

# Confidential Release

**Case Number: 02-1280-TP-UNC**

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**Release Date:**

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Part 2 of 2

**Page Count: 697**

**Document Description: Direct Testimony of Michael Starkey**

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***“Consent to Release to the PUCO DIS Website”***

**Name**

*Jay D. Agnoff*

\_\_\_\_\_  
Reviewing Attorney Examiner's Signature

**Date Reviewed**

*2/6/18*

**1770 INDEPENDENT EXCHANGE CARRIER RELATIONS**  
**1-01-95**

This code is assigned to nonmanagement employees and first through fifth level managers

- ◆ Maintains relations and coordinates activities and plans of mutual interest with independent exchange carriers
- ◆ Maintains relations and coordinates activities and plans of mutual interest with telephone trade organizations such as United States Telephone Association (USTA), Organization for the Protection and Advancement of Small Telephone Companies (OPASTCO), National Telephone Cooperative Association (NTCA), etc.
- ◆ Coordinates the activities of the independent exchange carriers cost study review team with the independent exchange carriers
- ◆ Coordinates the forecasting of independent exchange carriers settlements
- ◆ Coordinates facilities requirements with independent exchange carriers
- ◆ Typical activities:
  - ◆ Receives inquiries/orders/memorandums from SWBT service order units or independent exchange carrier companies pertaining to facility needs for customer service
  - ◆ Reviews and logs memorandums, inquiries and orders, and distributes to appropriate parties
  - ◆ Interfaces with marketing (ISC), engineering and network organization entities to ensure integrity of committed service dates and facilities required
  - ◆ Maintains and prepares records on tariff charges and settlements of amounts due
  - ◆ Receives completion advices and various other data, e.g., facility layout records, jeopardy notes, etc.
- ◆ Performs general office duties (e.g., secretarial and/or clerical activities) in support of AC 1770
- ◆ Performs administrative assistance functions (e.g., methods, planning, training) in support of AC 1770. See Appendix II for a complete description of the administrative assistance functions
- ◆ Supervises employees who perform AC 1770 functions

**EXCLUSION:**

For preparation and formatting of service order memorandums into service order format, see AC 23XX.

PROPRIETARY

Not for use or disclosure outside Southwestern Bell  
Telephone Company except under written agreement.

**1780 CONTRACT ADMINISTRATION FOR SHARED FACILITIES AND SHARED SERVICES**  
**01-01-95**

This code is assigned to nonmanagement employees and first through fifth level managers

- ◆ Negotiates and administers contracts with companies for the shared use of a company's equipment, facilities, services, etc.
- ◆ Develops and analyzes information that is the basis for contract charges for shared facilities and services
- ◆ Contacts departmental representatives who are developing estimates of usage's and capacities of facilities, trunks, etc.
- ◆ Develops terms of contracts such as billed amount, supporting expenses and investments, performance criteria, duration, etc.
- ◆ Serves as the point of contact for reconciliation of bills
- ◆ Provides cost and revenue data requested by regulatory agencies
- ◆ Services contracts for shared facilities and shared services and renegotiates contracts as required
- ◆ Accesses and updates manual or mechanized databases as required
- ◆ Performs general office duties (e.g., secretarial and/or clerical activities) in support of AC 1780
- ◆ Performs administrative assistance functions (e.g., methods, planning, training) in support of AC 1780. See Appendix II for a complete description of the administrative assistance functions.
- ◆ Supervises employees who perform AC 1780 functions

PROPRIETARY

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**ACTIVITY CODE EXCERPT FROM  
THE AMERITECH COMMON  
FINANCIAL LANGUAGE  
(CFL) REFERENCE GUIDE**



**ACTIVITY CODES****ACTIVITY SUMMARY 0XXX**

PUCO Case No. 02-1280-TP-UNC  
Testimony of Michael Starkey  
Exhibit MS-3  
Page 14 of 14

**02EE Support - Human Resources**  
**Effective Date: 04-01-95 Account: 6723.1**

**03XX Product Advertising**

**0351 Product Advertising**  
**Effective Date: 04-01-95 Account: 6613.1**

Activities associated with commercial advertising for developing and implementing promotional strategies to stimulate the purchase of products and services

**0358 Basic Office Services - Product Advertising**  
**Effective Date: 04-01-95 Account: 6613.1**

**0359 Direct Supervision - Product Advertising**  
**Effective Date: 04-01-95 Account: 6613.1**

**03AA General Administration - Product Advertising**  
**Effective Date: 04-01-95 Account: 6613.1**

**03EE Support - Product Advertising**  
**Effective Date: 04-01-95 Account: 6613.1**

**05XX External Relations**

**0510 External Relations**  
**Effective Date: 04-01-95 Account: 6722.1**

Activities associated with maintaining relations with government, regulators, other companies and the general public

**0518 Basic Office Services - External Relations**  
**Effective Date: 04-01-95 Account: 6722.1**

**0519 Direct Supervision - External Relations**  
**Effective Date: 04-01-95 Account: 6722.1**

**05AA General Administration - External Relations**  
**Effective Date: 04-01-95 Account: 6722.1**

**05EE Support - External Relations**  
**Effective Date: 04-01-95 Account: 6722.1**

**BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO**

<b>In the matter of the Review of SBC Ohio's</b>	<b>)</b>	
<b>TELRIC Costs for Unbundled Network</b>	<b>)</b>	<b>Case No. 02-1280-TP-UNC</b>
<b>Elements</b>	<b>)</b>	
	<b>)</b>	

**TESTIMONY OF  
MICHAEL STARKEY**

**EXHIBIT \_\_\_\_ (MS-4)**

**Modified Shared & Common Cost  
Analysis**

**This Exhibit is Considered Confidential Pursuant to the Protective  
Order in Case No. 02-1280-TP-UNC – Filed Under Seal. It is Available  
Only in the Confidential Version of this Filing**

[illegible]

Shared & Common Cost Study				JOINT CLECS RECOMMENDED ADJUSTMENTS - CUMULATIVE IMPACT				
Line Number	Description	Account Number	Source	(1) EMBEDDED DIRECT COST DENOMINATOR BROUGHT TO CURRENT VALUE	(2) EMBEDDED DIRECT COST DENOMINATOR BROUGHT TO CURRENT VALUE USING CLEC CAPITAL COST FACTORS	(3) TBO / PENSION SETTLEMENT GAIN / LOSS TESTING & DISALLOWED COST ADJUSTMENTS	(4) COMMON	(5) SHARED
Ohio								
2004-2007								
Study \$(000)								
Source								
AREA IMPACTED BY ADJUSTMENT								
AVOIDED COST DISCOUNT APPLIED TO COMMON COSTS								
SHARED COST FACTOR								
Numerator (Wholesale Shared Costs)								
26	Total Marketing	6610	Tab 3 - Calculations (SBC) L137 Col L	\$119,717	\$119,717	\$119,717	\$119,717	\$113,605
27	Wholesale Marketing Percentage		Tab 2 - Inputs (SBC) L235	5.23%	5.23%	5.23%	5.23%	5.23%
28	UNE Revenue as a % of Wholesale Revenue (see Tab: Wholesale Revenue by Service)			\$6,265	\$6,265	\$6,265	\$6,265	\$1,282
29	Wholesale / UNE Marketing Cost		L36 * L27					
30	Total Uncollectibles	5301/5302	Tab 3 - Calculations (SBC) L172 Col L	\$61,015	\$61,015	\$61,015	\$61,015	\$61,015
31	Wholesale Uncollectible Percentage		Tab 2 - Inputs (SBC) L241	11.42%	11.42%	11.42%	11.42%	11.42%
32	UNE Revenue as a % of Wholesale Revenue (see Tab: Wholesale Revenue by Service)			\$6,966	\$6,966	\$6,966	\$6,966	\$6,966
33	Wholesale / UNE Uncollectible Cost		L30 * L31					
34	Wholesale Marketing and Uncollectibles		L29 + L33	\$13,232	\$13,232	\$13,232	\$13,232	\$8,248
35	Inflation Rate		Tab 2 - Inputs (SBC) L105	1.0696	1.0696	1.0696	1.0696	1.0696
36	Inflated Wholesale Marketing and Uncollectibles		L34 * L35	\$14,152	\$14,152	\$14,152	\$14,152	\$8,822
Denominator (Wholesale Direct Costs)								
37	Total Direct Cost		L22	\$2,718,336	\$2,067,206	\$2,067,206	\$2,091,823	\$2,091,822
38	Wholesale Direct Cost Percentage		Tab 2 - Inputs (SBC) L227	6.90%	6.90%	6.90%	6.90%	6.90%
39	Wholesale Direct Costs (Excluding Inflation)		L37 * L38	\$187,530	\$142,715	\$142,715	\$144,415	\$144,415
40	Inflation Rate		Tab 2 - Inputs (SBC) L105	1.0696	1.0696	1.0696	1.0696	1.0696
41	Wholesale Direct Costs		L39 * L40	\$200,562	\$152,648	\$152,648	\$154,466	\$154,466
Adjusted Wholesale Denominator - UNE Revenue								
Shared Cost Factor								
42	Shared Cost Factor		L36 / L41	7.96%	8.37%	8.27%	8.16%	8.37%
SHARED & COMMON COST FACTOR								
43	Shared & Common Cost Factor (simple summation)		L25 + L42	18.45%	24.48%	19.83%	18.40%	14.66%
44	Shared & Common Cost Factor (sequential)							
Note: May not add due to rounding								



Exhibit MS-4 (SAC)



Shared & Common Cost Study  
 Ohio

2004-2007  
 INPUTS (\$000)

A		B		C		D		E		F		G		H		I		J		K		L	
Line		Acct #		Description		Source-Cat		Investments are Averaged (Yr-L)		TBO		CAPCS Fractions ---		Wages & Sal		Wages & Sal		Ratio		Investment Inputs (\$000)		2007 EOT	
								2002 Base															
1	2111	2111	2111	ARMIS		ARMIS		\$17,053				16.85%						1.0354		\$17,634		\$17,785	
2	2112	2112	2112	MOTOR VEHICLES		ARMIS		\$77,063				19.62%						1.0354		\$86,589		\$85,516	
3	2113	2113	2113	TOOLS AND OTHER WORK EQUIPMENT EXPENSE		ARMIS		\$63,891				16.29%						2.2729		\$1,424		\$4,989	
4	2114	2114	2114	BUILDINGS		ARMIS		\$616,964				15.28%						2.2729		\$68,882		\$29,345	
5	2121	2121	2121	FURNITURE		ARMIS		\$3,109				15.22%						1.4556		\$3,643		\$2,574	
6	2122	2122	2122	OFFICE EQUIPMENT -		ARMIS		\$6,780				18.83%						1.0354		\$7,142		\$6,417	
7	2123	2123	2123	GENERAL PURPOSE COMPUTERS		ARMIS		\$73,004				24.73%						0.2711		\$8,455		\$1,100	
8	2211	2211	2211	DIGITAL ELECTRONIC SWITCHING		ARMIS		\$1,530,482				17.80%						0.7240		\$1,684,733		\$1,584,230	
9	2212	2212	2212	DIGITAL ELECTRONIC SWITCHING		ARMIS		\$19,266				22.25%						1.1601		\$19,521		\$18,896	
10	2213	2213	2213	RADIO SYSTEMS-NON CELLULAR MOBILE		ARMIS		\$7				22.25%						1.0245		\$7		\$7	
11	2214	2214	2214	RADIO SYSTEMS-OTHER RADIO FACILITIES		General Ledger		\$6,482				22.25%						1.0245		\$7,226		\$5,738	
12	2215	2215	2215	DIGITAL CIRCUIT EQUIPMENT		General Ledger		\$15,948				22.25%						1.0164		\$16,387		\$15,529	
13	2216	2216	2216	DIGITAL CIRCUIT EQUIPMENT		General Ledger		\$322,831				16.00%						0.8713		\$366,688		\$48,977	
14	2217	2217	2217	DIGITAL CIRCUIT EQUIPMENT		General Ledger		\$1,010,354				19.00%						0.8713		\$957,265		\$1,030,284	
15	2218	2218	2218	DIGITAL CIRCUIT EQUIPMENT		General Ledger		\$70,783				41.03%						1.0179		\$1,253		\$70,294	
16	2219	2219	2219	ANALOG CIRCUIT EQUIPMENT		General Ledger		\$1,100												\$1,597		\$1,597	
17	2311	2311	2311	STATION APPARATUS		ARMIS		\$0												\$0		\$0	
18	2312	2312	2312	CUSTOMER SERVICE WORKING		ARMIS		\$0												\$0		\$0	
19	2313	2313	2313	COMMUNICATIONS BRANCH EXCHANGES		ARMIS		\$0												\$0		\$0	
20	2314	2314	2314	PUBLIC TELEPHONE TERMINAL EQUIPMENT		ARMIS		\$11,264				22.63%						1.2444		\$12,444		\$12,982	
21	2315	2315	2315	POLES		ARMIS		\$136,960				28.25%						0.8770		\$11,237		\$11,290	
22	2411	2411	2411	AERIAL CABLE - NON-METALLIC		ARMIS		\$53,353				15.41%						2.9942		\$13,542		\$13,578	
23	2412	2412	2412	AERIAL CABLE - METALLIC		General Ledger		\$166,097				16.96%						1.1034		\$1,687		\$1,687	
24	2413	2413	2413	UNDERGROUND CABLE - NON-METALLIC		General Ledger		\$259,012				16.96%						1.0261		\$44,151		\$44,151	
25	2414	2414	2414	UNDERGROUND CABLE - METALLIC		General Ledger		\$311,432				16.96%						1.0261		\$44,151		\$44,151	
26	2415	2415	2415	BURIED CABLE - METALLIC		General Ledger		\$448,656				16.96%						1.0261		\$44,151		\$44,151	
27	2416	2416	2416	SUBMARINE CABLE - NON-METALLIC		General Ledger		\$0										1.0261		\$44,151		\$44,151	
28	2417	2417	2417	SUBMARINE CABLE - METALLIC		General Ledger		\$410										1.0261		\$44,151		\$44,151	
29	2418	2418	2418	INTRABUILDING NETWORK CABLE - NON-METALLIC		General Ledger		\$6,909										1.0261		\$44,151		\$44,151	
30	2419	2419	2419	INTRABUILDING NETWORK CABLE - METALLIC		General Ledger		\$82,223										1.0261		\$44,151		\$44,151	
31	2420	2420	2420	INTRABUILDING NETWORK CABLE - METALLIC		General Ledger		\$0										1.0261		\$44,151		\$44,151	
32	2421	2421	2421	AERIAL WIRE		ARMIS		\$648,656										1.0261		\$44,151		\$44,151	
33	2422	2422	2422	CONDUIT SYSTEMS		ARMIS		\$0										1.0261		\$44,151		\$44,151	
34	2423	2423	2423	INTANGIBLE ASSETS		ARMIS		\$47,114										1.0261		\$44,151		\$44,151	
35	2424	2424	2424	UNCOLLECTIBLE - OTHER		ARMIS		\$7,816,968										1.0261		\$44,151		\$44,151	
36	2425	2425	2425	UNCOLLECTIBLE - OTHER		ARMIS		\$73,445										1.0261		\$44,151		\$44,151	
37	3301	3301	3301	MOTOR VEHICLE EXPENSES		ARMIS		\$6,734										1.0261		\$44,151		\$44,151	
38	3302	3302	3302	LAND AND BUILDING EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
39	3303	3303	3303	FURNITURE AND ARTWORKS EXPENSES		ARMIS		\$6,913										1.0261		\$44,151		\$44,151	
40	3304	3304	3304	OFFICE EQUIPMENT EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
41	3305	3305	3305	GENERAL PURPOSE COMPUTERS EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
42	3306	3306	3306	DIGITAL ELECTRONIC SWITCHING EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
43	3307	3307	3307	ANALOG ELECTRONIC SWITCHING EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
44	3308	3308	3308	ELECTRO-MECHANICAL EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
45	3309	3309	3309	OPERATOR SYSTEMS EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
46	3310	3310	3310	RADIO SYSTEMS EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
47	3311	3311	3311	CIRCUIT EQUIPMENT EXPENSES - 257		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
48	3312	3312	3312	STATION APPARATUS EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
49	3313	3313	3313	COMMUNICATIONS BRANCH EXCHANGES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
50	3314	3314	3314	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
51	3315	3315	3315	OTHER TERMINAL EQUIPMENT EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
52	3316	3316	3316	POLE EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
53	3317	3317	3317	AERIAL CABLE EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
54	3318	3318	3318	UNDERGROUND CABLE EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
55	3319	3319	3319	BURIED CABLE EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
56	3320	3320	3320	SUBMARINE CABLE EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
57	3321	3321	3321	INTRABUILDING NETWORK CABLE EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
58	3322	3322	3322	CONDUIT SYSTEMS EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
59	3323	3323	3323	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
60	3324	3324	3324	PROVISIONING EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
61	3325	3325	3325	POWER EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
62	3326	3326	3326	NETWORK ADMINISTRATION EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
63	3327	3327	3327	TESTING EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
64	3328	3328	3328	PLANT OPERATIONS ADMINISTRATION EXPENSES		ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
65	3329	3329	3329			ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
66	3330	3330	3330			ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
67	3331	3331	3331			ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
68	3332	3332	3332			ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
69	3333	3333	3333			ARMIS		\$38,270										1.0261		\$44,151		\$44,151	
70	3334	3334	3334			ARMIS		\$38,270										1.0261		\$44,151		\$44,151	

Line	Account #	Description	Source-Cell E	2002 Balance	TBO	CAPIC Factors	H Wages & Salaries	I Wages & Sal % of Acct	J CCBC Ratio
71	8535	ENGINEERING EXPENSES	ARMS	\$33,985					
72	8540	ACCESS EXPENSES	ARMS	\$70,842	\$472				
The CAPIC Factor and CCBC ratio for Account #723 is a weighting of the Account #723.1 and #723.2 corresponding CAPIC Factors and CCBC ratios based on their respective GL Balances.									
--- For CAPIC Factors refer to the "Telecom" Tab of the "2002 ACCT" 2004-01-14-00" file provide as part of the ACCT documentation.									
A	B	C	D	E	F	G	H	I	J
73	8581	DEPRECIATION - TELECOM PLANT IN SERVICE	ARMS	\$508,828					
74	8582	DEPRECIATION - PROP HELD FOR FUTURE TELECOM USE	ARMS	\$0					
75	8583	AMORTIZATION EXPENSE - TANGIBLE	ARMS	\$485					
76	8584	AMORTIZATION EXPENSE - INTANGIBLE	ARMS	\$17,793					
77	8605	SALES	ARMS	\$45,511					
78	8611	PRODUCT MANAGEMENT	ARMS	\$67,125	\$37			\$0	
79	8612	SALES	ARMS	\$6,112				\$1,811	
80	8613	PRODUCT ADVERTISING	ARMS	\$19,748	\$31			\$1,811	1.51%
81	8610	TOTAL MARKETING EXPENSES	ARMS	\$5,042	\$143			\$2,510	48.79%
82	8621	CALL COMPLETION SERVICES	ARMS	\$19,741	\$378			\$14,983	75.90%
83	8622	NUMBER SERVICES	ARMS	\$193,505	\$1,980			\$66,584	36.28%
84	8623	CUSTOMER SERVICES	ARMS	\$4,178	\$0			\$221	
85	8711	EXECUTIVE	ARMS	\$24,261	\$1			\$2	
86	8712	SALES	ARMS	\$24,261	\$1			\$2	
87	8722	ACCOUNTING AND FINANCE	ARMS	\$12,584	\$12			\$2,817	
88	8723	HUMAN RESOURCES	ARMS	\$38,114	\$2			\$104	
89	8724	INFORMATION MANAGEMENT ---	ARMS	\$30,105	\$18			\$445	
90	8725	LEGAL	ARMS	\$7,958	\$18			\$23	
91	8726	PROCUREMENT	ARMS	\$2,279	\$0			\$213	
92	8728	RESEARCH AND DEVELOPMENT	ARMS	\$2,523				\$0	
93	8729	OTHER GENERAL AND ADMINISTRATIVE ---	ARMS	\$58,843				\$5,518	
94	8728	OTHER GENERAL AND ADMINISTRATIVE ---	ARMS	\$19,741				\$0,143	
95	8730	PROPERTY TAXES	ARMS	\$0					
96	8730	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE	ARMS	\$0					
97	7240.1	OTHER TAXES	General Ledger	\$95,132					
98	7240.9	TOTAL TAXES	General Ledger	\$1,036					
99	N/A	TOTAL TAXES	Sum L37 L38	\$96,168					
100									
101									
102									
103									
104									
TOTAL									
--- Account #8724 was adjusted to account for \$645,348 in multi-line labor costs that were recovered in the Service Order Computer Processing Cost study.									
--- Account #8728 was adjusted to remove the 2002 OSS testing expenses of \$30,482,950 and added back in the average OSS testing costs of \$14,332,110 incurred during 2000-2003.									
Also subtracted out pension settlement income of \$47,651									
Source:									
Cell F - General Accountant, Finance, SBC									
Cell G - 2002 Annual Charge Factor Review									
Cell H - SBC Finance Group									
Cell I - H1E									
Cell J - 2002 Annual Charge Factor Review									
Other Expense									
Description									
Source									
Inflation Factor Calculator Tool									
2004-2007 base year 2002									
Sum (H)									
1.0006									
Cell J - 2002 ACCT 2003-10-30-06									
"Commission Assessment" Tab									
0.0014									
100-4 year planning period mid-point inflation factor									
Commission Assessment Factor									



**AD VALOREM TAX FACTOR**  
**AVERAGE BOOK INVESTMENT:**

Account	Description	Source	(\$000)
107	December 2002 Investment	CH 2002 GL	\$8,079,938
108	Investment in December 2001	CH 2002 GL	\$7,774,583
109	Investment in December 2001	CH 2002 GL	\$296,353
110	Average Booked Investment	L107 + L108 + L109 / 3	\$7,822,758

**CALCULATION: Dollars in \$000**

Account	Description	Source	(\$000)
111	Total Taxes	L96	\$96,168
112	Average Booked Investment	L100	\$7,822,758
113	Ad Valorem Tax Factor	L111 / L112	0.0121
114	Commission Assessment (CA/F actor)	L106	0.0014
115	Total Ad Val. & CA Factor	L113 + L114	0.0135
116	TPIS	L115 * L116	\$7,762,449
117	Forward-Looking Ad Valorem Tax	L115 * L116	\$165,485
118	TPIS Common Costs	Tab 3 - Calculations (SBC), L36, Col N	\$6,711
119	Total TPIS Costs	Tab 3 - Calculations (SBC), L36, Col I	\$1,362,869
120	Percent Ad Valorem Tax Common	L117 / L118	0.0001
121	Common Ad Valorem Tax	L119 * L120	\$159
122	Direct Ad Valorem Tax	L117 - L121	\$164,878

**GENERAL PURPOSE COMPUTERS**

General Purpose Computers			
Description	Source	Value (\$000)	
Capital Costs			
123 Account 8124 Balance	L7	\$73,064	
124 Percent Non-Maintenance computers (CHs)	AT 2002 Computer Distribution	2.00%	
125 Account 8124 Balance - Non-Maintenance portion		\$1,460	
126 Maintenance Costs - Investment	L123 - L125	\$71,543	
127 Less Service Order Cost Study Adjustment (21.58% of Maintenance Costs for CH)	Less Cost Common Cost Study	\$2,537	
128 Adjusted Maintenance Costs-Investment		\$69,007	
129 CC to BC Ratio	L7 Col G	0.2717	
130 Capital Cost Factor	L7 Col G	24.73%	
131 Maintenance Capital Cost	L128 * L130	\$4,837	
132 Support Asset Common Cost	L211	\$17	
133 Total General Purpose Computers - Common Cost	L131 + L132	\$4,854	
Expenses			
134 Account 8124 Balance	L44	\$48,002	
135 Percent Non-Maintenance computers (CHs)	AT 2002 Computer Distribution	2.00%	
136 Account 8124 Balance - Non-Maintenance portion		\$1,760	
137 Maintenance Costs - Expense	L134 - L136	\$46,242	
138 Less Service Order Cost Study Adjustment (21.58% of Maintenance Costs for CH)	Less Cost Common Cost Study	\$5,873	
139 Adjusted Maintenance Costs - Expense		\$40,369	
140 Support Asset Common Cost	L217	\$169	
141 Total Maintenance Common Costs	L139 + L140	\$40,538	

FORWARD-LOOKING ADJUSTMENTS - Cable & Wire Facilities Investment and 257C

A	B	C	D	E	F	G
Account Number	Account Description	Investment per Loop	Total Working Loops	TELRC Loop Investment	Interoffice Additive Percent	TELRC Cable/Wire/257C Investment
Cable & Wire Facilities						
2411	POLES	33.50	4,329,550	\$145,050	7.17%	\$156,262
2421 622C	AERIAL CABLE - NON-METALLIC	\$1.83	4,329,550	\$7,921	7.17%	\$8,543
2421 22C	AERIAL CABLE - METALLIC	\$127.81	4,329,550	\$533,837	7.17%	\$566,722
2422 85C	UNDERGROUND CABLE - NON-METALLIC	\$78.14	4,329,550	\$331,016	7.17%	\$344,021
2422 5C	UNDERGROUND CABLE - METALLIC	\$3.64	4,329,550	\$15,771	7.17%	\$16,599
2423 84C	BURIED CABLE - NON-METALLIC	\$289.36	4,329,550	\$1,252,760	7.17%	\$1,309,521
2423 45C	BURIED CABLE - METALLIC	\$87.38	4,329,550	\$371,678	7.17%	\$404,546
2441	CONDUIT	\$204.57	4,329,550	\$885,703	7.17%	\$945,703
2232 257C	DIGITAL CIRCUIT EQUIPMENT					
Zone Weighings						
Region	A	B	C	D		
Source	SWPITS Database, Dec. 02	Colleague's	Percent of Total	Total Working Loops		
Urban	550,870		15.2%	858,810		
Suburban	1,459,175		40.4%	1,747,741		
Rural	1,804,661		44.4%	1,921,895		
Total	3,814,706		100.0%	4,329,550		
Sources						
Interoffice Additive from 2002 ARMS 43.04, Table 1: Interoffice CAW Investment / All CAW Investment, that is (Row 1474 + Row 1485 + Row 1495 + Row 1510 + Row 1530)						
Loop Investments from 2002 ARMS 43.04, Table 1: Interoffice CAW Investment / All CAW Investment, that is (Row 1474 + Row 1485 + Row 1495 + Row 1510 + Row 1530)						
Investment per Loop from "On The Air" LoopCAT 04-07 FEB04.xls, file: "Expanded_Summary" tab, column H						
Total Working Loops - 2002 Loop Data for NECA USF Data Submission, derived from SWPITS database						

FORWARD-LOOKING ADJUSTMENTS - Cable & Wire Facilities and Circuit Equipment Expense

