding Self Healing Alternate Route Protection ("SHARP") and interoffice mileage) and the DS3 Capacity of One monthly rate element (excluding interoffice mileage) are, in our opinion, the most "comparable" services to the DS1 and DS3 EICT rate elements.

We do not consider SHARP and interoffice mileage to be comparable to the Virtual EICT due to the different service provisioning configurations. SHARP and interoffice mileage are provisioned from fiber termination equipment located in the wire center and terminated at equipment at a customer's premises, or in the customer's serving wire center, respectively. The EICT, on the other hand, is a facility provisioned from the IDE located in the wire center to U S WEST's digital cross-connect equipment also located in the wire center.

The unit investment components for all the rate elements that U S WEST identified as "comparable" (i.e., the DS1 monthly channel termination rate element (excluding SHARP and interoffice mileage)) and the DS3 Capacity of One monthly

[7] Investigation Order ¶ 17(b) (footnote omitted).

rate element (excluding interoffice mileage), and the Virtual EICTs are displayed in Appendix A. They are disaggregated by circuit equipment, fiber, conduit, buildings and land, along with the annual cost factors associated with the investment.

> c. "All LECs must explain whether the annual cost factors were applied in the same manner to the investment components for the two virtual collocation services and the two comparable services. If the same factors were not used, LECs must explain the basis for the differences."[8]

Annual cost factors were applied consistently to the investments. However, different factors were applied based on the investment category (e.g., circuit equipment and land and buildings, etc.). In addition, different factors were applied within an investment category. For example, circuit equipment located at a customer's premises has different factors than circuit equipment located in a wire center.

Additionally, U S WEST updates our cost factors periodically. While the existence or fact of a cost factor may remain constant between and among studies, for example, a cost factor "X," the numeric amount/percentage of that Factor X will change over time. Thus, as cost factor "updates" occur, cost studies will incorporate the most recently calculated Factor X.

The studies provided in Appendix A reflect the utilization of different numeric factors, since the cost studies were done at different times and in different

[8] Id. ¶ 17(c).

years. Despite the fact that the numeric factors may have changed between studies, the application of the cost factor itself (i.e., Factor X) was applied consistently throughout the studies.

> d. "All LECs must list the central office investment and cost components for each of the comparable DS1 and DS3 services identified in (b), above. In addition, LECs must determine and specify the central office investment and cost components for these two comparable services in a manner that parallels the virtual collocation TRP 'functions.' LECs also must describe in detail the function served by each of the investment components they identify for these comparable services."[9]

The investments and costs by equipment name for DS1 Virtual EICT, DS3 Virtual EICT, DS1 and DS3 Capacity of One are listed on the attached Workpapers, along with a description of the function served by each of the cost components (see Appendix A).

> e. "If a LEC concludes that any of the comparable services described in the TRP Order should not be considered comparable, it should explain how the investment components of those services differ from the investment components of the corresponding DS1 or DS3 virtual collocation services."[10]

Reaffirming our position on "comparability,"[11] for purposes of responding to this Bureau inquiry, U S WEST identified standard DS1/DS3 services to be

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[9] Id. ¶ 17(d) (footnote omitted).

[10] Id. ¶ 17(e) (footnote omitted).

[11] See our prior answer at 4-5.

"comparable" to DS1/DS3 EICT only because they both deliver an electrical signal at the 1.544 Mbps and 44.736 Mbps levels. It is clear, however, that from a provisioning perspective, these services are not comparable. Standard DS1/DS3 services are typically provisioned from fiber termination equipment located within the wire center over fiber, terminating at a termination panel located at the customer's premises. The standard DS1/DS3 service requires the use of fiber termination panels, fiber optic terminals, digital cross-connect panels/systems, fiber, repeaters and performance monitoring/test equipment in developing the cost to provide these services.

On the other hand, the EICT is provisioned from the IDE located within the U S WEST wire center over coaxial cable and terminated on a digital cross-connect panel located within the wire center. Equipment required to provision the EICT consists of connecting cables, jumpers, regenerators, and digital cross-connect panels/systems.

The primary reason why different equipment is required to provision these two services is due to the equipment limitations in terms of the distance.

> f. "All LECs must submit current data detailing the percentage of DS1 and DS3 channel terminations that are sold without interoffice mileage. In calculating this percentage, LECs must include any DS1 and DS3 channel terminations that are sold in conjunction with a zero interoffice mileage charge."[12]

[12] Id. ¶ 17(f).

