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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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

Attachment D

In the Matter of	)
	)
1993 Annual Access Tariff Filings	)
	)

Opposition to Petitions to Reject or In the Alternative, Suspend and Investigate

The Ameritech Operating Companies (Ameritech)[1] pursuant to §1.773 of the Federal Communications Commission's (Commission) Rules, 47 C.F.R. §1.773, respectfully submit the following Opposition to the Petitions to Reject or in the Alternative Suspend and Investigate, Ameritech's Tariff Transmittal No. 702. These Petitions challenge, among other things, Ameritech's request for exogenous cost treatment for a portion of the transitional benefit obligation (TBO) of other post employment benefit (OPEBs) costs associated with providing these benefits to current retirees. However, in Transmittal No. 702 and explained again herein, the Commission must grant exogenous treatment for this specific portion of the TBO because it meets the criteria established by the Commission for exogenous cost treatment under price caps. Therefore the Commission should reject these Petitions.

I. The TBO Cost Associated With Current Retirees Meets the Commission's Criteria for Exogenous Cost Treatment.

Each of the Petitions argue that Ameritech has failed to show that the TBO amount associated with current retirees meet the Commission's criteria for exogenous cost treatment under price caps. The Petitions generally argue that either Ameritech controls the TBO costs, or Ameritech has not proven that exogenous cost treatment will not result in double counting.

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[1] The Ameritech Operating Companies are: Illinois Bell Telephone Co., Indiana Bell Telephone Co., Inc., Michigan Bell Telephone Co., The Ohio Bell Telephone Co., and Wisconsin Bell, Inc.

With regard to cost control, AT&T and MCI argue that Ameritech can control these TBO costs through cost management techniques. Specifically, AT&T argues that since Ameritech maintains the right to modify the benefit plan, even for current retirees, it controls those costs of the TBO associated with current retirees.[2] Similarly, MCI argues that Ameritech has confused benefit levels offered to current retirees with the costs levels of those benefits, and even though Ameritech may offer a current benefit level, it still controls the costs of providing those benefits.[3]

These arguments ignore the fact that Ameritech does incur substantial incremental costs with the implementation of SFAS No. 106. Rather they focus on Ameritech's ability to impact those costs. However, those arguments pertain to the **amount** of costs for which Ameritech should receive exogenous cost treatment -- not whether Ameritech should receive exogenous cost treatment at all. In this regard, SFAS No. 106 found that OPEBs constitute a form of deferred compensation and dictates that Ameritech adopt the method for accrual accounting for OPEB expenses. This required change in accounting treatment imposes additional costs on Ameritech which Ameritech would not have absent the adoption of SFAS No. 106.

AT&T misses the point when it argues that since Ameritech can legally change the benefit plan it controls the costs. First, SFAS No. 106 was designed to provide an accurate financial picture of a company, and concludes that the definition of a financial liability is not dependent on the legal status of an obligation but is appropriately based on the historical and anticipated financial obligations of the company. Second and more importantly, Ameritech does not

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[2] AT&T Petition at 7-8.

[3] MCI Petition at 7-10.

have unlimited control over the reduction in the portion of the TBO for which it now seeks exogenous cost treatment. Ameritech must consider the potential ethics, labor relations and public relations impacts if it unilaterally changes the benefit levels available to current retirees. Such a measure not only would result most likely in myriad lawsuits, but also puts Ameritech's current work force at risk as employees reevaluate their compensation packages due to the changes in OPEBs and fight for higher immediate rewards.[4]

With regard to MCI's allegation that we can control the TBO costs, again the argument focuses on the **amount** of costs for which Ameritech should receive exogenous cost treatment and not **whether** it should receive exogenous cost treatment. MCI does not challenge the fact that the implementation of SFAS No. 106 – over which Ameritech has no control – results in Ameritech incurring substantial costs. Ameritech addresses MCI's stated concerns about controlling TBO cost in its estimate of the TBO amount. In this regard, Ameritech has instituted cost control measures and assumed it would continue with those measures in the future in its estimate of the TBO as evidenced by the low inflation rate built into the calculation. Clearly, the implementation of SFAS No. 106 has resulted in Ameritech incurring costs over which it has no control. Therefore, Ameritech meets the first criteria for receiving exogenous cost treatment for that portion of the TBO associated with current retirees.

