

NUMBER MANAGER

Number Manager functions as a local service management system (LSMS). Number Manager stores routing information received from the NPAC SMS and forwards to Ameritech's LNP SCP for proper call routing.

In addition, customized adapters were required to support the tracking and provisioning of:

Activation of ported TNs to the Lucent SMS/SCP platform

Service Provider Network Data (SPIDs, LRNs, & NPA-NXXS)

LNP triggers upon notification of "first ports"

These customized interfaces were to our Translation provisioning systems, billing systems, and service order negotiation systems.

NET PILOT

NetPilot is a Bellcore Signal Transfer Point (STP) translation provisioning system that replaces their previous SEAS system. STP GTTs are required to route both database queries and service specific queries to the appropriate network element. Ameritech is installing this system for normal six digit Global Title Translation (GTT) provisioning and related baseline costs are not being assessed to LNP. The expenditure identified as

LNP NetPilot is only for incremental hardware and new LNP feature application software necessary to provision ten digit GTTs introduced by local number portability and used by the Query Service.

The modification and additions to these systems were essential to the provisioning of both LNP and the Query Service. The costs applicable to the Query Service represent less than 2% of the total OSS costs for LNP.



Re: Call Routing in an LNP Environment

Dear Valued Ameritech Customer,

Soon, local number portability (LNP) will be put into effect pursuant to FCC Orders, for customers who change service providers. In an LNP environment, each N-1 carrier is responsible for Location Routing Number database queries to be performed on an N-1 basis, where N is the entity terminating the call to the end user.

The FCC Order 97-74 states "...most interLATA calls will be queried by the major interexchange carriers, not the incumbent LECs." (Ref: Paragraph 125 of the order, page 73). We are currently sizing our network to perform our own database queries. In order to ensure network reliability and adequate system capacity, we need to know your plans for queries that are performed on an N-1 basis.

In industry forums such as North American Council Working Group meetings, representatives from several companies have indicated their intention to perform their own queries. It is Ameritech's belief that you will be performing your own queries in accordance with the LNP implementation schedule for each Metropolitan Statistical Area, starting with the transition period for Chicago MSA from 10/01/97 through 03/03/98. However, if you do not intend to perform your own queries and will be sending calls to AIT's network, we will need to establish a business arrangement with your firm to perform these inquiries on your behalf.

The FCC notes that "... if an N-1 carrier is designated to perform the query, and that N-1 carrier requires the original terminating LEC to perform the query, then the LEC may charge the N-1 carrier for performing the query, pursuant to guidelines the Commission will establish in the order addressing long-term number portability cost allocation and recovery." (Paragraph 126,

page 73). AIT will need to engineer its network to accommodate outside queries and to receive compensation from your firm for the network capacity.

Please notify AIT in writing no later than September 8, 1997 of your intention that we perform this query service on your behalf. The volume of queries and the length of time that the service is to be performed are also required from your firm in order to price the services correctly.

We realize that the transition to an LNP environment will have an impact on your business, and we wish to extend our services to make this change as smooth as possible. We are enclosing some background information to help you to understand the FCC requirements and the demands of local number portability.

Please do not hesitate to call your Account Manager for any further service.

Sincerely,

enc.

Local Number Portability (LNP) Query Service

What is Local Number Portability?

Local number portability (LNP) may be broadly defined as the ability to retain one's telephone number when changing service providers, location, or type of telephone service.

The 1996 Telecommunications Act requires all local exchange carriers (LECs) to provide local number portability in accordance with the mandates of the Federal Communications Commission (FCC). Current mandates require only the service that permits the ability to retain one's number when changing service providers. This is called service provider number portability (SPNP), but will be referred to as LNP in this document.

Deployment Schedule

The FCC has proposed a phased approach to the deployment of LNP. All LECs must be able to implement LNP in the one hundred largest Metropolitan Statistical Areas during the period October 1997 through December, 1998.

