

BELLSOUTH DIRECT CASE 2/27/98

CALCULATION OF EXOGENOUS CHANGES USING A REVENUE METHODOLOGY

(a)	(b)	(c)	(d)	(e)	(f)
	<u>Total Plant in Service</u> (\$000)	<u>Network Element Plant in Service</u> (\$000)	<u>% of Total</u>	<u>Revenue</u> (\$)	<u>Exogenous Change</u> (\$)
1 Data Source	1996 ARMIS 43-01 Report; Line 1690	11/26/97 Filing*	(c) / (b)	11/26/97 TRP Filing, SUM-1, Column (B)	(d) * (e)
TRAFFIC SENSITIVE					
Local Switching					
2 Line Ports	1,050,200	319,512	30.42%	508,107,319	154,586,160
3 ISDN BRI Line Ports	1,050,200	3,677	0.35%	508,107,319	1,779,005
4 ISDN PRI Line Ports	1,050,200	1,603	0.15%	508,107,319	775,563
5 DS0 EO Trunk Ports	1,050,200	27,021	2.57%	508,107,319	13,073,289
6 DS1 EO Trunk Ports	1,050,200	9,048	0.86%	508,107,319	4,377,600
TRUNKING					
Tandem Switching					
7 DS1/VG Mux Alog	1,336,211	6,520	0.49%	250,778,036 #	1,223,664
8 SS7 Link	1,336,211	3,144	0.24%	250,778,036	590,061
9 STP	1,336,211	6,101	0.46%	250,778,036	1,145,026
10 DS0 Tandem Trunk Port	1,336,211	7,961	0.60%	250,778,036	1,494,108
11 DS1 Tandem Trunk Port	1,336,211	1,533	0.11%	250,778,036	287,711
12 DS3/DS1 Mux-SWC	1,336,211	62,873	4.71%	250,778,036	11,799,908
13 DS1/VG Mux-SWC	1,336,211	9,795	0.73%	250,778,036	1,838,311
14 Host/Remote	1,336,211	30,683	2.30%	250,778,036	5,758,538

* BellSouth plans to file Excess ISDN Basic and Primary Line Port exogenous change corrections on March 4, 1998.
The impact of these corrections were accounted for in this analysis.

Total Trunking Basket revenue less High Caps & DDS revenue.

APPENDIX B

EXHIBIT 4

Revenue At Basket Return Exogenous Summary

BELLSOUTH DIRECT CASE 2/27/98

REVENUE AT BASKET RETURN EXOGENOUS SUMMARY

(A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L)

FCC 97-158 ACCESS CHARGE REFORM COST SHIFT SUMMARY	Traffic Sensitive				Common Line	Marketing	Trunking			IXC	
	Local	Signal Transfer Points	Trunk Ports	Undesig-nated	Total	Total	Tandem	Dedicated	TIC	Undesig-nated	Total
1	DS0 EO Trunk Ports	(15,645,777)		15,645,777							
2	DS1 EO Trunk Ports	(5,239,087)		5,239,087							
3	Line Ports	(185,001,668)			185,001,668						
4	Excess ISDN Basic Ln Ports	(2,129,077)			2,129,077						
5	Excess ISDN Primary Ln Ports	(928,303)			928,303						
6	DS0 Dedicated Tan Trunk Ports						2,102,523		(2,102,523)		
7	DS1 Dedicated Tan Trunk Ports						404,973		(404,973)		
8	DS3/DS1 Mux						5,954,642		(5,954,642)		
9	DS1/VG Mux						1,487,396	1,746,466	(3,233,862)		
10	STP Port Term		4,016,545					(4,016,545)			
11	SS7 Link	1,037,968					(207,594)		(830,374)		
12	STP Investment	2,014,347					(402,869)		(1,611,478)		
13	80% of Tandem Switch						14,608,629		(14,608,629)		
14	Shared DS3/DS1 Muxes & TST Reinitialization						12,612,184		(12,612,184)		
15	DS1/VG Mux Analog EO			2,152,648					(2,152,648)		
16	Host Remote Links						4,947,614		(4,947,614)		
17	COE			68,553,670	(37,879,952)					(32,674,484)	2,000,767
18	USF LTS				(69,733,304)						
19	USF				105,056,102			6,377,630			1,690,430
19a	VGWATS, MT, TGH							1,245,370			
19b	Audit & Video							404,418			
19c	High Cap & DDS							691,545			
19d	DS-1 Sub Cat							307,910			
19e	Density Zone 1							871,260			
19f	Density Zone 2							283,289			
19g	Density Zone 3							311,516			
19h	DS-3 Sub Cat							1,859,515			
19i	Density Zone 1							279,885			
19j	Density Zone 2							92,135			
19k	Density Zone 3							30,787			
20	Marketing			(10,066,860)	(92,275,420)	118,916,000	(2,608,271)	(6,445,536)	(7,519,913)		
20a	VGWATS, MT, TGH							(67,898)			
20b	High Cap & DDS							(1,737,894)			
20c	DS-1 Sub Cat							(49,349)			
20d	Density Zone 1							(827,504)			
20e	Density Zone 2							(382,379)			
20f	Density Zone 3							(1,315,764)			
20g	DS-3 Sub Cat							(22,472)			
20h	Density Zone 1							(1,014,424)			
20i	Density Zone 2							(374,843)			
20j	Density Zone 3							(653,010)			

