

Confidential Release

Case Number:

93-487-TP-ALT

93-576-TP-CSS

Date of Confidential Document:

8/11/1994

Today's Date:

July 31, 2009

Confidential engineering parameters

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CONFIDENTIAL - SUBJECT TO PROPRIETARY AGREEMENTS

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DOCKETING DIVISION
PUBLIC UTILITIES COMMISSION OF OHIO

August 4, 1994

Honorable Christine M. T. Pirik
Honorable Mary K. Fenlon
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43266-0573

Re: The Ohio Bell Telephone Company
Case No. 93-487-TP-ALT

OCC v. The Ohio Bell Telephone Company
Case No. 93-576-TP-CSS

Dear Examiners Pirik and Fenlon:

During Chairman Glazer's examination of Ameritech Ohio witness Dr. Kent A. Currie on July 20, 1994 (Tr. XVII at 68-69, excerpt attached), Dr. Currie was asked to provide the engineering parameters that had been provided to him. The attachment describes those engineering parameters. Please note that this is a confidential document that is subject to the protective agreements entered into in this case.

Very truly yours,

Attachments

FILED

APR 21 1995

MARCIA J. WINDOL CLERK
SUPREME COURT OF OHIO

1 for the placement of facilities in the feeder portion
2 of the loop, loops that are under 15 kilofoot in
3 length, will have feeder sections that are always
4 copper. That's the engineering rule that we use.

5 The feeder section for loops that are over 18
6 kilofoot are always fiber feeder.

7 And for loops that have -- that are between 15
8 and 18 kilofoot, the -- whether it is fiber or whether
9 it is copper depends on how many channels are needed
10 and, in fact, it is 600 channels was the number that,
11 in fact, is the break.

12 So if I had a route that was -- that had loops
13 that were between 15 and 18 kilofoot in length and it
14 was a requirement of more than 600 voice-grade
15 facilities, you would deploy fiber; if it is under 600,
16 you deploy copper.

17 Q. Is there a specific document that the engineers
18 provided to you that outlines the parameters that they
19 gave you?

20 A. At one point. I don't recall whether -- I recall
21 one specifically, but there do exist such documents
22 that have that, yes.

23 Q. I wonder if you could at some point, through your
24 counsel, if you could obtain those and provide those
25 for the record. It would be helpful to know what went

1 into that.

2 A. If I can find them. I know where current ones
3 are, I don't know offhand where the old ones are, but
4 I'm certain they're in some document, and I will
5 certainly try to do that.

6 Q. Okay. One last issue on this is the -- in the
7 calculation of long-run incremental costs, LRSIC, for
8 the various cost floors, in determining the cost, one
9 element of that cost is a return on the Company's
10 investment, is it not?

11 A. There's a minimum cost that represents that, yes.

12 Q. And you had to come up with a rate of return on
13 that plant and crank that into the LRSIC study; did you
14 not?

15 A. Yes. There's such a number, yes.

16 Q. And what did you use as the rate of return for
17 the Company?

18 A. I'd have to go back and look. I don't recall off
19 the top of my head.

20 It is in the study documents, and that represents
21 the current -- at the time we did the study, the
22 current economic costs as I would describe the
23 opportunity costs of the equity at the time we did the
24 study.

25 Q. How did you determine that?