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**BellSouth Corporation**  
Suite 900  
1133-21st Street, NW  
Washington, DC 20036-3351  
  
glenn.reynolds@bellsouth.com

**Glenn T. Reynolds**  
Vice President -  
Federal Regulatory  
  
202 463 4112  
Fax 202 463 4142

August 6, 2002

EX PARTE

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
The Portals  
445 12<sup>th</sup> St. SW  
Washington, D.C. 20554

Re: WC Docket 02-150

Dear Ms. Dortch:

On August 5, 2002, the following persons representing BellSouth participated in a conference call with Dick Kwiatkowski, Josh Swift and Monica Desai of the Wireline Competition Bureau to respond to questions in connection with the above-referenced proceeding: Daonne Caldwell, Gerry Gardner, Sean Lev and Glenn Reynolds. The meeting was held to preview pricing issues addressed in BellSouth's Reply Comments in this proceeding. Among the issues discussed were unbundled switching and DUFs.

In accordance with Commission rules, I am filing copies of this notice and attachment and request that they be included in the record of the proceeding identified above.

Sincerely,



Glenn T. Reynolds

cc: Tamara Preiss  
Josh Swift  
Marv Sacks  
Dick Kwiatkowski  
Monica Desai  
Susan Pie  
James Davis-Smith (Department of Justice)

<b>Assume:</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Investments	\$100,000	\$5,000	\$8,000
Demand (Annual Messages)	15,000	25,000	30,000
Annual Cost Factor	0.3		
<b>Cash Flow - Annual Costs per Year</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Related to Year 1 Investments	\$30,000	\$30,000	\$30,000
Related to Year 2 Investments		\$1,500	\$1,500
Related to Year 3 Investments			\$2,400
Total Annual Cost per Year	\$30,000	\$31,500	\$33,900
Demand (Annual Messages)	15,000	25,000	30,000
Cost per Message	\$2.00	\$1.26	\$1.13
<b>Cost Study Method</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Year 1 Investments	\$100,000	\$100,000	\$100,000
Year 2 Investments		\$5,000	\$5,000
Year 3 Investments			\$8,000
Total Yearly Investment	\$100,000	\$105,000	\$113,000
Sum of Investments	\$318,000		
Cummulative Demand	70,000		
Sum of Investments/Cummulative Demand	\$4.54		
Cost per Message	\$1.36		
<b>Turner's Method</b>			
Sum of Investments	\$113,000		
Cummulative Demand	70,000		
Sum of Investments/Cummulative Demand	\$1.61		
Cost per Message	\$0.48		

1	Processor Costs	Source	5ESS (69%)	DMS (31%)	Misc
2	Unit Investment				
3	\$/Msec (MO1)	SCIS/MO	\$1.50	\$0.51	\$1.19
4	\$/EPHC (MO2)	SCIS/MO	\$0.92	N/A	\$0.63
5	Msec per Average Feature	Equal to Msec required to set up a call	2	6	3.24
6	Busy Hour Calls (Processor)	Usage w/Penetration	3.74	3.74	3.74
7	Processor Investment	L3*L5*L6+L4*L6	\$14.68	\$11.44	\$16.83
8					
9	<b>Line Costs</b>				
10	Unit Investment				
11	\$/CCS (MO4)	SCIS/MO	\$5.60	\$8.70	\$6.56
12	Feature Holding Time (CCS)	Network	0.18	0.18	0.18
13	Busy Hour Calls (Line)	Usage w/Penetration	1.18	1.18	1.18
14	Line Investment	L11*L12*L13	\$1.19	\$1.85	\$1.39
15					
16	<b>Hardware Costs</b>				
17	Average Investment per CCS	Hardware Special Study	\$54.20	\$83.70	\$57.15
18	Hardware Holding Time (CCS)	Network	0.9	0.9	0.9
19	Busy Hour Calls (Hardware)	Usage w/Penetration	2.11	2.11	2.11
20	Hardware Investment	L17*L18*L19	\$102.93	\$120.97	\$108.52
21					
22	<b>SS7 Costs</b>				
23	Unit Investment				
24	\$/Octet (MO17)	SCIS/MO	\$0.0008	\$0.0008	\$0.0008
25	Average Octets per Feature	SCIS/IN	198	198	198
26	Busy Hour Calls (SS7)	Usage w/Penetration	1.23	1.23	1.23
27	SS7 Investment	L24*L25*L26	\$0.19	\$0.19	\$0.19
28					
29	<b>Other Feature Costs (per Port)</b>				
30	Line Termination (MO3)	SCIS/MO	\$48.61	N/A	\$32.16
31	CLASS Modem	Hardware Special Study	N/A	\$3.02	\$0.94
32	<b>Penetration</b>				
33	Lines with Remote Call Forwarding		0.2%	N/A	0.2%
34	Lines using at least one CLASS Modem card.		N/A	31%	31%
35	Other Feature Investment (per Port)	L30*L33+L31*L34	\$0.09	\$0.94	\$0.35
36					
37	<b>Total Feature Investment</b>		<b>\$119.06</b>	<b>\$135.39</b>	<b>\$127.29</b>
38					
39					
40	<b>Note:</b> The SST-U model reflects these calculations on the UNE Main sheet. See Columns CA - CW of this workpaper.				