APPENDIX C
EXHIBIT 1

BellSouth Direct Case 2/27/98
Allocation Of Marketing Expense Within The
Trunking Basket

BELLSOUTH DIRECT CASE 2/27/98
ALLOCATION OF MARKETING EXPENSE WITHIN THE TRUNKING BASKET

	<u>Revenue Source *</u>	<u>Switched Transport Revenue #</u>	<u>% of Total</u>	<u>Marketing Expense Allocation</u>
1. Trunking Basket Marketing Expense				(\$16,573,720)
2. Local Transport DIRECT TRUNKING (DDT) BY CATEGORY:				
a. DTT IN VG,WATS,MET,TEL -	RTE-1, L1960, Col.f	\$1,196,289	0.41%	(\$67,898)
b. DTT IN HICAP-DDAS - (includes DS1, DS3, DDAS, & hicap other)	RTE-1, L4360, Col.f	\$112,367,482	38.48%	(\$6,377,639)
1. Non-Zoned DTT in Hicap-DDAS	TR-1, L4b, Col.a	\$30,619,923	10.49%	(\$1,737,894)
2. DTT IN DS1 - (includes zone + nonzone)	TR-1, L4c, Col.a	\$45,368,793	15.54%	(\$2,574,996)
a. Non-Zoned	L2 - (L2b+L2c+L2d)	\$869,481	0.30%	(\$49,349)
b. DENSITY ZONE 1 -	TR-1, L4c1, Col.a	\$14,579,781	4.99%	(\$827,504)
c. DENSITY ZONE 2 -	TR-1, L4c2, Col.a	\$6,737,120	2.31%	(\$382,379)
d. DENSITY ZONE 3 -	TR-1, L4c3, Col.a	\$23,182,411	7.94%	(\$1,315,764)
3. DTT IN DS3 - (includes zone +nonzone)	TR-1, L4d, Col.a	\$36,378,766	12.46%	(\$2,064,749)
a. Non-Zoned	L3 - (L3b+L3c+L3d)	\$395,927	0.14%	(\$22,472)
b. DENSITY ZONE 1 -	TR-1, L4d1, Col.a	\$17,873,107	6.12%	(\$1,014,424)
c. DENSITY ZONE 2 -	TR-1, L4d2, Col.a	\$6,604,356	2.26%	(\$374,843)
d. DENSITY ZONE 3 -	TR-1, L4d3, Col.a	\$11,505,376	3.94%	(\$653,010)
c. TOTAL DTT	L2a + L2b	\$113,563,771	38.89%	(\$6,445,536)
3. Interconnection	RTE-1, L1080, Col.f	\$132,493,186	45.37%	(\$7,519,913)
4. Tandem Switch (includes zone + nonzone)	RTE-1, L1480, Col.f	\$45,955,070	15.74%	(\$2,608,271)
1. DENSITY ZONE 1 -	RTE-1, L1180, Col.f	\$11,940,653	4.09%	(\$677,715)
2. DENSITY ZONE 2 -	RTE-1, L1280, Col.f	\$5,680,960	1.95%	(\$322,434)
3. DENSITY ZONE 3 -	RTE-1, L1380, Col.f	\$28,333,457	9.70%	(\$1,608,121)
5. Total Trunking Basket	L2c + L3 + L4	\$292,012,027	100.00%	(\$16,573,720)