Source	A		B		C		D		E	
	Account Number	Account Description	Investment per Loop	Loop	NECA USF Filing	Total Working Loops	Percent of Total	Investment	TELRC Loop Investment	Interoffice Additive Percent
Cable & Wire Facilities										
155	2411	POLES				33.50				
156	2421 622C	AERIAL CABLE - NON-METALLIC				4,329,550				
157	2421 22C	AERIAL CABLE - METALLIC				\$1,821				
158	2422 85C	UNDERGROUND CABLE - NON-METALLIC				4,329,550				
159	2422 5C	UNDERGROUND CABLE - METALLIC				\$13,016				
160	2423 84C	BURIED CABLE - NON-METALLIC				4,329,550				
161	2423 45C	BURIED CABLE - METALLIC				\$15,771				
162	2441	CONDUIT				\$1,252,760				
163	2232 257C	DIGITAL CIRCUIT EQUIPMENT				4,329,550				
164	TOTAL									

FORWARD-LOOKING ADJUSTMENTS - Switching

Source	A		B		C		D		E		F	
	Account Number	Account Description	Investment per Loop	Loop	NECA USF Filing	Total Working Loops	Percent of Total	Investment	TELRC Loop Investment	Interoffice Additive Percent	Interoffice Additive Percent	Total Investment
Switching												
165	2411	POLES				33.50						
166	2421 622C	AERIAL CABLE - NON-METALLIC				4,329,550						
167	2421 22C	AERIAL CABLE - METALLIC				\$1,821						
168	2422 85C	UNDERGROUND CABLE - NON-METALLIC				4,329,550						
169	2422 5C	UNDERGROUND CABLE - METALLIC				\$13,016						
170	2423 84C	BURIED CABLE - NON-METALLIC				4,329,550						
171	2423 45C	BURIED CABLE - METALLIC				\$15,771						
172	2441	CONDUIT				\$1,252,760						
173	2232 257C	DIGITAL CIRCUIT EQUIPMENT				4,329,550						
174	TOTAL											



WHOLESALE PERCENTAGES										
A			B		C		D		E	
Industry Markets (IM) VP Organization			SBC IM 2002 Total Exp (\$000)		SBC IM 2002 Total Direct Exp (\$000)		ATF Share of Total SBC IM Exp		ATF IM 2002 Total Direct Exp (\$000) = C * D	
Source			IM Finance		IM Finance		L228			
Account Team			\$35,859		\$0		32.19%		\$0	
Marketing			\$25,229		\$0		32.19%		\$0	
Access Operations			\$65,563		\$65,563		32.19%		\$21,228	
Call Center Operations			\$15,744		\$15,744		32.19%		\$5,072	
Sales Operations			\$15,744		\$15,744		32.19%		\$5,072	
Support - Collection			\$28,332		\$28,332		32.19%		\$9,122	
Incremental Loss Uncollectibles			\$0		\$0		32.19%		\$0	
Total IM Expenses			\$69,754		\$69,754		32.19%		\$22,872	
SBC Midwest Total Operating Expenses (2002 ARMS, Taxes Regulated), Less Accts 6610, 6710, 6720, 6730			\$569,848		\$500,760				\$161,178	
Wholesale Direct Cost Percentage (ATF Inc Mktg Direct / Total ATF Company Direct)									\$2,334,615	
									6.90%	

SBC Industry Markets Local Operations Center Expenses - 2002		
A		C
Region		Region %
Source		Source
Amertech		\$66,953
Pacific Bell		\$62,179
Southwestern Bell		\$112,591
Total		\$341,723

Wholesale Marketing	
Description	
Source	
Amertech Services, Inc.	
SBC Operations	
Ohio Wholesale Incurred to 6610	
Total ATF Ohio for Account 6610	
Industry Markets as Percentage of Total Company	

UNCOLLECTIBLE EXPENSES - 2002 Expenses	
UNCOLLECTIBLE EXPENSES	
Source	
Account	
General Ledger	
END USER	
ACCURUAL	
INTER END USER DIRECT CHARGE	
INTER END USER DIRECT CHARGE - Equal Access	
INTRA END USER ACCRUAL	
INTRA END USER DIRECT CHARGE	
OTHER INTRASTATE	
Subtotal	
Retail Portion of Total Uncollectibles	
Subtotal	
RETAIL WHOLESALE	
ALLIES AND Special Markets (RS)	
Subtotal	
Wholesale Portion of Total Uncollectibles	
Subtotal	
Total Uncollectibles	

Shared & Common Cost Study

Ohio

2004-2007

INPUTS (\$000)

Source: OH-2002 AC													Source: OH-2002 AC													Source: OH-2002 AC													Source: OH-2002 AC												
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Line	Acct #	Description	Source-Cost E	D	E	F	TBO	CAPCS Factors	H Wages & Salaries	I Wages & Sal. % of Acct	J CCBC Ratio
71	8535	ENGINEERING EXPENSES		ARMIS	\$33,685						
72	8540	ACCESS EXPENSES		ARMIS	\$70,842		\$477				
The CAPCS Factor and CCBC ratio for Account 2123 is a weighting of the Account #s 2123.1 and 2123.2 corresponding CAPCS factors and CCBC ratios based on their respective GL Balances.											
A forward looking Cost of Removal (COR) adjustment is made by adding COR expenses from the Removal Cost tab of the CH 2002 ACQ 2003-10-30.											
For CAPCS factors refer to the "Source" tab of the "CH 2002 ACQ 2004-01-14.xls" file provide as part of the ACQ development.											
73	8561	DEPRECIATION - TELECOM PLANT IN SERVICE		ARMIS	\$508,858						
74	8562	DEPRECIATION - PROP. HELD FOR FUTURE TELECOM USE		ARMIS	\$0						
75	8563	DEPRECIATION - EQUIPMENT		ARMIS	\$17,793						
76	8564	AMORTIZATION EXPENSE - INTANGIBLE		ARMIS	\$1,573						
77	8565	AMORTIZATION EXPENSE - OTHER		ARMIS	\$48,511						
78	8611	PRODUCT MANAGEMENT		ARMIS	\$67,125		\$31		\$0		
79	8612	SALES		ARMIS	\$6,112				\$1,811		
80	8613	PRODUCT ADVERTISING		ARMIS	\$118,748				\$0		
81	8610	TOTAL MARKETING EXPENSES		Sum L78 - L80	\$118,748				\$1,811		
82	8621	CALL COMPLETION SERVICES		ARMIS	\$5,042		\$31		\$2,510	1.51%	
83	8622	NUMBER SERVICES		ARMIS	\$19,741		\$143		\$2,510	48.79%	
84	8705	CONSULTING SERVICES		ARMIS	\$183,555		\$276		\$14,883	75.80%	
85	8711	EXECUTIVE		ARMIS	\$4,116		\$1,960		\$56,584	56.28%	
86	8712	PLANNING		ARMIS	\$5				\$276		
87	8721	ACCOUNTING AND FINANCE		ARMIS	\$24,041		\$1		\$3		
88	8722	EXTERNAL RELATIONS		ARMIS	\$12,554		\$12		\$2,617		
89	8723	HUMAN RESOURCES		ARMIS	\$38,114		\$27		\$104		
90	8724	INFORMATION MANAGEMENT		ARMIS	\$30,105		\$16		\$445		
91	8725	LEGAL		ARMIS	\$7,959				\$23		
92	8726	PROCUREMENT		ARMIS	\$2,239		\$0		\$713		
93	8727	RESEARCH AND DEVELOPMENT		ARMIS	\$2,575				\$0		
94	8728	OTHER GENERAL AND ADMINISTRATIVE		ARMIS	\$50,443				\$5,116		
95	710	TOTAL CORPORATE OPERATIONS EXPENSE		Sum L81 - L94	\$181,241		\$237		\$8,143	5.04%	
96	8790	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE		ARMIS	\$0						
97	7240.1	PROPERTY TAXES		General Ledger	\$95,132						
98	7240.9	OTHER TAXES		General Ledger	\$1,036						
99	N/A	TOTAL TAXES		Sum L97 - L98	\$96,168						
100											
101											
102											
103											
104		TOTAL									\$19,210
Account #8724 was adjusted to account for \$245,346 in maintenance labor costs that were recommended in the Service Order Computer Processing Cost study.											
Account #8728 was adjusted to remove the 2002 CCBC testing expenses of \$30,482,955 and added back in the average CCBC testing costs of \$14,332,110 incurred during 2000-2003.											
Also submitted our pension settlement losses of \$47,851											
Sources:											
Col F - General Accountant, Finance - SBC											
Col G - 2002 Annual Charge Factor Binder											
Col H - SBC Finance Group											
Col I - H1E											
Col J - 2002 Annual Charge Factor Binder											
Other Inputs											
Description											
1034 year planning period mid-point inflation factor											
Source: Inflation Factor Calculator Tool (2004-2007 base year 2002, 2004-2007 base year 2002, 2004-2007 base year 2002)											
CH 2002 ACQ 2003-10-30.xls											
"Commissioner Assessment" Tab											
Commissioner Assessment Factor											
C 2014											

# AD VALOREM TAX FACTOR

AVERAGE BOOK INVESTMENT		Source	(\$000)
Account	Description		
107	2001	DM 2002 GL	\$4,070,936
108	2001	DM 2002 GL	\$7,774,563
109	2001	DM 2002 GL	\$296,353
110	2001	DM 2002 GL	\$7,822,758

CALCULATION Details in 1995		Source	(\$000)	REMOVAL OF 86% FORWARD- LOOKING PLANT ADJUSTMENTS (Tab 3 - Calculations - CLIC #1)
Account	Description			
111	Total Taxes	L106	\$96,168	\$96,168
112	Average Booked Investment	L110	\$7,822,758	\$7,822,758
113	Ad Valorem Tax Factor	L111 / L112	0.0121	0.0121
114	Commission Assessment (CA Factor)	L106	0.0014	0.0014
115	Total Ad Val. & CA Factor	L113 + L114	0.0135	0.0135
116	Forward Looking Ad Valorem Tax	L115 * L116	\$7,762,449	\$7,762,449
117	TPS Capital Costs	L115 * L116	\$186,465	\$186,465
118	Total TPS Capital Costs	L115 * L116	\$186,465	\$186,465
119	TPS Common Costs	L115 * L116	\$1,362,460	\$1,362,460
120	TPS Ad Valorem Tax Common	L115 * L116	\$4,070,936	\$4,070,936
121	Common Ad Valorem Tax	L115 * L116	\$4,070,936	\$4,070,936
122	Direct Ad Valorem Tax	L117 + L121	\$194,378	\$194,378

# GENERAL PURPOSE COMPUTERS

General Purpose Computers			
Description	Source	Value (\$000)	
Capital Costs			
Account 2124 Balance	L7	\$73,064	
Percent Non-Maintenance computers (CHs)	AIT 2002 Computer Distribution	2.00%	
Account 2124 Balance - Non-Maintenance portion	L123 * L125	\$1,460	
Maintenance Costs - Investment	L123 * L126	\$71,543	
Less Service Order Cost Study Adjustments (21.54% of Maintenance Costs for CHs)	Presuming Cost Study	\$2,537	
Adjusted Maintenance Costs-Investment	L126 * L127	\$69,007	
CC to BC Ratio	L7 Cost G	0.2717	
Capital Cost Factor	L7 Cost G	24.73%	
Maintenance Capital Cost	L128 * L129 * L130	\$4,637	
Support Asset Common Cost	L131	\$1,460	
Total General Purpose Computers - Common Cost	L131 + L132	\$4,654	
Expenses			
Account 6124 Balance	L44	\$68,302	
Percent Non-Maintenance computers (CHs)	AIT 2002 Computer Distribution	2.00%	
Account 6124 Balance - Non-Maintenance portion	L134 * L135	\$1,362	
Maintenance Costs - Expense	L134 * L136	\$66,940	
Less Service Order Cost Study Adjustments (21.54% of Maintenance Costs for CHs)	Presuming Cost Study	\$5,873	
Adjusted Maintenance Costs - Expense	L137 * L138	\$61,067	
Support Asset Common Cost	L139	\$1,362	
Total Maintenance Common Costs	L139 + L140	\$62,429	





Table 1. *Continued*

WHOLESALE PERCENTAGES									
A			B		C		D		E
Industry Markets (IM) VP Organization			SBC IM 2002 Total Exp (\$000)		SBC IM 2002 Total Direct Exp (\$000)		AIT Share of Total SBC IM Exp * C : D		AIT IM 2002 Total Direct Exp (\$000)
Source			IM Finance		IM Finance		123%		
Account Team			\$19,859		\$0		32.18%		\$0
Marketing			\$25,229		\$0		32.18%		\$0
Access Operations			\$69,260		\$69,260		32.18%		\$22,298
Local Operations			\$313,744		\$313,744		32.18%		\$100,363
OSS			\$28,032		\$28,032		32.18%		\$9,022
Support - Collaboration			\$0		\$0		32.18%		\$0
Incremental Last Uncollectibles			\$89,704		\$89,704		32.18%		\$28,872
Total IM Expenses			\$491,848		\$500,785		32.18%		\$161,178
SBC Midwest Total Operating Expenses (2002 ADMS, Direct Revenues)			Less Access 6610, 6710, 6720, 6790						\$2,334,815
Wholesale Direct Cost Percentage (AIT Incl IMs Direct / Total AIT Company Direct)									6.96%

SBC Industry Markets Local Operations Center Expenses - 2002			
A		B	
Region		Total	
Source		IM Finance (\$000)	
Midwest		\$55,053	
Pacific		\$52,179	
Southwestern Bell		\$112,081	
Total		\$209,313	

Wholesale Marketing		Amount (\$000)	
Source		2002 General Ledger	
Ameritech Services, Inc.		\$1,395	
SBC Midwest		\$6,772	
Ohio Wholesale booked to 6610		\$6,267	
Total AIT Ohio for Account 6610		\$18,434	
Industry Markets as Percentage of Total Company		5.27%	

UNCOLLECTIBLE EXPENSES - 2002 Expenses			
A		B	
Source		General Ledger	
END USER		\$381,111	
INTER END USER ACCRUAL		\$286,141.00	
INTER END USER DIRECT CHARGE		\$381,112	
INTER END USER DIRECT CHARGE - Equal Access		\$381,112	
INTER END USER ACCRUAL		\$4,813,179.00	
INTER END USER DIRECT CHARGE		\$381,111	
OTHER INTRASTATE		\$294,202.00	
Subtotal		\$4,548,568.00	
Retail Portion of Total Uncollectibles		65.6%	
RETAIL/WHOLESALE			
ALDIS and Special Markets (IS)		\$18,150,205	
Subtotal		\$18,150,205	
Wholesale Portion of Total Uncollectibles		11.4%	
Total Uncollectibles		\$1,014,793	



Line	Acct #	Description	Source-Cat	2002 Balance	TBO	CAPCS Factors	H Wages & Salaries	I Wages & Sal % of Acct	J CCBC Ratio
71	6535	ENGINEERING EXPENSES	ARMIS	\$33,945					
72	6540	ACCESS EXPENSES	ARMIS	\$70,842	\$472				
The CAPCS Factor and CCBC ratio for Account #723 is a weighting of the Account #s 723.1 and 723.2 corresponding CAPCS factors and CCBC ratios based on their respective GL Balances.									
--- A forward looking Cost of Removal (COR) adjustment is made by adding COR expenses from the Removal Cost tab of the CH 2002 ACF 2003-10-30.									
--- For CAPCS factors refer to the "Result" Tab of the "CH 2002 ACF 2004-01-14.xls" file provided as part of the ACF development.									
A	B	C	D	E	F	G	H	I	J
73	6561	DEPRECIATION - TELECOM PLANT IN SERVICE	ARMIS	\$58,408					
74	6562	DEPRECIATION - PROP. HELD FOR FUTURE TELECOM USE	ARMIS	\$480					
75	6563	AMORTIZATION EXPENSE - TANGIBLE	ARMIS	\$17,793					
76	6564	AMORTIZATION EXPENSE - INTANGIBLE	ARMIS	\$1,573					
77	6565	AMORTIZATION EXPENSE - OTHER	ARMIS	\$46,511					
78	6611	PRODUCT MANAGEMENT	ARMIS	\$67,125					
79	6612	SALES	ARMIS	\$6,112					
80	6613	PRODUCT ADVERTISING	ARMIS	\$18,248					
81	6610	TOTAL MARKETING EXPENSES	Sum L78 - L80	\$30,942					
82	6621	CALL CENTER SERVICES	ARMIS	\$1,143				1.51%	
83	6622	TELEPHONE SERVICES	ARMIS	\$1,143				48.79%	
84	6623	CUSTOMER SERVICES	ARMIS	\$1,868				1.51%	
85	6711	EXECUTIVE	ARMIS	\$4,178				36.28%	
86	6712	PLANNING	ARMIS	\$5					
87	6721	ACCOUNTING AND FINANCE	ARMIS	\$24,041					
88	6722	EXTERNAL RELATIONS	ARMIS	\$12,554					
89	6723	HUMAN RESOURCES	ARMIS	\$36,114					
90	6724	INFORMATION MANAGEMENT	ARMIS	\$30,105					
91	6725	TECHNICAL SUPPORT	ARMIS	\$2,225					
92	6726	INSURANCE	ARMIS	\$2,225					
93	6727	RESEARCH AND DEVELOPMENT	ARMIS	\$2,523					
94	6728	OTHER GENERAL AND ADMINISTRATIVE	ARMIS	\$58,483					
95	710	TOTAL CORPORATE OPERATIONS EXPENSE	Sum L83 - L94	\$181,241					
96	6790	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE	ARMIS	\$0					
97	7240.1	PROPERTY TAXES	General Ledger	\$95,132					
98	7240.8	OTHER TAXES	General Ledger	\$1,026					
99	N/A	TOTAL TAXES	Sum L97 - L98	\$96,158					
100									
101									
102									
103									
104		TOTAL							
--- Account #6724 was allocated to account for \$545,348 in maintenance labor costs that were recovered in the Service Order Computer Processing Cost study.									
--- Account #6728 was allocated to remove the 2002 OSS testing expenses of \$30,482,953 and added back in the average OSS Testing costs of \$14,332,110 incurred during 2000-2003.									
Also subtracted out pension settlement losses of \$47,651									
Sources:									
Cat F - General Accounting, Finance - SBC									
Cat G - 2002 Annual Charge Factor Broker									
Cat H - SBC Finance Group									
Cat I - MTE									
Cat J - 2002 Annual Charge Factor Broker									
Other Inputs:									
Description									
Source Factor Calculation Total									
(2004-2010) Same year 2002									
State CH									
1,0609									
CH 2002 ACF 2003-10-30 on									
Commission Assessment" file									
0.0014									

**AD VALOREM TAX FACTOR**

AVERAGE BOOK INVESTMENT		(%)
Account	Description	
107	2001	\$8,070,836
108	December 2002 Investment	\$7,774,583
109	December 2001 Investment	\$296,353
110	Increase over December 2001 Investment	\$7,822,753
111	Average Booked Investment	

CALCULATION - Dollars in 1000		(%)
Source		
111	Total Taxes	\$96,168
112	Average Booked Investment	\$7,822,753
113	Ad Valorem Tax Factor	0.0124
114	Capital Costs - Investment	0.0014
115	Total Ad Val. & CA Factor	0.0138
116	TPMS	\$7,792,449
117	Forward-Looking Ad Valorem Tax	\$105,495
118	TPMS Common Costs	\$6,711
119	Total TPMS Costs	\$1,362,869
120	Percent Ad Valorem Tax Common	0.49%
121	Common Ad Valorem Tax	\$619
122	Direct Ad Valorem Tax	\$104,878
REMOVED OF BIC'S FORWARD-LOOKING PLANT ADJUSTMENTS (Tab 3 - Calculations (OLEC #))		\$144,376
REVERSED CAPITAL COSTS		\$1,165,157
TOTAL		\$1,362,869

**GENERAL PURPOSE COMPUTERS**

General Purpose Computers		Value (\$000)
Description	Source	
Capital Costs		
Account 2124 Balance	L7	\$73,304
Percent Non-Maintenance Computers (CHs)	AT 2002 Computer Distribution	2.00%
Account 2124 Balance - Non-Maintenance portion		\$1,460
Maintenance Costs - Investment	L123 - L125	\$1,543
Less Service Order Cost Study Adjustment (21.58% of Maintenance Costs for CHs)	CH Service Order Cost Study	\$2,537
Adjusted Maintenance Costs Investment	Preparing Cost Study	\$60,267
CC to BC Ratio	L7, Col G	0.2717
Capital Cost Factor	L7, Col G	18.37%
Maintenance Capital Cost	L128 - L129 - L130	\$4,637
Support Asset Common Cost	L211	\$14
Total General Purpose Computers - Common Cost	L131 - L132	\$4,651
Expenses		
Account 8124 Balance	L44	\$68,002
Percent Non-Maintenance Computers (CHs)	AT 2002 Computer Distribution	2.00%
Account 8124 Balance - Non-Maintenance portion		\$1,780
Maintenance Costs - Expense	L134 - L136	\$66,242
Less Service Order Cost Study Adjustment (21.58% of Maintenance Costs for CHs)	CH Service Order Cost Study	\$5,873
Adjusted Maintenance Costs - Expenses	Preparing Cost Study	\$60,369
Support Asset Common Cost	L217	\$359
Total Maintenance Common Costs	L138 - L140	\$60,728

#### FORWARD-LOOKING ADJUSTMENTS - Cable & Wire Facilities and Circuit Equipment Expense

## FORWARD-LOOKING ADJUSTMENTS - Switching

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WHOLESALE PERCENTAGES

Source	A		B		C		D		E	
	Industry Markets (IM)		SBC IM 2002		SBC IM 2002		AIT Share of		AIT IM 2002	
	VP Organization		Total Exp (\$000)		Total Direct Exp (\$000)		Total SBC IM Exp (\$000)		Total Direct Exp (\$000)	
			IM Finance		IM Finance		1228		= C * D	
220	Account Team		\$33,850	\$0	\$33,850	\$0	32.19%	\$0	\$0	\$0
221	Accounting		\$22,226	\$0	\$22,226	\$0	32.19%	\$0	\$0	\$0
222	Account Operations		\$40,260	\$0	\$40,260	\$0	32.19%	\$0	\$0	\$0
223	Local Operations		\$113,744	\$0	\$113,744	\$0	32.19%	\$0	\$0	\$0
224	OSIS		\$28,032	\$0	\$28,032	\$0	32.19%	\$0	\$0	\$0
225	Support - Colocation		\$0	\$0	\$0	\$0	32.19%	\$0	\$0	\$0
226	Incremental Less Uncollectibles		\$49,704	\$0	\$49,704	\$0	32.19%	\$0	\$0	\$0
227	Total IM Expenses		\$469,848	\$0	\$469,848	\$0	32.19%	\$0	\$0	\$0
228	SBC Midwest Total Operating Expenses (2002) ASAMS, Direct Registered, Less Accts 6610, 6710, 6720, 6790									
229	Wholesale Direct Cost Percentage (AIT Inc Mktg Direct / Total AIT Company Direct)									
230	SBC Industry Markets Local Operations Center Expenses - 2002									
231	Region A									
232	Region		Total		Region %					
233	Source		IM Finance (\$000)		Region %					
234	Ameritech		\$46,953		32.19%					
235	Pacific Bell		\$12,179		86%					
236	Southwestern Bell		\$301,223		100.00%					
237	Total									

Wholesale Marketing		Amount (\$000)	
Source		2002 General Ledger	
Ameritech Services, Inc.		\$5,395	
SBC Operations		\$072	
Ohio wholesale booked to 6610		\$6,267	
Total AIT Other for Account 6610		\$11,734	
Industry Markets as Percentage of Total Company		5.23%	

UNCOLLECTIBLES EXPENSES - 2002 Expenses

Source	Account		CH	
	General Ledger			
238	END USER			
239	INTER END USER ACCRUAL	\$301,111	\$	286,141.00
240	INTER END USER DIRECT CHARGE	\$301,112	\$	39,896.00
241	INTER END USER DIRECT CHARGE - Equal Access	\$301,2	\$	-
242	INTRA END USER ACCRUAL	\$301,511	\$	\$4,813,179.00
243	OTHER INTRASTATE	\$301,512	\$	145,370.00
244	Other	\$302,5	\$	26,542.00
245	Total Portion of Total Uncollectibles		\$	\$4,818,588.00
246	RESALE/WHOLESALE			
247	ALDIS and Special Markets (BS)	all 5381	\$	18,160,205
248	Subtotal		\$	6,988,205
249	Wholesale Portion of Total Uncollectibles			11.6%
250	Total Uncollectibles		\$	\$1,914,793



Shared & Common Cost Study  
 Ohio

2004-2007  
 REPUTS (\$000)