U S WEST's Transport Channel (interoffice mileage) is not calculated on a channel termination basis. Rather, it is calculated on a circuit basis, since there could be one or two channel terminations associated with one circuit. Therefore, the information requested by the Bureau is not directly available to U S WEST.

Rather than providing the number of channel terminations, for which U S WEST would have to make estimates to derive some sort of channel termination per circuit, U S WEST provides below a count of the total DS1 and DS3 circuits with zero-miles transport and a count of the total DS1 and DS3 circuits sold including all miles of transport. Also provided is the percentage of total DS1 and DS3 circuits that are sold with zero-miles transport. The result should provide the Bureau an accurate picture of the way U S WEST provisions its services.

	DS1 Circuits	DS3 Circuits
Total With Zero Miles	181,764	15,770
Total All Miles	299,632	25,770
Percent Zero Miles Of Total	60.66%	61.20%

2. "Comparison Of Overhead Loadings"[13]

a. "[LECs must] explain in their direct cases how the public interest goal of fostering efficient competition in markets for local telecommunications services is advanced if LECs use average overhead loadings for virtual collocation

[13] Id. § III at 3.

> services provided to competitors and below-average loadings for service provided to their own end users."[14]

The Bureau poses its question assuming as a basic proposition that VEIC services and DS1/DS3 services are alike or comparable. From there, it seeks to impose on the LECs the burden of explaining why different pricing philosophies or approaches should be permitted with respect to the "like" services.

There are a couple of problems with this approach. First, one cannot be asked to "defend" a proposition that one deems illegitimate. If the services were comparable, then asking the LECs to defend different treatment might be warranted. However, if the services are not comparable, then asking for such "defense" lacks certain aspects of fundamental fairness, as all offerings were priced pursuant to lawful pricing choices and decisions available to the LECs.

U S WEST's retail DS1 and DS3 rates have been promulgated lawfully pursuant to the Federal Communications Commission's ("Commission") price cap rules and regulations. Theoretically, those rules and regulations are in the public interest, and the Commission has so found. They were also adopted with a view toward efficiency, fairness and market response. Thus, the manner in which U S WEST applies overhead loadings to those services cannot be contrary to the public interest, so long as the application complies with the price cap rules.

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[14] Id. ¶ 19.

The way in which U S WEST has chosen to apply overhead loadings to our VEIC services is, similarly, lawful. Furthermore, as a matter of fact, U S WEST actually applied overheads utilizing a loading factor equal to or lower than the Commission permitted.[15]

For the Bureau to demand "public interest" showings based on an assumption of comparability between the services simply puts the LECs in a position that they cannot possibly defend, other than on the basis of the lawfulness of their conduct and the alignment of such conduct to previously articulated Commission goals and objectives.

While here, the Bureau stresses an "efficient competition in markets for local telecommunications services" goal,[16] in the price cap docket the Commission stressed other important competitive, market and public policy goals.[17] All these goals must be addressed and harmonized. The failure to accomplish such a harmonization should be explained and defended by the Bureau. The burden should not be lateralled off to the LECs in a tariff direct case involving two uncomparable services, serving different markets and introduced at different times.

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[15]In our original filing for Virtual Interconnector Designated Equipment (filed as Transmittal Nos. 530 and 531), U S WEST priced the various rate elements at a 1.3 to 1.72 overhead loading factor, factors equal to or below the previously-prescribed 1.72 overhead loading factor set by the Commission as a Rate Adjustment Factor.

[16]Investigation Order ¶ 19.

[17]See, e.g., In the Matter of Policy and Rules Concerning Rates for Dominant Carriers, CC Docket No. 87-313, Notice of Proposed Rule Making, 2 FCC Rcd. 5208 ¶ 3, 5214 ¶ 38 (1987); Second Report and Order, 5 FCC Rcd. 6786, 6787 ¶ 2 (1990); In the Matter of Price Cap Performance Review for Local Exchange Carriers, CC Docket No. 94-1, Notice of Proposed Rulemaking, 9 FCC Rcd. 1687 ¶ 1, 1692 ¶¶ 31, 33 (1994).