* 12/17/97 Filing TRP, Transmittal Number 435

Existing Rate x Demand

APPENDIX C
EXHIBIT 2

BellSouth Direct Case 2/27/98
Calculation of TIC Related COE Maintenance
Expense

BELLSOUTH DIRECT CASE 2/27/98
CALCULATION OF TIC RELATED COE MAINTENANCE EXPENSE

		<u>Source</u>	
1	Total TIC Revenue *	11/26/97 Filing Appendix B, Exhibit 4	132,559,285
Less:			
2	Maximum TIC Revenue to Be Recovered	11/26/97 CAP-1, Pg 2, L670, Col C.	78,636,349
3	1/3 of Tandem Revenue Requirement	11/26/97 Filing Appendix B, Exhibit 4	14,918,018
4	SS7		
	a. STP Investment in Tandem Switching	11/26/97 Filing Appendix B, Exhibit 4	1,309,272
	b. SS7 Link between the EO and the STP	11/26/97 Filing Appendix B, Exhibit 4	674,652
5	Tandem Switching Costs		
	a. DS0 Dedicated Trunk Port Costs	11/26/97 Filing Appendix B, Exhibit 4	1,708,230
	b. DS1 Dedicated Trunk Port Costs	11/26/97 Filing Appendix B, Exhibit 4	329,027
6	(Analog Switch EO) DS1/VG Multiplexers	11/26/97 Filing Appendix B, Exhibit 4	1,748,955
7	Host/Remote Links	11/26/97 Filing Appendix B, Exhibit 4	3,047,975
8	Additional Multiplexers Associated with Tandem Switching		
	a. DS3/DS1 Multiplexers	11/26/97 Filing Appendix B, Exhibit 4	4,837,949
	b. DS1/VG Multiplexers	11/26/97 Filing Appendix B, Exhibit 4	2,627,406
9	Shared DS3/DS1 Muxes & Tandem Switched Transport Reinitialization	11/26/97 Filing Appendix B, Exhibit 4	9,836,291
10	Marketing Reallocation	11/26/97 Filing Appendix B, Exhibit 4	<u>7,519,913</u>
11	COE Reallocation	L1 - (L2...L10)	<u>5,365,248</u> #
12	Maximum TIC Revenue to Be Recovered	11/26/97 CAP-1, Pg 2, L670, Col C.	78,636,349
13	Maximum TIC Revenue to Be Recovered	12/17/97 CAP-1, Pg 2, L670, Col C.	<u>77,390,120</u>
14	GSF Impact to be removed from TIC	L12 - L13	<u>1,246,229</u> @

* TIC revenue per the 1997 Annual Filing (Correction), filed July 21, 1997, multiplied by an SBI adjustment factor. The SBI adjustment factor was determined by dividing the upper SBI limit by the proposed SBI limit from the July 21, 1997 filing.

11/26/97 Filing Appendix B, Exhibit 4.

@ See Appendix C, Exhibit 3, Line 10.

APPENDIX C
EXHIBIT 3

BellSouth Direct Case 2/27/98

BellSouth Transport Interconnection Charge
Element Costs
In Accordance With FCC Order 97-158