Line	Acct #	Description	Source-Col E	D	C	Investments are		F	G	H	I	J	K		L
						Average (K+L)/2	2002 Balance						Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
1	2111	LAND	ARMIS			\$17,710							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
2	2112	MOTOR VEHICLES	ARMIS			\$17,053							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
3	2114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	ARMIS			\$63,891							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
4	2121	BUILDINGS	ARMIS			\$618,964							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
5	2122	FURNITURE	ARMIS			\$1,106							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
6	2123	OFFICE EQUIPMENT	ARMIS			\$1,106							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
7	2124	GENERAL PURPOSE COMPUTERS	ARMIS			\$73,200							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
8	2211	ANALOG ELECTRONIC SWITCHING	ARMIS			\$6,857							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
9	2212	DIGITAL ELECTRONIC SWITCHING	ARMIS			\$1,538,482							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
10	2220	OPERATOR SYSTEMS	ARMIS			\$19,356							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
11	2221	RADIO SYSTEMS-NON CELLULAR MOBILE	ARMIS			\$7							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
12	2221.67C	RADIO SYSTEMS-OTHER RADIO FACILITIES	General Ledger			\$6,482							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
13	2232.157C	DIGITAL CIRCUIT EQUIPMENT	General Ledger			\$15,948							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
14	2232.257C	DIGITAL CIRCUIT EQUIPMENT	General Ledger			\$22,831							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
15	2232.357C	DIGITAL CIRCUIT EQUIPMENT	General Ledger			\$170,783							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
16	2232.57C	ANALOG CIRCUIT EQUIPMENT	General Ledger			\$1,597							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
17	2311	STATION APPARATUS	ARMIS			\$0							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
18	2321	CUSTOMER PREMISES WIRING	ARMIS			\$0							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
19	2341	LARGE PRIVATE BRANCH EXCHANGES	ARMIS			\$32,830							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
20	2351	PUBLIC TELEPHONE TERMINAL EQUIPMENT	ARMIS			\$11,264							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
21	2362	OTHER TERMINAL EQUIPMENT	ARMIS			\$136,560							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
22	2411	POLES	ARMIS			\$1,346							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
23	2412	CABLE - NON-METALLIC	General Ledger			\$188,012							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
24	2412.22C	AERIAL CABLE - METALLIC	General Ledger			\$1,346							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
25	2422.88C	UNDERGROUND CABLE - NON-METALLIC	General Ledger			\$521,163							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
26	2422.9C	BURIED CABLE - NON-METALLIC	General Ledger			\$11,442							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
27	2423.845C	BURIED CABLE - METALLIC	General Ledger			\$448,856							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
28	2423.45C	SUBMARINE CABLE - NON-METALLIC	General Ledger			\$410							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
29	2424.86C	SUBMARINE CABLE - METALLIC	General Ledger			\$6,909							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
30	2424.86C	INTRABUILDING NETWORK CABLE - NON-METALLIC	General Ledger			\$32,250							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
31	2424.86C	INTRABUILDING NETWORK CABLE - METALLIC	General Ledger			\$0							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
32	2431	CONDUIT SYSTEMS	ARMIS			\$648,729							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
33	2441	INTANGIBLE ASSETS	ARMIS			\$7,916,969							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
34	2690	TOTAL TRIPS	Sum L1...LM			\$73,445							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
35	3000	UNCOLLECTIBLE REVENUE	ARMIS			\$294							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
36	5301	MOTOR VEHICLE EXPENSES	ARMIS			\$6,734							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
37	5302	LAND AND BUILDING EXPENSES	ARMIS			\$38,271							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
38	8112	FURNITURE AND ARTWORKS EXPENSES	ARMIS			\$615							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
39	8121	OFFICE EQUIPMENT EXPENSES	ARMIS			\$16,694							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
40	8122	GENERAL PURPOSE COMPUTERS EXPENSES	ARMIS			\$88,002							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
41	8124	ANALOG ELECTRONIC EXPENSES	ARMIS			\$46,076							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
42	8211	DIGITAL ELECTRONIC EXPENSES	ARMIS			\$2							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
43	8212	ELECTRO-MECHANICAL EXPENSES	ARMIS			\$2							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
44	8215	OPERATOR SYSTEMS EXPENSES	ARMIS			\$2							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
45	8220	STATION APPARATUS EXPENSES	ARMIS			\$6,310							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
46	8221	CIRCUIT EQUIPMENT EXPENSES - 257	ARMIS			\$25,084							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
47	8222	CIRCUIT EQUIPMENT EXPENSES (non 257)	ARMIS			\$5,407							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
48	8232.257	STATION APPARATUS EXPENSES	ARMIS			\$1,760							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
49	8311	LARGE PRIVATE BRANCH EXCHANGE EXPENSES	ARMIS			\$26,770							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
50	8312	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES	ARMIS			\$1,778							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
51	8362	OTHER TERMINAL EQUIPMENT EXPENSES	ARMIS			\$1,375							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
52	8411	POLE EXPENSES	ARMIS			\$3,218							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
53	8421	AERIAL CABLE EXPENSES	ARMIS			\$0							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
54	8422	UNDERGROUND CABLE EXPENSES	ARMIS			\$1,730							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
55	8423	BURIED CABLE EXPENSES	ARMIS			\$2,053							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
56	8424	DEEP SEA CABLE EXPENSES	ARMIS			\$0							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
57	8425	INTRABUILDING NETWORK CABLE EXPENSES	ARMIS			\$0							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
58	8426	AERIAL WIRE EXPENSES	ARMIS			\$0							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
59	8431	CONDUIT SYSTEMS EXPENSES	ARMIS			\$0							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
60	8441	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES	ARMIS			\$0							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
61	8511	POWER EXPENSES	ARMIS			\$3,178							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
62	8512	POWER EXPENSES	ARMIS			\$12,793							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
63	8531	NETWORK ADMINISTRATION EXPENSES	ARMIS			\$8,622							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
64	8532	TESTING EXPENSES	ARMIS			\$2,048							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
65	8533	PLANT OPERATIONS ADMINISTRATION EXPENSES	ARMIS			\$51,630							Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY
66	8534		ARMIS										Source OH-2002 ACF	Source OH-2002 ACF	2002 EOY

Line	Acct #	Description	Source-Cat E	2002 Balance	TBO	CAPCS Factors	H Wages & Salaries	I Wages & Sal. % of Acct	J CCBC Ratio
71	8535	ENGINEERING EXPENSES	ARMIS	\$33,945	\$472				
72	6546	ACCESS EXPENSES	ARMIS	\$70,842					
-- The CAPCS Factor and CCBC ratio for Account 2123 is a weighting of the Account's 2123.1 and 2123.2 corresponding CAPCS factors and CCBC ratios based on their respective GL Balances.									
-- A forward looking Cost of Removal (COR) adjustment is made by adding COR expenses from the Removal Cost list of the CH 2002 ACQ 2003-10-30									
-- For CAPCS factors refer to the "Results" Tab of the "CH 2002 ACQ 2004-01-14.xls" file provide as part of the ACQ development.									
A	B	C	D	E	F	G	H	I	J
73	6501	TELECOM PLANT IN SERVICE	ARMIS	\$508,000					
74	6502	TELECOM PLANT IN SERVICE	ARMIS	\$0					
75	6503	TELECOM PLANT IN SERVICE	ARMIS	\$465					
76	6504	TELECOM PLANT IN SERVICE	ARMIS	\$17,793					
77	6505	TELECOM PLANT IN SERVICE	ARMIS	\$1,573					
78	6506	TELECOM PLANT IN SERVICE	ARMIS	\$46,511					
79	6507	TELECOM PLANT IN SERVICE	ARMIS	\$67,125					
80	6508	TELECOM PLANT IN SERVICE	ARMIS	\$6,112					
81	6509	TELECOM PLANT IN SERVICE	ARMIS	\$118,748					
82	6510	TELECOM PLANT IN SERVICE	ARMIS	\$1,573					
83	6511	TELECOM PLANT IN SERVICE	ARMIS	\$19,241					
84	6512	TELECOM PLANT IN SERVICE	ARMIS	\$183,505					
85	6513	TELECOM PLANT IN SERVICE	ARMIS	\$4,178					
86	6514	TELECOM PLANT IN SERVICE	ARMIS	\$5					
87	6515	TELECOM PLANT IN SERVICE	ARMIS	\$24,041					
88	6516	TELECOM PLANT IN SERVICE	ARMIS	\$12					
89	6517	TELECOM PLANT IN SERVICE	ARMIS	\$38,114					
90	6518	TELECOM PLANT IN SERVICE	ARMIS	\$35,105					
91	6519	TELECOM PLANT IN SERVICE	ARMIS	\$18					
92	6520	TELECOM PLANT IN SERVICE	ARMIS	\$2,299					
93	6521	TELECOM PLANT IN SERVICE	ARMIS	\$2,523					
94	6522	TELECOM PLANT IN SERVICE	ARMIS	\$5,518					
95	6523	TELECOM PLANT IN SERVICE	ARMIS	\$114,836					
96	6524	TELECOM PLANT IN SERVICE	ARMIS	\$0					
97	6525	TELECOM PLANT IN SERVICE	ARMIS	\$95,132					
98	6526	TELECOM PLANT IN SERVICE	ARMIS	\$1,036					
99	6527	TELECOM PLANT IN SERVICE	ARMIS	\$95,168					
100	6528	TELECOM PLANT IN SERVICE	ARMIS	\$0					
101	6529	TELECOM PLANT IN SERVICE	ARMIS	\$0					
102	6530	TELECOM PLANT IN SERVICE	ARMIS	\$0					
103	6531	TELECOM PLANT IN SERVICE	ARMIS	\$0					
104	6532	TELECOM PLANT IN SERVICE	ARMIS	\$0					
TOTAL									
--- Account #6724 was adjusted to account for \$545,348 in maintenance labor costs that were recovered in the Service Order Computer Processing Cost study									
--- Account #6728 was adjusted to remove the 2002 OSS testing expenses of \$30,442,850 and added back in the average OSS Testing costs of \$14,332,110 incurred during 2000-2003.									
Also subtracted out pension settlement losses of \$47,851									
Sources:									
Cat F - General Accountant, Finance - SBC									
Cat G - 2002 Annual Charge Factor Bench									
Cat H - SBC Finance Group									
Cat I - H/E									
Cat J - 2002 Annual Charge Factor Bench									
Other Inputs:									
Description									
105	4	year planning period and point inflation factor	Source: Factor Calculator Tool (2004-2007) Same year 2002, Same CH	1.08096					
106	Combinator Assessment Factor	CH 2002 ACQ 2003-10-30 file, Combinator Assessment Factor		0.0014					

AD VALOREM TAX FACTOR

AVERAGE BOOK INVESTMENT		Source	(\$000)
107	December 2002 Investment	OH 2002 GL	\$4,070,536
108	December 2001 Investment	OH 2002 GL	\$7,774,563
109	December 2000 Investment	OH 2002 GL	\$296,353
110	Average Booked Investment	(107 + 108 + 109) / 3	\$7,922,755

CALCULATION: Dollars in (\$000)		CLEC ADJ. #1	CLEC ADJ. #2
REMOVAL OF 30% FORWARD-LOOKING PLANT ADJUSTMENTS (Tab 3 - Calculations (SBC))			
(\$000)			
111	Total Taxes	\$96,168	\$96,168
112	Average Booked Investment	\$7,922,755	\$7,922,755
113	Ad Valorem Tax Factor	0.0121	0.0121
114	Commissioner Assessment (CA) Factor	0.0121	0.0121
115	Transfer Ad Val & CA Factor	0.0135	0.0135
116	Forward-Looking Ad Valorem Tax	\$7,752,443	\$7,752,443
117	TPIS Common Costs	\$156,485	\$156,485
118	Total TPIS Costs	\$6,711	\$6,711
119	Percent Ad Valorem Tax Common	\$1,362,869	\$1,362,869
120	Common Ad Valorem Tax	0.49%	0.37%
121	Direct Ad Valorem Tax	\$519	\$519
122		\$104,378	\$104,378
123		\$335	\$335
124		\$143,946	\$143,946

GENERAL PURPOSE COMPUTERS

General Purpose Computers		CLEC ADJ. #1	CLEC ADJ. #2
REMOVED CAPITAL COSTS			
Description	Source	Value (\$000)	
Capital Costs			
125	Account 2124 Balance	\$73,394	\$73,394
126	Percent Non-Maintenance Computers (Chis)	2.00%	2.00%
127	Account 2124 Balance - Non-Maintenance portion	\$1,467	\$1,467
128	Maintenance Costs - Investment	\$71,543	\$71,543
129	Less Service Order Cost Study Adjustment (21.58% of Maintenance Costs for CH)	\$2,037	\$2,037
130	Adjusted Maintenance Costs-Investment	\$69,506	\$69,506
131	Capital Cost Factor	0.2717	0.2717
132	Maintenance Capital Cost	\$18,873	\$18,873
133	Support Asset Common Cost	\$4,637	\$4,637
134	Total General Purpose Computers - Common Cost	\$23,510	\$23,510
Expenses			
135	Account 8124 Balance	\$68,902	\$68,902
136	Percent Non-Maintenance Computers (Chis)	2.00%	2.00%
137	Account 8124 Balance - Non-Maintenance portion	\$1,378	\$1,378
138	Maintenance Costs - Expense	\$67,524	\$67,524
139	Less Service Order Cost Study Adjustment (21.58% of Maintenance Costs for CH)	\$1,467	\$1,467
140	Adjusted Maintenance Costs-Expense	\$66,057	\$66,057
141	Support Asset Common Cost	\$3,559	\$3,559
142	Total Maintenance Common Costs	\$69,616	\$69,616

FORWARD-LOOKING ADJUSTMENTS - Cable & Wire Facilities Investment and 257C

A		B		C		D		E		F		G	
Account Number	Account Description	Investment per Loop	Loop	NECA USF Filing	TELRIC Loop Investment	Interface Additive Percent	TELRIC Cable&Wire/257C	Total Investment	Interface Additive Percent	TELRIC Cable&Wire/257C	Total Investment		
Cable & Wire Facilities													
2411	POLES	\$	33.50	4,326,550	\$145,098	7.17%	\$145,098	\$145,098	7.17%	\$145,098	\$145,098		
2421	822C AERIAL CABLE - NON-METALLIC		\$1.83	4,326,550	\$7,971	7.17%	\$7,971	\$7,971	7.17%	\$7,971	\$7,971		
2422	22C AERIAL CABLE - METALLIC		\$127.84	4,326,550	\$503,037	7.17%	\$503,037	\$503,037	7.17%	\$503,037	\$503,037		
2423	85C UNDERGROUND CABLE - NON-METALLIC		\$1.01	4,326,550	\$13,018	7.17%	\$13,018	\$13,018	7.17%	\$13,018	\$13,018		
2423	3C UNDERGROUND CABLE - METALLIC		\$78.14	4,326,550	\$329,639	7.17%	\$329,639	\$329,639	7.17%	\$329,639	\$329,639		
2423	845C BURIED CABLE - NON-METALLIC		\$1.64	4,326,550	\$15,771	7.17%	\$15,771	\$15,771	7.17%	\$15,771	\$15,771		
2423	45C BURIED CABLE - METALLIC		\$289.35	4,326,550	\$1,252,760	7.17%	\$1,252,760	\$1,252,760	7.17%	\$1,252,760	\$1,252,760		
2441	CONDUIT		\$17.39	4,326,550	\$421,676	7.17%	\$421,676	\$421,676	7.17%	\$421,676	\$421,676		
2232	257C DIGITAL CIRCUIT EQUIPMENT		\$204.57	4,326,550	\$865,703		\$865,703	\$865,703		\$865,703	\$865,703		
Zone Weightings													
Region		A		B		C		D		E		F	
Source		SWPPTS Duration: Dec 02 C-Regain/Total		Percent of Total		Total Working Loops		D-Regain/Total		Total Working Loops		D-Regain/Total	
Urban		1,553,870		15.2%		658,810		15.2%		658,810		15.2%	
Rural		1,419,115		14.4%		598,110		14.4%		598,110		14.4%	
Total		3,614,796		150.0%		1,256,920		150.0%		1,256,920		150.0%	

Source: ARMS Addendum from 2002 ARMS 43-04 Table 1, representing C&W Investments / All C&W Investments, that is (Row 1414 + Row 1485 + Row 1486 + Row 1474 + Row 1485 + Row 1510) / (Row 1530)  
Loop Investments from Decade 897, SECC-148-021, expressed as statewide weighted average of zone specific investments  
Investment per Loop from "City Loop Logcat" 04-07 FEB04 city file, "Expanded Summary" tab, column H  
Total Working Loops - 2002 Loop Data by NECA USF Data Submission, derived from SWPPTS database

Sources:  
 Interoffice Additive from 2002 ARMS 43-04, Table 1, Interoffice C&W Investment / All C&W Investment, that is (Row 1474 + Row 1485 + Row 1490 + Row 1474 + Row 1485 + Row 1490 + Row 1530)  
 Loop Investments from October 97-SCCC-148-GIT expressed as statewide weighted average of zone-specific investments  
 Investment per Loop from "On the Analog LoopCAT 04-07 FEEDBACK" file, "Expanded" Summary tab, column H  
 Total Working Loops - 2002 Loop Data for NECA USF Data Submission, derived from SWPPTS database

FORWARD-LOOKING ADJUSTMENTS - Cable & Wire Facilities and Circuit Equipment Expense

A		B		C		D		E	
Account Number	Account Description	2002 Investment	2002 Investment	TELRIC C&W Inv	TELRIC C&W Inv	TELRIC C&W Inv	TELRIC C&W Inv	TELRIC C&W Inv	TELRIC C&W Inv
Source		Per Calculations		1,142,148		1,142,148		1,142,148	
158	2411 POLES	\$408,857	\$196,262	38.24%					
159	2421 822C AERIAL CABLE - NON-METALLIC	\$1,505,272	\$508,272	44.27%					
160	2421 22C AERIAL CABLE - METALLIC	\$202,871	\$14,071	31.22%					
161	2422 85C UNDERGROUND CABLE - NON-METALLIC	\$1,182,476	\$355,098	31.22%					
162	2422 3C UNDERGROUND CABLE - METALLIC	\$1,122,965	\$16,969	107.98%					
163	2423 845C BURIED CABLE - NON-METALLIC	\$1,142,581	\$1,348,571	31.25%					
164	2423 45C BURIED CABLE - METALLIC	\$1,255,525	\$365,510	58.96%					
165	2441 CONDUIT	\$1,631,781	\$454,246	58.96%					
166	2232 257C CIRCUIT EQUIPMENT	\$865,703	\$865,703	58.96%					
167	TOTAL	\$6,574,953	\$3,837,106	58.96%					

FORWARD-LOOKING ADJUSTMENTS - Switching

A		B		C		D		E		F	
Item	Source	Unit	Quantity	TELRIC Investment	TELRIC Investment	TELRIC Investment	TELRIC Investment	TELRIC Investment	TELRIC Investment	TELRIC Investment	TELRIC Investment
168	End Office Analog Line Ports	D50	3,548,937	\$64.14							
169	End Office Digital Trunk Ports (TR008)	D51	19,985	\$10,982.64							
170	End Office Trunk Ports (DS1) (includes ADT3)	D51	41,268	\$3,185.36							
171	Trunk Office Trunk Ports	D51	21,258	\$2,224.08							
172	(N) Line Ports	D51	8,378	\$3,787.30							
173	(N) Line Ports	D50	28,213	\$293.86							
174	Edge	D50	4,029,577	\$38.54							
175	(S) (S17P)	Total		\$4,333.33							

176	SSP (RSTP and SCP - Other portions)	Total	\$28,057,660	\$5,811
177	Total in case at L181			\$872,736

178	Switching Investment Factors	Source	Factor	Investment Amount	Calculation
180	Total Digital Electronic Switching 2210377C				
181	Forward Looking Switching Investment	L177	872,736	\$	L181 * L182 Factor Co
182	Maintenance to Total EFLI	OH 2002 AC74	78.91%	\$	L182 * L183 Factor Co
183	Sales Tax	OH 2002 AC74	0.00%	\$	L181 * L183
184	Forward Looking Switching Investment with Sales Tax	OH 2002 AC74	1.24%	\$	L181 * L183 Factor Co
185	Perco Engineering	OH 2002 AC74	0.24%	\$	L181 * L183 Factor Co
186	Perco Engineering	OH 2002 AC74	0.24%	\$	L181 * L183 Factor Co
187	Perco Engineering	OH 2002 AC74	0.24%	\$	L181 * L183 Factor Co
188	Total Forward Looking Switching Investment	OH 2002 AC74	1.57%	\$	L181 * L183 Factor Co
189	Power	OH 2002 AC74	8.57%	\$	Sum of (L184, L187)
190	Total Forward Looking Switching Investment	OH 2002 AC74	8.57%	\$	L188 * L189 Factor Co
191	Current Cost - Account 2212			\$	Sum of (L188, L189)
192	TELRIO Current Cost			\$	\$7,984

SUPPORT ASSETS									
A		B		C		D		E	
Account	Description	Source	Account	Source	Balance	Less TBO	Wages & Salaries	Common	
							N	F - G	
193	6610 WHOLESALE MARKETING	Tab 3 - Calculations (SBC), L12	6610	Tab 3 - Calculations (SBC), L12	\$6,255	\$0	\$6,255	\$0	\$6,255
194	6711 EXECUTIVE		6711		\$4,178	\$0	\$4,178	\$0	\$4,178
195	6712 PLANNING		6712		\$0	\$0	\$0	\$0	\$0
196	6721 ACCOUNTING AND FINANCE		6721		\$24,541	\$0	\$24,541	\$0	\$24,541
197	6722 EXTERNAL RELATIONS		6722		\$12,526	\$0	\$12,526	\$0	\$12,526
198	6723 HUMAN RESOURCES		6723		\$38,114	\$0	\$38,114	\$0	\$38,114
199	6724 INFORMATION MANAGEMENT		6724		\$30,105	\$0	\$30,105	\$0	\$30,105
200	6725 LEGAL		6725		\$7,959	\$0	\$7,959	\$0	\$7,959
201	6726 PROCUREMENT		6726		\$2,239	\$0	\$2,239	\$0	\$2,239
202	6727 RESEARCH AND DEVELOPMENT		6727		\$2,523	\$0	\$2,523	\$0	\$2,523
203	6728 OTHER GENERAL AND ADMINISTRATIVE		6728		(56,514)	\$0	(56,514)	\$0	(56,514)
204	TOTAL								\$9,231

SUPPORT ASSETS									
A		B		C		D		E	
Account	Description	Source	Account	Source	Balance	Less TBO	Wages & Salaries	Common	
							N	F - G	
205	2111 LAND - ADMINISTRATIVE	Support Asset Factor Tab A7 2002 Jul 2003-10-26	2111	Support Asset Factor Tab A7 2002 Jul 2003-10-26	\$1,763,784.411	\$0	\$1,763,784.411	\$0	\$1,763,784.411
206	2112 MOTOR VEHICLES - ADMINISTRATIVE		2112		\$1,309,053.031	\$0	\$1,309,053.031	\$0	\$1,309,053.031
207	2114 TOOLS AND OTHER WORK EQUIPMENT		2114		\$1,825,969	\$0	\$1,825,969	\$0	\$1,825,969
208	2115 FURNITURE - ADMINISTRATIVE		2115		\$1,763,784.411	\$0	\$1,763,784.411	\$0	\$1,763,784.411
209	2122 FURNITURE		2122		\$1,763,784.411	\$0	\$1,763,784.411	\$0	\$1,763,784.411
210	2123 OFFICE EQUIPMENT		2123		\$1,763,784.411	\$0	\$1,763,784.411	\$0	\$1,763,784.411
211	2124 GENERAL PURPOSE COMPUTERS		2124		\$1,763,784.411	\$0	\$1,763,784.411	\$0	\$1,763,784.411
212	6112 MOTOR VEHICLES		6112		\$1,763,784.411	\$0	\$1,763,784.411	\$0	\$1,763,784.411
213	6114 TOOLS AND OTHER WORK EQUIPMENT		6114		\$1,763,784.411	\$0	\$1,763,784.411	\$0	\$1,763,784.411
214	6122 BUILDINGS		6122		\$1,763,784.411	\$0	\$1,763,784.411	\$0	\$1,763,784.411
215	6123 FURNITURE		6123		\$1,763,784.411	\$0	\$1,763,784.411	\$0	\$1,763,784.411
216	6124 GENERAL PURPOSE COMPUTERS		6124		\$1,763,784.411	\$0	\$1,763,784.411	\$0	\$1,763,784.411
217	6563 AMORTIZATION EXPENSE - TANGIBLE		6563		\$1,763,784.411	\$0	\$1,763,784.411	\$0	\$1,763,784.411
218	TOTAL FACTORS								\$1,763,784.411

WHOLESALE PERCENTAGES									
A			B		C		D		E
Industry Markets (IM)			SBC IM 2002		SBC IM 2002		A/T Share of		A/T IM 2002
VP Organization			Total Exp (\$000)		Total Direct Exp (\$000)		Total SBC IM Exp (\$000)		Total Direct Exp (\$000)
Source			IM Finance		IM Finance		L228		= C * D
220	Account Team		\$18,859	\$0		\$0		32.19%	\$0
	Marketing		\$25,229	\$0		\$0		32.19%	\$0
221	Access Operations		\$19,850	\$69,361		\$69,361		32.19%	\$22,369
	Local Operations		\$11,744	\$11,744		\$11,744		32.19%	\$3,782
222	OSSE		\$28,032	\$0		\$28,032		32.19%	\$9,022
223	Support - Callcenter		\$0	\$0		\$0		32.19%	\$0
224	Incremental Loss Uncollectibles		\$69,704	\$69,704		\$69,704		32.19%	\$22,672
225	Total IM Expenses		\$569,848	\$500,760		\$500,760			\$161,176
226	SBC Midwest Total Operating Expenses (2002 ARMS Direct Regulated)			\$569,848		\$500,760			\$2,334,615
227	Wholesale Direct Cost Percentage (A/T Ind Mktg Direct / Total A/T Company Direct)								6.96%

SBC Industry Markets Local Operations Center Expenses - 2002				
A		B		C
Region		Total		Region %
Source		IM Finance (\$000)		= Region Total
228	Ameritech	\$48,953		32.19%
229	Pacific Bell	\$92,179		30.60%
230	Southwestern Bell	\$112,081		37.21%
231	Total	\$353,223		100.00%

Wholesale Marketing		Amount (\$000)	
Description		2002 General Ledger	
Source			
Ameritech Services, Inc.		\$5,390	
SBC Operations		\$872	
Ohio Wholesale Incubated to 0610		\$6,267	
Total A/T Ohio for Account 0610		\$118,748	
Industry Markets as Percentage of Total Company		5.27%	

UNCOLLECTIBLES EXPENSES - 2002 Expenses				
Source		Account	OH	
Source		General Ledger		
END USER		\$301.111	\$	286,141.00
INTER END USER ACCRUAL		\$301.112	\$	39,896.00
INTER END USER DIRECT CHARGE		\$301.2	\$	
INTER END USER DIRECT CHARGE - Equal Access		\$301.511	\$	54,813,179.00
INTRA END USER ACCRUAL		\$301.512	\$	140,370.00
INTRA END USER DIRECT CHARGE		\$302.5	\$	294,002.00
OTHER INTRASTATE			\$	54,344,988.00
Subtotal				88.5%
Retail Portion of Total Uncollectibles				
236				
237				
RETAIL WHOLESALE				
238		all \$301	\$	18,160,205
239			\$	6,944,205
240				11.4%
241				
Wholesale Portion of Total Uncollectibles				
Total Uncollectibles			\$	\$1,814,793
242				

Shared & Common Cost Study  
 Ohio

2004-2007  
 INPUTS (\$000)