After December 1998, LNP must be available to the rest of the country within six months of a request for LNP. In order to provide local number portability, LECs will need to participate in the number portability planning process within their designated areas.

LNP Call Routing Method

Before LNP, a call was routed to the serving end office switch based on the NPA-NXX of the number being called. Once LNP is implemented, that method is no longer valid because a single NPA-NXX could be served by more than one switch.

If it is determined that an NPA-NXX is a ported exchange, it is then necessary to determine if it is a ported number. If so, it is then necessary to determine the unique switch number (referred to as the Location Routing Number, or LRN) that serves the called number.

This is done by querying a database that contains the ported numbers as well as the LRNs before the call can be routed. When the LRN of the switch that serves the number is obtained, the call can be routed to the serving switch.

LNP Call Routing Responsibility

Regardless of the implementation schedule of LNP, all N-1 carriers must perform the query needed to route a call. If a call is delivered by an interexchange carrier (IXC), it is the responsibility of the IXC to perform the query of the LNP database and to route the call to the appropriate LEC. If the call is between two LECs, the originating LEC would be required to perform the query.

LNP Query Service

According to FCC, "...if the N-1 carrier requires the original terminating LEC to perform the query, the LEC may charge the N-1 carrier for performing the query..."

Ameritech is currently developing a service that would perform queries on behalf of our customers. Also, carriers which are Signaling System 7 (SS7) capable could use own links to query our database for routing information.

AGENDA

**Ameritech Meeting
Tuesday, August 12, 1997
Regency Suites Hotel
Green Bay, Wisconsin**

- 8:30 Continental Breakfast
- 9:00 Welcome, Introductions and Opening Remarks - Fran Perone, Ameritech
- 9:10 Local Number Portability - Wayne Heinmiller, Ameritech
- 11:00 Break
- 11:15 Query Services Update - Jim Jermain, Ameritech
- 12:00 Lunch
- 1:00 EMR Changes in the LNP Environment - Charlene Fivecoat, Ameritech
- 1:45 Review of Ameritech's Transport Electronics Offering - Fran Perone
- 2:00 Network Access Security - Jim Massel, Ameritech
- 3:00 National Directory Assistance - Fran Perone
- 3:15 Open Discussion/ Questions & Answers
- 3:30 Closing Comments - Fran Perone

AGENDA

**Ameritech Meeting
Tuesday, August 19, 1997
Crowne Plaza Hotel
Springfield, Illinois**

- 8:30 Continental Breakfast**
- 9:00 Welcome, Introductions and Opening Remarks - Fran Perone, Ameritech**
- 9:10 Local Number Portability - Wayne Heinmiller, Ameritech**
- 11:00 Break**
- 11:15 Query Services Update - Fran Perone, Ameritech**
- 12:00 Lunch**
- 1:00 EMR Changes in the LNP Environment - Kaye Morrison, Ameritech**
- 1:45 Review of Ameritech's Transport Electronics Offering - Fran Perone**
- 2:00 Network Access Security - Jim Massel, Ameritech**
- 3:00 National Directory Assistance - Fran Perone**
- 3:15 Open Discussion/ Questions & Answers**
- 3:30 Closing Comments - Fran Perone**