BELLSOUTH DIRECT CASE 2/27/98

BELLSOUTH
TRANSPORT INTERCONNECTION CHARGE
ELEMENT COSTS
IN ACCORDANCE WITH FCC ORDER 97-158

Total TIC Revenue *	132,559,285	100.00%
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Component	Cost	% of Total
1. 1/3 of 80% of Tandem Revenue Requirement	14,918,018	11.25%
2. SS7		
a. STP Investment in Tandem Switching	1,309,272	0.99%
b. SS7 Link between the EO and the STP	674,652	0.51%
3. Tandem Switching Costs		
a. DS0 Dedicated Trunk Port Costs	1,708,230	1.29%
b. DS1 Dedicated Trunk Port Costs	329,027	0.25%
4. (Analog Switch EO) DS1/VG Multiplexers	1,748,955	1.32%
5. Host/Remote Links	3,047,975	2.30%
6. Additional Multiplexers Associated with Tandem Switching		
a. DS3/DS1 Multiplexers	4,837,949	3.65%
b. DS1/VG Multiplexers	2,627,406	1.98%
7. Shared DS3/DS1 Muxes & Tandem Switched Transport Reinitialization	9,836,291	7.42%
8. COE Reallocation	5,365,248	4.05%
9. Marketing Reallocation	7,519,913	5.67%
10. GSF Reallocation	1,246,229	0.94%
11. Residual TIC [TIC Revenue-(Sum L1..L10)]	77,390,120	58.38% #
12. 2/3 of 80% of Tandem Revenue Requirement	29,836,037	22.51%
13. Unitary Pricing Structure	35,225,437	26.57%
14. Service Related Residual TIC (L12+L13)	65,061,474	49.08%
15. Contribution Residual TIC (L11-L14)	12,328,647	9.30%

* TIC revenue per the 1997 Annual Filing (Correction), filed July 21, 1997, multiplied by an SBI adjustment factor. The SBI adjustment factor was determined by dividing the upper SBI limit by the proposed SBI limit from the July 21, 1997 filing.

Equates to Line 13 on Appendix C, Exhibit 2.

APPENDIX D
EXHIBIT 1

BellSouth Direct Case 2/27/98
Workpaper LTR-H
Local Transport Restructure
Development Of Common Transport Rates
(9000 MOU/Trunk Assumption)

WORKPAPER LTR-H
 LOCAL TRANSPORT RESTRUCTURE
 DEVELOPMENT OF COMMON TRANSPORT RATES (9000 MOU/TRUNK ASSUMPTION)

LINE	DESCRIPTION	SOURCE	AMOUNT
L1	TOTAL DIGITAL & ANALOG CARRIER LINKS	ARMIS 43-07,0350&0360 LESS RADIO	764.713
L2	TOTAL DIGITAL FIBER CARRIER LINKS	ARMIS 43-07,0363	675.449
L3	INTEROFFICE FIBER %	L2 / L1	88.3271%
L4	INTEROFFICE COPPER %	1 - L3	11.6729%
L5	DS3-SWITCHED INTEROFFICE RATE PER FACILITY TERM.	LTR-G, L26	\$1,541.84
L6	SWITCHED TRPT DS3 TO DS1 CHANNELIZATION RATE	LTR-G, L32	\$1,049.51
L7	DS1- SWITCHED INTEROFFICE RATE PER FACILITY TERM	LTR-G, L20	\$90.47
L8	WEIGHTED DS3 FIXED INTEROFFICE RATE	L3*L5	\$1,361.8626
L9	WEIGHTED DS3 TO DS1 CHANNELIZATION RATE (QTY = 1)	1*(L3*L6)	\$927.0017
L10	WEIGHTED DS1 FIXED INTEROFFICE RATE	L4*L7	10.5605
L11	VG EQUIVALENT DS3 WEIGHTED RATE	(L8+L9)/672	3.4060
L12	VG EQUIVALENT DS1 WEIGHTED RATE	L10 / 24	0.4400
L13	RESERVED		
L14	RESERVED		
L15	RESERVED		
L16	RESERVED		
L17	COMMON FACILITY TERM. PER MINUTE PREM	(L11+L12)/9000	<u>\$0.00043</u>
L18	RESERVED		
L19	DS3- SWITCHED INTEROFFICE RATE PER MILE	LTR-G, L27	\$253.33
L20	DS1- SWITCHED INTEROFFICE RATE PER MILE	LTR-G, L21	\$25.33
L21	WEIGHTED DS3 MILEAGE INTEROFFICE RATE	L3*L19	\$223.7590
L22	WEIGHTED DS1 MILEAGE INTEROFFICE RATE	L4*L20	\$2.9567
L23	VG EQUIVALENT DS3 WEIGHTED RATE PER MILE	L21/672	\$0.3330
L24	VG EQUIVALENT DS1 WEIGHTED RATE PER MILE	L22/24	\$0.1232
L25	COMMON TRANSPORT PER MINUTE - MILE PREM	(L23+L24)/9000	<u>\$0.00005</u>

APPENDIX D
EXHIBIT 2

BellSouth Direct Case 2/27/98

Workpaper LTR-H
Local Transport Restructure
Development Of Common Transport Rates
(Actual MOU/Trunk)