Source: 2001/2002 OL Filed with OH												
Source: OH 2002 ACF- ARMS												
Source: OH 2002 ACF												
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Line	Acct #	Description	Source Code	D	E	F	G	H	I	J
					2002 Actual		Capex Factors	Wages & Salaries	Wages & Sal % of Acct	CCBC Ratio
71	6535	ENGINEERING EXPENSES		ARMIS	\$33,985					
72	6540	ACCESS EXPENSES		ARMIS	\$70,842	\$472				
* The CAPEX Factor and CCBC ratio for Account 2123 is a sampling of the Account #s 2123.1 and 2123.2 corresponding CAPEX Factors and CCBC ratios based on their respective G Balances.										
--- A forward looking Cost of Rework (COR) adjustment is made by adding COR expenses from the Rework Cost tab of the On 2002 ACT 2003-10-30										
--- For CAPEX Factors refer to the "Inputs" Tab of the "On 2002 ACT 2004-01-14.xls" file provided as part of the ACT development.										
A	B	C	D	E	F	G	H	I	J	
73	6561	DEPRECIATION - TELECOM PLANT IN SERVICE	ARMIS	\$508,608						
74	6562	DEPRECIATION - PROP HELD FOR FUTURE TELECOM USE	ARMIS	\$0						
75	6563	AMORTIZATION EXPENSE - TANGIBLE	ARMIS	\$465						
76	6564	AMORTIZATION EXPENSE - INTANGIBLE	ARMIS	\$17,793						
77	6565	AMORTIZATION EXPENSE - OTHER	ARMIS	\$1,573						
78	6611	PRODUCT MANAGEMENT	ARMIS	\$46,511						
79	6612	SALES	ARMIS	\$57,125						
80	6613	PROJECT ADVERTISING	ARMIS	\$0						
81	6614	TOTAL MARKETING EXPENSES	ARMIS	\$113,636						
82	6621	CALL COMPLETION SERVICES	ARMIS	\$19,741						
83	6622	NUMBER SERVICES	ARMIS	\$163,505						
84	6623	CUSTOMER SERVICES	ARMIS	\$4,178						
85	6711	EXECUTIVE	ARMIS	\$5						
86	6712	PLANNING	ARMIS	\$24,041						
87	6721	ACCOUNTING AND FINANCE	ARMIS	\$12						
88	6722	EXTERNAL RELATIONS	ARMIS	\$20,114						
89	6723	MANAGEMENT SERVICES	ARMIS	\$1,145						
90	6724	INFORMATION MANAGEMENT	ARMIS	\$7,859						
91	6725	LEGAL	ARMIS	\$2,238						
92	6726	PROCUREMENT	ARMIS	\$2,523						
93	6727	RESEARCH AND DEVELOPMENT	ARMIS	\$114,836						
94	6728	OTHER GENERAL AND ADMINISTRATIVE	ARMIS	\$0						
95	710	TOTAL CORPORATE OPERATIONS EXPENSE	ARMIS	\$55,132						
96	6790	PROPERTY TAXES	General Ledger	\$0						
97	7245.1	PROPERTY TAXES	General Ledger	\$1,054						
98	7245.2	PROPERTY TAXES	General Ledger	\$0						
99	N/A	TOTAL TAXES	Sum L87 - L98	\$36,186						
100										
101										
102										
103										
104										
TOTAL										
--- Account #6724 was adjusted to account for \$545,348 in maintenance labor costs that were recovered in the Service Order Computer Processing Cost study										
--- Account #6728 was adjusted to remove the 2002 GDS selling expenses of \$30,462,955 and added back in the average GDS selling costs of \$14,332,110 incurred during 2000-2003										
Also subtracted out pension settlement losses of \$47,851										
Sources:										
Col F - General Accountant, Finance - SBC										
Col G - 2002 Annual Charge Factor Broker										
Col H - SBC Finance Group										
Col I - H I E										
Col J - 2002 Annual Charge Factor Broker										
Other Inputs:										
Description										
105) 4 year planning period mid point inflation factor										
106) Commission Assessment Factor										
Source:										
Inputs Factor Calculator Tool										
(2004-2007 base year 2002)										
State (TX)										
On 2002 ACT 2003-10-30.xls										
"Commission Assessment" Tab										
© 2014										



**AD VALOREM TAX FACTOR**

AVERAGE BOOK INVESTMENT		Source	(\$000)
Account	Description		
107	2001	OH 2002 GL	\$6,070,830
108	2001	December 2002 Investment	
109	2001	December 2001 Investment	\$7,774,563
110	2001	December 2001 Investment	\$296,353
111	2001	December 2001 Investment	\$7,822,758
112	2001	December 2001 Investment	
113	2001	December 2001 Investment	
114	2001	December 2001 Investment	
115	2001	December 2001 Investment	
116	2001	December 2001 Investment	
117	2001	December 2001 Investment	
118	2001	December 2001 Investment	
119	2001	December 2001 Investment	
120	2001	December 2001 Investment	
121	2001	December 2001 Investment	
122	2001	December 2001 Investment	

CALCULATION Dollars In (000)		Source	CLIC ADJ #1	CLIC ADJ #2
			REMOVAL OF S&C'S FORWARD- LOOKING PLANT ADJUSTMENTS (Tab 3 - Calculations)	REMOVED CAPITAL COSTS
111	Total Taxes	Source		
112	Average Booked Investment	L96	\$96,168	\$96,168
113	Ad Valorem Tax Factor	L110	\$7,822,758	\$7,822,758
114	Common Ad Valorem Tax	L111	0.0115	0.0115
115	Common Ad Valorem Tax	L112	0.0014	0.0014
116	Total Ad Val & CA Factor	L106	0.0129	0.0129
117	TPIS	L113 + L114	0.0135	0.0135
118	Forward-Looking Ad Valorem Tax	Tab 3 - Calculations (S&C), L56 Col J	\$16,863,346	\$16,863,346
119	TPIS Common Costs	L115 + L116	\$144,378	\$144,378
120	Total TPIS Costs	Tab 3 - Calculations (S&C), L56 Col N	\$6,711	\$6,711
121	Percent Ad Valorem Tax Common	Tab 3 - Calculations (S&C), L56 Col L	\$1,859,560	\$1,859,560
122	Common Ad Valorem Tax	L118 / L119	0.46%	0.46%
123	Direct Ad Valorem Tax	L117 / L120	\$19,437	\$19,437
124		L117 / L121	\$194,378	\$194,378

**GENERAL PURPOSE COMPUTERS**

General Purpose Computers		Source	Value (\$000)	CLIC ADJ #2
				REMOVED CAPITAL COSTS
125	Capital Costs			
126	Account 2124 Balance	L7	\$73,054	\$73,054
127	Percent Non-Mainframe Computers (Chic)	ANT 2002 Computer	2.00%	2.00%
128	Account 2124 Balance - Non-Mainframe portion	Distribution	\$1,460	\$1,460
129	Mainframe Costs - Investment	L122 - L125	\$71,543	\$71,543
130	Less Service Order Cost Study Adjustment (21.54% of Mainframe Costs for CH)	Un Inc Use Common	\$2,537	\$2,537
131	Adjusted Mainframe Costs Investment	Preserving Cost Study	\$69,007	\$69,007
132	CC to BC Ratio	L7 Col G	0.2717	0.2717
133	Capital Cost Factor	L7 Col G	24.77%	18.37%
134	Mainframe Capital Cost	L126 + L129 + L130	\$4,637	\$3,445
135	Support Asset Common Cost	L211	\$14	\$0
136	Total General Purpose Computers - Common Cost	L131 + L132	\$4,651	\$3,445
137	Account 6124 Balance	L44	\$48,002	\$48,002
138	Percent Non-Mainframe Computers (Chic)	ANT 2002 Computer	2.00%	2.00%
139	Account 6124 Balance - Non-Mainframe portion	Distribution	\$1,760	\$1,760
140	Mainframe Costs - Expense	L134 - L136	\$46,242	\$46,242
141	Less Service Order Cost Study Adjustment (21.54% of Mainframe Costs for CH)	Un Inc Use Common	\$8,873	\$8,873
142	Adjusted Mainframe Costs Expense	Preserving Cost Study	\$37,369	\$37,369
143	Support Asset Common Cost	L217	\$359	\$359
144	Total Mainframe Common Costs	L139 + L140	\$37,728	\$37,728

FORWARD-LOOKING ADJUSTMENTS - Cable & Wire Facilities Investment and 257C

Source	A		B		C		D		E		F		G	
	Account Number	Account Description	Investment per Loop	Loop	2-year Annual Loop Study	NECA USF Filing	Total Working Loops	TELRIC Loop Investment	Total	Interface Additive Percent	TELRIC Calcd Wire/257C Investment	Total	TELRIC Calcd Wire/257C Investment	Total
Cable & Wire Facilities														
142	2411	POLES	\$		33.80	4,329,550		\$146,262		7.17%			\$146,262	
143	2421	257C AERIAL CABLE - NON-METALLIC			\$1.83	4,329,550		\$7,831		7.17%			\$8,543	
144	2421	257C AERIAL CABLE - METALLIC			\$127.84	4,329,550		\$503,837		7.17%			\$506,722	
145	2422	85C UNDERGROUND CABLE - NON-METALLIC			\$3.01	4,329,550		\$13,516		7.17%			\$14,021	
146	2422	85C UNDERGROUND CABLE - METALLIC			\$76.14	4,329,550		\$326,839		7.17%			\$335,099	
147	2423	85C BURIED CABLE - NON-METALLIC			\$3.64	4,329,550		\$15,771		7.17%			\$16,869	
148	2423	85C BURIED CABLE - METALLIC			\$286.35	4,329,550		\$1,252,760		7.17%			\$1,249,521	
149	2441	CONDUIT			\$87.39	4,329,550		\$421,676		7.17%			\$454,246	
150	2232	257C DIGITAL CIRCUIT EQUIPMENT			\$204.57	4,329,550		\$885,703					\$885,703	

Source:

Interface Additive from 2002 ARMS 43-04 Table 1, Interface CAW Investment / AT CAW Investment, Rat is (Row 1474 + Row 1485 + Row 1485 + Row 1485 + Row 1485 + Row 1510) / (Row 1485 + Row 1485 + Row 1485 + Row 1485 + Row 1510 + Row 1530)  
 Loop Investment per Loop from "04-2e Analog LoopCAT (04-07 FEED) at" file "Expanded Summary" tab, column H  
 Total Working Loops - 2002 Loop Data for NECA USF Data Submission, derived from SWP TS database

Zone Weightings		B		C		D	
Region	Source	SWP TS Database Dec. 02 Col Region 7 rat	Percent of Total	Total Working Loops	TELRIC Loop Investment	Total	TELRIC Calcd Wire/257C Investment
Urban		550,810	15.2%	658,910			
Suburban		1,419,113	44.4%	1,718,113			
Rural		1,608,461	44.4%	1,921,999			
Total		3,578,384	100.0%	4,329,550			

FORWARD-LOOKING ADJUSTMENTS - Cable & Wire Facilities and Circuit Equipment Expense

Source	A		B		C		D		E	
	Account Number	Account Description	Investment per Loop	Loop	2-year Annual Loop Study	NECA USF Filing	Total Working Loops	TELRIC Loop Investment	Total	Interface Additive Percent
Cable & Wire Facilities										
150	2411	POLES	\$		33.80	4,329,550		\$146,262		7.17%
151	2421	257C AERIAL CABLE - NON-METALLIC			\$1.83	4,329,550		\$7,831		7.17%
152	2421	257C AERIAL CABLE - METALLIC			\$127.84	4,329,550		\$503,837		7.17%
153	2422	85C UNDERGROUND CABLE - NON-METALLIC			\$3.01	4,329,550		\$13,516		7.17%
154	2422	85C UNDERGROUND CABLE - METALLIC			\$76.14	4,329,550		\$326,839		7.17%
155	2423	85C BURIED CABLE - NON-METALLIC			\$3.64	4,329,550		\$15,771		7.17%
156	2423	85C BURIED CABLE - METALLIC			\$286.35	4,329,550		\$1,252,760		7.17%
157	2441	CONDUIT			\$87.39	4,329,550		\$421,676		7.17%
158	2232	257C DIGITAL CIRCUIT EQUIPMENT			\$204.57	4,329,550		\$885,703		
159	TOTAL							\$1,442,148		

FORWARD-LOOKING ADJUSTMENTS - Switching

Source	A		B		C		D		E		F	
	Account Number	Account Description	Investment per Loop	Loop	2-year Annual Loop Study	NECA USF Filing	Total Working Loops	TELRIC Loop Investment	Total	Interface Additive Percent	TELRIC Calcd Wire/257C Investment	Total
Switching												
168	2411	POLES	\$		33.80	4,329,550		\$146,262		7.17%		\$146,262
169	2421	257C AERIAL CABLE - NON-METALLIC			\$1.83	4,329,550		\$7,831		7.17%		\$8,543
170	2421	257C AERIAL CABLE - METALLIC			\$127.84	4,329,550		\$503,837		7.17%		\$506,722
171	2422	85C UNDERGROUND CABLE - NON-METALLIC			\$3.01	4,329,550		\$13,516		7.17%		\$14,021
172	2422	85C UNDERGROUND CABLE - METALLIC			\$76.14	4,329,550		\$326,839		7.17%		\$335,099
173	2423	85C BURIED CABLE - NON-METALLIC			\$3.64	4,329,550		\$15,771		7.17%		\$16,869
174	2423	85C BURIED CABLE - METALLIC			\$286.35	4,329,550		\$1,252,760		7.17%		\$1,249,521
175	2441	CONDUIT			\$87.39	4,329,550		\$421,676		7.17%		\$454,246
176	2232	257C DIGITAL CIRCUIT EQUIPMENT			\$204.57	4,329,550		\$885,703				\$885,703
177	TOTAL							\$1,442,148				\$1,442,148

176	SSF (RSTP and SCP - One portion)	SIGCOST 2.2	Total	\$26,057,860	\$3,817
177	Total is used at L181				\$872,726

178	Switching Investment Factors	Source	Factor	Investment Amount	Calculation
179	Total Digital Electronic Switching 2212377C	L177	\$72,726	\$	\$72,726
180	Forward Looking Switching Investment	OH 2002 ACFA	78.91%	\$	L181 * L182 Factor Col
181	Materials to Total EFA	OH 2002 ACFA	0.00%	\$	L182 * L183 Factor Col
182	Sales Tax	OH 2002 ACFA	1.34%	\$	L181 * L183
183	Forward Looking Switching Investment with Sales Tax	OH 2002 ACFA	1.34%	\$	L184 * L185 Factor Col
184	Texas Engineering	OH 2002 ACFA	1.65%	\$	L184 * L185 Factor Col
185	Sundry & Miscellaneous	OH 2002 ACFA	1.31%	\$	L184 * L185 Factor Col
186	Auto Part Labor	OH 2002 ACFA	1.31%	\$	L184 * L185 Factor Col
187	Total Forward Looking Switching Investment	OH 2002 ACFA	8.57%	\$	Sum of (L184-L187)
188	Power	OH 2002 ACFA	8.57%	\$	Sum of (L184-L187)
189	Total Forward Looking Switching Investment	OH 2002 ACFA	8.57%	\$	Sum of (L184-L187)
190	Current Cost - Account 2212	Tab 3 - Calculations (SBC), L12		\$	Sum of (L188-L189)
191				\$	
192	TELBC/Current Cost	L190 / L191		\$	
193				\$	
194				\$	
195				\$	
196				\$	
197				\$	
198				\$	
199				\$	
200				\$	
201				\$	
202				\$	
203				\$	
204	TOTAL			\$	

SUPPORT ASSETS									
A	B	C	D	E	F	G	H	I	J
Account	Description	Source	Account	Balance	Less TBO	Wages & Salaries	Common	Forward	Support
				L85, L84	D - E	N	Wages & Salaries	Looking	Asset
							P - G	Wages & Salaries	Cost
193	WHOLESALE MARKETING	Tab 1 - Results, L29		\$4,285	\$31	\$6,234	L81 & L95	\$59	
194	EXECUTIVE PLANNING	L85		\$4,178	\$0	\$4,178		\$333	
195		L86		\$5	\$0	\$5		\$0	
196	ACCOUNTING AND FINANCE	L87		\$24,041	\$1	\$24,040		\$1,814	
197	TELECOMMUNICATIONS	L88		\$13,526	\$12	\$13,514		\$966	
198	HUMAN RESOURCES	L89		\$38,114	\$2	\$38,112		\$3,034	
199	INFORMATION MANAGEMENT	L90		\$30,105	\$18	\$30,086		\$2,389	
200	LEGAL	L91		\$7,859	\$0	\$7,859		\$634	
201	PROCUREMENT	L92		\$2,238	\$0	\$2,238		\$178	
202	RESEARCH AND DEVELOPMENT	L93		\$2,523	\$0	\$2,523		\$201	
203	OTHER GENERAL AND ADMINISTRATIVE	L94		(\$9,754)	\$37	(\$9,717)		(\$25)	
204	TOTAL							\$9,236	

A	B	C	D	E	F	G	H	I
Capital/Expense Account	Account Description	Expense Amount	Capital Amount	Salary	Operating Expense SA Factor	Capital Cost SA Factor	Forward Looking Wages & Salaries	Support Asset Cost
Number	Source	Support Asset Factor Tax AT 2002 L87 2002 L9-36	Support Asset Factor Tax AT 2002 L87 2002 L9-36	Support Asset Factor Tax AT 2002 L87 2002 L9-36	C / E	D / E	L204	= Factor * H
205	LAND - ADMINISTRATIVE		\$1,602,345	\$1,763,784,411		0.0021	\$9,236	\$19
206	MOTOR VEHICLES - ADMINISTRATIVE		\$4,283,386	\$1,309,593,037		0.0040	\$9,236	\$37
207	TOOLS AND OTHER WORK EQUIPMENT			\$1,267,629,969		0.0000	\$9,236	\$0
208	BUILDINGS - ADMINISTRATION		\$124,387,826	\$1,763,784,411		0.1328	\$9,236	\$1,227
209	FURNITURE		\$2,137,336	\$1,763,784,411		0.0072	\$9,236	\$11
210	GENERAL PURPOSE COMPUTERS		\$4,118,348	\$1,763,784,411		0.0035	\$9,236	\$32
211	MOTOR VEHICLES - OTHER WORK EQUIPMENT		\$2,588,786	\$1,652,016,876		0.0015	\$9,236	\$33
212	TELECOMMUNICATIONS - OTHER WORK EQUIPMENT		\$3,340,962	\$1,267,629,969		0.0025	\$9,236	\$29
213	BUILDINGS		\$59,328,795	\$1,763,784,411		0.0000	\$9,236	\$0
214	FURNITURE		\$2,106,422	\$1,763,784,411		0.0012	\$9,236	\$11
215	GENERAL PURPOSE COMPUTERS		\$99,058,796	\$1,763,784,411		0.0962	\$9,236	\$519
216	AMORTIZATION EXPENSE - TANGIBLE		\$4,485,297	\$1,662,016,876		0.0368	\$9,236	\$359
217	TOTAL FACTORS			\$1,763,784,411		0.1452	\$9,236	\$24
218								\$2,587
219								

WHOLESALE PERCENTAGES						
A		B		C	D	E
Industry Markets (IM)		SBC IM 2002	SBC IM 2002	SBC IM 2002	ATF Share	ATF IM 2002
VP Organization		Total Exp (\$000)	Total Direct Exp (\$000)	Total Direct Exp (\$000)	Total SBC IM Exp	Total SBC (\$000)
Source		IM Finance	IM Finance	IM Finance	1,278	* C + D
Account Team		\$13,863	\$0	\$0	32.19%	\$0
Account Operations		\$29,278	\$0	\$0	32.19%	\$0
Account Operations		\$69,260	\$69,260	\$69,260	32.19%	\$22,296
Local Operations		\$113,744	\$113,744	\$100,683	32.19%	\$100,683
OSIS		\$26,032	\$18,132	\$9,022	32.19%	\$0
Support - Collaboration		\$0	\$0	\$0	32.19%	\$0
Incremental Leads Uncollected		\$69,704	\$69,704	\$69,704	32.19%	\$28,872
Total IM Expenses		\$509,848	\$509,848	\$509,848	32.19%	\$181,178
SBC Internal Total Operating Expenses (2002) (AIMS), Direct (Registered), Lease Accts (6/11, 6/176, 6/726, 6/760)						\$2,334,613
Wholesale Direct Cost Per-centage (ATF and IMs Direct / Total ATF Company Direct)						6.96%

Shared & Common Cost Study

Ohio

2004-2007

INPUTS (\$000)

Line	Acct #	Description	Source-Cat E	D	E	F	G	H	I	J	K	L	CLER ADJ. NO. 8	
													REGULATED	UNREGULATED
					Investments are Averaged (N-L)2	TBO	CAPCS Factors	Wages & Sal	Wages & Sal	Ratio	Source: OH 2002 ACF	Source: 2001-2002 DL Plant with OH 2002 ACF - ARMS		
1	2111	ARMED	ARMIS	ARMIS	\$17,710			16.40%		1.0000		2002 BOY	16,714	
2	2112	MOTOR VEHICLES	ARMIS	ARMIS	\$77,053			15.88%		1.0354		Investment Inputs (\$000)	71,854	
3	2114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	ARMIS	ARMIS	\$63,881			12.84%		1.1404			60,205	
4	2121	BUILDINGS	ARMIS	ARMIS	\$618,964			9.51%		2.2729			583,769	
5	2122	FURNITURE	ARMIS	ARMIS	\$3,109			9.35%		1.4556			2,558	
6	2123	OFFICE EQUIPMENT -	ARMIS	ARMIS	\$6,780			15.58%		1.0324			6,417	
7	2124	GENERAL PURPOSE COMPUTERS	ARMIS	ARMIS	\$73,004			18.37%		0.2717			68,621	
8	2211	ANALOG ELECTRONIC SWITCHING	ARMIS	ARMIS	\$1,339,482					0.7245			1,285,456	
9	2212	DIGITAL ELECTRONIC SWITCHING	ARMIS	ARMIS	\$1,339,482					1.6011			1,384,841	
10	2213	ANALOG TELEPHONE SWITCHING	ARMIS	ARMIS	\$119,356					1.0245			18,890	
11	2231-167C	RADIO SYSTEMS-NON CELLULAR MOBILE	General Ledger	ARMIS	\$6,482			13.72%		1.0245			7	
12	2231-167C	RADIO SYSTEMS-OTHER RADIO FACILITIES	General Ledger	ARMIS	\$15,948			13.72%		1.0245			7	
13	2232-157C	DIGITAL CIRCUIT EQUIPMENT	General Ledger	ARMIS	\$15,948			13.72%		1.0245			7	
14	2232-157C	DIGITAL CIRCUIT EQUIPMENT	General Ledger	ARMIS	\$522,831			13.06%		0.8713			522,788	
15	2232-357C	DIGITAL CIRCUIT EQUIPMENT	General Ledger	ARMIS	\$1,010,358			13.06%		0.8713			1,010,322	
16	2232-57C	DIGITAL CIRCUIT EQUIPMENT	General Ledger	ARMIS	\$10,178			13.06%		1.0178			10,178	
17	2311	STATION APPARATUS	ARMIS	ARMIS	\$1,153,531			28.87%		1.0178			1,153,531	
18	2321	CUSTOMER PREMISES WIRING	ARMIS	ARMIS	\$0									
19	2321	CUSTOMER PREMISES WIRING	ARMIS	ARMIS	\$0									
20	2321	CUSTOMER PREMISES WIRING	ARMIS	ARMIS	\$0									
21	2362	PUBLIC TELEPHONE TERMINAL EQUIPMENT	ARMIS	ARMIS	\$32,830					1.0000				
22	2411	OTHER TERMINAL EQUIPMENT	ARMIS	ARMIS	\$11,264					0.8710				
23	2421-822C	AERIAL CABLE - NON-METALLIC	General Ledger	ARMIS	\$53,353			14.83%		1.1244			11,264	
24	2421-222C	AERIAL CABLE - METALLIC	General Ledger	ARMIS	\$136,560			24.84%		0.8710			136,560	
25	2422-85C	UNDERGROUND CABLE - NON-METALLIC	General Ledger	ARMIS	\$53,353			10.69%		2.9942			53,353	
26	2422-9C	UNDERGROUND CABLE - METALLIC	General Ledger	ARMIS	\$166,087			11.51%		1.1034			166,087	
27	2423-84C	BURIED CABLE - NON-METALLIC	General Ledger	ARMIS	\$188,012			10.96%		1.0961			188,012	
28	2423-84C	BURIED CABLE - METALLIC	General Ledger	ARMIS	\$111,442			9.33%		1.8811			111,441	
29	2424-86C	SUBMARINE CABLE - NON-METALLIC	General Ledger	ARMIS	\$468,856			10.10%		1.1034			468,856	
30	2424-8C	SUBMARINE CABLE - METALLIC	General Ledger	ARMIS	\$4,110					4.4125			4,110	
31	2428-462C	INTRABUILDING NETWORK CABLE - NON-METALLIC	General Ledger	ARMIS	\$4,909			11.27%		1.1034			4,909	
32	2428-442C	INTRABUILDING NETWORK CABLE - METALLIC	General Ledger	ARMIS	\$82,223			11.27%		1.1034			82,223	
33	2431	AERIAL WIRE	ARMIS	ARMIS	\$0					1.7476				
34	2441	CONDUIT SYSTEMS	ARMIS	ARMIS	\$668,725			8.42%		2.2479			668,725	
35	2600	INTANGIBLE ASSETS	ARMIS	ARMIS	\$47,114			20.38%		1.0000			47,114	
36	5200	UNCOLLECTIBLE REVENUE	ARMIS	ARMIS	\$7,816,969									
37	5300	UNCOLLECTIBLE - OTHER	ARMIS	ARMIS	\$264									
38	6112	MOTOR VEHICLE EXPENSES	ARMIS	ARMIS	\$6,734									
39	6114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	ARMIS	ARMIS	\$38,270									
40	6121	LAND AND BUILDING EXPENSES	ARMIS	ARMIS	\$734									
41	6122	FURNITURE AND ARTWORKS EXPENSES	ARMIS	ARMIS	\$915									
42	6123	OFFICE EQUIPMENT EXPENSES	ARMIS	ARMIS	\$8,002									
43	6124	GENERAL PURPOSE COMPUTERS EXPENSES	ARMIS	ARMIS	\$772									
44	6212	ANALOG ELECTRONIC EXPENSES	ARMIS	ARMIS	\$46,076									
45	6213	DIGITAL ELECTRONIC EXPENSES	ARMIS	ARMIS	\$2									
46	6215	ELECTRO-MECHANICAL EXPENSES	ARMIS	ARMIS	\$2									
47	6215	OPERATOR SYSTEMS EXPENSES	ARMIS	ARMIS	\$2									
48	6220	RADIO SYSTEMS EXPENSES	ARMIS	ARMIS	\$80									
49	6231	CIRCUIT EQUIPMENT EXPENSES - 257	ARMIS	ARMIS	\$4,315									
50	6232-257	CIRCUIT EQUIPMENT EXPENSES (non 257)	ARMIS	ARMIS	\$25,029									
51	6311	STATION APPARATUS EXPENSES	ARMIS	ARMIS	\$1,760									
52	6311	STATION APPARATUS EXPENSES	ARMIS	ARMIS	\$1,760									
53	6311	STATION APPARATUS EXPENSES	ARMIS	ARMIS	\$1,760									
54	6362	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES	ARMIS	ARMIS	\$26,770									
55	6362	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES	ARMIS	ARMIS	\$1,778									
56	6411	POLE EXPENSES	ARMIS	ARMIS	\$1,778									
57	6421	AERIAL CABLE EXPENSES	ARMIS	ARMIS	\$1,778									
58	6422	UNDERGROUND CABLE EXPENSES	ARMIS	ARMIS	\$1,778									
59	6423	BURIED CABLE EXPENSES	ARMIS	ARMIS	\$1,778									
60	6424	SUBMARINE CABLE EXPENSES	ARMIS	ARMIS	\$1,778									
61	6425	DEEP SEA CABLE EXPENSES	ARMIS	ARMIS	\$1,778									
62	6426	CONDUIT SYSTEMS EXPENSES	ARMIS	ARMIS	\$1,778									
63	6441	AERIAL WIRE EXPENSES	ARMIS	ARMIS	\$1,778									
64	6441	CONDUIT SYSTEMS EXPENSES	ARMIS	ARMIS	\$1,778									
65	6511	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES	ARMIS	ARMIS	\$2,053									
66	6512	PROVISIONING EXPENSES	ARMIS	ARMIS	\$5,129									
67	6531	POWER EXPENSES	ARMIS	ARMIS	\$12,783									
68	6532	NETWORK ADMINISTRATION EXPENSES	ARMIS	ARMIS	\$19,822									
69	6533	TESTING EXPENSES	ARMIS	ARMIS	\$19,822									
70	6534	PLANT OPERATIONS ADMINISTRATION EXPENSES	ARMIS	ARMIS	\$1,830									