A second argument raised by Petitioners is that exogenous treatment will result in double recovery of these costs. Most Petitioners argue that the Godwins' study must be disregarded because it conflicts with the NERA study

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[4] *See e.g.*, "Retirees Losing Health Benefits," San Francisco Chronicle, p. C3, March 3, 1993. The article cites a class action lawsuit filed by retirees of McDonnell Douglas Corp., in an attempt to retain health insurance which is being eliminated by the company over the next four years. It also quotes Congressional Representative Howard Metzenbaum's opinion on the issue as "It's an outrage. You just don't make a commitment and then break the commitment."

and that Godwins' assumptions and sensitivity analyses prove the speculative nature of the study.[5] However, as fully explained in the Description and Justification in Transmittal No. 702, the Godwins' study is not unreliable merely because it considered different assumptions than those used by NERA.[6] In this regard, the Description and Justification included additional analyses prepared by Godwins to demonstrate the conservative nature of the study. Using the underlying assumption of the NERA study, Godwins provided two sets of illustrative calculations which clearly show that had the NERA approach been used by Godwins a significantly higher percentage of the LECs' incremental SFAS No. 106 costs would have been found to be unrecovered by the GNP-PI. In addition, Godwins reviewed the parameter values used in their baseline study. The results of this review show that only 0.3 percent of LECs' incremental OPEB expenses will be recovered through the GNP-PI, while an additional 12.3 percent might be recovered through additional macroeconomic effects. Clearly these two additional analyses reaffirm the conservative nature of the original Godwins' study.

Furthermore, Petitioners provide no evidence that the Godwins' study is incorrect. Rather they make general allegations that the Godwins' study is based on unverifiable assumptions[7] or cannot be "accurately calculate[d]."[8] As the Commission well knows, use of some assumptions in economic modeling is necessary and does not undermine the results of the study. What Petitioners fail to mention is that both studies using opposite assumptions (Godwins assumed

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[5] Ad Hoc Petition at 4-5; AT&T Petition at 16-17; MCI Petition at 13-14; and Sprint Petition at 3-4.

[6] Ameritech Transmittal No. 702 at 9-11.

[7] MCI Petition at 13.

[8] AT&T Petition at 20.

that the implementation of SFAS No. 106 will result in increased prices, and NERA assumed that the implementation of SFAS No. 106 will not result in increased prices for non-regulated companies) arrive at the same conclusion -- that the implementation of SFAS No. 106 impacts the local exchange companies greater than other businesses and will not be fully reflected in changes in the GNP-PI. Clearly, the Commission should accept the results of the Godwins' study.

Petitioners also claim that exogenous cost treatment will result in double recovery because the impact of SFAS No. 106 was included in the Commission's consideration of the rate of return prescription.[9] However, as noted in Transmittal No. 702, since the Commission did not modify its position that all mandatory GAAP changes would be considered exogenous until the first half of 1991; investors most likely would have assumed that exogenous treatment would be granted for the increased expenses related to the implementation of SFAS No. 106. Therefore, investors would not have required a greater rate of return when the Commission prescribed the rate in September 1990.

Furthermore, Petitioners claim that exogenous treatment will result in double recovery because these costs are reflected in the productivity factor of price caps through the inclusion of VEBA trusts in some of the periods evaluated in determining the LEC productivity level.[10] As noted in Transmittal No. 702, VEBA trusts were established to recognize deferred compensation for active employees. However, Ameritech only seeks exogenous treatment for a portion

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[9] Ad Hoc Petition at 5-8; AT&T Petition at 17; and ICA Petition at 3.

[10] Ad Hoc Petition at 5; MCI Petition at 16-18.

of the TBO associated with current retirees. Therefore VEBA trusts are not applicable to this request.[11]

Finally, Petitioners argue that exogenous cost treatment should not be granted because the TBO amounts are estimated and therefore speculative.[12] Although Ameritech must estimate its expenses for OPEBs to implement SFAS No. 106, the Financial Accounting Standards Board did not find that the estimation of these costs would be so fraught with uncertainty as to justify not implementing the accounting change. Similarly, the Commission has authorized LECs to implement SFAS No. 106 and requires them to amortize the TBO to avoid rate shock. To reject exogenous cost treatment because the amounts are estimates would be inconsistent with this Commission order.