3. "Rate Elements Common To DS1 And DS3 Virtual Collocation Services"[18]

"The Bureau requires all LECs to list the virtual collocation rate elements they treated as nondedicated in their tariff revisions filed pursuant to the Virtual Collocation Tariff Suspension Order in order "[t]o examine the LECs' virtual collocation rate elements that may be used with either DS1 or DS3 level cross-connects."[19]

There were no nondedicated VEIC rate elements filed by U S WEST pursuant to the Virtual Collocation Tariff Suspension Order that would be used with either DS1 or DS3 level cross-connects.[20]

4. "Overhead Loadings On Nonrecurring Charges"[21]

a. "LECs must explain why it is reasonable to assign overhead loadings to nonrecurring charges associated with virtual collocation services."[22]

---

[18]Id. § III at 4.

[19]Id. ¶ 22.

[20]U S WEST's VEIC Entrance Facility rate element is a nondedicated facility that allows several interconnectors to benefit from economies of scale of a shared fiber facility provisioned from the Point of Interconnection and terminated on a fiber distribution panel cabled to the IDE. This rate element, however, is not directly used with DS1 and DS3 level cross-connects.

[21]Investigation Order § III at 5.

[22]Id. ¶ 24(a).

Absent the ability to include an overhead loading factor with respect to our VEIC services, U S WEST would be unable to recover the overhead costs that are not directly attributable to such VEIC services. Such costs include, for example, the costs associated with upper levels of management; and are recoverable only through the vehicle of an overhead loading "factor."

For example, while there were labor rates used to develop the VEIC nonrecurring costs, those labor rates included only the direct costs for providing the service (including direct overhead costs) and did not include other more "general" and "indirect" company overheads. The recovery of these kinds of indirect, non-product specific company overheads is routinely accomplished via the application of an overhead loading factor to a given service.

b. "LECs must identify the term of service that was assumed in developing the overhead loadings assigned to nonrecurring charges associated with virtual collocation services."[23]

U S WEST's nonrecurring charges are not based on a "term of service." Rather, U S WEST's VEIC service is a month-to-month service.

c. "LECs must explain why it is reasonable that their virtual collocation tariffs apparently contain no provisions for refunds of overhead contributions in the event interconnectors discontinue service before completion of the term of service on which the assignment of overhead costs was based."[24]

[23] Id. ¶ 24(b).

[24] Id. ¶ 24(c).

As stated in the immediate-above discussion, U S WEST does not have a "term of service" associated with our VEIC service, other than the traditional month-to-month service arrangement. The costs U S WEST identified as nonrecurring costs are those which are incurred immediately upon implementation of the service, such as those for installation.

With respect to those VEIC service elements for which a nonrecurring charge is assessed, U S WEST performs the activity, function or service necessary at the time the nonrecurring charge is assessed and becomes due and owing. U S WEST, then, has already incurred the cost for which the nonrecurring charge is applicable and there is nothing whatsoever that might qualify to be "refunded." A "refund" to the customer would not be appropriate and would make no sense.

> d. "LECs must explain whether overhead loadings are recovered through any nonrecurring charges associated with comparable DS1 and DS3 services. If so, these charges must be identified. If not, LECs must explain why the treatment of overhead loadings on comparable services differs in this respect from that for virtual collocation services."[25]

Like with our VEIC services, U S WEST does recover overhead loadings in our nonrecurring charges for those DS1 and DS3 services which we have identified to the Bureau as "comparable" for purposes of this proceeding. And, with respect to

[25] Id. ¶ 24(d).

those customers who purchase DS1/DS3 services pursuant to term agreements, U S WEST has chosen to recover a portion of the nonrecurring overhead loadings via recurring rate elements.

A comparison of this pricing strategy with our VEIC services demonstrates certain fundamental differences. First of all, there are no term periods associated with VEIC services. Secondly, the VEIC service nonrecurring charges (including the overhead loading factors incorporated into such charges) do not always lend themselves to a cost recovery model wherein those costs can be recovered on a recurring basis. For example, the VEIC IDE costs cannot be recovered over time. Therefore, the overhead loadings associated with this rate element must be recovered in the nonrecurring rate.

There are also certain EIC rate elements that carry a recurring charge, e.g., the entrance facility and the EICT. With respect to these elements, and because the VEIC service is month-to-month and carries no fixed term, U S WEST has chosen to recover the nonrecurring overheads in the nonrecurring rates associated with those service elements.