### TECHNICAL SENSITIVE COMPONENTS

AD VALOREM TAX FACTOR

Account	Description	Source	(\$000)	CLEC ADJ #1 REMOVED OF ERECT FORWARD- LOOKING PLANT ADJUSTMENTS (Tab 3 - Calculations CLEC #1)	CLEC ADJ #2 REMOVED OF ERECT FORWARD- LOOKING PLANT ADJUSTMENTS (Tab 3 - Calculations CLEC #1)	CLEC ADJ #3 REGULATED COSTS
107	December 2002 Investment	OH 2002 OL	\$4,070,306			\$ 7,844,277
108	December 2001 Investment	OH 2002 OL	\$7,774,363			\$ 7,684,195
109	Increase over December 2001 Investment	OH 2002 OL	\$296,353			\$ 293,171
110	Average Bonded Investment	[107 - [108 / 2]	\$7,822,759			\$ 7,817,881

CALCULATION: Dollars in (\$000)

Account	Description	Source	(\$000)	CLEC ADJ #1 REMOVED OF ERECT FORWARD- LOOKING PLANT ADJUSTMENTS (Tab 3 - Calculations CLEC #1)	CLEC ADJ #2 REMOVED OF ERECT FORWARD- LOOKING PLANT ADJUSTMENTS (Tab 3 - Calculations CLEC #1)	CLEC ADJ #3 REGULATED COSTS
111	Total Taxes	Source	\$96,166			\$96,166
112	Average Bonded Investment	LH	\$7,822,759			\$ 7,817,881
113	Ad Valorem Tax Factor	L111 / L112	0.0124			0.0124
114	Commission Assessment (CAAF) factor	L111 / L112	0.0124			0.0124
115	Total Ad Val & CAF Factor	L113 + L114	0.0136			0.0136
116	TPIS	Tab 3 - Calculations (SBC), L56, Col J	\$7,792,449			\$16,854,349
117	Forward Looking Ad Valorem Tax	L115 * L116	\$165,495			\$144,376
118	TPIS Common Costs	Tab 3 - Calculations (SBC), L56, Col N	\$6,711			\$4,483
119	Total TPIS Costs	Tab 3 - Calculations (SBC), L56, Col N	\$1,362,869			\$1,150,328
120	Percent Ad Valorem Tax Common	L118 / L119	0.49%			0.37%
121	Common Ad Valorem Tax	L119 * L120	\$114,376			\$54,141
122	Direct Ad Valorem Tax	L117 - L121	\$114,376			\$143,792
						\$144,384

GENERAL PURPOSE COMPUTERS

Account	Description	Source	Value (\$000)	CLEC ADJ #1 REMOVED OF ERECT FORWARD- LOOKING PLANT ADJUSTMENTS (Tab 3 - Calculations CLEC #1)	CLEC ADJ #2 REMOVED OF ERECT FORWARD- LOOKING PLANT ADJUSTMENTS (Tab 3 - Calculations CLEC #1)	CLEC ADJ #3 REGULATED COSTS
123	Capital Costs					
	Account 1124 Balance	L7	\$73,004			\$6,816
124	Percent Non-Maintenance Computers (Other)	AT 2002 Computer Distribution	2.00%			2.00%
125	Account 1124 Balance - Non-Maintenance portion		\$1,460			\$1,460
126	Maintenance Costs - Investment	L123 - L125	\$71,543			\$65,244
127	Less: Service Order Cost Study Adjustment (21.58% of Maintenance Costs for (D4)		\$2,537			\$2,537
128	Adjusted Maintenance Costs Investment	Upl less Computer Maintenance	\$69,007			\$62,707
129	CC-BIC Rate Factor	L7, Col G	\$2,177			\$2,177
130	Capital Cost Factor	L7, Col G	24.67%			18.37%
131	Maintenance Capital Cost	L128 * L129 * L130	\$4,637			\$3,142
132	Support Asset Common Cost	L211	\$14			\$14
133	Total General Purpose Computers - Common Cost	L131 + L132	\$4,651			\$3,156
	Expenses					
134	Account 1124 Balance	L44	\$68,002			79,758
135	Percent Non-Maintenance Computers (Other)	AT 2002 Computer Distribution	2.00%			2.00%
136	Account 1124 Balance - Non-Maintenance portion		\$1,760			\$1,565
137	Maintenance Costs - Expense	L134 - L136	\$66,242			\$78,163
138	Less: Service Order Cost Study Adjustment (21.58% of Maintenance Costs for (D4)		\$5,873			\$5,873
139	Adjusted Maintenance Costs Expense	Upl less Computer Maintenance	\$60,369			\$72,290
140	Support Asset Common Cost	L211	\$259			\$259
141	Total Maintenance Common Costs	L138 + L140	\$60,728			\$72,549

FORWARD-LOOKING ADJUSTMENTS - Cable & Wire Facilities Investment and 251C

A	B	C	D	E	F	G
Account Number	Account Description	Investment per Loop	Total Working Loops	TELRIC Loop Investment	Interface Additive Percent	Total TELRIC Cable/Wire/251C Investment
UNE 2-wire Access Loop Study						
Source	Cable & Wire Facilities		NECA USF Filing	E = C*D	ARMIS 43.04 Tr 1	G=E*(1+F)
142	2411 POLES	33.50	4,329,550	\$145,038	7.17%	\$156,262
143	2421 822C AERIAL CABLE - NON-METALLIC	\$1.83	4,329,550	\$7,543	7.17%	\$8,377
144	2421 22C AERIAL CABLE - METALLIC	\$127.94	4,329,550	\$553,937	7.17%	\$596,722
145	2422 85C UNDERGROUND CABLE - NON-METALLIC	\$31.61	4,329,550	\$13,916	7.17%	\$14,921
146	2422 5C UNDERGROUND CABLE - METALLIC	\$76.14	4,329,550	\$326,639	7.17%	\$355,989
147	2423 845C BURIED CABLE - NON-METALLIC	\$3.64	4,329,550	\$15,771	7.17%	\$16,989
148	2423 45C BURIED CABLE - METALLIC	\$289.35	4,329,550	\$1,252,760	7.17%	\$1,349,521
149	2441 CONDUIT	\$97.36	4,329,550	\$421,676	7.17%	\$454,246
150	2232 251C DIGITAL CIRCUIT EQUIPMENT	\$204.57	4,329,550	\$885,703		\$885,703
Zone Weightings						
	Region		Percent of Total	Total Working Loops		
	Source	SWIFTS Database, Dec. 02	C-Hampton Total	Chattanooga Total		
151	Urban	550,870	12.2%	659,810		
152	Suburban	1,459,175	40.4%	1,747,241		
153	Rural	2,825,505	67.4%	3,352,559		
154	Total	3,834,756	100.0%	4,329,550		

Source:  
 Interface Additive from 2002 ARMIS 43.04, Table 1, Interface C&W Investment / All C&W Investment, that is (Row 1474 + Row 1485 + Row 1510) / (Row 1460 + Row 1474 + Row 1485 + Row 1510 + Row 1530)  
 Loop Investments from Doclet #87-SOCC-148-GT expressed as a statewide weighted average of zone-specific investments  
 Investment per Loop from "On the Access LoopCAT 04-07 FEB04.xls" file, "Expanded Summary" tab, column H  
 Total Working Loops - 2002 Loop Data for NECA USF Data Submission, derived from SWIFTS database

FORWARD-LOOKING ADJUSTMENTS - Cable & Wire Facilities and Circuit Equipment Expense

A	B	C	D	E
Account Number	Account Description	2002 Investment	TELRIC C&W Inv	Percent
Source		Tab 3-Calculations	L142, L148	F=DC
155	2411 POLES	\$458,857	\$196,262	36.24%
156	2421 822C AERIAL CABLE - NON-METALLIC	\$58,870	\$4,543	7.72%
157	2421 22C AERIAL CABLE - METALLIC	\$5,587,222	\$585,722	10.48%
158	2422 85C UNDERGROUND CABLE - NON-METALLIC	\$1,398,565	\$109,262	7.81%
159	2422 5C UNDERGROUND CABLE - METALLIC	\$202,871	\$14,021	6.91%
160	2423 845C BURIED CABLE - NON-METALLIC	\$579,654	\$355,089	61.43%
161	2423 45C BURIED CABLE - METALLIC	\$1,162,478	\$965,121	83.02%
162	2423 845C BURIED CABLE - NON-METALLIC	\$1,142,965	\$16,989	1.48%
163	2423 45C BURIED CABLE - METALLIC	\$1,142,961	\$1,349,521	118.06%
164	2423 CONDUIT	\$1,252,525	\$1,366,510	108.98%
165	2441 CONDUIT	\$1,453,171	\$454,246	31.25%
166	2232 251C CIRCUIT EQUIPMENT	\$885,922	\$885,703	99.46%
167	TOTAL	\$6,574,953	\$3,837,106	58.36%

FORWARD-LOOKING ADJUSTMENTS - Switching

A	B	C	D	E	F
Item	Source	Unit	Quantity	TELRIC Investment	Total TELRIC Investment (\$000)
End Office Access Line Ports	Switch Capacity Health Reports - SCAT	2050	3,548,937	\$64.14	\$227,693
End Office Digital Trunk Ports (TR008)	Switch Capacity Health Reports - SCAT	2051	18,985	\$10,382.64	\$219,488
End Office Trunk Ports (DS1) (includes ADTS)	Switch Capacity Health Reports - SCAT	2051	41,268	\$3,189.36	\$130,981
Trunk Office Trunk Ports	Digital Network Deployment Contracts	2051	21,238	\$2,224.08	\$47,238
PRI Line Ports	Digital Network Deployment Contracts	2051	8,976	\$3,787.30	\$33,996
ISDN Line Ports	Digital Network Deployment Contracts	2050	26,213	\$293.66	\$8,285
SS7 (LSTP)	Switch Capacity Health Reports	2050	4,029,517	\$36.54	\$155,300
	SGCOOST 2.2	Total			\$43,933



176	537 (RSTP and SCP - Ohio portion)	Total	\$28,057,860	\$5,811
177	SG&COST 2.2			\$872,726

Switching Investment Factors				
Account	Description	Source	Factor	Investment Amount
178	Total Digital Electronic Switching 2212377C	L177		\$72,726
179	Forward Looking Switching Investment			
180	Materials to Total EFM	OH 2002 ACFs	78.91%	\$ 688,668
181	Salaries Tax	OH 2002 ACFs	0.00%	-
182	Forward Looking Switching Investment with Sales Tax	OH 2002 ACFs	1.34%	\$ 72,726
183	Tools and Equipment	OH 2002 ACFs	0.00%	\$ -
184	Salaries & Materials	OH 2002 ACFs	1.57%	\$ 13,702
185	Total Forward Looking Switching Investment	OH 2002 ACFs	8.51%	\$ 77,455
186	Power	OH 2002 ACFs	0.00%	\$ -
187	Total Forward Looking Switching Investment	OH 2002 ACFs	8.51%	\$ 77,455
188	Current Cost - Account 2212	Tab 3 - Calculations (SBC), L12		\$ 1,115,303
189	TELECOM Current Cost	L190 / L191		\$ 7,384

SUPPORT ASSETS									
A		B		C		D		E	
Account	Description	Source	Account	Source	Balance	Less TBO	Balance	Wages & Salaries	Common
					LBS L34	LBS L34	D - E	LBS L34	Wages & Salaries
192	WHOLESALE MARKETING	Tab 1 - Results, L26	LBS L34	LBS L34	\$6,265	\$31	\$6,234	1.55%	\$99
193	EXECUTIVE PLANNING	LBS L34	LBS L34	LBS L34	\$4,178	\$0	\$4,178	7.96%	\$333
194	ACCOUNTING AND FINANCE	LBS L34	LBS L34	LBS L34	\$5	\$0	\$5	7.96%	\$0
195	EXTERNAL RELATIONS	LBS L34	LBS L34	LBS L34	\$24,041	\$1	\$24,040	7.96%	\$1,914
196	HUMAN RESOURCES	LBS L34	LBS L34	LBS L34	\$12,526	\$2	\$12,524	7.96%	\$996
197	INFORMATION MANAGEMENT	LBS L34	LBS L34	LBS L34	\$38,114	\$2	\$38,112	7.96%	\$3,034
198	LEGAL	LBS L34	LBS L34	LBS L34	\$30,105	\$16	\$30,089	7.96%	\$2,385
199	PROCUREMENT	LBS L34	LBS L34	LBS L34	\$7,859	\$0	\$7,859	7.96%	\$634
200	RESEARCH AND DEVELOPMENT	LBS L34	LBS L34	LBS L34	\$2,238	\$0	\$2,238	7.96%	\$178
201	OTHER GENERAL AND ADMINISTRATIVE	LBS L34	LBS L34	LBS L34	\$2,523	\$0	\$2,523	7.96%	\$201
202	TOTAL				\$15,674	\$37	\$15,637	7.96%	\$1,241

A		B		C	D	E	F	G	H	I
Capital/Expense Account	Account Description	Expense Amount	Capital Amount	Source	Capital Factor SA Factor	Operating Expense SA Factor	Capital Looking SA Factor	Forward Asset Weighting	Support Cost	
Number	Source	Report Asset Factor Tab A-7 2002 SAR 2003-10-30	Report Asset Factor Tab A-7 2002 SAR 2003-10-30	Report Asset Factor Tab A-7 2002 SAR 2003-10-30	C/E	D/E	Report Asset Factor Tab A-7 2002 SAR 2003-10-30	Report Asset Factor Tab A-7 2002 SAR 2003-10-30	Report Asset Factor Tab A-7 2002 SAR 2003-10-30	
2111	LAND - ADMINISTRATIVE	\$3,242,662	\$3,242,662	\$3,242,662	0.0021	0.0021	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2122	MOTOR VEHICLES - ADMINISTRATIVE	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2144	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2155	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2166	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2177	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2188	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2199	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2210	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2221	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2232	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2243	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2254	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2265	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2276	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2287	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2298	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2309	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2320	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2331	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2342	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2353	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2364	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2375	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2386	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2397	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2408	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2419	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2430	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2441	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2452	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2463	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2474	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2485	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2496	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2507	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2518	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2529	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2540	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2551	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2562	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2573	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2584	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2595	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2606	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2617	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2628	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2639	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2650	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2661	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2672	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2683	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2694	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2705	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2716	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2727	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2738	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2749	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2760	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2771	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2782	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2793	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2804	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2815	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2826	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2837	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2848	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2859	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2870	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2881	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2892	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2903	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2914	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2925	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2936	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2947	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2958	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2969	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2980	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
2991	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
3002	GENERAL PURPOSE COMPUTERS	\$3,242,662	\$3,242,662	\$3,242,662	0.0015	0.0015	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
3013	MOTOR VEHICLES	\$58,325,795	\$58,325,795	\$58,325,795	0.0040	0.0040	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
3024	TOOLS AND OTHER WORK EQUIPMENT	\$2,136,422	\$2,136,422	\$2,136,422	0.0000	0.0000	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
3035	FURNITURE	\$69,556,796	\$69,556,796	\$69,556,796	0.0012	0.0012	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
3046	OFFICE EQUIPMENT	\$4,485,297	\$4,485,297	\$4,485,297	0.0035	0.0035	\$1,763,784.411	\$1,763,784.411	\$1,763,784.411	
3057	GENERAL PURPOSE COMPUTERS</									



Shared & Common Cost Study

Ohio  
 2004-2007  
 INPUTS (\$000)

Source: Accounts BOOK														Source: 2001/2002 GL Filed with OH 2002													
Filed with OH 2002														ACF		ACF-ARMS											
Investments are Averaged (K-L)2														CAPCS Factors		Wages & Sal. % of Acct		Wages & Salaries		C/R/C Ratio		Investment Inputs (\$000s)		2002 EOY		2002 EOY	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%		18.40%		18.40%		18.40%		18.40%		18.40%	
2002 Balance														TBO		18.40%											

Line	Acct #	Description	Source	2002 Balance	TBO	CAPCS Factors	Wages & Salaries	Wages & Sal % of Acct	CC/BIC Ratio
71	6536	ENGINEERING EXPENSES	ARMIS	\$13,981	\$477				
72	6540	ACCESS EXPENSES	ARMIS	\$10,842					
The CAPCS factor and CC/BIC ratio for Account 2133 is a weighting of the Account #s 2131.1 and 2131.2 corresponding CAPCS factors and CC/BIC ratios based on their respective GL Balances. A forward looking Cost of Revenue (COR) adjustment is made by adding COR expenses from the Revenue Cost list of the CH 2002 ACF 2003-10-30. For CAPCS factors refer to the "Revenue" Tab of the CH 2002 ACF 2004-01-14 and for the provider as part of the ACF development.									
73	6542	TELECOM PLANT IN SERVICE	ARMIS	\$58,148					
74	6562	DEPRECIATION - PROP. HELD FOR FUTURE TELECOM USE	ARMIS	\$480					
75	6563	AMORTIZATION EXPENSE - TANGIBLE	ARMIS	\$17,780					
76	6564	AMORTIZATION EXPENSE - INTANGIBLE	ARMIS	\$1,573					
77	6565	AMORTIZATION EXPENSE - OTHER	ARMIS	\$46,511					
78	6611	PRODUCT MANAGEMENT	ARMIS	\$67,125	\$31		\$0		
79	6612	SALES	ARMIS				\$1,811		
80	6613	PRODUCT ADVERTISING	ARMIS				\$0		
81	6610	TOTAL MARKETING EXPENSES	Sum L78 - L80	\$113,608	\$31		\$1,811	1.59%	
82	6620	TELECOM SERVICES	ARMIS	\$1,642	\$143		\$2,510	48.75%	
83	6623	NUMBER SERVICES	ARMIS	\$1,141	\$1,141		\$1,863	75.30%	
84	6623	CUSTOMER SERVICES	ARMIS	\$183,508	\$1,800		\$86,524	36.26%	
85	6711	EXECUTIVE	ARMIS	\$4,178	\$0		\$221		
86	6712	PLANNING	ARMIS	\$0			\$0		
87	6721	ACCOUNTING AND FINANCE	ARMIS	\$24,041	\$1		\$3		
88	6722	EXTERNAL RELATIONS	ARMIS	\$12	\$12		\$2,617		
89	6723	HUMAN RESOURCES	ARMIS	\$38,114	\$2		\$104		
90	6724	INFORMATION MANAGEMENT	ARMIS	\$30,108	\$18		\$443		
91	6725	LEGAL	ARMIS	\$1,258			\$23		
92	6726	PROCUREMENT	ARMIS	\$2,258	\$0		\$23		
93	6727	RESEARCH AND DEVELOPMENT	ARMIS	\$2,523			\$0		
94	6728	OTHER GENERAL AND ADMINISTRATIVE	ARMIS	\$88,859	\$37		\$5,518		
95	710	TOTAL CORPORATE OPERATIONS EXPENSE	Sum L85 - L94	\$114,838			\$8,143	7.96%	
96	6790	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE	ARMIS	\$0					
97	7245.1	PROPERTY TAXES	General Ledger	\$86,132					
98	7245.9	OTHER TAXES	General Ledger	\$1,008					
99	N/A	TOTAL TAXES	Sum L97 - L98	\$86,168					
100									
101									
102									
103									
104									
105									
106									

TOTAL  
 Account #6728 was adjusted to account for \$545,148 in maintenance labor costs that were recovered in the Service Order Computer Processing Cost study.  
 Account #6728 was adjusted to remove the 2002 OIS testing expenses of \$30,482,905 and added back the average OIS Testing costs of \$14,332,110 incurred during 2000-2003.  
 Also subtracted out pension settlement costs of \$47,851

Sources:  
 Cell F - General Accounting, Finance - SBC  
 Cell G - 2002 Annual Charge Factor Brochure  
 Cell H - SBC Finance Group  
 Cell I - SBC Finance Group  
 Cell J - 2002 Annual Charge Factor Brochure

Line	Acct #	Description	Source	2002 Balance	TBO	CAPCS Factors	Wages & Salaries	Wages & Sal % of Acct	CC/BIC Ratio
105	6542	TELECOM PLANT IN SERVICE	ARMIS	\$58,148					
106	6540	ACCESS EXPENSES	ARMIS	\$10,842					

AD VALOREM TAX FACTOR

AVERAGE BOOK INVESTMENT					
107	Account	CHICAGO	2002 Investment	Source	
108	2001	OH 2002 GL		OH 2002 GL	\$6,070,836
109	2001	OH 2002 GL		OH 2002 GL	\$7,714,583
110	2001	OH 2002 GL		OH 2002 GL	\$296,353
					\$7,837,891
					1.35364

Per Tab Ohio CC-BIC Ratios

CALCULATION Dollars in (000)									
111	Total Taxes								
112	Average Booked Investment								
113	Ad Valorem Tax Factor								
114	Commission Assessment (CA Factor)								
115	Total Ad Val. & CA Factor								
116	TPIS								
117	TPIS Looking Ad Valorem Tax								
118	TPIS Cost Costs								
119	Total TPIS Costs								
120	Percent Ad Valorem Tax Common								
121	Common Ad Valorem Tax								
122	Direct Ad Valorem Tax								

GENERAL PURPOSE COMPUTERS

General Purpose Computers									
Capital Costs									
123	Account 2124 Balance								
124	Percent Non-Maintenance Computers (Ohio)								
125	Account 6124 Balance - Non-Maintenance portion								
126	Maintenance Costs - Investment								
127	Less Service Order Cost Study Adjustment (21.58% of Maintenance Costs for OH)								
128	Adjusted Maintenance Costs-Investment								
129	CC to BC Ratio								
130	Capital Cost Factor								
131	Maintenance Capital Cost								
132	Support Asset Common Cost								
133	Total General Purpose Computers - Common Cost								
Expenses									
134	Account 6124 Balance								
135	Percent Non-Maintenance Computers (Ohio)								
136	Account 6124 Balance - Non-Maintenance portion								
137	Maintenance Costs - Expense								
138	Less Service Order Cost Study Adjustment (21.58% of Maintenance Costs for OH)								
139	Adjusted Maintenance Costs - Expenses								
140	Support Asset Common Cost								
141	Total Maintenance Common Costs								

FORWARD-LOOKING ADJUSTMENTS - Cable & Wire Facilities Investment and 257C

Source	A		B		C		D		E		F		G	
	Account Number	Account Description	Investment per Loop	Working Loop	NECA USF Filing	2002 Investment	2002 Investment	2002 Investment	2002 Investment	2002 Investment	2002 Investment	2002 Investment	2002 Investment	2002 Investment
142	2411	POLES	\$	33.50	4,329,550	\$140,058	4,329,550	4,329,550	4,329,550	4,329,550	4,329,550	4,329,550	4,329,550	4,329,550
143	2421	257C												
144	2421	257C												
145	2422	257C												
146	2422	257C												
147	2423	257C												
148	2423	257C												
149	2441	CONDUIT												
150	2232	257C												
151	2232	257C												
152	2232	257C												
153	2232	257C												
154	2232	257C												

Sources:  
 Interoffice Additive from 2002 ARMS 43-04 Table 1, Interoffice C&W Investment / All C&W Investment, that is (Row 1474 + Row 1485 + Row 1510) / (Row 1460 + Row 1474 + Row 1485 + Row 1510 + Row 1530)  
 Loop Investments from DocId 89730000-148-001 expressed as statewide weighted average of zone-specific investments  
 Investment per Loop from "OH" the Working Loop/CAI (44-07) Filing at the "Expanded" Summary tab, column H  
 Total Working Loops - 2002 Loop Data for NECA USF Data Submitter, derived from SWPFS database

FORWARD-LOOKING ADJUSTMENTS - Cable & Wire Facilities and Circuit Equipment Expense

Source	A		B		C		D		E	
	Account Number	Account Description	Investment per Loop	Working Loop	NECA USF Filing	2002 Investment	2002 Investment	2002 Investment	2002 Investment	2002 Investment
155	2411	POLES	\$	33.50	4,329,550	\$140,058	4,329,550	4,329,550	4,329,550	4,329,550
156	2421	257C								
157	2421	257C								
158	2422	257C								
159	2422	257C								
160	2423	257C								
161	2423	257C								
162	2423	257C								
163	2423	257C								
164	2423	257C								
165	2441	CONDUIT								
166	2232	257C								
167	TOTAL									

FORWARD-LOOKING ADJUSTMENTS - Switching

Source	A		B		C		D		E		F	
	Account Number	Account Description	Investment per Loop	Working Loop	NECA USF Filing	2002 Investment	2002 Investment	2002 Investment	2002 Investment	2002 Investment	2002 Investment	2002 Investment
168	2411	POLES	\$	33.50	4,329,550	\$140,058	4,329,550	4,329,550	4,329,550	4,329,550	4,329,550	4,329,550
169	2421	257C										
170	2421	257C										
171	2422	257C										
172	2422	257C										
173	2423	257C										
174	2423	257C										
175	2441	CONDUIT										
176	TOTAL											

176 SSF (RSTP and SCP - Ohio portion) Total \$28,057,662 \$5,617  
 177 Total \$872,726

Switching Investment Factors			
Factor	Source	Investment Amount	Calculation
<b>Total Digital Electronic Switching 251237FC</b>			
Forward Looking Switching Investment	L177	\$ 872,726	\$ 872,726
Materials in Total EFA			
OH 2002 ACFA		\$ 668,668	L181 - L182 Factor Col
Sales Tax		\$ -	L182 - L183 Factor Col
OH 2002 ACFA		\$ -	L181 - L183 Factor Col
Forward Looking Switching Investment with Sales Tax		\$ 872,726	
OH 2002 ACFA		\$ 872,726	L181 - L183 Factor Col
OH 2002 ACFA		\$ -	L184 - L186 Factor Col
OH 2002 ACFA		\$ 6,673	L184 - L187 Factor Col
OH 2002 ACFA		\$ 13,702	L184 - L187 Factor Col
OH 2002 ACFA		\$ 903,795	Sum of (L184-L187)
OH 2002 ACFA		\$ 77,455	L188 - L189 Factor Col
OH 2002 ACFA		\$ 881,251	Sum of (L188-L189)
Total Forward Looking Switching Installed Investment		\$ 872,726	
Total Forward Looking Switching Investment		\$ 872,726	
Current Cost - Account 2212		\$ 1,115,303	
TELEC Current Cost		\$ 872,726	