AGENDA

**Ameritech Meeting
Tuesday, August 26, 1997
Holiday Inn - South
Lansing, Michigan**

8:30 Continental Breakfast

9:00 Welcome, Introductions and Opening Remarks - Fran Perone, Ameritech

9:10 Local Number Portability - Wayne Heinmiller, Ameritech

11:00 Break

11:15 Query Services Update - Jim Jermain, Ameritech

12:00 Lunch

1:00 EMR Changes in the LNP Environment - Kaye Morrison, Ameritech

1:45 Review of Ameritech's Transport Electronics Offering - Fran Perone

2:00 Network Access Security - Jim Massel, Ameritech

3:00 National Directory Assistance - Fran Perone

3:15 Open Discussion/ Questions & Answers

3:30 Closing Comments - Fran Perone



Ameritech Information Industry Services

Local Number Portability Seminar August 28, 1997

9:00 am	Welcome	Roger Burgoyne
9:10 - 11:00 am		LNP Presentation - Wayne Heinmiller
11:00 - 11:15 am		STRETCH BREAK
11:15 - 12:00 pm		Update in other related query services/tie into LNP (eq 800/888 query service) - Jim Jermain
12:00 - 1:00 pm		LUNCH
1:00 - 1:45 pm		EMR Changes required as a result of LNP - Kay Morrison
1:45 - 2:15 pm		National Directory Assistance - Hazel Gillispie
2:15 - 3:00 pm		Network Access Security - Jim Massel
3:00 - 3:15 pm		BREAK
3:15 - 3:45 pm		Global Gateway Services - Rick Gilbert
3:45 - 4:30 pm		Security Link - Mike Rotz
4:30 - 4:45 pm		Revenue Audit Verification Expert System - Bill Bockelman
4:45 - 5:00 pm		Transport Electronics - Roger Burgoyne
5:00		Closing Remarks - Roger Burgoyne
5:00+		RECEPTION



Agenda

Ameritech Local Number Portability

**Wednesday, September 10, 1997
Adam's Mark Hotel
Columbus, Ohio**

- 12:00 p.m. Buffet Lunch (Location: PreConvene Area - South)**
- 1:15 p.m. Meeting Room: Hayes Ballroom A
Welcome, Introductions - Greg Chandler, Ameritech**
- 1:20 p.m. Local Number Portability - Wayne Heinmiller, Ameritech**
- 2:55 p.m. Break**
- 3:00 p.m. Query Services Update - Jim Jermain, Ameritech**
- 3:30 p.m. EMR Changes in the LNP Environment - Kaye Morrison, Ameritech**
- 4:30 p.m. Collect LNP Survey Forms. Gift Certificate Drawing.
Closing Comments, Adjourn - Greg Chandler**

LNP Survey

*We thank you for your attendance
today and would appreciate you
taking a few minutes to complete
this LNP Survey Form.*

Ameritech

INFORMATION INDUSTRY SERVICES

1. Does your exchange(s) currently have SS7 capabilities now?

Yes No

2. If not, do you plan to become SS7 compatible prior to the date your exchange(s) is mandated by the FCC to be LNP-compliant?

Yes No

3. Has your exchange(s) been updated to support LNP queries?

Yes No

4. If not, do you plan to update your exchange(s) prior to the date your exchange(s) is mandated by the FCC to be LNP-compliant?

Yes No

5. What type of switch(es) is deployed in your exchange(s)?

6. If your exchange(s) supports SS7, do you use Ameritech for your SS7 access?

Yes No

7. Do you use Ameritech for your 800/888 database queries?

Yes No

8. Do you plan any upgrades to your switch(es) by year-end 1997?

Yes No

9. If not by year-end 1997, at what point in time?

10. Will you be performing your own LNP queries?

Yes No

11. If not, have you selected an LNP query service provider?

Yes No

12. If yes, name of provider:

13. If not, would you be interested in contracting with Ameritech Information Industry Services to serve as your LNP provider?

Yes No

14. Is there any additional information that you would like for Ameritech to provide to you regarding LNP?

Number Portability Meeting

1. Did this meeting meet your expectations?

to a large degree somewhat not at all

Comments: _____

2. Was the site of the meeting convenient for you?

Yes No

3. Were the speakers knowledgeable about their subject matter and did they respond well to the questions posed to them?

Yes No

Comments: _____

4. Would you like to receive additional information on any of the topics presented today?

Yes No

Comments: _____

Name: _____ **Phone:** _____

Company Name: _____ **Title:** _____



Sample Sample
1234 Main St
Anytown US 12345

November 7, 1997

Dear Sample:

**SUBJECT: REQUEST FOR COMPLETION OF LOCAL NUMBER PORTABILITY (LNP)
SURVEY FORM**

Recently, Ameritech Information Industry Services held a series of in-region Independent Company (ICO) customer meetings on Local Number Portability. The intent of these meetings was to inform the ICOs in the Ameritech region about Local Number Portability and the impact it will have on their company's operations. The information contained in the formal presentations should also help Independents make an informed choice as to whether to select an LNP query service provider, such as Ameritech Information Industry Services, or upgrade their own network to perform their own queries.