III. CONCLUSION

For the above-stated reasons, U S WEST's VEIC Tariff provisions, being

reasonable in both their costs and rates and representing prudent exercises of management prerogative, should be sustained and allowed to remain in effect.

Respectfully submitted,

U S WEST COMMUNICATIONS, INC.

By: Kathryn Marie Krause

Kathryn Marie Krause
Suite 700
1020 19th Street, N.W.
Washington, DC 20036
303-672-2859

Its Attorney

Of Counsel,
Laurie J. Bennett

March 21, 1995

APPENDIX A

INVESTMENTS AND COST COMPONENTS OF COMPARABLE DS1 AND DS3 SERVICES

DS1 and DS3 Cost Component Description:

Equipment and costs in the central office are designated by account: 357C - Circuit; 20C - Land; and 110C - Building. Equipment and costs at the customer premises are designated by account 758C.

DS1 And DS3 Equipment Description

Circuit - (357C - Central Office and 758C - Premises) includes the following:

-- Fiber Optic Terminal is the electronic fiber equipment.

-- Common Plugs are the primary plug-ins required in a fiber optic terminal.

-- Channel Plugs are the primary plug-ins required for each required channel in a fiber optic terminal.

-- Fiber Distribution Panel is used to terminate and connect fiber cables.

-- Regenerators are used on cables to control signal strength.

-- DSX-1 is used to terminate cables that connect electronic equipment for DS1s.

-- DSX-3 is used to terminate cables that connect electronic equipment for DS3s.

-- DCS (Performance Monitoring) is a Digital Cross Connect System that connects DS1s and/or DS3s and is used for testing.

-- Repeater Bay is electronic equipment used to build out DS1s that may be routed from one floor in a building to another floor.

-- M13 Mux is electronic equipment that can be used to channelize a DS3 into a DS1.

Land And Building - (20C and 110C)

-- Identifies costs for the equipment space taken up by the equipment in a U S WEST building and the associated land.

3/20/95
DS1 Virtual EICT
Cross Connect Function
1995 Recurring Costs

		357C Invest.	357C Annual Factor
1	Investments	$397.66	
2	Cables	$147.61	
3	Land and Build. - Account 20C &110C	$24.75	
4	Total Investment - 1995	$570.02	
5	Depreciation Expense	$61.54	0.1080
6	Cost of Money	$31.44	0.0552
7	Federal Income Tax	$14.16	0.0248
8	AdValorem	$7.14	0.0125
9	Maintance Expense	$12.22	0.0214
10	Admin and Other Expense:	$12.96	0.0227
11	Business Fees	$1.08	0.0019
12	Billing and Collection	$6.83	0.0120
13	Annual Cost per Unit	$147.39	0.2586
14	Monthly Cost per Unit	$12.28	

3/20/95
DS3 Virtual EICT
Cross Connect Function
1995 Recurring Costs

		357C Invest.	357C Annual Factor
1	Investments	$1,271.00	
2	Cables	$659.84	
3	Land and Build. - Account 20C &110C	$87.66	
4	Total Investment - 1995	$2,018.50	
5	Depreciation Expense	$217.92	0.1080
6	Cost of Money	$111.34	0.0552
7	Federal Income Tax	$50.16	0.0248
8	AdValorem	$25.28	0.0125
9	Maintance Expense	$43.26	0.0214
10	Admin and Other Expense:	$45.91	0.0227
11	Business Fees	$3.83	0.0019
12	Billing and Collection	$24.20	0.0120
13	Annual Cost per Unit	$521.91	0.2586
14	Monthly Cost per Unit	$43.49	

3/20/95
DS1
1994 Recurring Costs
Page 1 of 2

		357C Circuit Equip. (C.O.)		758C Circuit Equip. (Premise)		4C Conduit	
1	Circuit Equip -Account 357C	$1,678.65		$1,964.44		$87.94	
2	Land and Build. -Account 20C & 110C	$76.04					
		---		---		---	
3	Total Investment - 1994	$1,754.69		$1,964.44		$87.94	
	Annual Capital Costs						
4	Depreciation Expense	$180.41	0.1028	$209.08	0.1064	$3.64	0.0414
5	Cost of Money	$81.39	0.0464	$89.05	0.0453	$5.22	0.0593
6	Federal Income Tax	$41.81	0.0238	$43.92	0.0224	$2.33	0.0265
	Annual Operating Costs						
7	AdValorem	$31.78	0.0181	$34.14	0.0174	$0.48	0.0055
8	Maintance Expense	$19.83	0.0113	$22.20	0.0113	$0.89	0.0102
9	Admin Expense	$33.57	0.0191	$37.66	0.0192	$1.17	0.0133
10	Business Fees	$2.88	0.0016	$3.23	0.0016	$0.14	0.0016
11	Billing and Collection	$20.96	0.0119	$23.50	0.0120	$0.74	0.0084
12	Annual Cost per Unit	$412.63	0.2352	$462.78	0.2356	$14.61	0.1662
13	Monthly Cost per Unit	$34.39		$38.57		$1.22	