Based on the foregoing, Ameritech has shown that the portion of the TBO associated with current retirees meets the Commission's criteria for exogenous cost treatment under price caps.

II. Ameritech Did Not Miscalculate The Removal of Its 1992 Sharing Amounts.

Sprint alleges that Ameritech made an error in its Price Cap Index (PCI) calculation associated with the removal of 1992 sharing amounts, thereby overstating its PCI.[13] Sprint claims that the 1993 removal should be 1.36 percent higher than the 1992 sharing amount based on the growth in total interstate revenues, while the amount filed by Ameritech is 1.66 percent higher. Sprint

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[11] If the Frentrup-Uretsky productivity study excluded VEBA trust contributions, the results would not have been significantly different.

[12] Ad Hoc Petition at 2 and 11; ICA Petition at 3.

[13] Sprint Petition at 5-6.

incorrectly interprets the instructions for the removal of sharing provided in the *TRP Order*.[14] Footnote 30 in the *TRP Order* says:

> Because "R", the variable in the PCI formula that equals base period demand multiplied by rates, has changed since the 1992 annual access filings, the amount displayed for the removal of the sharing or low end adjustment will not match the original sharing or low end adjustment reported in the 1992 TRP. The amount of the removal should differ from the original sharing or low end adjustment by the same percentage as "R" differs between the 1992 and 1993 annual access filings.

Ameritech calculated the sharing removal amount individually for each basket based on the percentage change in the "R" value for that basket. There is no "R" value for total interstate. It would not be appropriate to add the "R" values for each basket to obtain a total interstate value because the imputed access revenues for interstate intraLATA traffic would be double counted since they appear in the Interexchange basket as well as the Common Line and Traffic Sensitive baskets. The sum of the sharing removal amounts across the four baskets is 1.66 percent greater than the sum of the 1992 sharing amount. This percentage difference does not equal 1.36 because the percentage changes differ by basket, where the Common Line and Interexchange baskets' "R" value declined from the 1992 to 1993 annual filings, and the Traffic Sensitive and Special Access baskets' "R" value increased. Based on the foregoing, Ameritech properly calculated the sharing removal amounts based on each basket's percentage change in its "R" value.

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[14]Commission Requirements For Cost Support Material To Be Filed with 1993 Annual Access Tariffs, released February 18, 1993, footnote 30 (*TRP Order*).

III. Ameritech Correctly Calculated Its Exogenous Cost Change for NECA Support Payments.

Ad Hoc seeks an investigation into the exogenous cost changes for NECA support payments.[15] Ad Hoc claims that these amounts should be investigated because they vary significantly between LECs. However, the Commission need not initiate an investigation. Ameritech correctly calculated its exogenous change for support payments. Merely because the amounts vary significantly between LECs is not evidence that any calculations were done incorrectly. In fact, it is expected that the exogenous amounts would vary due to the considerable differences between past contribution levels of the LECs and the schedule of the elimination of the transitional support payments. Thus, the Commission should reject this argument.

IV. Ameritech's Special Access Rates Are Reasonable.

MFS claims that the Commission should reject Ameritech's Transmittal No. 702 because its long term and volume discount rates are unreasonable and discriminatory.[16] In making these claims, MFS makes only general and conclusory statements, and provides no evidence, or even **factual allegations**, that indicate Ameritech's long term and volume discount rates are unreasonable. Ameritech's rates are below the price cap and within the subband indices as required by the Commission's rules. Therefore they are presumptively reasonable. Moreover, Ameritech did not change these rates from the 1992 Annual tariff filing. Clearly MFS is flailing to find any argument to delay these tariff filings. The Commission should reject these claims and allow Transmittal No. 702 to become effective.

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[15] Ad Hoc Petition at 2.

[16] MFS Petition at 2-7.

V. Conclusion.

In this Opposition, Ameritech demonstrates that the Commission should dismiss the arguments set forth in the Petitions to Suspend and Reject Transmittal No. 702 because they do not raise any substantive arguments. Therefore, the Commission should grant exogenous treatment for that portion of the TBO associated with current retirees, as requested in Ameritech's Transmittal No. 702, and allow the other rates provided in Transmittal No. 702 to become effective.