WORKPAPER LTR-H
 LOCAL TRANSPORT RESTRUCTURE
 DEVELOPMENT OF COMMON TRANSPORT RATES (ACTUAL MOU/TRUNK)

LINE	DESCRIPTION	SOURCE	AMOUNT
L1	TOTAL DIGITAL & ANALOG CARRIER LINKS	ARMIS 43-07,0350&0360 LESS RADIO	764,713
L2	TOTAL DIGITAL FIBER CARRIER LINKS	ARMIS 43-07,0363	675,449
L3	INTEROFFICE FIBER %	L2 / L1	88.3271%
L4	INTEROFFICE COPPER %	1 - L3	11.6729%
L5	DS3-SWITCHED INTEROFFICE RATE PER FACILITY TERM.	LTR-G, L26	\$1,541.84
L6	SWITCHED TRPT DS3 TO DS1 CHANNELIZATION RATE	LTR-G, L32	\$1,049.51
L7	DS1- SWITCHED INTEROFFICE RATE PER FACILITY TERM	LTR-G, L20	\$90.47
L8	WEIGHTED DS3 FIXED INTEROFFICE RATE	L3*L5	\$1,361,8626
L9	WEIGHTED DS3 TO DS1 CHANNELIZATION RATE (QTY = 1)	1*(L3*L6)	\$927,0017
L10	WEIGHTED DS1 FIXED INTEROFFICE RATE	L4*L7	10,5605
L11	VG EQUIVALENT DS3 WEIGHTED RATE	(L8+L9)/672	3,4060
L12	VG EQUIVALENT DS1 WEIGHTED RATE	L10 / 24	0,4400
L13	RESERVED		
L14	RESERVED		
L15	RESERVED		
L16	RESERVED		
L17	COMMON FACILITY TERM. PER MINUTE PREM	(L11+L12)/7290	<u>\$0.00053</u>
L18	RESERVED		
L19	DS3- SWITCHED INTEROFFICE RATE PER MILE	LTR-G, L27	\$253.33
L20	DS1- SWITCHED INTEROFFICE RATE PER MILE	LTR-G, L21	\$25.33
L21	WEIGHTED DS3 MILEAGE INTEROFFICE RATE	L3*L19	\$223,7590
L22	WEIGHTED DS1 MILEAGE INTEROFFICE RATE	L4*L20	\$2,9567
L23	VG EQUIVALENT DS3 WEIGHTED RATE PER MILE	L21/672	\$0,3330
L24	VG EQUIVALENT DS1 WEIGHTED RATE PER MILE	L22/24	\$0,1232
L25	COMMON TRANSPORT PER MINUTE - MILE PREM	(L23+L24)/7290	<u>\$0.00006</u>

APPENDIX D
EXHIBIT 3

BellSouth Direct Case 2/27/98

**Calculation of The Exogenous Cost Adjustment
Attributable to the 9000 MOU/Trunk Assumption**

Calculation of the Exogenous Cost Adjustment Attributable to the 9000 MOU/Trunk Assumption

LINE	DESCRIPTION	SOURCE	AMOUNT
L1.A	Common Transport Per MOU Rate - 9000 MOU/Trunk	Exhibit 1 L17	\$0.00043
L1.B	Common Transport Per MOU Rate - Actual MOU/Trunk	Exhibit 2 L17	\$0.00053
L1.C	Difference in Common Transport Per MOU Rate	L1 B - L1 A	\$0.00010
L2.A	Common Transport Per Minute-Mile Rate - 9000 MOU/Trunk	Exhibit 1 L25	\$0.00005
L2.B	Common Transport Per Minute-Mile Rate - Actual MOU/Trunk	Exhibit 2 L25	\$0.00006
L2.C	Difference in Common Transport Per Minute-Mile Rate	L2 B - L2 A	\$0.00001
L3	1992 Common Transport MOU	1993 Annual Filing	15,065,263,846
L4	1992 Common Transport Minute-Miles	1993 Annual Filing	401,801,466,479
L5	Common Transport MOU Revenue Difference	L1 C * L3	\$1,506,526
L6	Common Transport Minute-Mile Revenue Difference	L2.C * L4	\$4,018,015
L7	Total Revenue Difference Attributable to MOU/Trunk Change	L5 + L6	\$5,524,541
L8	Total TIC Revenue	1993 Annual Filing	\$270,675,516
L9	% of TIC Revenue Attributable to 9000 MOU/Trunk Assumption	L7 / L8	2.0410%
L10	June 30,1997 Maximum TIC Revenue	1997 Annual Filing	\$300,108,192
L11	June 30,1997 TIC Revenue Attributable to 9000 MOU/Trunk Assumption	L9 * L10	<u>\$6,125,208</u>

