

## PUBLIC UTILITIES COMMISSION

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SAN FRANCISCO, CA 94102-3298



March 15, 2005

Micki Burton  
Associate Director  
SBC California – Regulatory Services  
140 New Montgomery Street  
Room 1720  
San Francisco, California 94105

VIA E-Mail To: BURTON, MICKI (PB) [mb1469@sbc.com]

RE: Data Request on \$41 million LNP Cost Recovery Shortfall

Dear Micki,

I am writing to follow-up with you on Monday's meeting with SBC's Federal Group. As described below, the following additional data is needed to clarify how the shortfall in surcharge collections was developed for SBC's petition filed with the FCC to waive the five year cost recovery rule. Please provide a response by March 21, 2005. I understand that the timing for the response is less than the usual 10 days that is allowed for data request responses. However, we appreciate your consideration in this matter since comments on your petition are due to the FCC by March 24, 2005.

1. Please provide the calculation and supporting documentation for Mr. John G. Connelly's statement on page 3 of his declaration that SBC experienced a \$41 million LNP cost recovery shortfall for Pacific Bell.
2. In addition, because I am unclear as to exactly what data the supporting documentation may contain, please also respond to these additional questions:
  - A. Does the calculation of the \$41 million shortfall for Pacific Bell include non-California operations such as Pacific Bells operations in Nevada?
  - B. If so, what is the amount of LNP cost recovery shortfall that should be deducted from the \$41 million in order to obtain only the California shortfall?
  - C. Does the \$41 million LNP cost recovery shortfall for Pacific Bell include non-ILEC operations such as Pacific Bell's CLEC operations in Verizon's and/or Surewest's territories?
  - D. If so, what is the amount of the LNP cost recovery shortfall that should be deducted from the \$41 million in order to obtain only the Pacific Bell ILEC shortfall?
3. I understand from the petition and Mr. Connelly's declaration that the FCC approved recovery for SBC in the amount of \$1.275 billion, but it is not clear from the petition or the declaration how much of that amount related to Pacific Bell.
  - A. What is the amount of the Pacific Bell (California ILEC only) portion of the \$1.275 billion?
  - B. Please further disaggregate this amount into the amount that SBC estimated Pacific Bell should collect from CLEC's and the amount it estimated Pacific Bell should collect from end users.
4. Regarding the \$37 million not collected, please provide a break down of Pacific Bell's portion of the \$37 million that SBC asserts it did not impose on certain customers due to billing errors and contract limitations. Explain what contract limitations Mr. Connelly is referring to and to which customers these contract limitations apply.

5. Regarding CLECs, Mr. Connelly states that LNP revenues were collected from CLECs through authorized LNP surcharges,
- A. What is the dollar amount of the LNP surcharges actually collected in California by Pacific Bell ILEC from CLECs?
  - B. What is the dollar amount of the LNP surcharges actually collected by Pacific Bell ILEC from end users?
  - C. What is the portion and/or amount of the \$41 million shortfall attributed to LNP charges that should have been collected from CLECs?
  - D. What is the portion and/or amount of the \$41 million shortfall attributed to LNP charges that should have been collected from end users?

Thank you Micki. If you have any questions please call me at 415-703-2767. Due to the short time remaining before comments are due on SBC's petition, please forward the data request responses via e-mail to:

Cherrie Conner at: [chr@cpuc.ca.gov](mailto:chr@cpuc.ca.gov) and  
Helen Mickiewicz at: [hmm@cpuc.ca.gov](mailto:hmm@cpuc.ca.gov)

Sincerely,

/s/ Cherrie Conner

Supervisor  
Telecommunications Division