Respectfully submitted,

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Date: May 10, 1993

CERTIFICATE OF SERVICE

I, Diana M. Lucas, do hereby certify that copies of the foregoing Oppostion was sent via first class mail, postage prepaid, to the following on this the 10th day of May 1993:

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Attachment E

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

In the Matter of	)	
	)	
1993 Annual Access Tariff Filings	)	CC Dkt. No. 93-193
	)	

AMERITECH RESPONSE TO DESIGNATED ISSUES FOR INVESTIGATION

Pursuant to §§ 4(i), 4(j), and 204(a) of the Communications Act of 1934 and the Federal Communications Commission's (Commission) order in the above captioned matter, the Ameritech Operating Companies (Ameritech),[1] respectfully submit the following responses.

I. Background

On June 23, 1993, the Commission issued a *Designation Order*[2] which suspended Ameritech's and the other local exchange carriers' (LECs) annual access rates for one day and initiated an investigation into the tariffs of those LECs seeking exogenous cost treatment for the costs associated with the adoption of SFAS No. 106. It also suspended rates for one day and initiated an investigation regarding the method of calculating price cap indices to properly reflect sharing and low-end adjustments. Finally, the *Designation Order* initiated an investigation into a variety of miscellaneous issues, including the reallocation of General Support Facility (GSF) costs and the method of charging for Line

[1] The Ameritech Operating Companies are: Illinois Bell Telephone Company, Indiana Bell Telephone Co., Inc., Michigan Bell Telephone Company, The Ohio Bell Telephone Company, and Wisconsin Bell, Inc.

[2] 1993 Annual Access Tariff Filings, CC Docket No. 93-193, DA 93-762. 8 FCC Rcd. (1993) (*Designation Order*).

Information Database (LIDB) queries.[3] In the *Designation Order*, the Commission requires that LECs file their response to the Commission's questions on July 27, 1993.

II. Direct Case

A. Have the LECs borne their burden of demonstrating that implementing SFAS No. 106 results in an exogenous cost change for the TBO under the Commission's price cap rules?

Yes. Ameritech has demonstrated in both the direct case on OPEBs and Transmittal No. 702, that at a minimum the Commission should grant exogenous cost treatment for those incremental costs associated with the implementation of SFAS No. 106 for existing retired employees. In this regard, Ameritech has shown that it does not control the accrual of the transitional benefit obligation (TBO) for current retirees. Under SFAS No. 106, Ameritech is required to estimate the costs of offering benefits to these current retirees in the future and accrue for those costs today.

The question of whether Ameritech retains the technical legal authority to change or modify these benefit plans should not determine whether exogenous cost treatment is granted. In particular, the Commission should recognize that the Financial Standards Accounting Board (FASB) in adopting SFAS No. 106 found that accrual accounting for those costs was appropriate based on the historical and anticipated obligations of the company. FASB did not find that the definition of financial liability was dependent on the legal status of an obligation.

More importantly, the Commission must recognize that Ameritech does not have unlimited power to reduce the portion of the TBO for which it now seeks exogenous cost treatment. In this regard, Attachment 1 shows that the majority of Ameritech's current retirees retired between the ages of 55 and 65

[3] *Designation Order* at ¶3.

years of age after approximately 30 to 40 years of service with the company.[4] After having worked for Ameritech for 30 to 40 years during which these types of benefits were provided to retirees, the current retirees have certain expectations that such benefits will continue. Clearly, Ameritech must take into account the significant ethics, labor and public relations impacts that rescission of these benefits would have on the current retirees as well as Ameritech's current workforce.[5] Such a measure would certainly result in myriad lawsuits from current retirees, and risk Ameritech's current workforce as current employees reevaluate the benefits/rewards of working for the company.

As for the Commission's concern with regard to the double counting of these costs,[6] Ameritech addressed these issues in its Description and Justification (D&J) and Opposition to Petitions to Reject Transmittal No. 702.[7] Specifically, Ameritech noted that investors could not have required a greater rate of return for SFAS No. 106 costs in September, 1990; because the Commission at that time indicated that it would grant exogenous cost treatment for all mandatory GAAP changes. The Commission did not change this decision until 1991. In addition, the issue of whether there is double counting in the productivity factor due to the

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[4] Attachment 1 includes information on the ages at which employees will retire and the length of service of retirees which was used to compute the OPEB amounts. Ameritech did not provide information on the age of the workforce since it seeks exogenous cost treatment for only that portion of the TBO for current retirees. Ameritech includes in Attachment 2 the pertinent sections from summary plan descriptions which describe the benefits other than pensions which apply to management employees and retirees. Also included in Attachment 2 are pertinent sections from labor union contracts, although these contracts do not apply to retirees and therefore are irrelevant to Ameritech's request.