The Dec. 17, 1997 filing would be amended to include an exogenous cost equal to line L11 transferring from the TIC to the Tandem Switching Category.

APPENDIX D
EXHIBIT 4

BellSouth Direct Case 2/27/98
9000 MOU Explanation

BELLSOUTH DIRECT CASE 2/27/98
 9000 MOU EXPLANATION

<u>Service Category</u>	<u>Change to TIC</u>	<u>Change to TST</u>
1. Net Exogenous Change ¹ Due to Recalculation of TST rates and removal of one DS3/1 multiplexer from TST rates	\$2,189,957	(\$2,189,957)
2. Amount of Exogenous Cost Change Associated with the DS3/1 Multiplexer Included in this Recalculation ²	\$6,013,124	(\$6,013,124)
3. Net Exogenous Cost Impact of Recalculation if the DS3/1 Multiplexer Had Been Excluded from Consideration and Left in TST Service Category ³	(\$3,823,167)	\$3,823,167
4. Additional Exogenous Cost Change Associated with Removal of Second DS3/1 Multiplexer from TIC ⁴	(\$6,013,124)	\$6,013,124

¹ Transmittal No. 434, Appendix C, Workpaper Com-Tran, line 38.

² Transmittal No. 434, Appendix B, Exhibit 9, Muxes - WP, line 2, divided by two. This is the cost of one DS3/1 multiplexer. An upward exogenous cost change was made to the TIC in this amount to return these costs to the TIC and a corresponding downward exogenous cost change was made to the TST service category to remove these costs from TST.

³ Line one minus line two. Thus, if the DS3/1 multiplexer had remained in the TST service category and had not been sent to the TIC, the exogenous impact of the Access Reform TST recalculation would have been a downward exogenous cost adjustment to the TIC and an upward exogenous cost shift to TST.

⁴ Transmittal No. 434, Appendix B, Exhibit 9, Muxes-WP, line 2, divided by two. This is the cost of one DS3/1 multiplexer.

BELLSOUTH DIRECT CASE 2/27/98
9000 MOU EXPLANATION

<u>Service Category</u>	<u>Change to TIC</u>	<u>Change to TST</u>
5. Net Change to the TIC Due to Establishment of New DS3/1 TST Multiplexer Rate Element ⁵	(\$9,836,291)	\$9,836,291
6. Exogenous Change Shown by BellSouth for TST DS3/1 Multiplexers ⁶	(\$9,836,291)	\$9,836,291

⁵ Line 3 plus line 4.

⁶ Transmittal No. 434, Appendix B, Exhibit 3b, SUPP-EXG2, lines 200 and 210, column "Shared Tandem Muxes & TSTS Reinitialization."

APPENDIX D
EXHIBIT 5

BellSouth Direct Case 2/27/98
9000 MOU Rate Comparison

BELLSOUTH DIRECT CASE 2/27/98
9000 MOU RATE COMPARISON

1. Existing TST per minute/per mile rate (premium) ¹	\$0.000040
2. Proposed TST per minute/per mile rate (premium) ²	\$0.000040
3. Existing TST Facility Termination per MOU (premium) ³	\$0.000360
4. Proposed TST Facility Termination per MOU (premium) ⁴	\$0.000258
5. Proposed DS3/1 TST Multiplexer MOU Rate ⁵	\$0.000379
6. One-Half of the Proposed DS3/1 TST Multiplexer MOU Rate ⁶	\$0.000190
7. Proposed TST Facility Termination per MOU (premium) rate plus one-half of the Proposed DS3/1 TST Multiplexer MOU Rate ⁷	\$0.000448
8. Excess of Line 7 over line 3	\$0.000088

¹ Transmittal No. 434, Appendix C, Workpaper COM-TRAN, Line 22.
² Transmittal No. 434, Appendix C, Workpaper COM-TRAN, Line 19.
³ Transmittal No. 434, Appendix C, Wordpaper COM-TRAN, Line 21.
⁴ Transmittal No. 434, Appendix C, Workpaper COM-TRAN, Line 11.
⁵ Transmittal No. 434, Appendix C, Workpaper RATES-1, Line 8.
⁶ Line 5 / Line 2.
⁷ Line 4 + Line 6.