3/20/95
DS1
1994 Recurring Costs
Page 2 of 2

		85C/845C Buried/ Underground Fiber		Total	
1	Circuit Equip -Account 357C	$159.31		$3,891.35	
2	Land and Build. -Account 20C & 110C			$78.04	
		---		---	
3	Total Investment - 1994	$159.31		$3,969.39	
	Annual Capital Costs				
4	Depreciation Expense	$7.75	0.0487	$405.14	0.1021
5	Cost of Money	$11.12	0.0698	$191.93	0.0484
6	Federal Income Tax	$4.97	0.0312	$99.11	0.0250
	Annual Operating Costs				
7	AdValorem	$1.02	0.0064	$74.47	0.0188
8	Maintance Expense	$1.90	0.0119	$52.86	0.0133
9	Admin Expense	$2.49	0.0156	$83.94	0.0211
10	Business Fees	$0.29	0.0018	$16.54	0.0042
11	Billing and Collection	$1.58	0.0099	$57.82	0.0146
12	Annual Cost per Unit	$31.14	0.1955	$933.80	0.2473
13	Monthly Cost per Unit	$2.59		$89.76	

3/20/95
DS3 - Capacity of 1
1993 Recurring Costs

		357C Circuit Equip. (C.O.)	357C Annual Factor	758C Circuit Equip. (Premise)	758C Annual Factor	4C Conduit	4C Annual Factor	
1	Investments	$11,184.72		$11,189.14		$2,824.67		1
2	Land and Build. -Account 20C & 110C	$499.96						2
				---		---		
3	Total Investment - 1993			$11,189.14		$2,824.67		3
4	Depreciation Expense	$95.07	0.0976	$1,131.95	0.1012	$72.59	0.0257	4
5	Cost of Money	$52.43	0.0538	$589.28	0.0527	$203.66	0.0721	5
6	Federal Income Tax	$23.25	0.0239	$272.34	0.0243	$90.39	0.0320	6
7	AdValorem	$11.30	0.0116	$129.79	0.0116	$32.77	0.0116	7
8	Maintance Expense	$15.36	0.0158	$227.14	0.0203	$5.65	0.0020	8
9	Admin Expense	$12.81	0.0132	$217.19	0.0194	$37.43	0.0133	9
10	Business Fees	$1.83	0.0019	$22.34	0.0020	$3.41	0.0012	10
11	Billing and Collection	$10.25	0.0105	$125.17	0.0112	$21.55	0.0076	11
12	Annual Cost per Unit		0.2283	$2,715.19	0.2427	$467.44	0.1655	12
13	Monthly Cost per Unit	$222.28		$226.27		$38.95		13

3/20/95
DS3 - Capacity of 1
1993 Recurring Costs
Page 2 of 2

	85C/845C Buried/ Underground Fiber	85C/845C Annual Factor	Total	Total Annual Factor
Investments	$5,131.50		$30,330.03	
Land and Build. -Account 20C & 110C			$499.96	
	---		---	
Total Investment - 1993	$5,131.50		$30,829.99	
Depreciation Expense	$296.11	0.0577	$2,641.44	0.0857
Cost of Money	$322.87	0.0629	$1,744.94	0.0566
Federal Income Tax	$145.19	0.0283	$786.92	0.0255
AdValorem	$59.53	0.0116	$357.63	0.0116
Maintance Expense	$44.01	0.0086	$461.07	0.0150
Admin Expense	$80.18	0.0156	$488.52	0.0158
Business Fees	$7.30	0.0014	$54.99	0.0018
Billing and Collection	$46.16	0.0090	$315.83	0.0102
Annual Cost per Unit	$1,001.34	0.1951	$6,851.34	0.2222
Monthly Cost per Unit	$83.45		$570.95	