[5] *See*, 1993 Annual Access Tariff Filings, Ameritech Opposition to Petitions to Reject or In the Alternative Suspend and Investigate, Transmittal No. 702, at p. 2-3, filed May 10, 1993 (Ameritech Opposition).

[6] *Designation Order* at ¶ 29.

[7] Ameritech Opposition at 5-6.

inclusion of VEBA trusts is not applicable to Ameritech's request for exogenous treatment. Ameritech requests exogenous treatment for only that portion of the TBO associated with current retirees.[8] Therefore, VEBA trusts which recognize deferred compensation for active employees do not effect this TBO amount. Consequently, at a minimum, the Commission should grant exogenous cost treatment to the TBO costs associated with current retirees.

B. To what category or categories should the LIDB per query charges be assigned?

In the *Designation Order*, the Commission noted that LECs placed LIDB service in the traffic sensitive price cap basket for the first time in their 1993 annual tariff filings.[9] LIDB was just included under price caps in the 1993 filing because it was the first annual filing following the completion of the base year in which LIDB was introduced. In the *Designation Order*,[10] the Commission asks in which basket the LIDB charges should be placed.

The four price cap baskets in which the LIDB charges could be placed are carrier common line, traffic sensitive, special access and interexchange. LIDB service has no relation to carrier common line services, special access services or interexchange services. The LIDB per query charges are comprised of the LIDB Transport charge and the LIDB Validation charge, both of which are required for every query. Since LIDB does include a charge for transport service, the LIDB per query charges should be placed in the local transport service category under the traffic sensitive basket as proposed in Ameritech's annual filing. United was

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[8] *Id.*

[9] *Designation Order* at ¶ 61-62.

[10] *Id.* at ¶ 105.

the only LEC that placed the LIDB charges in local switching. Clearly, there appears to be consensus that local transport is where it belongs.

C. How should price cap LECs reflect amounts from prior years' sharing or low-end adjustments in computing their rates of return for the current year's sharing and low-end adjustments to price cap indices?

Since this is a proceeding to determine whether LEC rates are lawful, and since Ameritech's rates are governed by the Commission's price cap system, the question should properly be whether Ameritech's treatment of prior year's sharing in calculating the current year's sharing adjustment to its price cap indices violated the Commission's rules. The answer is no.

Ameritech has consistently calculated its sharing obligations in full compliance with the Commission's rules and orders. Ameritech reduced its PCIs by approximately $9.1 million in 1992. The sharing amount was calculated using the Commission's price cap sharing formula as applied to Ameritech's 1991 earnings. That sharing resulted in reduced revenues and reduced earnings for Ameritech during 1992 (and for the first half of 1993). Then, in determining the sharing amounts to be included in its 1993/94 rates, Ameritech looked at its actual 1992 earnings. Nothing in the Commission's price cap orders or its rules requires Ameritech to adjust its base period earnings in any way prior to calculating the new year's sharing amount.

The Commission's question raises the issue as to whether its price cap rules should be read as requiring the adjustment of those base period earnings, specifically by "adding back" to that year's earnings any amounts "shared" during that period -- in the same manner that refunds were treated under rate of return regulation. As the Commission notes in the *Designation Order*,[11] that issue

[11] *Designation Order* at para. 32.

is currently the subject of a rulemaking proceeding.[12] Moreover, in the Add Back NPRM itself, the Commission states that the issue of add back "was neither expressly discussed in the LEC price cap orders nor clearly addressed in our Rules."[13] Since the Commission's rules did not require add back in the calculation of sharing, failure to include add back adjustments in the calculation of the 1993/94 sharing amounts cannot be grounds for rejecting Ameritech's rates.