APPENDIX D
EXHIBIT 6

BellSouth Direct Case 2/27/98

I. 1993 LTR Filing

Tandem Switched Transport

Common Transport Rate

- One DS3/1 Multiplexer
- 9000 MOU/Trunk Assumption
- 1993 DS3/DS1 Weighted Avg
- 1993 Special Access Rates

TIC

TIC Rate

- One DS3/1 Multiplexer
- Other Items
- Subsidy Attributable to 9000MOU/Trunk Assumption

II. Dec. 17, 1997 Access Reform Filing

Tandem Switched Transport

Common Transport Rate

- One DS3/1 Multiplexer
- Actual MOU/Trunk
- Updated DS3/DS1 Weighted Avg
- Dedicated Switched Access Rates

DS3/1 Multiplexer Per MOU Rate

- Two DS3/1 Multiplexers

TIC

TIC Rate

- One DS3/1 Multiplexer
- Other Items
- Subsidy Attributable to 9000 MOU/Trunk Assumption

III. Designation Order - Paragraph 79

Tandem Switched Transport

Common Transport Rate

- One DS3/1 Multiplexer
- 9000 MOU/Trunk Assumption + Difference in 1993 Common Transport Rates Using 9000 MOU/Trunk Assumption and Actual MOU/Trunk.
- 1993 DS3/DS1 Weighted Avg
- 1993 Special Access Rates