Unfortunately, no one from your company was able to attend any of the seminars; therefore, I am enclosing a copy of each of the presentations, along with a copy of the "Primer for Local Number Portability-Midwest Region" for your review.

In addition, I am including an LNP Survey Form, which was used in the meetings, as well. I would appreciate your taking a few minutes to complete the form and return it to me in the self-addressed, stamped envelope, as soon as possible. The information you provide on this form will be used to engineer and size our network to provide LNP query services.

Should you have any questions on Local Number Portability, please feel free to call me at 317.265.2611. Should you wish to discuss specific issues on any of the presentations, please feel free to contact the presenter directly.

Sincerely,

Account Manager - Independent Companies

Enclosures



September 10, 1997

Floor 19
227 West Monroe Street
Chicago, Illinois 60606

Ms. Manisha Gupta
Ameritech
225 West Randolph Street
Floor 8c
Chicago, IL 60606

Re: Local Number Portability (LNP) Query

Dear Manisha:

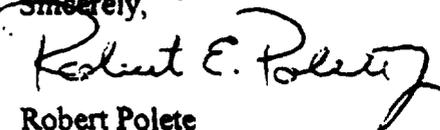
You are correct in assuming that AT&T will perform its own N-1 queries in accordance with FCC mandated LNP schedule for each MSA. Since AT&T is engineering its own network to perform this function we do not intend to purchase queries on a prearranged basis from Ameritech.

However, there may be cases (on an exception basis) in which a call goes through to Ameritech as the LEC that originally serviced a ported number, without a query being performed. The FCC has ordered all LECs to perform this default routing. The only exception are those cases where network reliability may be put in jeopardy due to congestion/overload.

We are aware of Ameritech's petition to establish a new Access Tariff Service covering the FCC order and AT&T would like to understand the rates that would apply for default queries.

We appreciate your efforts to ensure a smooth transition to LNP and await your response.

Sincerely,


Robert Polete

CC: B. Bennett
J. Ladiew-Walton
B. Whalen
D. Noorani
B. West
L. McClelland

AMERITECH OPERATING COMPANIES

TARIFF F.C.C. NO. 2
Original Page 29

ACCESS SERVICE

2. General Regulations (Cont'd)**2.1 Undertaking of the Telephone Company (Cont'd)****2.1.10 Notification of Service-Affecting Activities**

The Telephone Company will provide the customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements, routine preventative maintenance and major switching machine change-out. Generally, such activities are not individual customer service specific, they affect many customer services. No specific advance notification period is applicable to all service activities. The Telephone Company will work cooperatively with the customer to determine reasonable notification requirements.

2.1.11 Coordination with Respect to Network Contingencies

The Telephone Company intends to work cooperatively with the customer to develop network contingency plans in order to maintain maximum network capability following natural or man-made disasters which affect telecommunications services.

2.1.12 Provision and Ownership of Telephone Numbers

The Telephone Company reserves the reasonable right to assign, designate or change telephone numbers, any other call number designations associated with Access Services, or the Telephone Company serving central office prefixes associated with such numbers, when necessary in the conduct of its business. Should it become necessary to make a change in such number(s), the Telephone Company will furnish to the customer six months notice, by Certified U.S. Mail, of the effective date and an explanation of the reason(s) for such change(s).