The question posed in the *Designation Order* – *i.e.*, how should sharing be calculated, with or without add back – is in fact the issue raised in the Add Back NPRM. The Commission recognized this when, in the *Designation Order*, it stated, "This issue is being addressed in a Notice of Proposed Rulemaking."[14] In that separate proceeding, the Commission is considering modifying its rules to require add back in the sharing calculation; however, the proposed rule change could not be given retroactive effect.[15] Ameritech will file its comments in that proceeding opposing such a rule change as being inconsistent with the Commission's price cap regulatory scheme. In this proceeding, however, it suffices to say that add back was not required by the Commission's rules and that, therefore, failure to include add back in the sharing calculation cannot form a basis for rejecting the rates in question.

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[12] In the Matter of Price Cap Regulation of Local Exchange Carriers Rate of Return Sharing and Lower Formula Adjustment, CC Docket No. 93-179, Notice of Proposed Rulemaking, FCC 93-325 (released July 6, 1993) ("Add Back NPRM").

[13] *Id.* at para. 4.

[14] *Designation Order* at para. 32.

[15] 5 U.S.C. § 553.

D. Should Bell Atlantic be permitted to exclude end user charge revenues from the common line basket for the purposes of computing sharing obligations?

For the purposes of allocating sharing back to price cap LEC rates, the Commission, in its 1992 Annual Access Order found that sharing allocation based on revenues constituted a reasonable cost causative method. Bell Atlantic excluded End User Common Line (EUCL) revenues from its Common Line basket revenues in determining the sharing amount allocated to the Common Line basket.

Bell Atlantic's methodology is reasonable. Since, EUCL charges are determined outside the price cap mechanism, any sharing amounts allocated to the Common Line basket flow directly to Carrier Common Line (CCL) rates. In other words, EUCL charges are not affected by sharing. If EUCL revenue is included in the sharing allocation method, the customers who pay the CCL charge receive a windfall since the portion of sharing that will be allocated to the CCL charge will be based on both CCL and EUCL revenue. Bell Atlantic's method does not reduce the LEC's total sharing obligation. Rather, it results in a sharing allocation to the CCL charge that is based on CCL revenues and that is not augmented by the revenues from charges that will not receive the benefit of sharing. The Commission should sanction Bell Atlantic's methodology as cost causative and permit other price cap LECs to make modifications to adopt the Bell Atlantic methodology if they so choose.

E. Have the LECs properly reallocated GSF costs in accordance with the GSF Order?

In its Transmittal No. 717, filed June 17, 1993, Ameritech filed PCI and rate changes to become effective July 1, 1993, to implement the reallocation of general support facility (GSF) costs resulting from the Commission's order in CC Docket

No. 92-222.[16] The effect of the Commission's order was to remove the prior exclusion of the Common Line category as one to which GSF costs are allocated by Part 69 of the Commission's rules. The result is a straightforward reallocation of those costs based on investment and expenses in all interstate rate categories. Included in this filing as Attachment 3 is the Description and Justification and associated Exhibit 19 from Ameritech's Transmittal No. 717 demonstrating how GSF costs were reallocated in compliance with Part 69 as modified.

III. Conclusion

Based on the foregoing, Ameritech has demonstrated that its rates are just and reasonable. Therefore, the Commission should dismiss the suspension and accounting order, and allow the filed rates to become effective.

Respectfully submitted,

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Date: July 27, 1993

[16] In the Matter of Amendment of the Part 69 Allocation of General Support Facility Costs, CC Docket No. 92-222, Report and Order, FCC 93-238 (released May 19, 1993) ("GSF Order").

ATTACHMENT 1

CURRENT AGES OF RETIREES

Current Age	Total
Under 50	76
50-54	1,521
55-59	4,702
60-64	9,049
65-69	11,062
70-74	7,692
75-79	4,340
80-84	4,326
85-89	2,210
90 and over	680
Total	45,658
Total Under Age 65	15,348
Total Age 65 and Over	30,310

Notes: "Current Age" is age as of December 31, 1990.

"Retirees" includes all service pensioners (or their surviving spouses), including those who elected lump sum payments and those who are or were disabled and are now receiving payments from the pensions trusts.

Source: Data provided to the actuary as of December 31, 1990.