**SUPPORT ASSETS**

Forward-Looking Wages & Salaries									
A	B	C	D	E	F	G	H	I	J
Acct	Description	Source	Account Balance	TBO	Less TBO	Wages/Salaries	Common	Forward	Support
			L85 - L134	L85 - L134	D - E	L81 & L85	Wages/Sal	Looking	Asset
							F - G	Wages/Sal	Cost
180	WHOLESALE MARKETING	Tab 1 - Results, L25	\$6,265	\$31	\$6,234	1.55%	\$96		
181	EXECUTIVE PLANNING	L80	\$4,178	\$0	\$4,178	7.96%	\$333		
182	ACCOUNTING AND FINANCE	L86	\$5	\$0	\$5	7.96%	\$0		
183	EXTERNAL RELATIONS	L87	\$24,041	\$1	\$24,040	7.96%	\$1,914		
184	HUMAN RESOURCES	L88	\$12,526	\$12	\$12,514	7.96%	\$996		
185	INFORMATION MANAGEMENT	L89	\$38,114	\$2	\$38,112	7.96%	\$3,034		
186	LEGAL	L90	\$30,105	\$18	\$30,086	7.96%	\$2,385		
187	PROCUREMENT	L91	\$7,859	\$0	\$7,859	7.96%	\$634		
188	RESEARCH AND DEVELOPMENT	L92	\$2,238	\$0	\$2,238	7.96%	\$178		
189	OTHER GENERAL AND ADMINISTRATIVE	L93	\$2,523	\$0	\$2,523	7.96%	\$201		
190	TOTAL	L94	(97,554)	\$37	(97,591)	7.96%	(8,549)		
191									
192									
193									
194									
195									
196									
197									
198									
199									
200									
201									
202									
203									
204									

A	B	C	D	E	F	G	H	I
Capital Expense Account	Account Description	Expense Amount	Capital Amount	Salary	Operating Expense SA Factor	Capital Cost SA Factor	Forward Looking Wages/Sal	Support Asset Cost
Number	Source	Report Asset Factor Tab A17 2002 MAY 2002-10-26	Report Asset Factor Tab A17 2002 MAY 2002-10-26	Report Asset Factor Tab A17 2002 MAY 2002-10-26	* C / E	* D / E	* Factor * H	
205	2111 LAND ADMINISTRATIVE	\$1,832,345	\$1,832,345	\$1,763,784,411	0.0021	0.0040	\$5,296	\$5,296
206	2112 MOTOR VEHICLES, ADMINISTRATIVE	\$5,983,395	\$5,983,395	\$1,267,629,099	0.0000	0.0000	\$5,296	\$5,296
207	2114 TOOLS AND OTHER WORK EQUIPMENT			\$1,763,784,411	0.0012	0.0012	\$5,296	\$5,296
208	2121 BUILDINGS, ADMINISTRATION	\$154,897,538	\$154,897,538	\$1,763,784,411	0.0012	0.0012	\$5,296	\$5,296
209	2122 FURNITURE	\$2,127,299	\$2,127,299	\$1,763,784,411	0.0015	0.0015	\$5,296	\$5,296
210	2123 OFFICE EQUIPMENT	\$8,118,386	\$8,118,386	\$1,763,784,411	0.0015	0.0015	\$5,296	\$5,296
211	2124 OFFICE EQUIPMENT	\$1,118,386	\$1,118,386	\$1,763,784,411	0.0015	0.0015	\$5,296	\$5,296
212	2125 OFFICE EQUIPMENT	\$1,118,386	\$1,118,386	\$1,763,784,411	0.0015	0.0015	\$5,296	\$5,296
213	2132 MOTOR VEHICLES	\$1,340,962	\$1,340,962	\$1,267,629,099	0.0000	0.0000	\$5,296	\$5,296
214	2141 BUILDINGS	\$59,326,795	\$59,326,795	\$1,763,784,411	0.0012	0.0012	\$5,296	\$5,296
215	2142 FURNITURE	\$2,106,427	\$2,106,427	\$1,763,784,411	0.0012	0.0012	\$5,296	\$5,296
216	2143 OFFICE EQUIPMENT	\$89,058,796	\$89,058,796	\$1,763,784,411	0.0012	0.0012	\$5,296	\$5,296
217	2144 GENERAL PURPOSE COMPUTERS	\$67,568,816	\$67,568,816	\$1,763,784,411	0.0012	0.0012	\$5,296	\$5,296
218	2145 AMORTIZATION EXPENSE - TANGIBLE	\$4,489,297	\$4,489,297	\$1,763,784,411	0.0025	0.0025	\$5,296	\$5,296
219	2146 TOTAL FACTORS			\$1,763,784,411	\$1,4432	\$1,4432	\$5,296	\$5,296
220							\$5,296	\$5,296

WHOLESALE PERCENTAGES

Source	A		B		C		D		E	
	Industry Markets (IM)		SBC IM 2002		SBC IM 2002		AIT Share of		AIT IM 2002	
	VP Organization		Total Exp (\$000)		Total Direct Exp (\$000)		IM Exp		Total Direct Exp (\$000)	
							L228		= C * D	
220	Account Team		\$13,624	\$0	\$13,624	\$0	32.19%	32.19%	\$4,398	\$0
	Accounting		\$1,259	\$0	\$1,259	\$0	32.19%	32.19%	\$403	\$0
	Accounts		\$69,260	\$0	\$69,260	\$0	32.19%	32.19%	\$22,296	\$0
221	Accounts Receivable		\$13,744	\$0	\$13,744	\$0	32.19%	32.19%	\$4,423	\$0
	Local Operations		\$13,744	\$0	\$13,744	\$0	32.19%	32.19%	\$4,423	\$0
222	CSIS		\$18,332	\$0	\$18,332	\$0	32.19%	32.19%	\$5,922	\$0
223	Support - Collaboration		\$0	\$0	\$0	\$0	32.19%	32.19%	\$0	\$0
224	Incremental Less Uncollectibles		\$49,754	\$0	\$49,754	\$0	32.19%	32.19%	\$16,022	\$0
225	Total IM Expenses		\$469,848	\$0	\$469,848	\$0	32.19%	32.19%	\$151,176	\$0
226	SBC Marketed Total Operating Expenses (2002 Adjusted, Direct Regulated)									\$3,334,815
227	Wholesale Direct Cost Percentage (AIT Inc. Mktg. Direct / Total AIT Company Direct)									8.90%

SBC Industry Markets Local Operations Center Expenses - 2002		B		C	
Region		Total		Region %	
Source		IM Finance (\$000)		= Region / Total	
228	Ameritech		\$36,953	32.19%	
229	Pacific Bell		\$22,179	20.67%	
230	United Western Bell		\$13,811	12.60%	
231	Total		\$337,223	100.00%	

Wholesale Marketing		Amount (\$000)	
Description		2002 General Ledger	
232	Ameritech Services, Inc.		\$5,795
233	SBC Operations		\$972
234	Ohio Wholesale Bookend to 6610		\$6,267
235	Total AIT Ohio for Account 6610		\$113,748
236	Industry Markets as Percentage of Total Company		5.23%

UNCOLLECTIBLES EXPENSES - 2002 Expenses

UNCOLLECTIBLE EXPENSES				OH	
Source	Account	General Ledger			
236	END USER				
	END USER ACCRUAL	\$381,111	\$	296,141.00	
	INTER END USER DIRECT CHARGE	\$381,112	\$	30,896.00	
237	INTER END USER DIRECT CHARGE - Equal Access	\$381,2	\$		
	INTRA END USER ACCRUAL	\$381,511	\$	54,813,179.00	
	INTRA END USER DIRECT CHARGE	\$381,512	\$	145,370.00	
	OTHER INTRASTATE	\$382,5	\$	244,502.00	
	Subtotal		\$	\$4,548,548.00	
	Residual Portion of Total Uncollectibles			88.6%	
238	RETAIL/WHOLESALE				
	ALDIS and Special Markets (RS)	all \$381	\$	18,160,205	
	Subtotal		\$	\$4,948,295	
	Wholesale Portion of Total Uncollectibles			11.4%	
241	Total Uncollectibles		\$	\$1,014,793	



Shared & Common Cost Study

Ohio

2004-2007

INPUTS (\$000)

Source: Starkey EXXY  
 Filed with OH-2002

Source: OH-2002  
 ACF

Source: OH-2002  
 ACF

Source: OH-2002  
 ACF

Line	Acct #	Description	Source-Code	E Investments are Averaged (K-L)J2 2002 Balance	F TBO	G CAPCS Factors	H Wages & Salaries	I Wages & Sal % of Acct	J CCBC Ratio	K Investment Inputs (\$000s) 2002 BOY	L 2002 EOY	M REGULATED	N UNREGULATED
1	2111	LAND	ARMIS	\$17,710					1.0000	\$17,710	\$17,710	18,774	-
2	2112	MOTOR VEHICLES	ARMIS	\$77,053					1.0354	\$80,589	\$85,516	71,054	-
3	2113	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	ARMIS	\$63,891					1.1404	\$62,793	\$64,969	60,205	-
4	2114	BUILDINGS	ARMIS	\$818,964					2.2729	\$808,862	\$820,045	565,799	-
5	2121	OFFICE EQUIPMENT	ARMIS	\$1,459,326					1.1659	\$1,459,326	\$1,459,326	1,459,326	-
6	2122	GENERAL PURPOSE COMPUTERS	ARMIS	\$7,180					1.0304	\$7,144	\$7,144	2,538	-
7	2124	ANALOG ELECTRONIC SWITCHING	ARMIS	\$7,004					0.2711	\$4,962	\$1,105	68,110	-
8	2211	DIGITAL ELECTRONIC SWITCHING	ARMIS	\$4,657					0.2743	\$12,857	\$456	6,857	-
9	2212	RADIO SYSTEMS-NON CELLULAR MOBILE	ARMIS	\$1,539,482	\$70				0.7243	\$1,494,733	\$1,584,230	1,538,841	70
10	2220	OPERATOR SYSTEMS	ARMIS	\$19,356					1.1801	\$19,351	\$18,890	18,068	-
11	2231	RADIO SYSTEMS-OTHER RADIO FACILITIES	General Ledger	\$7					1.0245	\$7	\$7	7	-
12	2231	DIGITAL CIRCUIT EQUIPMENT	General Ledger	\$4,492					1.0245	\$7,226	\$7,226	6,482	-
13	2232	DIGITAL CIRCUIT EQUIPMENT	General Ledger	\$15,848	\$429				0.0764	\$15,367	\$15,529	15,529	-
14	2232	DIGITAL CIRCUIT EQUIPMENT	General Ledger	\$1,013,568	\$429				0.0764	\$982,265	\$1,023,457	922,198	438
15	2232	DIGITAL CIRCUIT EQUIPMENT	General Ledger	\$70,783					0.0711	\$71,273	\$70,264	70,264	-
16	2232	DIGITAL CIRCUIT EQUIPMENT	General Ledger	\$1,557					1.0178	\$1,557	\$1,557	1,557	-
17	2311	STATION APPARATUS	ARMIS	\$0					1.0000	\$0	\$0	0	-
18	2321	CUSTOMER PREMISES WIRING	ARMIS	\$0					1.0000	\$0	\$0	0	-
19	2341	LARGE PRIVATE BRANCH EXCHANGES	ARMIS	\$32,830					1.1244	\$32,877	\$32,962	32,962	-
20	2351	PUBLIC TELEPHONE TERMINAL EQUIPMENT	ARMIS	\$11,264					0.9710	\$11,237	\$11,290	11,290	-
21	2362	OTHER TERMINAL EQUIPMENT	ARMIS	\$1,365,565					2.9942	\$1,345,42	\$1,385,578	1,385,568	77
22	2411	POLES	ARMIS	\$1,365,565					1.1126	\$1,365,565	\$1,365,565	1,365,565	-
23	2411	AERIAL CABLE - METALLIC	General Ledger	\$78,097					1.1126	\$78,097	\$78,097	78,097	-
24	2411	AERIAL CABLE - NON-METALLIC	General Ledger	\$1,365,565					1.1126	\$1,365,565	\$1,365,565	1,365,565	-
25	2421	UNDERGROUND CABLE - METALLIC	General Ledger	\$1,365,565					1.1126	\$1,365,565	\$1,365,565	1,365,565	-
26	2421	UNDERGROUND CABLE - NON-METALLIC	General Ledger	\$1,365,565					1.1126	\$1,365,565	\$1,365,565	1,365,565	-
27	2423	BURIED CABLE - METALLIC	General Ledger	\$1,365,565					1.1126	\$1,365,565	\$1,365,565	1,365,565	-
28	2423	BURIED CABLE - NON-METALLIC	General Ledger	\$1,365,565					1.1126	\$1,365,565	\$1,365,565	1,365,565	-
29	2424	SUBMARINE CABLE - METALLIC	General Ledger	\$1,365,565					1.1126	\$1,365,565	\$1,365,565	1,365,565	-
30	2424	SUBMARINE CABLE - NON-METALLIC	General Ledger	\$1,365,565					1.1126	\$1,365,565	\$1,365,565	1,365,565	-
31	2425	INTRABUILDING NETWORK CABLE - METALLIC	General Ledger	\$1,365,565					1.1126	\$1,365,565	\$1,365,565	1,365,565	-
32	2425	INTRABUILDING NETWORK CABLE - NON-METALLIC	General Ledger	\$1,365,565					1.1126	\$1,365,565	\$1,365,565	1,365,565	-
33	2431	AERIAL WIRE	ARMIS	\$0					1.0000	\$0	\$0	0	-
34	2441	CONDUIT SYSTEMS	ARMIS	\$646,729					8.427	\$646,729	\$655,752	646,721	-
35	2690	INTANGIBLE ASSETS	ARMIS	\$47,114					2.2470	\$47,114	\$47,114	47,090	-
36	2000	TOTAL TYS	Sum L1 - L4	\$7,916,969	\$3,732				1.0000	\$7,916,969	\$8,059	60,868	-
37	5301	UNCOLLECTIBLE REVENUE	ARMIS	\$73,445					1.0000	\$73,445	\$73,445	73,445	-
38	5302	MOTOR VEHICLE EXPENSE	ARMIS	\$264					1.0000	\$264	\$264	264	-
39	5303	LAND AND BUILDING EXPENSE	ARMIS	\$4,134					1.0000	\$4,134	\$4,134	4,134	-
40	5304	FURNITURE AND ARTWORKS EXPENSE	ARMIS	\$615					1.0000	\$615	\$615	615	-
41	5305	OFFICE EQUIPMENT EXPENSES	ARMIS	\$16,096					1.0000	\$16,096	\$16,096	16,096	-
42	5306	GENERAL PURPOSE COMPUTERS EXPENSES	ARMIS	\$80,002					1.0000	\$80,002	\$80,002	80,002	-
43	5307	ANALOG ELECTRONIC EXPENSES	ARMIS	\$772					1.0000	\$772	\$772	772	-
44	5308	DIGITAL ELECTRONIC EXPENSES	ARMIS	\$48,078					1.0000	\$48,078	\$48,078	48,078	-
45	5309	ELECTROMECHANICAL EXPENSES	ARMIS	\$2					1.0000	\$2	\$2	2	-
46	5310	OPERATOR SYSTEMS EXPENSES	ARMIS	\$2					1.0000	\$2	\$2	2	-
47	5311	CONDUIT EQUIPMENT EXPENSES - 257	ARMIS	\$8,115					1.0000	\$8,115	\$8,115	8,115	-
48	5312	CIRCUIT EQUIPMENT EXPENSES (non 257)	ARMIS	\$5,407					1.0000	\$5,407	\$5,407	5,407	-
49	5313	STATION APPARATUS EXPENSES	ARMIS	\$0					1.0000	\$0	\$0	0	-
50	5314	LARGE PRIVATE BRANCH EXCHANGE EXPENSES	ARMIS	\$1,760					1.0000	\$1,760	\$1,760	1,760	-
51	5315	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES	ARMIS	\$26,770					1.0000	\$26,770	\$26,770	26,770	-
52	5316	OTHER TERMINAL EQUIPMENT EXPENSES	ARMIS	\$2,178					1.0000	\$2,178	\$2,178	2,178	-
53	5317	POLE EXPENSES	ARMIS	\$3,172					1.0000	\$3,172	\$3,172	3,172	-
54	5318	AERIAL CABLE EXPENSES	ARMIS	\$527					1.0000	\$527	\$527	527	-
55	5319	UNDERGROUND CABLE EXPENSES	ARMIS	\$53,218					1.0000	\$53,218	\$53,218	53,218	-
56	5320	BURIED CABLE EXPENSES	ARMIS	\$0					1.0000	\$0	\$0	0	-
57	5321	SUBMARINE CABLE EXPENSES	ARMIS	\$0					1.0000	\$0	\$0	0	-
58	5322	DEEP SEA CABLE EXPENSES	ARMIS	\$0					1.0000	\$0	\$0	0	-
59	5323	INTRABUILDING NETWORK CABLE EXPENSES	ARMIS	\$1,730					1.0000	\$1,730	\$1,730	1,730	-
60	5324	AERIAL WIRE EXPENSES	ARMIS	\$0					1.0000	\$0	\$0	0	-
61	5325	CONDUIT SYSTEMS EXPENSES	ARMIS	\$2,053					1.0000	\$2,053	\$2,053	2,053	-
62	5326	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES	ARMIS	\$0					1.0000	\$0	\$0	0	-
63	5327	POWER EXPENSES	ARMIS	\$12,193					1.0000	\$12,193	\$12,193	12,193	-
64	5328	NETWORK ADMINISTRATION EXPENSES	ARMIS	\$9,622					1.0000	\$9,622	\$9,622	9,622	-
65	5329	TESTING EXPENSES	ARMIS	\$47,652					1.0000	\$47,652	\$47,652	47,652	-
66	5330	PLANT OPERATIONS ADMINISTRATION EXPENSES	ARMIS	\$51,830					1.0000	\$51,830	\$51,830	51,830	-
67	5331		ARMIS						1.0000				-
68	5332		ARMIS						1.0000				-
69	5333		ARMIS						1.0000				-
70	5334		ARMIS						1.0000				-

Line	Acct #	Description	Source-Cat #	D	E	F	G	H	I	J
71	6535	ENGINEERING EXPENSES	ARMIS		\$13,985	\$472				
72	6540	ACCESS EXPENSES	ARMIS		\$70,842					
--- The CAPCS factor and CCBC ratio for Account 7223 is a weighting of the Account 7223.1 and 7223.2 corresponding CAPCS factors and CCBC ratios issued on their respective G. Balances										
--- A forward looking Cost of Revenue (COR) adjustment is made by adding COR expenses from the Revenue Cost list of the CH 2002 ACF 2003-10-30.										
--- For CAPCS factors refer to the "Revenue" Tab of the "CH 2002 ACF 2004-01-14.xls" file provided as part of the ACF development										
A	B	C	D	E	F	G	H	I	J	
73	6581	DEPRECIATION - TELECOM PLANT IN SERVICE	ARMIS		\$506,172					
74	6582	DEPRECIATION - PROP. HELD FOR FUTURE TELECOM USE	ARMIS		\$0					
75	6583	AMORTIZATION EXPENSE - TANGIBLE	ARMIS		\$465					
76	6584	AMORTIZATION EXPENSE - INTANGIBLE	ARMIS		\$17,793					
77	6585	AMORTIZATION EXPENSE - OTHER	ARMIS		\$1,573					
78	6611	PRODUCT MANAGEMENT	ARMIS		\$48,511					
79	6612	SALES	ARMIS		\$87,125					
80	6613	PRODUCT ADVERTISING	ARMIS		\$0					
81	6614	TOTAL ADVERTISING EXPENSES	ARMIS		\$113,636					
82	6620	TELECOM SERVICES	ARMIS		\$1,142					
83	6621	NUMBER SERVICES	ARMIS		\$15,941					
84	6623	CUSTOMER SERVICES	ARMIS		\$183,509					
85	6711	EXECUTIVE	ARMIS		\$4,178					
86	6712	PLANNING	ARMIS		\$0					
87	6721	ACCOUNTING AND FINANCE	ARMIS		\$24,041					
88	6722	EXTERNAL RELATIONS	ARMIS		\$12,617					
89	6723	HUMAN RESOURCES	ARMIS		\$38,114					
90	6724	INFORMATION MANAGEMENT	ARMIS		\$35,105					
91	6725	LEGISLATION	ARMIS		\$0					
92	6726	PROCUREMENT	ARMIS		\$2,298					
93	6727	RESEARCH AND DEVELOPMENT	ARMIS		\$2,523					
94	6728	OTHER GENERAL AND ADMINISTRATIVE	ARMIS		\$5,518					
95	710	TOTAL CORPORATE OPERATIONS EXPENSE	ARMIS		\$114,838					
96	6796	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE	ARMIS		\$0					
97	7240.1	PROPERTY TAXES	General Ledger		\$95,132					
98	7240.9	OTHER TAXES	General Ledger		\$1,208					
99	N/A	TOTAL TAXES	Sum LST - L38		\$96,340					
100										
101										
102										
103										
104										
TOTAL										
--- Account #6724 was adjusted to account for \$545,348 in non-revenue labor costs that were recovered in the Service Order Computer Processing Cost study										
--- Account #6729 was adjusted to remove the 2002 OGS selling expenses of \$30,462,955 and added back in the average OGS selling costs of \$14,332,310 incurred during 2000-2003										
Also subtracted out pension settlement losses of \$47,851										
Sources:										
Cat F - General Accountant, Finance - SBC										
Cat G - 2002 Annual Charge Factor Broker										
Cat H - SBC Finance Group										
Cat I - ILE										
Cat J - 2002 Annual Charge Factor Broker										
Other Inputs:										
Description										
105	4	year planning period mid point inflation factor	Source: Federal Reserve Board (2004-2007 base year 2002, base CH)		1.2656					
106	Commissioner Adjustment Factor	CH 2002 ACF 2003-10-30 re Commissioner Adjustment Factor			0.2914					

# AD VALOREM TAX FACTOR

AVERAGE BOOK INVESTMENT		(\$000)		CLEC ADJ # 8	CLEC ADJ # 8 & 18
ACCOUNT	DESCRIPTION	2001	2002	REGULATED COSTS	2002 CCRG RATIO FOR TYP
107	DEPRECIATION 2002 Investment	\$6,070,808		\$ 7,884,277	
108	2001 Investment	\$7,774,583		\$ 7,884,195	
109	2001 Investment	\$296,353		\$ 283,171	
110	Increase over December 2001 Investment		\$7,522,759	\$ 7,537,881	1.33364

Per Tab Ohio CCRG Ratios

CALCULATION Details in (000)		CLEC ADJ # 9	CLEC ADJ # 10	CLEC ADJ # 11	CLEC ADJ # 12	CLEC ADJ # 13	CLEC ADJ # 14	CLEC ADJ # 15	CLEC ADJ # 16	CLEC ADJ # 17	CLEC ADJ # 18
		REMOVAL OF BCT'S FORWARD-LOOKING PLANT ADJUSTMENTS (Tab 3 - Calculations)	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS
111	Total Taxes		\$96,168	\$96,168	\$96,168	\$96,168	\$96,168	\$96,168	\$96,168	\$96,168	\$96,168
112	Average Booked Investment		\$7,522,759	\$7,522,759	\$7,522,759	\$7,522,759	\$7,522,759	\$7,522,759	\$7,522,759	\$7,522,759	\$7,522,759
113	Ad Valorem Tax Factor		0.0121	0.0121	0.0121	0.0121	0.0121	0.0121	0.0121	0.0121	0.0121
114	Commission Assessment (CA/Factor)		0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014
115	Total Ad Val & CA Factor		0.0135	0.0135	0.0135	0.0135	0.0135	0.0135	0.0135	0.0135	0.0135
116	PPID		\$7,762,448	\$7,762,448	\$7,762,448	\$7,762,448	\$7,762,448	\$7,762,448	\$7,762,448	\$7,762,448	\$7,762,448
117	Forward-Looking Ad Valorem Tax		\$142,518	\$142,518	\$142,518	\$142,518	\$142,518	\$142,518	\$142,518	\$142,518	\$142,518
118	PPID Common Costs		\$4,711	\$4,711	\$4,711	\$4,711	\$4,711	\$4,711	\$4,711	\$4,711	\$4,711
119	Total PPID Costs		\$1,809,580	\$1,809,580	\$1,809,580	\$1,809,580	\$1,809,580	\$1,809,580	\$1,809,580	\$1,809,580	\$1,809,580
120	Percent Ad Valorem Tax Common		0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%	0.37%
121	Common Ad Valorem Tax		\$519	\$519	\$519	\$519	\$519	\$519	\$519	\$519	\$519
122	Direct Ad Valorem Tax		\$164,978	\$164,978	\$164,978	\$164,978	\$164,978	\$164,978	\$164,978	\$164,978	\$164,978

# GENERAL PURPOSE COMPUTERS

General Purpose Computers		CLEC ADJ # 9	CLEC ADJ # 10	CLEC ADJ # 11	CLEC ADJ # 12	CLEC ADJ # 13	CLEC ADJ # 14	CLEC ADJ # 15	CLEC ADJ # 16	CLEC ADJ # 17	CLEC ADJ # 18
		REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS	REMOVED CAPITAL COSTS
123	Capital Costs		\$73,064	\$73,064	\$73,064	\$73,064	\$73,064	\$73,064	\$73,064	\$73,064	\$73,064
124	Account 2124 Balance		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
125	Percent Non-Maintenance Computers (2001)		\$1,463	\$1,463	\$1,463	\$1,463	\$1,463	\$1,463	\$1,463	\$1,463	\$1,463
126	Account 2124 Balance - Non-Maintenance portion		\$1,463	\$1,463	\$1,463	\$1,463	\$1,463	\$1,463	\$1,463	\$1,463	\$1,463
127	Maintenance Costs - Investment		\$1,343	\$1,343	\$1,343	\$1,343	\$1,343	\$1,343	\$1,343	\$1,343	\$1,343
128	Less Service Order Cost Study Adjustment (21.56% of Maintenance Costs for CH)		\$2,537	\$2,537	\$2,537	\$2,537	\$2,537	\$2,537	\$2,537	\$2,537	\$2,537
129	Adjusted Maintenance Costs-Investment		\$69,007	\$69,007	\$69,007	\$69,007	\$69,007	\$69,007	\$69,007	\$69,007	\$69,007
130	CC to RC Ratio		0.2717	0.2717	0.2717	0.2717	0.2717	0.2717	0.2717	0.2717	0.2717
131	Capital Cost Factor		18.35%	18.35%	18.35%	18.35%	18.35%	18.35%	18.35%	18.35%	18.35%
132	Capital Cost Factor		\$4,237	\$4,237	\$4,237	\$4,237	\$4,237	\$4,237	\$4,237	\$4,237	\$4,237
133	Support Asset Common Cost		\$3,268	\$3,268	\$3,268	\$3,268	\$3,268	\$3,268	\$3,268	\$3,268	\$3,268
134	Total General Purpose Computers - Common Cost		\$6,743	\$6,743	\$6,743	\$6,743	\$6,743	\$6,743	\$6,743	\$6,743	\$6,743
135	Account 6124 Balance		\$66,002	\$66,002	\$66,002	\$66,002	\$66,002	\$66,002	\$66,002	\$66,002	\$66,002
136	Percent Non-Maintenance Computers (2001)		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
137	Account 6124 Balance - Non-Maintenance portion		\$1,343	\$1,343	\$1,343	\$1,343	\$1,343	\$1,343	\$1,343	\$1,343	\$1,343
138	Maintenance Costs - Expenses		\$66,242	\$66,242	\$66,242	\$66,242	\$66,242	\$66,242	\$66,242	\$66,242	\$66,242
139	Less Service Order Cost Study Adjustment (21.56% of Maintenance Costs for CH)		\$5,873	\$5,873	\$5,873	\$5,873	\$5,873	\$5,873	\$5,873	\$5,873	\$5,873
140	Adjusted Maintenance Costs - Expenses		\$60,369	\$60,369	\$60,369	\$60,369	\$60,369	\$60,369	\$60,369	\$60,369	\$60,369
141	Support Asset Common Cost		\$1,920,127	\$1,920,127	\$1,920,127	\$1,920,127	\$1,920,127	\$1,920,127	\$1,920,127	\$1,920,127	\$1,920,127