ACCESS SERVICE

2. General Regulations (Cont'd)2.2 Use2.2.1 Interference or Impairment

- (A) The characteristics and methods of operation of any circuits, facilities or equipment provided by other than the Telephone Company and associated with the facilities utilized to provide services under this tariff shall not interfere with or impair service over any facilities of the Telephone Company, its affiliated companies, or its connecting and concurring carriers involved in its services, cause damage to their plant, impair the privacy of any communications carried over their facilities or create hazards to the employees of any of them or the public.
- (B) Except as provided for equipment or systems subject to the FCC Part 68 Rules in 47 C.F.R. Section 68.108, if such characteristics or methods of operation are not in accordance with (A) preceding, the Telephone Company will, where practicable, notify the customer that temporary discontinuance of the use of a service may be required; however, where prior notice is not practicable, nothing contained herein shall be deemed to preclude the Telephone Company's right to temporarily discontinue forthwith the use of a service if such action is reasonable under the circumstances. In case of such temporary discontinuance, the customer will be promptly notified and afforded the opportunity to correct the condition which gave rise to the temporary discontinuance. During such period of temporary discontinuance, credit allowance for service interruptions as set forth in 2.4.4 (A) and (B) following is not applicable.

2.2.2 Unlawful Use

The service provided under this tariff shall not be used for an unlawful purpose.

ACCESS SERVICE

2. General Regulations (Cont'd)

2.3 Obligations of the Customer

2.3.1 Damages

The customer shall reimburse the Telephone Company for damages to the Telephone Company facilities utilized to provide services under this tariff caused by the negligence or willful act of the customer or resulting from the customer's improper use of the Telephone Company facilities, or due to malfunction of any facilities or equipment provided by other than the Telephone Company. Nothing in the foregoing provision shall be interpreted to hold one customer liable for another customer's actions. The Telephone Company will, upon reimbursement for damages, cooperate with the customer in prosecuting a claim against the person causing such damage and the customer shall be subrogated to the right of recovery by the Telephone Company for the damages to the extent of such payment.

2.3.2 Ownership of Facilities and Theft

Facilities utilized by the Telephone Company to provide service under the provisions of this tariff shall remain the property of the Telephone Company. Such facilities shall be returned to the Telephone Company by the customer, whenever requested, within a reasonable period following the request in as good condition as reasonable wear will permit.

2.3.3 Equipment Space and Power

The customer shall furnish or arrange to have furnished to the Telephone Company, at no charge, equipment space and electrical power required by the Telephone Company to provide services under this tariff at the points of termination of such services. The selection of ac or dc power shall be mutually agreed to by the customer and the Telephone Company. The customer shall also make necessary arrangements in order that the Telephone Company will have access to such spaces at reasonable times for installing, testing, inspecting, repairing or removing Telephone Company services.

? Change says to save customer plus net the

2.3.4 Availability for Testing

The services provided under this tariff shall be available to the Telephone Company at times mutually agreed upon in order to permit the Telephone Company to make tests and adjustments appropriate for maintaining the services in satisfactory operating condition. Such tests and adjustments shall be completed within a reasonable time. No credit will be allowed for any interruptions involved during such tests and adjustments.

ACCESS SERVICE

6. Switched Access Service (Cont'd)

6.7 Obligations of the Customer (Cont'd)

6.7.1 Report Requirements (Cont'd)

(C) 500 NXX and 900 NXX Code Reports

When ordering 500 Access Service or 900 Access Service, the customer must report the appropriate NXX code(s) to be instituted in each Telephone Company office at which the customer identification function is performed. The report must be updated by the customer each time a change is scheduled to occur, i.e., when a new code is to be added or an existing code is to be deleted. Such updated reports shall be provided at least 20 business days prior to the effective date of the change in order to allow the Telephone Company sufficient time to implement the change.

C

(D) Substantial Call Volume Services

When a customer offers services for which a substantial call volume is expected during a short period of time (e.g., media stimulated events), the customer must notify the Telephone Company at least 24 hours in advance of each peak period. For events scheduled during weekends or holidays, the Telephone Company must be notified no later than 5:00 p.m. local time the prior business day. Notification should include the nature, time, duration, and frequency of the event, an estimated call volume, and the NPA NXX and line number(s) to be used.