CURRENT SURVIVING RETIREES

AGE AT DATE OF RETIREMENT

Age	Number
Under 45	14
45	1
46	34
47	106
48	438
49	560
50	1,264
51	1,272
52	1,499
53	1,800
54	2,148
55	5,862
56	3,250
57	3,310
58	3,243
59	3,238
60	3,424
61	2,974
62	4,571
63	1,953
64	1,500
65	3,867
66	93
67	42
68	26
69	10
Over 69	19
Total	45,658

Source: Data provided to the actuary as of December 31, 1990.

CURRENT SURVIVING RETIREES
SERVICE AT DATE OF RETIREMENT

Years of Service	Number
Under 10	25
10	50
11	57
12	41
13	55
14	63
15	122
16	113
17	108
18	116
19	160
20	1,591
21	803
22	700
23	681
24	605
25	1,368
26	1,146
27	1,171
28	1,275
29	1,289
30	3,413
31	2,470
32	2,542
33	2,800
34	3,065
35	3,311
36	3,018
37	2,452
38	1,949
39	1,507
40	1,955
41	1,658
42	1,186
43	725
44	519
Over 44	1,349
Total	45,658

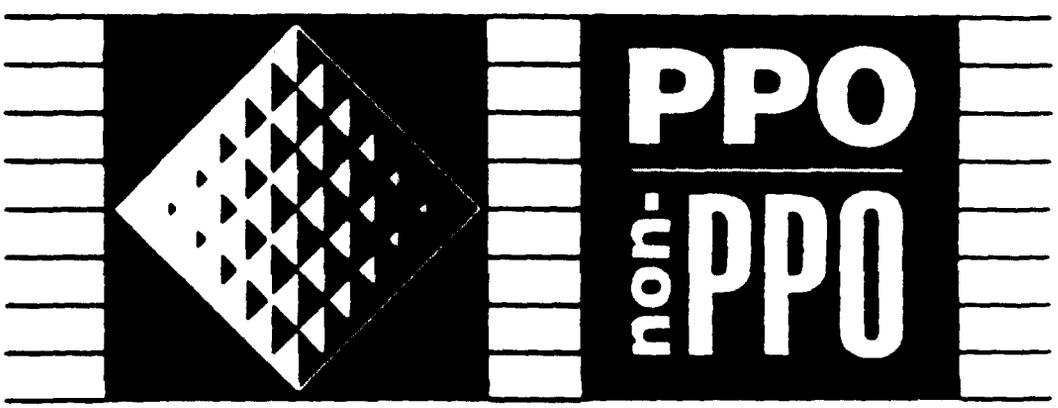
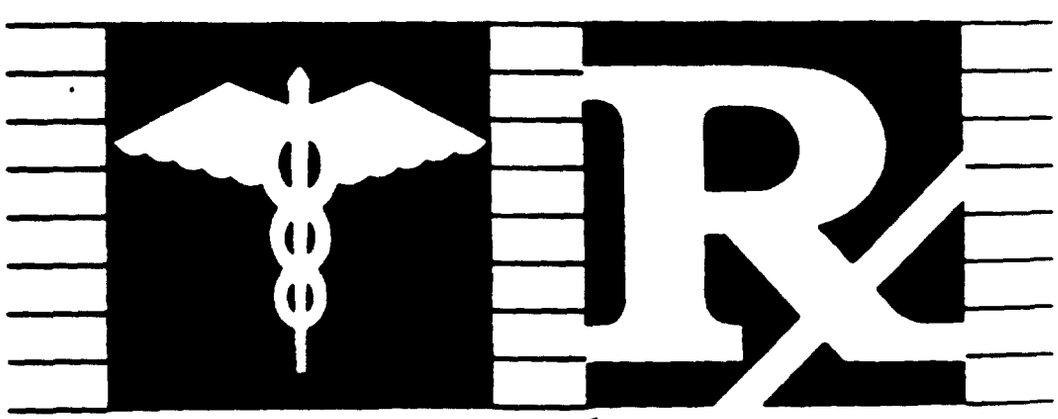
Source: Data provided to the actuary as of December 31, 1990.

ATTACHMENT 2

AMERITECH

Comprehensive Health Care Plan

Summary Plan Description

Featuring

- **Health Care Network (HCN) Provisions**
- **Preferred Provider Option (PPO/Non-PPO) Provisions**