WHOLESALE PERCENTAGES

	A		B		C		D		E	
	Industry Markets (IM)		SBC IM 2002		SBC IM 2002		AT Share of		AT IM 2002	
	VP Organization		Total Exp (\$000)		Total Direct Exp (\$000)		Total SBC IM Exp (\$000)		Total Direct Exp (\$000)	
							L228		= C * D	
220	Source	Team	IM Finance	IM Finance	IM Finance	IM Finance	32.18%	32.18%	\$0	\$0
	Account Team		\$18,860	\$29,229	\$0	\$0	32.18%	32.18%	\$0	\$0
	Marketing		\$29,229	\$0	\$0	\$0	32.18%	32.18%	\$0	\$0
221	Accounting		\$49,260	\$49,260	\$49,260	\$49,260	32.18%	32.18%	\$22,296	\$22,296
222	Acquisitions		\$13,744	\$13,744	\$13,744	\$13,744	32.18%	32.18%	\$10,983	\$10,983
223	Local Operations		\$28,332	\$28,332	\$28,332	\$28,332	32.18%	32.18%	\$9,122	\$9,122
224	Support - Collection		\$0	\$0	\$0	\$0	32.18%	32.18%	\$0	\$0
225	Incremental Loss Uncollectibles		\$45,754	\$45,754	\$45,754	\$45,754	32.18%	32.18%	\$28,872	\$28,872
	Total IM Expenses		\$469,848	\$469,848	\$469,848	\$469,848	32.18%	32.18%	\$181,176	\$181,176
226	SBC Mineral Total Operating Expenses (2002 AIA/EE, Direct Registered) Less Accts 6610 6710 6720 6790									
227	Wholesale Direct Cost Percentage (All Incl Min Direct / Total All Company Direct)									

SBC Industry Markets Local Operations Center Expenses - 2002			
A		B	
Region		Total	
Source		IM Finance (\$000)	
America		\$96,953	
Pacific		\$12,119	
California		\$12,119	
Total		\$3,311,223	

Wholesale Marketing		Amount (\$000)	
Description		2002 General Ledger	
Source		\$5,799	
America		\$5,799	
SBC Operations		\$4,287	
Other Wholesale Incurred to 6610		\$1,512	
Total All Other to Account 6610		\$116,748	
Industry Markets as Percentage of Total Company		5.27%	

UNCOLLECTIBLES EXPENSES - 2002 Expenses

UNCOLLECTIBLE EXPENSES		Account		OH	
Source		General Ledger		General Ledger	
END USER		\$301,111		\$ 296,141.00	
INTER END USER ACCRUAL		\$301,112		\$ 30,896.00	
INTER END USER DIRECT CHARGE		\$301,2		\$ -	
INTRA END USER DIRECT CHARGE - Equal Access		\$301,811		\$ 54,813,179.00	
INTRA END USER DIRECT CHARGE		\$301,812		\$ 145,370.00	
OTHER INTRASTATE		\$302,5		\$ 54,892,000.00	
Total Portion of Total Uncollectibles				\$ 54,892,000.00	
RESALE/WHOLESALE				68.6%	
ALDIS AND Special Markets (RS)		\$1,501		\$ 18,160,205	
Subtotal				\$ 6,948,205	
Wholesale Portion of Total Uncollectibles				11.4%	
Total Uncollectibles				\$ 61,914,793	

Shared & Common Cost Study  
 Ohio  
 2004-2007  
 Calculations (\$000)

A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source:	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	Note J
Line No.	Acct No.	ITEMS	Ohio Dec 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	CAPCS Cost	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
		<b>TPIS - GENERAL SUPPORT:</b>											
1	2111	LAND	\$17,710		\$17,710	1.0000	\$17,710		\$17,710	16.60%	\$2,940	\$2,940	\$30
2	2112	MOTOR VEHICLES	\$7,053		\$7,053	1.0354	\$19,780		\$19,780	19.02%	\$3,153	\$3,153	\$46
3	2114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$63,891		\$63,891	1.1404	\$12,861		\$12,861	16.29%	\$11,869	\$11,869	\$0
4	2121	BUILDINGS	\$519,964		\$519,964	2.2729	\$1,406,842		\$1,406,842	15.20%	\$214,965	\$214,965	\$1,927
5	2122	FURNITURE	\$3,109		\$3,109	1.4556	\$4,525		\$4,525	15.23%	\$669	\$674	\$15
6	2123	OFFICE EQUIPMENT *	\$6,780	\$0	\$6,780	1.0324	\$6,999		\$6,999	16.83%	\$1,318	\$1,280	\$39
7	2124	GENERAL PURPOSE COMPUTERS (Note 1)	\$73,004	\$0	\$73,004	0.2717	\$19,835		\$19,835	24.73%	\$4,905	\$252	\$4,654
8	2110	TOTAL LAND & SUPPORT ASSETS	\$860,508	\$0	\$860,508		\$1,608,552	\$0	\$1,608,552		\$252,340	\$245,629	\$6,711
9													
10		<b>TPIS - CENTRAL OFFICE SWITCHING:</b>											
11	2211	ANALOG ELECTRONIC SWITCHING	\$6,857		\$6,857	-	\$0		\$0		\$0	\$0	\$0
12	2212	DIGITAL ELECTRONIC SWITCHING	\$1,539,482	\$70	\$1,539,412	0.7245	\$1,115,303	-\$134,053	\$981,251	17.90%	\$175,644	\$175,644	\$0
13	2210	TOTAL CENTRAL OFFICE SWITCHING	\$1,546,338	\$70	\$1,546,068		\$1,115,303	-\$134,053	\$981,251		\$175,644	\$175,644	\$0
14													
15	2220	OPERATOR SYSTEMS	\$19,356		\$19,356	1.1601	\$22,454		\$22,454	22.25%	\$4,996	\$4,996	\$0
16													
17		<b>TPIS - CENTRAL OFFICE TRANSMISSION:</b>											
18	2231 167C	RADIO SYSTEMS-NON CELLULAR MOBILE	\$7		\$7	1.0245	\$7		\$7				
19	2231 67C	RADIO SYSTEMS-OTHER RADIO FACILITIES	\$6,482		\$6,482	1.0245	\$6,641		\$6,641	22.25%	\$0	\$0	\$0
20	2231	RADIO SYSTEMS	\$6,489	\$0	\$6,489		\$0		\$0		\$0	\$0	\$0
21	2232	CIRCUIT EQUIPMENT	\$2,019,921	\$865	\$2,019,056		\$0		\$0				
22	2232 157C	DIGITAL CIRCUIT EQUIPMENT	\$15,948		\$15,948	1.0164	\$16,210		\$16,210	22.25%	\$3,607	\$3,607	\$0
23	2232 257C	DIGITAL CIRCUIT EQUIPMENT	\$922,831	\$436	\$922,395	0.9713	\$895,922	-\$10,219	\$885,703	19.00%	\$168,284	\$168,284	\$0
24	2232 357C	DIGITAL CIRCUIT EQUIPMENT	\$1,010,358	\$428	\$1,009,930	0.9713	\$980,945		\$980,945	19.00%	\$186,380	\$186,380	\$0
25	2232 57C	ANALOG CIRCUIT EQUIPMENT	\$70,783		\$70,783	1.0179	\$72,051		\$72,051	41.03%	\$29,562	\$29,562	\$0
26	2230	TOTAL CENTRAL OFFICE TRANSMISSION	\$2,026,410	\$865	\$2,025,545		\$1,971,775	\$0	\$1,961,556		\$387,832	\$387,832	\$0
27													
28		<b>TPIS - INFORMATION ORIG/TERM:</b>											
29	2311	STATION APPARATUS	\$1,597		\$1,597		\$1,597		\$1,597	0.00%	\$0	\$0	\$0
30	2321	CUSTOMER PREMISES WIRING	\$0		\$0		\$0		\$0		\$0	\$0	\$0
31	2341	LARGE PRIVATE BRANCH EXCHANGES	\$0		\$0		\$0		\$0	28.25%	\$0	\$0	\$0
32	2351	PUBLIC TELEPHONE TERMINAL EQUIPMENT	\$32,830		\$32,830	1.1244	\$36,913		\$36,913	22.93%	\$8,464	\$8,464	\$0
33	2362	OTHER TERMINAL EQUIPMENT	\$11,264		\$11,264	0.9770	\$11,004		\$11,004	28.25%	\$3,109	\$3,109	\$0
34	2310	TOTAL INFORMATION ORIGIN/TERMINATION	\$45,690	\$0	\$45,690		\$49,515		\$49,515		\$11,573	\$11,573	\$0
35													
36		<b>TPIS - CABLE &amp; WIRE FACILITIES:</b>											
37	2411	POLES	\$136,560	\$77	\$136,483	2.9942	\$408,657	-\$252,395	\$156,262	15.22%	\$23,783	\$23,783	\$0
38	2421	AERIAL CABLE	\$819,450		\$819,450		\$0		\$0				
39	2431 822C	AERIAL CABLE - NON-METALLIC	\$53,353		\$53,353	1.1034	\$58,870	-\$50,326	\$8,543	15.41%	\$1,316	\$1,316	\$0
40	2421 22C	AERIAL CABLE - METALLIC	\$766,097	\$1,340	\$764,757	1.1726	\$1,309,723	-\$713,000	\$596,722	16.96%	\$101,204	\$101,204	\$0
41	2422	UNDERGROUND CABLE	\$709,176	\$590	\$708,586		\$0		\$0				
42	2422 85C	UNDERGROUND CABLE - NON-METALLIC	\$188,012	\$215	\$187,797	1.0800	\$202,821	-\$188,800	\$14,021	15.41%	\$2,161	\$2,161	\$0
43	2422 5C	UNDERGROUND CABLE - METALLIC	\$521,163	\$375	\$520,788	1.8811	\$979,654	-\$624,555	\$355,099	16.96%	\$60,225	\$60,225	\$0
44	2423	BURIED CABLE	\$960,298	\$693	\$959,605		\$0		\$0				
45	2433 845C	BURIED CABLE - NON-METALLIC	\$111,442		\$111,442	1.1034	\$122,965	-\$105,976	\$16,989	15.41%	\$2,618	\$2,618	\$0
46	2433 45C	BURIED CABLE - METALLIC	\$848,856	\$693	\$848,163	1.3471	\$1,142,561	-\$206,960	\$1,349,521	16.96%	\$228,879	\$228,879	\$0
47	2424	SUBMARINE CABLE	\$410	\$0	\$410		\$0		\$0				

HIGHLY SENSITIVE CONFIDENTIAL



A	B	C	Source:	D	E	F	G	H	I	J	K	L	M	N
Line No.	Acct. No.			Input Tab 2	Input Tab 2	F=D-E Booked Costs Less TBO	Input Tab 2	H=F+G Current Cost	Input Tab 2	J=H+I Total Forward Looking Costs	K CAPCS Cost	L=L-K Direct and Shared Common Costs	M=M-L-N TOTAL DIRECT COSTS	Note 3
		ITEMS		Ohio Dec 31, 2002 Booked Cost	Transation Benefit Obligation (TBO)		CC/BC						TOTAL SHARED & COMMON COSTS	
48	2424 86C	SUBMARINE CABLE - NON-METALLIC		\$0		\$0	4.4125	\$0			0.00%	\$0	\$0	\$0
49	2424 6C	SUBMARINE CABLE - METALLIC		\$410		\$0		\$1,811		\$1,811	0.00%	\$0	\$0	\$0
50	2476	INTRABUILDING NETWORK CABLE		\$99,132		\$0		\$7,623		\$7,623	15.41%	\$1,175	\$1,175	\$0
51	2428 46ZC	INTRABUILDING NETWORK CABLE - NON-METALLIC		\$6,909		\$6,909	1.1034	\$7,623		\$7,623	15.41%	\$1,175	\$1,175	\$0
52	2426 44ZC	INTRABUILDING NETWORK CABLE - METALLIC		\$92,223		\$92,223	1.7476	\$161,170		\$161,170	16.96%	\$27,334	\$27,334	\$0
53	2431	AERIAL WIRE				\$0		\$0		\$0		\$0	\$0	\$0
54	2441	CONDUIT SYSTEMS		\$646,729		\$646,729	2.2479	\$1,453,781		\$999,535	13.75%	\$62,459	\$62,459	\$0
55	2410	TOTAL CABLE AND WIRE FACILITIES		\$3,371,754	\$2,700	\$3,369,054		\$5,849,635		\$3,122,008		\$511,154	\$511,154	\$0
56														
57	2690	INTANGIBLE ASSETS		\$47,114	\$0	\$47,114	1.0000	\$47,114		\$47,114	41.0%	\$19,331	\$19,331	\$0
58	240	TOTAL TPIS (BEFORE AMORTIZABLE ASSETS)		\$7,916,969	\$3,732	\$7,913,334		\$10,664,349		\$7,792,449		\$1,362,869	\$1,362,869	\$6,711
59														
60		PLANT SPECIFIC OPERATIONS:												
61		NETWORK SUPPORT EXPENSES:												
62	6112	MOTOR VEHICLE EXPENSES		\$6,734	\$0	\$6,734		\$6,734		\$6,734		\$6,734	\$6,711	\$23
63	6114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE		\$734	\$0	\$734		\$734		\$734		\$734	\$734	\$0
64	6110	TOTAL NETWORK SUPPORT EXPENSES		\$7,468	\$0	\$7,468		\$7,468		\$7,468		\$7,468	\$7,445	\$23
65														
66		GENERAL SUPPORT EXPENSES:												
67	6121	LAND AND BUILDING EXPENSES		\$38,270	\$0	\$38,270		\$38,270		\$38,270		\$38,270	\$37,959	\$311
68	6122	FURNITURE AND ARTWORKS EXPENSES		\$615	\$0	\$615		\$615		\$615		\$615	\$615	\$11
69	6123	OFFICE EQUIPMENT EXPENSES		\$16,696	\$0	\$16,696		\$16,696		\$16,696		\$16,696	\$16,177	\$519
70	6124	GENERAL PURPOSE COMPUTERS EXPENSES (Note 1)		\$88,002	\$0	\$88,002		\$88,002		\$88,002		\$88,002	\$7,274	\$80,728
71	6120	TOTAL GENERAL SUPPORT EXPENSES		\$143,583	\$0	\$143,583		\$143,583		\$143,583		\$143,583	\$62,015	\$81,568
72		CENTRAL OFFICE SWITCHING EXPENSES:												
73		ANALOG ELECTRONIC EXPENSES		\$772	\$0	\$772		\$772		\$772		\$0	\$0	\$0
74	6211	DIGITAL ELECTRONIC EXPENSES		\$46,076	\$1,648	\$44,428		\$44,428		\$39,088		\$39,088	\$39,088	\$0
75	6212	ELECTROMECHANICAL EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
76	6215	TOTAL CENTRAL OFFICE SWITCHING EXPENSES		\$46,850	\$1,648	\$45,202		\$45,202		\$39,090		\$39,090	\$39,090	\$0
77	6210	OPERATOR SYSTEMS EXPENSES		\$2	\$0	\$2		\$2		\$2		\$2	\$2	\$0
78	6220	CENTRAL OFFICE TRANSMISSION EXPENSES:												
79	6231	RADIO SYSTEMS EXPENSES		\$80	\$0	\$80		\$80		\$80		\$80	\$80	\$0
80	6232	CIRCUIT EQUIPMENT EXPENSES - 257		\$6,315	\$268	\$6,047		\$6,047		\$5,978		\$5,978	\$5,978	\$0
81	6230	TOTAL CENTRAL OFFICE TRANSMISSION EXPENSES		\$31,453	\$1,041	\$30,412		\$30,412		\$24,285		\$24,285	\$24,285	\$0
82	6311	STATION APPARATUS EXPENSES		\$5,407	\$0	\$5,407		\$5,407		\$5,407		\$5,407	\$5,407	\$0
83	6312	LARGE PRIVATE BRANCH EXCHANGE EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
84	6313	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES		\$1,760	\$0	\$1,760		\$1,760		\$1,760		\$1,760	\$1,760	\$0
85	6314	OTHER TERMINAL EQUIPMENT EXPENSES		\$28,770	\$1,100	\$25,670		\$25,670		\$25,670		\$25,670	\$25,670	\$0
86	6310	TOTAL INFORMATION ORIGIN/TERM EXPENSES		\$33,937	\$1,100	\$32,837		\$32,837		\$32,837		\$32,837	\$32,837	\$0
87		INFORMATION ORIGIN/TERM EXPENSES:												
88	6425	DEEP SEA CABLE EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
89	6426	INTRABUILDING NETWORK CABLE EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
90	6427	CONDUIT SYSTEMS EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
91	6428	INTRABUILDING NETWORK CABLE EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
92	6429	CONDUIT SYSTEMS EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
93	6430	TOTAL CABLE AND WIRE FACILITIES EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
94	6431	CONDUIT SYSTEMS EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
95	6432	INTRABUILDING NETWORK CABLE EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
96	6433	CONDUIT SYSTEMS EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
97	6434	INTRABUILDING NETWORK CABLE EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
98	6435	CONDUIT SYSTEMS EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
99	6436	INTRABUILDING NETWORK CABLE EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
100	6437	CONDUIT SYSTEMS EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
101	6438	INTRABUILDING NETWORK CABLE EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
102	6439	CONDUIT SYSTEMS EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
103	6440	INTRABUILDING NETWORK CABLE EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
104	6441	CONDUIT SYSTEMS EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
105	650	TOTAL PLANT SPECIFIC OPERATIONS EXPENSES		\$426,246	\$10,087	\$416,158		\$416,158		\$353,363		\$353,363	\$271,772	\$81,591



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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	K	L=J+K	M=L-N	Note 3
Line No.	Acct. No.	ITEMS	Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustment	Total Forward Looking Costs	Factor Applies Only To Investment Cost	Direct and Shared Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
107													
108		<b>PLANT NONSPECIFIC OPERATIONS EXPENSES:</b>											
109	6511	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
110	6512	PROVISIONING EXPENSES	\$5,129	\$0	\$5,129		\$5,129		\$5,129		\$5,129	\$5,129	\$0
111	6510	OTHER PROPERTY, PLANT AND EQUIPMENT EXPENSES	\$5,129	\$0	\$5,129		\$5,129		\$5,129		\$5,129	\$5,129	\$0
112													
113	6531	POWER EXPENSES	\$12,793	\$0	\$12,793		\$12,793		\$12,793		\$12,793	\$12,793	\$0
114	6532	NETWORK ADMINISTRATION EXPENSES	\$9,622	\$0	\$9,622		\$9,622		\$9,622		\$9,622	\$9,622	\$0
115	6533	TESTING EXPENSES	\$47,852	\$2,048	\$45,804		\$45,804		\$45,804		\$45,804	\$45,804	\$0
116	6534	PLANT OPERATIONS ADMINISTRATION EXPENSES	\$51,830	\$3,559	\$48,271		\$51,471		\$51,471		\$51,471	\$51,471	\$0
117	6535	ENGINEERING EXPENSES	\$33,985	\$472	\$33,513		\$33,513		\$33,513		\$33,513	\$33,513	\$0
118													
119	6530	TOTAL NETWORK OPERATIONS EXPENSES	\$156,082	\$2,880	\$153,202		\$153,202		\$153,202		\$153,202	\$153,202	\$0
120													
121	6540	ACCESS EXPENSES	\$70,842	\$0	\$70,842		\$70,842		\$70,842		\$70,842	\$70,842	\$0
122													
123		<b>DEPRECIATION AND AMORTIZATION EXPENSES:</b>											
124	6561	DEPRECIATION - TELECOM PLANT IN SERVICE	\$508,608		\$508,608		\$508,608	-\$508,608	\$0		\$0	\$0	\$0
125	6562	DEPRECIATION - PROP HELD FOR FUTURE TELECOM USE	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
126	6563	AMORTIZATION EXPENSE - TANGIBLE	\$465		\$465		\$465		\$465		\$465	\$465	\$24
127	6564	AMORTIZATION EXPENSE - INTANGIBLE	\$17,793		\$17,793		\$17,793	-\$17,793	\$0		\$0	\$0	\$0
128	6565	AMORTIZATION EXPENSE - OTHER	\$1,573		\$1,573		\$1,573	-\$1,573	\$0		\$0	\$0	\$0
129	6560	TOTAL DEPRECIATION AND AMORTIZATION EXPENSES	\$528,439		\$528,439		\$528,439	-\$527,974	\$465		\$465	\$465	\$24
130													
131	690	TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSES	\$760,492	\$2,880	\$757,612		\$757,612	-\$527,974	\$229,638		\$229,638	\$229,615	\$24
132													
133		<b>MARKETING EXPENSES:</b>											
134	6611	PRODUCT MANAGEMENT	\$46,511	\$0	\$46,511		\$46,511		\$46,511		\$46,511	\$0	\$46,511
135	6612	SALES	\$67,094	\$31	\$67,063		\$67,063		\$67,063		\$67,063	\$0	\$67,063
136	6613	PRODUCT ADVERTISING	\$6,112	\$0	\$6,112		\$6,112		\$6,112		\$6,112	\$0	\$6,112
137	6610	TOTAL MARKETING EXPENSES	\$119,717	\$31	\$119,717		\$119,717		\$119,717		\$119,717	\$0	\$119,717
138													
139		<b>SERVICES EXPENSES:</b>											
140	6621	CALL COMPLETION SERVICES	\$5,042	\$143	\$4,899		\$4,899		\$4,899		\$4,899	\$4,899	\$0
141	6622	NUMBER SERVICES	\$19,411	\$378	\$19,033		\$19,033		\$19,033		\$19,033	\$19,033	\$0
142	6623	CUSTOMER SERVICES	\$183,505	\$1,890	\$181,615		\$181,615		\$181,615		\$181,615	\$181,615	\$0
143	6620	TOTAL SERVICES EXPENSES	\$208,266	\$2,409	\$205,879		\$205,879		\$205,879		\$205,879	\$205,879	\$0
144													
145	700	TOTAL CUSTOMER OPERATIONS EXPENSES	\$328,036	\$2,440	\$325,596		\$325,596		\$325,596		\$325,596	\$325,596	\$119,717
146													
147		<b>EXECUTIVE AND PLANNING EXPENSES:</b>											
148	6711	EXECUTIVE	\$4,178	\$0	\$4,178		\$4,178		\$4,178		\$4,178	\$0	\$4,178
149	6712	PLANNING	\$5	\$0	\$5		\$5		\$5		\$5	\$0	\$5
150	6710	TOTAL EXECUTIVE AND PLANNING EXPENSES	\$4,183	\$0	\$4,183		\$4,183		\$4,183		\$4,183	\$0	\$4,183
151													
152		<b>GENERAL AND ADMINISTRATIVE EXPENSES:</b>											
153	6721	ACCOUNTING AND FINANCE	\$24,041	\$1	\$24,040		\$24,040		\$24,040		\$24,040	\$0	\$24,040
154	6722	EXTERNAL RELATIONS	\$12,594	\$12	\$12,582		\$12,582		\$12,582		\$12,582	\$0	\$12,582
155	6723	HUMAN RESOURCES	\$38,112	\$2	\$38,110		\$38,110		\$38,110		\$38,110	\$0	\$38,110
156	6724	INFORMATION MANAGEMENT ***	\$30,105	\$18	\$30,087		\$30,086		\$30,086		\$30,086	\$0	\$30,086
157	6725	LEGAL	\$7,959	\$0	\$7,959		\$7,959		\$7,959		\$7,959	\$0	\$7,959
158	6726	PROCUREMENT	\$2,239	\$0	\$2,239		\$2,239		\$2,239		\$2,239	\$0	\$2,239
159	6727	RESEARCH AND DEVELOPMENT	\$2,523	\$0	\$2,523		\$2,523		\$2,523		\$2,523	\$0	\$2,523
160	6728	OTHER GENERAL AND ADMINISTRATIVE ***	\$59,446	\$37	\$59,409		\$59,446		\$59,446		\$59,446	\$0	\$59,446
161	6720	TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	\$177,058	\$71	\$176,986		\$176,986		\$176,986		\$176,986	\$0	\$176,986
162													
163	6790	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
			Source	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	Note 3
Line No.	Acct. No.	ITEMS		Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjust	Total Forward Looking Costs	Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
164	710	TOTAL CORPORATE OPERATIONS EXPENSES		\$181,241	\$181,169		\$181,169	\$0	\$181,169		\$181,169	\$0	\$181,169
166													
167	720	TOTAL OPERATING EXPENSES		\$1,696,014	\$1,680,536		\$1,680,536	-\$590,770	\$1,089,766		\$1,089,766	\$707,265	\$382,500
168													
169		TOTAL OPERATING EXPENSES EXCL. DEPR. & AMORT											
170		Ad Valorem Tax - (Note 2)											
171		Transition Benefit Obligation (TBO)		\$1,167,575	\$1,152,097		\$1,152,097	-\$62,796	\$1,089,301		\$1,089,301	\$706,824	\$382,477
172	5301/5302	Uncollectible Expenses (Accounts 5301 & 5302)											
173													
174		Total Cost								Total Cost	\$2,452,635	\$2,168,400	\$469,955

Note 1: The calculations for the assignment of accounts 2124 and 6124 to Direct and Shared and Common categories and any adjustment to 6124 are displayed on the Inputs Tab

Note 2: The calculations for the Ad Valorem Tax and the assignment to Direct and Shared and Common categories are displayed on the Inputs Tab