On the basis of the information provided, the Telephone Company may invoke network management controls if required to reduce the probability of excessive network congestion. The Telephone Company will work cooperatively with the customer to determine the appropriate level of such control.

Failure to provide prescribed notification may result in customer caused network congestion, which could result in discontinuation of service under paragraph 2.2.1 and/or damages under paragraph 2.3.1.

6.7.2 Supervisory Signaling

The customer's facilities shall provide the necessary on-hook off-hook, answer and disconnect supervision.

Issued: June 15, 1995

(TR890)
Effective: July 20, 1995

Director, Federal Regulatory Planning & Policy, 4G62
2000 W. Ameritech Center Drive
Hoffman Estates, Illinois 60196-1025

CANCELLATION FOR CAUSE

D. IMMEDIATE CANCELLATION WITH VERBAL NOTICE

1. Under any of the conditions in a. to e. following, said discontinuance or termination by the Telephone Company will be made immediately, verbal notice being given the customer or his agent in person or by telephone if he can be reached; a confirming written notice will be mailed to the customer or his agent at the address to which bills are sent:
 - a. In the event of the use of profane or indecent language over the facilities;
 - b. In the event of abandonment of the station or facilities;
 - c. If the use of the service or facilities by the customer, or the manner of such use, or his failure to contract for adequate facilities (though these require he defray an unusual expense), tends to affect injuriously the efficiency of the Company's general plant or services;
 - d. If a service or facility is used in a manner which substantially impairs the service of a particular customer;
 - e. In the event that a customer transmits a previously recorded message over the exchange or toll facilities of the Company without properly identifying himself or the sponsor.

E. CANCELLATION OF SERVICE PROVIDED BY ANOTHER COMPANY

The Company is permitted to discontinue or terminate basic local exchange service of a customer for nonpayment of undisputed charges of another provider, subject to provisions specified elsewhere in this tariff, if that provider's charges are billed by the Company and the charges are either regulated by this Commission or the Federal Communications Commission. (C)

Issued under authority of M.P.S.C. Order dated 5/31/96 Case No. U-11043
Issued: January 10, 1997 Effective: January 11, 1997

By Paul V. LaSchiavza, Vice President - Regulatory
Detroit, Michigan

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

In the Matter of

Number Portability Query Services)	CC Docket No. 98-14
)	
Ameritech Tariff F.C.C. No. 2)	CCB/CPD 97-46
Transmittal Nos. 1123, 1130;)	
)	
Bell Atlantic Tariff F.C.C. No. 1,)	CCB/CPD 97-52
Transmittal No. 1009;)	
)	
Southwestern Bell Tariff F.C.C. No, 73,)	CCB/CPD 97-64
Transmittal No. 2680;)	
)	
Pacific Bell Tariff F.C.C. No. 128,)	CCB/CPD 97-65
Transmittal No. 1962)	

REPLY COMMENTS OF AMERITECH

Larry A. Peck
Counsel for Ameritech
Room 4H86
2000 West Ameritech Center Drive
Hoffman Estates, IL 60196-1025
(847) 248-6074

Dated: February 27, 1998

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

In the Matter of

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Transmittal No. 1009;)	
)	
Southwestern Bell Tariff F.C.C. No, 73,)	CCB/CPD 97-64
Transmittal No. 2680;)	
)	
Pacific Bell Tariff F.C.C. No. 128,)	CCB/CPD 97-65
Transmittal No. 1962)	

REPLY COMMENTS OF AMERITECH

I. **SUMMARY AND INTRODUCTION.**

Ameritech files its Reply Comments in support of its Direct Case filed in response to the Order Designating Issues for Investigation ("Order") released in this proceeding on January 30, 1998. Ameritech's Direct Case answered each of the questions raised by the Commission in the Order, and demonstrated that Ameritech's Query Service is appropriately priced as an access service and is supported by cost and demand studies that properly assign direct and overhead costs to the service. Moreover, Ameritech

established that the Query Service Tariff resolves the Commission's blocking and network reliability concerns in a nondiscriminatory manner.