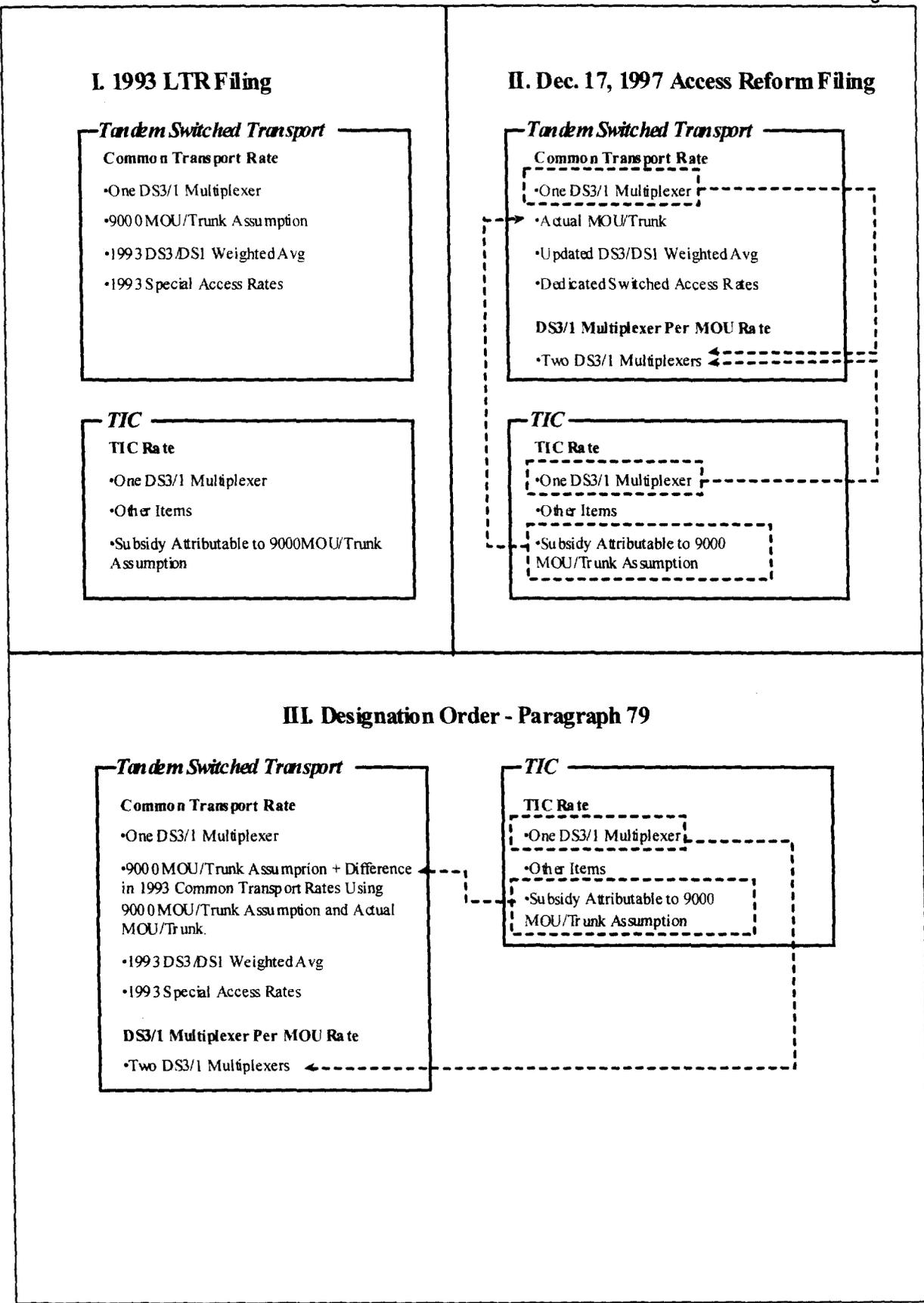
DS3/1 Multiplexer Per MOU Rate

- Two DS3/1 Multiplexers

TIC

TIC Rate

- One DS3/1 Multiplexer
- Other Items
- Subsidy Attributable to 9000 MOU/Trunk Assumption



APPENDIX E
EXHIBIT 1

BellSouth Direct Case 2/27/98
Allocation Of USF To Common Line, Trunking
And Interexchange Baskets

BELLSOUTH DIRECT CASE 2/27/98
ALLOCATION OF USF TO COMMON LINE, TRUNKING AND INTEREXCHANGE BASKETS

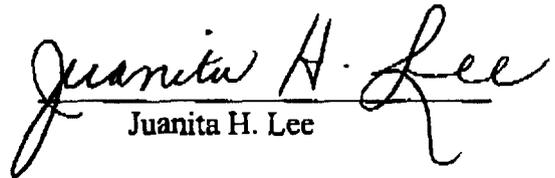
<u>Basket/Service Bands</u>	<u>End User Revenue</u>	<u>Allocation Ratio</u>	<u>1998 USF Contribution</u>
Common Line-Surcharge	3,178,467		
End User Revenue CCL	1,044,329,684		
Total Common Line	1,047,508,151	0.928680	105,056,102
VG/WATS,MT,TGH	12,417,526	0.011009	1,245,372
Audio & Video	4,032,428	0.003575	404,418
High Cap & DDS	6,895,354	0.006113	691,545
DS-1 Sub Cat	3,070,154	0.002722	307,910
Density Zone 1	8,687,277	0.007702	871,260
Density Zone 2	2,824,653	0.002504	283,289
Density Zone 3	3,106,110	0.002754	311,516
DS-3 Sub-CAT	18,541,118	0.016438	1,859,515
Density Zone 1	2,790,713	0.002474	279,885
Density Zone 2	918,668	0.000814	92,135
Density Zone 3	306,973	0.000272	30,787
Trunking-Other	0	0.000000	0
Total Trunking	63,590,974	0.056377	6,377,630
Total Interexchange	16,855,179	0.014943	1,690,430
Total Revenues/Total Contribution	1,127,954,304	1.000000	113,124,163

Data Source: Billed Carrier Access Tracking System, Jan - Dec 1996 Data

CERTIFICATE OF SERVICE

I do hereby certify that I have this 27th day of February 1998 served all parties to this action with a copy of the foregoing DIRECT CASE by placing a true and correct copy of the same in the United States Mail, postage prepaid, addressed to the party listed below.

*James Schlichting
Chief, Competitive Pricing Division
Federal Communications Commission
Common Carrier Bureau
Room 518
1919 M Street, N. W.
Washington, D.C. 20554


Juanita H. Lee

*** VIA HAND DELIVERY**