PSC NY No. 10--COMMUNICATIONS

Verizon New York Inc.

Section 5  
 Second Revised Page 111  
 Superseding First Revised Page 111

NETWORK ELEMENTS

- 5. Unbundled Network Elements (Cont'd)
- 5.6 Unbundled Local Switching (Cont'd)
- 5.6.1 Local Switch (Cont'd)
- 5.6.1.7 Rates and Charges (Cont'd)

(B) Line Port Features (All features are not available with all port types)

	<u>Monthly Rates</u> (Per Line Port)	<u>NRCs</u>	<u>Expedited</u> <u>NRCs</u>	(C)
(1) <u>BRI Line Port Features</u>				
Bridging	\$0.00	\$9.01	13.99	
Time and Date Display	0.00	9.01	13.99	
ISDN Circuit Switched				
Voice	0.00	9.01	13.99	
ISDN Short Hunt	0.00	9.01	13.99	
ISDN Call Forwarding				
- Call Forwarding	0.00	9.01	13.99	
- Incoming Only	0.00	9.01	13.99	
- Intra Group Only	0.00	9.01	13.99	
ISDN Call Forwarding Busy Line	0.00	9.01	13.99	
- Incoming Only	0.00	9.01	13.99	
- Don't Answer	0.00	9.01	13.99	
- Don't Answer				
Incoming Only	0.00	9.01	13.99	
ISDN Series Completion	0.00	9.01	13.99	
ISDN Multiline Hunting	0.00	9.01	13.99	
ISDN Circular Hunting	0.00	9.01	13.99	
ISDN Conference Calling				
- 6 Way	0.53	9.01	13.99	
ISDN Add-On				
Consultation Hold-				
Incoming Only	0.00	9.01	13.99	
Call Transfer Internal	0.00	9.01	13.99	
Call Transfer Individual				
- Incoming Only	0.00	9.01	13.99	
ISDN Three Way Calling	0.23	9.01	13.99	
ISDN Call Transfer Individual				
- All Calls	0.00	9.01	13.99	(C)

Issued in compliance with Order of the Public Service Commission, dated January 28, 2002 in Case No. 98-C-1357.

See PREFACE Item 25 for Statement of Company's Reservation of Objections.

Issued: February 19, 2002

Effective: March 1, 2002

By Sandra Dilorio Thorn, General Counsel  
 1095 Avenue of the Americas, New York, N.Y. 10036

PSC NY No. 10--COMMUNICATIONS

Verizon New York Inc.

Section 5  
 First Revised Page 112  
 Superseding Original Page 112

NETWORK ELEMENTS

5. Unbundled Network Elements (Cont'd)

5.6 Unbundled Local Switching (Cont'd)

5.6.1 Local Switch (Cont'd)

5.6.1.7 Rates and Charges (Cont'd)

(B) Line Port Features (All features are not available with all port types) (Cont'd)