In its Reply Comments, Ameritech will refute allegations made in the Oppositions. Ameritech will show that it used a forward-looking total service long run incremental cost ("TSLRIC") methodology to identify the direct costs of providing the service, including those applicable to operations support systems ("OSS"), system signaling 7 ("SS7"), and billing systems. In particular, Ameritech utilized its standard TSLRIC depreciation lives, properly determined employee related costs, and correctly calculated the cost differences between tandem and end office queries.

Ameritech will also address a number of miscellaneous issues raised by the parties. Ameritech will show that it is developing a method to mechanically bill for default traffic, but in the mean time has found an interim billing measure that will reduce its costs to a level that will enable it to withdraw the Default Query Non-Recurring Charge. Next, Ameritech will clarify that it will only assess the query charge to numbers within a central office code (NXX) where at least one number in that code has been ported. Lastly, Ameritech will re-affirm that accurate detailed forecasts are essential to network reliability, and that Ameritech will only block traffic on a nondiscriminatory basis where that traffic is in fact creating a substantial risk of network harm.

II. RESPONSE TO OPPOSITIONS.

A. Many Issues Were Not Contested.

Of the literally hundreds of potential users of the Query Service, seven parties filed Oppositions in the matter and these Oppositions are focused on a few areas. For instance, the following issues were not seriously contested, or were admitted in the Oppositions:

1. The Query Tariff can be based upon unseparated costs.
2. One rate should apply to all queries, intrastate and interstate.¹
3. The Query Service is competitive.²
4. Direct costs of the Query Service are recoverable from N-1 carriers, and not from other carriers or end users.
5. There are direct costs of upgrading SS7, OSS and billing systems, although there is considerable dispute as to which, if any, SS7, OSS and billing costs may be recovered.³
6. Blocking of default traffic that is causing potential network harm is appropriate. The dispute is over forecasting and blocking of prearranged traffic.

Ameritech will not address these issues further, and the Commission should accept Ameritech's Query Service Tariff, as it relates to these issues and all other issues not raised in the Oppositions.

¹ In fact, Sprint (at 6) went so far as to claim that the Commission should assert jurisdiction over intrastate queries. In the Ameritech Region this is not necessary since Ameritech plans to mirror the interstate rate at the state level.

² Both Illuminet at 3; and MCI at 3 admit this fact, and that the service should recover an appropriate allocation of overhead.

³ For example, MCI admits (at 5) that there are direct costs of upgrading OSS and SS7 and provides a list of costs that it agrees are direct.

B. The Query Service Is An Access Service And Properly Recovers Direct Costs, Plus An Appropriate Allocation Of Overhead Costs.

Ameritech would like to clarify at the outset that it did not use a fully distributed cost methodology to develop its Query Service rates.⁴ Rather, Ameritech calculated the incremental forward-looking costs of providing the service using its standard TSLRIC methodology, and added to those direct costs a reasonable overhead loading factor to recover joint and common costs allocable to the service. This approach is consistent with the methodology routinely used to price access services and network elements using TSLRIC.

The application of an overhead factor provides a practical means to apportion joint and common costs to individual services. As the Commission has found “[t]ypically, in the rate making process, rates are set to recover the sum of direct costs and overheads . . . Overheads, in turn, are usually calculated using direct costs as a base.”⁵

The Query Service overhead factor was developed by first determining an FDC annual cost factor from ARMIS data, and then developing the ratio of this FDC annual cost factor to the TSLRIC annual

⁴ AT&T at 10.

⁵ Open Network Architecture Tariffs of Bell Operating Companies, CC Docket No. 92-91, Order, released December 15, 1993, at ¶44.