

QB-487-TP-ALT

MCI EXHIBIT 1.2



KENTUCKY INTRALATA EQUAL ACCESS TASK FORCE
Administrative Case No. 323, Phase I

Report of the
Task Force Coordinating Committee
to the:



PUBLIC SERVICE
COMMISSION
OF KENTUCKY

November 6, 1992

TABLE 2 - SUMMARY OF TWO-PIC SOFTWARE AVAILABILITY/COST BY SWITCH TYPE

| Switch Vendor | Switch Type | 2-PIC Offer | Avail. Date | Planning Price |
|---------------|-------------|-------------|-------------|------------------------------------|
| AGCS | GTD-5EAX | SVR 1.6.4.1 | See (1) | \$6.8M Dev. + \$10K/site |
| | No.2-EAX-2A | SVR 1.4.1.1 | See (1) | \$2.8M Dev. (2) |
| | No.2-EAX-2B | SVR 1.3.5.1 | See (1) | |
| ALCATEL | 1210 | OSM 303 | NOW (3) | \$50-\$350K |
| ADS | ITS 4/5 | Release 8 | NOW (3) | \$150K/site |
| *AT&T | 1AESS | 1AE11 | See (4) | \$6.9 - \$7.3M Dev. Cost (2) |
| | 2BESS | 2BE5 | See (4) | |
| | 5ESS | 5E9 | See (4) | |
| NEC | NEAX 61E | G2 | NOW (3) | \$0 |
| NTI | DMS-100 | BCS35 | 4th Qtr '92 | \$40K/site |
| | DMS-10 | 405.10 | NOW (3) | \$5/wired line max of \$12.5K/site |
| SIEMENS | DCO/RNS | 18.0 | 1st Qtr '94 | \$16K/site |
| | EWSD | 11.0 | 1995 | \$7.4K/site |

Notes on Table 2

*AT&T has not provided individual per switch planning prices for the two-PIC feature. The aggregate price for the two-PIC feature for AT&T switches in Kentucky is proprietary and is not provided in this report. Individual local exchange company reports should reflect AT&T planning prices.

- (1) AGCS has indicated that it will take 15 to 18 months to develop the two-PIC feature after they have received a request for development.
- (2) These development costs are one-time costs for all switches identified by this switch vendor.
- (3) It should be noted that it will take a certain amount of time—which may vary by local exchange company and switch vendor—to request, engineer and install the intraLATA equal access feature.
- (4) AT&T has indicated that it will take approximately 18 to 24 months to develop the two-PIC feature once a local exchange company has committed to purchase the feature.

site = a stand alone switch or a host/remote complex

As reflected in Table 2, two vendors provided a "development" cost for the intraLATA software feature package. Whether any or all of this development cost applies to Kentucky is a function of when the feature is required in Kentucky and the extent to which the feature is used in other states or regions. With the exception of GTE, the local exchange companies did not include these development costs in their individual cost analyses since there is some question as to their applicability. GTE, however, included the \$6,800,000 development costs from AGCS as they felt this cost

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| | No.2-EAX-2A | SVR 1.4.1.1 | See (1) | \$2.8M Dev.(2) |
| | No.2-EAX-2B | SVR 1.3.5.1 | See (1) | |
| ALCATEL | 1210 | QSM 303 | NOW (3) | \$50-\$350K |
| ADS | ITS 4/5 | Release 8 | NOW (3) | \$150K/site |
| *AT&T | 1AESS | 1AE11 | See (4) | \$6.9 - \$7.3M Dev. Cost (2) |
| | 2BESS | 2BE5 | See (4) | |
| | 5ESS | 5E9 | See (4) | |
| NEC | NEAX 61E | G2 | NOW (3) | \$0 |
| NTI | DMS-100 | BCS35 | 4th Qtr '92 | \$40k/site |
| | DMS-10 | 405.10 | NOW (3) | \$5/wired line max of \$12.5K/site |
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