	<u>Monthly Rates</u> (Per Line Port)	<u>NRCs</u>	<u>Expedited</u> <u>NRCs</u>	(C)
(1) <u>BRI Line Port Features</u> (Cont'd)				
Feature Display	\$0.00	\$9.01	13.99	
ISDN Voice / Data Protection	0.00	9.01	13.99	
ISDN Calling Number Delivery	0.00	9.01	13.99	
- Blocking	0.00	9.01	13.99	(C)
Calling Name Delivery	3.85	9.01	13.99	(N)
Circuit Switched Voice Intercom	7.56	9.01	13.99	(N)
(2) <u>Primary Rate ISDN</u> <u>Port Features</u>				
Incoming Calling Line Identification -	0.00	9.01	13.99	(C)
Call By Call Service Selection	0.00	9.01	13.99	
(3) <u>Centrex Line Port Features</u>				
Automatic Route Selection (ARS)	0.00	9.01	13.99	
Expensive Route Warning Tone	0.00	9.01	13.99	
Automatic Call Back	0.33	9.01	13.99	
Call Park	0.00	9.01	13.99	
Call Transfer Individual All Calls	0.00	9.01	13.99	
Call Waiting Term All Calls	0.00	9.01	13.99	
Calling Name Display	0.00	9.01	13.99	
CCSA Access	0.00	9.01	13.99	
Centrex Intercom	0.30	9.01	13.99	
Datapath 56 Kbps	0.00	9.01	13.99	
Dial Call Waiting	0.00	9.01	13.99	
Directed Call-Pickup				
Barge-In	0.00	9.01	13.99	
Distinctive Ringing	0.03	9.01	13.99	
EPSCS Access	0.00	9.01	13.99	
ETN Access	0.00	9.01	13.99	
Executive Busy Override	0.00	9.01	13.99	(C)

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5.6 Unbundled Local Switching (Cont'd)

5.6.1 Local Switch (Cont'd)

5.6.1.7 Rates and Charges (Cont'd)

(B) Line Port Features (All features are not available with all port types) (Cont'd)

	<u>Monthly Rates</u> (Per Line Port)	<u>NRCs</u>	<u>Expedited</u> <u>NRCs</u>	(C)
(3) <u>Centrex Line Port Features</u> (Cont'd)				
Hunting Circular	\$0.00	\$9.01	13.99	
Hunting Series	0.00	9.01	13.99	
Loudspeaker Paging	7.05	9.01	13.99	
Meet-Me Conference	0.15	9.01	13.99	
Music on Hold	0.00	9.01	13.99	
Network Speed Dialing	0.00	9.01	13.99	
Recorded Telephone Dictation	0.00	9.01	13.99	
Six way Conference	0.88	9.01	13.99	
SMDR to Premises	15.02	9.01	13.99	
SMDR to RAO	0.00	9.01	13.99	
Speed Dialing Long List	0.00	9.01	13.99	
Three-way Calling	0.23	9.01	13.99	
Tie Line Access	0.00	9.01	13.99	
Time of Day Network Class of Service Routing	0.00	9.01	13.99	
Uniform Call Distribution	0.00	9.01	13.99	(C)
(4) <u>Other Line Port Features</u>				
Anonymous Call Rejection	0.06	9.01	13.99	(N)
Automatic Call Return	0.33	9.01	13.99	(N)
Callability	0.16	9.01	13.99	(N)
Call Forwarding/Busy Line	N/A	9.01	13.99	(C)
Call Forwarding/Don't Answer	N/A	9.01	13.99	
Call Forwarding	N/A	9.01	13.99	
Call Waiting	N/A	9.01	13.99	
Calling Name Display	0.00	9.01	13.99	
Calling Number Display	0.05	9.01	13.99	
Calling Number and Name Display	0.17	9.01	13.99	
Custom Ringing	0.52	9.01	13.99	(C)

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- 5.6.1.7 Rates and Charges (Cont'd)
- (B) Line Port Features (All features are not available with all port types) (Cont'd)

	<u>Monthly Rates</u>	<u>Nonrecurring Charges</u> (Per Line Port)		(C)
		<u>Normal</u>	<u>Expedited</u>	
(4) <u>Other Line Port Features</u> (Cont'd)				
Number Pre-Assignment				
- (1-20 DID Numbers)	\$0.00	\$9.01	13.99	
Number Pre-Assignment				
- (100 DID Numbers)	0.00	9.01	13.99	
Speed Dialing	N/A	9.01	13.99	
Three Way Calling	0.23	9.01	13.99	
Voice Dialing	1.44	9.01	13.99	
Subsequent Addition/ Change of one or more features	N/A	9.01	13.99	
Suspend and Restore	N/A	9.01	13.99	
1-Way Restr.	N/A	9.01	13.99	
Billed Number Screening	N/A	9.01	13.99	
Blocking of Pay-Per-Call Services	N/A	9.01	13.99	
International Direct Dial Blocking	N/A	9.01	13.99	
1010XXX+1 Blocking	N/A	9.01	13.99	
Limited InterLATA Dialing	N/A	9.01	13.99	
Line Side Answer Supervision	N/A	9.01	13.99	(C)
	<u>Rate</u>			
AIN Triggers				
- per order		9.01	13.99	(C)
- - per message/query	\$0.000191			
Call Blocking				
- per call	0.002	9.01	13.99	(C)