Note 3: The calculation for the assignment of accounts 2111 through 2123, accounts 6112 through 6123, and account 6563 to the Shared and Common categories is displayed on the Inputs Tab

May not add due to rounding to \$000

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
Line No.	Acct. No.	Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	Note 3
				Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	Factor Applies Only To Investment	Direct and Shared Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
		ITEMS	Ohio Dec. 31, 2002 Booked Cost										
1	2111	LAND	\$17,710		\$17,710	1.0000	\$17,710		\$17,710	16.60%	\$2,940	\$2,910	\$30
2	2112	MOTOR VEHICLES	\$77,053		\$77,053	1.0354	\$79,780		\$79,780	16.62%	\$15,653	\$15,607	\$46
3	2114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$63,891		\$63,891	1.1404	\$72,861		\$72,861	16.29%	\$11,869	\$11,869	\$0
4	2121	BUILDINGS	\$618,964		\$618,964	2.2729	\$1,408,842		\$1,408,842	15.28%	\$214,865	\$213,038	\$1,927
5	2122	FURNITURE	\$3,109		\$3,109	1.4556	\$4,525		\$4,525	15.23%	\$689	\$674	\$15
6	2123	OFFICE EQUIPMENT *	\$6,780		\$6,780	1.0324	\$6,999		\$6,999	18.83%	\$1,318	\$1,280	\$39
7	2124	GENERAL PURPOSE COMPUTERS (Note 1)	\$73,004		\$73,004	0.2717	\$19,835		\$19,835	24.73%	\$4,905	\$252	\$4,654
8	2110	TOTAL LAND & SUPPORT ASSETS	\$860,508		\$860,508		\$1,608,552	\$0	\$1,608,552		\$252,340	\$245,629	\$6,711
9													
10		TPIS - CENTRAL OFFICE SWITCHING											
11	2211	ANALOG ELECTRONIC SWITCHING	\$6,857		\$6,857	-	\$0		\$0		\$0	\$0	\$0
12	2212	DIGITAL ELECTRONIC SWITCHING	\$1,539,482	\$70	\$1,539,411	0.7245	\$1,115,303		\$1,115,303	17.90%	\$199,639	\$199,639	\$0
13	2210	TOTAL CENTRAL OFFICE SWITCHING	\$1,546,338	\$70	\$1,546,068		\$1,115,303		\$1,115,303		\$199,639	\$199,639	\$0
14													
15	2220	OPERATOR SYSTEMS	\$19,356		\$19,356	1.1601	\$22,454		\$22,454	22.25%	\$4,996	\$4,996	\$0
16													
17		TPIS - CENTRAL OFFICE TRANSMISSION											
18	2231 167C	RADIO SYSTEMS-NON CELLULAR MOBILE	\$7		\$7	1.0245	\$7		\$7				
19	2231 67C	RADIO SYSTEMS-OTHER RADIO FACILITIES	\$6,482		\$6,482	1.0245	\$6,641		\$6,641				
20	2231	RADIO SYSTEMS	\$6,489		\$6,489		\$0		\$0	22.25%	\$0	\$0	\$0
21	2232	CIRCUIT EQUIPMENT	\$2,019,921	\$865	\$2,019,921		\$0		\$0				
22	2232 157C	DIGITAL CIRCUIT EQUIPMENT	\$15,948		\$15,948	1.0164	\$16,210		\$16,210	22.25%	\$3,607	\$3,607	\$0
23	2232 257C	DIGITAL CIRCUIT EQUIPMENT	\$922,831	\$436	\$922,395	0.9713	\$895,922		\$895,922	19.00%	\$170,225	\$170,225	\$0
24	2232 357C	DIGITAL CIRCUIT EQUIPMENT	\$1,010,358	\$428	\$1,009,930	0.9713	\$980,945		\$980,945	19.00%	\$186,380	\$186,380	\$0
25	2232 57C	ANALOG CIRCUIT EQUIPMENT	\$70,783		\$70,783	1.0179	\$72,051		\$72,051	41.03%	\$29,562	\$29,562	\$0
26	2230	TOTAL CENTRAL OFFICE TRANSMISSION	\$2,026,410	\$865	\$2,025,545		\$1,971,775	\$0	\$1,971,775		\$389,774	\$389,774	\$0
27													
28		TPIS - INFORMATION ORIGIN/TERM											
29	2311	STATION APPARATUS	\$1,597		\$1,597	-	\$1,597		\$1,597	0.00%	\$0	\$0	\$0
30	2321	CUSTOMER PREMISES WIRING	\$0		\$0		\$0		\$0		\$0	\$0	\$0
31	2341	LARGE PRIVATE BRANCH EXCHANGES	\$0		\$0		\$0		\$0	28.25%	\$0	\$0	\$0
32	2351	PUBLIC TELEPHONE TERMINAL EQUIPMENT	\$32,830		\$32,830	1.1244	\$36,913		\$36,913	22.93%	\$8,464	\$8,464	\$0
33	2362	OTHER TERMINAL EQUIPMENT	\$11,264		\$11,264	0.9770	\$11,004		\$11,004	28.25%	\$3,109	\$3,109	\$0
34	2310	TOTAL INFORMATION ORIGIN/TERMINATION	\$45,690		\$45,690		\$49,515	\$0	\$49,515		\$11,573	\$11,573	\$0
35													
36		TPIS - CABLE & WIRE FACILITIES											
37	2411	POLES	\$136,560	\$77	\$136,483	2.9942	\$408,657		\$408,657	15.22%	\$62,198	\$62,198	\$0
38	2421	AERIAL CABLE	\$819,450		\$819,450		\$0		\$0				
39	2421 822C	AERIAL CABLE - NON-METALLIC	\$53,353		\$53,353	1.1034	\$58,870		\$58,870	15.41%	\$9,072	\$9,072	\$0
40	2421 22C	AERIAL CABLE - METALLIC	\$766,097	\$1,340	\$764,757	1.7126	\$1,309,723		\$1,309,723	16.96%	\$222,129	\$222,129	\$0
41	2422	UNDERGROUND CABLE	\$709,176	\$590	\$708,586		\$0		\$0				
42	2422 85C	UNDERGROUND CABLE - NON-METALLIC	\$188,012	\$215	\$187,797	1.0800	\$202,821		\$202,821	15.41%	\$31,255	\$31,255	\$0
43	2422 5C	UNDERGROUND CABLE - METALLIC	\$521,163	\$375	\$520,788	1.8811	\$979,654		\$979,654	16.96%	\$166,149	\$166,149	\$0
44	2423	BURIED CABLE	\$960,298	\$693	\$959,605		\$0		\$0				
45	2423 845C	BURIED CABLE - NON-METALLIC	\$111,442		\$111,442	1.1034	\$122,965		\$122,965	15.41%	\$18,949	\$18,949	\$0
46	2423 45C	BURIED CABLE - METALLIC	\$848,856	\$693	\$848,163	1.3471	\$1,142,561		\$1,142,561	16.96%	\$193,778	\$193,778	\$0
47	2424	SUBMARINE CABLE	\$410		\$410		\$0		\$0				

HIGHLY SENSITIVE CONFIDENTIAL

A	B	C	Source	D	E	F	G	H	I	J	K	L	M	N	
Line No.	Acct. No.	ITEMS		Input Tab 2	Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/B/C	Current Cost	CLEG ADJ NO.1	Total Forward Looking Costs	Factor Applies Only To Investment Cost	Direct and Shared Common Costs	TOTAL SHARED & COMMON COSTS	
48	2424.86C	SUBMARINE CABLE - NON-METALLIC			\$0		\$0	4.4125	\$0		\$0	0.00%	\$0	\$0	
49	2424.6C	SUBMARINE CABLE - METALLIC			\$49.10		\$410	4.4125	\$1,811		\$1,811	0.00%	\$0	\$0	
50	2426	INTRABUILDING NETWORK CABLE			\$59.132	\$0			\$7,823		\$7,823	15.41%	\$1,175	\$1,175	
51	2426.482C	INTRABUILDING NETWORK CABLE - NON-METALLIC			\$6,909		\$6,909	1.1034	\$7,623		\$7,623	15.41%	\$1,175	\$1,175	
52	2426.442C	INTRABUILDING NETWORK CABLE - METALLIC			\$92.223		\$92.223	1.7476	\$161.170		\$161.170	16.96%	\$27.334	\$27.334	
53	2431	AERIAL WIRE			\$0		\$0		\$0		\$0			\$0	
54	2441	CONDUIT SYSTEMS			\$648.729		\$648.729	2.2479	\$1,453.781		\$1,453.781	13.75%	\$199.895	\$199.895	
55	2410	TOTAL CABLE AND WIRE FACILITIES			\$3,371.754	\$2,700	\$3,369.054		\$5,849.635		\$5,849.635		\$931.934	\$931.934	
56														\$0	
57	2690	INTANGIBLE ASSETS			\$47.114	\$0	\$47.114	1.0000	\$47.114		\$47.114	41.0%	\$19.331	\$19.331	
58	2400	TOTAL TPIS (BEFORE AMORTIZABLE ASSETS)			\$7,916.969	\$3,732	\$7,913.334		\$10,664.349		\$10,664.349		\$1,809.586	\$1,809.586	
59															
60		PLANT SPECIFIC OPERATIONS.													
61		NETWORK SUPPORT EXPENSES.													
62	6112	MOTOR VEHICLE EXPENSES			\$6,734	\$0	\$6,734		\$6,734		\$6,734		\$6,734	\$6,711	
63	6114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE			\$734	\$0	\$734		\$734		\$734		\$734	\$734	
64	6110	TOTAL NETWORK SUPPORT EXPENSES			\$7,468	\$0	\$7,468		\$7,468		\$7,468		\$7,468	\$7,445	
65														\$23	
66		GENERAL SUPPORT EXPENSES.													
67	6121	LAND AND BUILDING EXPENSES			\$38,270	\$0	\$38,270		\$38,270		\$38,270		\$38,270	\$37,959	
68	6122	FURNITURE AND ARTWORKS EXPENSES			\$615	\$0	\$615		\$615		\$615		\$615	\$604	
69	6123	OFFICE EQUIPMENT EXPENSES			\$16,696	\$0	\$16,696		\$16,696		\$16,696		\$16,696	\$16,177	
70	6124	OFFICE EQUIPMENT EXPENSES (NON 1)			\$88,002	\$0	\$88,002		\$88,002		\$88,002		\$88,002	\$7,274	
71	6120	TOTAL GENERAL SUPPORT EXPENSES			\$143,583	\$0	\$143,583		\$143,583		\$143,583		\$143,583	\$62,015	
72														\$81,568	
73		CENTRAL OFFICE SWITCHING EXPENSES.													
74	6211	ANALOG ELECTRONIC EXPENSES			\$772	\$0	\$772		\$772		\$772		\$772	\$772	
75	6212	DIGITAL ELECTRONIC EXPENSES			\$46,076	\$1,648	\$44,428		\$44,428		\$44,428		\$44,428	\$44,428	
76	6215	ELECTRO-MECHANICAL EXPENSES			\$2	\$2	\$2		\$2		\$2		\$2	\$2	
77	6210	TOTAL CENTRAL OFFICE SWITCHING EXPENSES			\$46,850	\$1,648	\$45,202		\$45,202		\$45,202		\$45,202	\$45,202	
78														\$0	
79	6220	OPERATOR SYSTEMS EXPENSES			\$2	\$0	\$2		\$2		\$2		\$2	\$2	
80															
81		CENTRAL OFFICE TRANSMISSION EXPENSES.													
82	6231	RADIO SYSTEMS EXPENSES			\$80	\$0	\$80		\$80		\$80		\$80	\$80	
83	6232.257	CIRCUIT EQUIPMENT EXPENSES - 257			\$6,315	\$268	\$6,047		\$6,047		\$6,047		\$6,047	\$6,047	
84	6232 (non 257)	CIRCUIT EQUIPMENT EXPENSES (non 257)			\$25,058	\$773	\$24,285		\$24,285		\$24,285		\$24,285	\$24,285	
85	6230	TOTAL CENTRAL OFFICE TRANSMISSION EXPENSES			\$31,453	\$1,041	\$30,412		\$30,412		\$30,412		\$30,412	\$30,412	
86														\$0	
87		INFORMATION ORIGINATOR EXPENSES.													
88	6311	STATION APPARATUS EXPENSES			\$5,407	\$0	\$5,407		\$5,407		\$5,407		\$5,407	\$5,407	
89	6341	LARGE PRIVATE BRANCH EXCHANGE EXPENSES			\$0	\$0	\$0		\$0		\$0		\$0	\$0	
90	6351	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES			\$1,760	\$0	\$1,760		\$1,760		\$1,760		\$1,760	\$1,760	
91	6362	OTHER TERMINAL EQUIPMENT EXPENSES			\$26,770	\$1,100	\$25,670		\$25,670		\$25,670		\$25,670	\$25,670	
92	6310	TOTAL INFORMATION ORIGINATOR EXPENSES			\$33,937	\$1,100	\$32,837		\$32,837		\$32,837		\$32,837	\$32,837	
93														\$0	
94		CABLE AND WIRE FACILITIES EXPENSES.													
95	6411	POLE EXPENSES			\$4,656	\$0	\$4,656		\$4,656		\$4,656		\$4,656	\$4,656	
96	6421	AERIAL CABLE EXPENSES			\$79,342	\$3,375	\$75,967		\$75,967		\$75,967		\$75,967	\$75,967	
97	6422	UNDERGROUND CABLE EXPENSES			\$21,021	\$877	\$20,144		\$20,144		\$20,144		\$20,144	\$20,144	
98	6423	BURIED CABLE EXPENSES			\$53,820	\$2,096	\$51,723		\$51,723		\$51,723		\$51,723	\$51,723	
99	6424	SUBMARINE CABLE EXPENSES			\$0	\$0	\$0		\$0		\$0		\$0	\$0	
100	6425	DEEP SEA CABLE EXPENSES			\$0	\$0	\$0		\$0		\$0		\$0	\$0	
101	6426	INTRABUILDING NETWORK CABLE EXPENSES			\$1,778	\$0	\$1,778		\$1,778		\$1,778		\$1,778	\$1,778	
102	6431	AERIAL WIRE EXPENSES			\$0	\$0	\$0		\$0		\$0		\$0	\$0	
103	6441	CONDUIT SYSTEMS EXPENSES			\$162,953	\$6,298	\$156,654		\$156,654		\$156,654		\$156,654	\$156,654	
104		TOTAL CABLE AND WIRE FACILITIES EXPENSES												\$0	
105	650	TOTAL PLANT SPECIFIC OPERATIONS EXPENSES			\$4,266,246	\$10,087	\$4,166,158		\$4,166,158		\$4,166,158		\$4,166,158	\$3,334,567	\$61,589

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
			Source	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	Note 3
Line No.	Acct. No.	ITEMS		Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	CLEC ADJ. NO. 1	Total Forward Looking Costs	Factor Applies Only To Investment	Direct and Shared Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
107													
108	6511	PLANT NONSPECIFIC OPERATIONS EXPENSES:											
109	6512	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES		\$0	\$0		\$0		\$0		\$0	\$0	\$0
110	6512	PROVISIONING EXPENSES		\$5,129	\$5,129		\$5,129		\$5,129		\$5,129	\$5,129	\$0
111	6510	OTHER PROPERTY, PLANT AND EQUIPMENT EXPENSES		\$0	\$5,129		\$5,129		\$0		\$5,129	\$5,129	\$0
112	6531	POWER EXPENSES		\$12,793	\$0		\$12,793		\$12,793		\$12,793	\$12,793	\$0
113	6532	NETWORK ADMINISTRATION EXPENSES		\$9,622	\$0		\$9,622		\$9,622		\$9,622	\$9,622	\$0
114	6533	TESTING EXPENSES		\$2,048	\$2,048		\$45,804		\$45,804		\$45,804	\$45,804	\$0
115	6534	PLANT OPERATIONS ADMINISTRATION EXPENSES		\$31,830	\$31,830		\$51,471		\$51,471		\$51,471	\$51,471	\$0
116	6534	ENGINEERING EXPENSES		\$33,985	\$472		\$33,513		\$33,513		\$33,513	\$33,513	\$0
117	6535												
118	6530	TOTAL NETWORK OPERATIONS EXPENSES		\$156,082	\$2,880		\$153,202		\$153,202		\$153,202	\$153,202	\$0
119	6540	ACCESS EXPENSES		\$70,842	\$0		\$70,842		\$70,842		\$70,842	\$70,842	\$0
120													
121	6561	DEPRECIATION AND AMORTIZATION EXPENSES:											
122	6562	DEPRECIATION - TELECOM PLANT IN SERVICE		\$508,608	\$508,608		\$508,608		\$508,608		\$508,608	\$508,608	\$0
123	6563	AMORTIZATION EXPENSE - TANGIBLE		\$465	\$465		\$17,793		\$17,793		\$17,793	\$17,793	\$0
124	6564	AMORTIZATION EXPENSE - OTHER		\$1,573	\$1,573		\$1,573		\$1,573		\$1,573	\$1,573	\$0
125	6565	TOTAL DEPRECIATION AND AMORTIZATION EXPENSES		\$528,439	\$528,439		\$528,439		\$528,439		\$528,439	\$528,439	\$0
126	6566												
127	6567	TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSES		\$760,492	\$760,492		\$760,492		\$760,492		\$760,492	\$760,492	\$0
128	6568	MARKETING EXPENSES:											
129	6569	PRODUCT MANAGEMENT		\$46,511	\$46,511		\$46,511		\$46,511		\$46,511	\$46,511	\$0
130	6570	SALES		\$67,094	\$67,094		\$67,094		\$67,094		\$67,094	\$67,094	\$0
131	6571	PRODUCT ADVERTISING		\$6,112	\$6,112		\$6,112		\$6,112		\$6,112	\$6,112	\$0
132	6572	TOTAL MARKETING EXPENSES		\$119,717	\$119,717		\$119,717		\$119,717		\$119,717	\$119,717	\$0
133	6573	SERVICES EXPENSES:											
134	6574	CALL COMPLETION SERVICES		\$5,042	\$4,899		\$4,899		\$4,899		\$4,899	\$4,899	\$0
135	6575	NUMBER SERVICES		\$19,741	\$19,365		\$19,365		\$19,365		\$19,365	\$19,365	\$0
136	6576	CUSTOMER SERVICES		\$181,615	\$181,615		\$181,615		\$181,615		\$181,615	\$181,615	\$0
137	6577	TOTAL SERVICES EXPENSES		\$206,798	\$205,879		\$205,879		\$205,879		\$205,879	\$205,879	\$0
138	6578	TOTAL CUSTOMER OPERATIONS EXPENSES		\$328,036	\$325,596		\$325,596		\$325,596		\$325,596	\$325,596	\$119,717
139	6579	EXECUTIVE AND PLANNING EXPENSES:											
140	6580	EXECUTIVE		\$4,178	\$4,178		\$4,178		\$4,178		\$4,178	\$4,178	\$0
141	6581	PLANNING		\$5	\$5		\$5		\$5		\$5	\$5	\$0
142	6582	TOTAL EXECUTIVE AND PLANNING EXPENSES		\$4,183	\$4,183		\$4,183		\$4,183		\$4,183	\$4,183	\$0
143	6583	GENERAL AND ADMINISTRATIVE EXPENSES:											
144	6584	ACCOUNTING AND FINANCE		\$24,041	\$24,041		\$24,041		\$24,041		\$24,041	\$24,041	\$0
145	6585	EXTERNAL RELATIONS		\$12,582	\$12,582		\$12,582		\$12,582		\$12,582	\$12,582	\$0
146	6586	HUMAN RESOURCES		\$38,112	\$38,112		\$38,112		\$38,112		\$38,112	\$38,112	\$0
147	6587	INFORMATION MANAGEMENT ***		\$30,086	\$30,086		\$30,086		\$30,086		\$30,086	\$30,086	\$0
148	6588	LEGAL		\$7,959	\$7,959		\$7,959		\$7,959		\$7,959	\$7,959	\$0
149	6589	PROCUREMENT		\$2,239	\$2,239		\$2,239		\$2,239		\$2,239	\$2,239	\$0
150	6590	RESEARCH AND DEVELOPMENT		\$2,523	\$2,523		\$2,523		\$2,523		\$2,523	\$2,523	\$0
151	6591	OTHER GENERAL AND ADMINISTRATIVE ****		\$59,446	\$59,446		\$59,446		\$59,446		\$59,446	\$59,446	\$0
152	6592	TOTAL GENERAL AND ADMINISTRATIVE EXPENSES		\$177,058	\$176,986		\$176,986		\$176,986		\$176,986	\$176,986	\$0
153	6593	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE		\$0	\$0		\$0		\$0		\$0	\$0	\$0

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L-N	Note 3
Line No.	Acct. No.	ITEMS	Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	CLEC ADJ. NO. 1	Total Forward Looking Costs	CAPCS Cost Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
164													
165	710	TOTAL CORPORATE OPERATIONS EXPENSES	\$181,241	\$71	\$181,169		\$181,169	\$0	\$181,169		\$181,169	\$0	\$181,169
166													
167	720	TOTAL OPERATING EXPENSES	\$1,696,014	\$15,479	\$1,680,536		\$1,680,536	-\$527,974	\$1,152,562		\$1,152,562	\$770,061	\$382,500
168													
169		TOTAL OPERATING EXPENSES EXCL. DEPR. & AMORT.											
170		Ad Valorem Tax (Note 2)	\$1,167,575	\$15,479	\$1,152,097		\$1,152,097	\$0	\$1,152,097		\$1,152,097	\$769,820	\$382,477
171		Transition Benefit Obligation (TBO)											
172	5301/5302	Uncollectible Expense (Accounts 5301 & 5302)											
173													
174		Total Cost								Total Cost	\$2,962,148	\$2,718,777	\$469,971

Note 1 The calculations for the assignment of accounts 2124 and 6124 to Direct and Shared and Common categories and any adjustment to 6724 are displayed on the Inputs Tab

Note 2 The calculations for the Ad Valorem Tax and the assignment to Direct and Shared and Common categories are displayed on the Inputs Tab

Note 3 The calculation for the assignment of accounts 2111 through 2123, accounts 6112 through 6123, and account 6563 to the Shared and Common categories is displayed on the Inputs Tab

May not add due to rounding to \$000

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source:	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H = F + G	Input Tab 2	J = H + I	Input Tab 2	L = J + K	M = L - N	Note 3
Line No.	Acct. No.	ITEMS	Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
<b>TPIS - GENERAL SUPPORT:</b>													
1	2111	LAND	\$17,710		\$17,710	1.0000	\$17,710		\$17,710	10.40%	\$1,842	\$1,823	\$19
2	2112	MOTOR VEHICLES	\$77,053		\$77,053	1.0354	\$79,780		\$79,780	15.88%	\$12,667	\$12,630	\$37
3	2114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$63,891		\$63,891	1.1404	\$72,861		\$72,861	12.86%	\$9,440	\$9,440	\$0
4	2121	BUILDINGS	\$618,964		\$618,964	2.2729	\$1,406,842		\$1,406,842	9.51%	\$133,859	\$132,633	\$1,227
5	2122	FURNITURE	\$3,109		\$3,109	1.4556	\$4,525		\$4,525	9.30%	\$421	\$410	\$11
6	2123	OFFICE EQUIPMENT *	\$6,780	\$0	\$6,780	1.0324	\$6,999		\$6,999	15.38%	\$1,091	\$1,059	\$32
7	2124	GENERAL PURPOSE COMPUTERS (Note 1)	\$73,004	\$0	\$73,004	0.2717	\$19,835		\$19,835	18.37%	\$3,645	\$200	\$3,445
8	2110	TOTAL LAND & SUPPORT ASSETS	\$860,508	\$0	\$860,508		\$1,608,552	\$0	\$1,608,552		\$162,964	\$158,193	\$4,771
<b>TPIS - CENTRAL OFFICE SWITCHING:</b>													
10	2211	ANALOG ELECTRONIC SWITCHING	\$6,657		\$6,657	-	\$0		\$0		\$0	\$0	\$0
12	2212	DIGITAL ELECTRONIC SWITCHING	\$1,539,482	\$70	\$1,539,411	0.7245	\$1,115,303		\$1,115,303	10.92%	\$121,750	\$121,750	\$0
13	2210	TOTAL CENTRAL OFFICE SWITCHING	\$1,546,138	\$70	\$1,546,068		\$1,115,303	\$0	\$1,115,303		\$121,750	\$121,750	\$0
14							\$0		\$0		\$3,080	\$3,080	\$0
15	2220	OPERATOR SYSTEMS	\$19,356		\$19,356	1.1601	\$22,454		\$22,454	13.72%	\$3,080	\$3,080	\$0
16													
17													
<b>TPIS - CENTRAL OFFICE TRANSMISSION:</b>													
18	2231 167C	RADIO SYSTEMS-NON CELLULAR MOBILE	\$7		\$7	1.0245	\$7		\$7				
19	2231 67C	RADIO SYSTEMS-OTHER RADIO FACILITIES	\$6,482		\$6,482	1.0245	\$6,641		\$6,641				
20	2231	RADIO SYSTEMS	\$6,489		\$6,489		\$0		\$0				
21	2232	CIRCUIT EQUIPMENT	\$2,019,921	\$665	\$2,019,921		\$0		\$0				
22	2232 157C	DIGITAL CIRCUIT EQUIPMENT	\$15,948		\$15,948	1.0164	\$16,210		\$16,210	19.94%	\$3,087	\$3,087	\$0
23	2232 257C	DIGITAL CIRCUIT EQUIPMENT	\$922,831	\$436	\$922,395	0.9713	\$895,922		\$895,922	13.06%	\$117,046	\$117,046	\$0
24	2232 357C	DIGITAL CIRCUIT EQUIPMENT	\$1,010,358	\$428	\$1,009,930	0.9713	\$980,945		\$980,945	13.06%	\$128,153	\$128,153	\$0
25	2232 37C	ANALOG CIRCUIT EQUIPMENT	\$70,783		\$70,783	1.0179	\$72,051		\$72,051	38.97%	\$27,427	\$27,427	\$0
26	2230	TOTAL CENTRAL OFFICE TRANSMISSION	\$2,026,410	\$865	\$2,025,545		\$1,971,775	\$0	\$1,971,775		\$275,713	\$275,713	\$0
27													
<b>TPIS - INFORMATION ORIGIN/TERM:</b>													
28	2311	STATION APPARATUS	\$1,597		\$1,597	-	\$1,597		\$1,597	0.00%	\$0	\$0	\$0
29	2321	CUSTOMER PREMISES WIRING	\$0		\$0		\$0		\$0		\$0	\$0	\$0
30	2321	LARGE PRIVATE BRANCH EXCHANGES	\$32,830		\$32,830	1.1244	\$36,913		\$36,913	24.84%	\$5,178	\$5,178	\$0
31	2341	PUBLIC TELEPHONE TERMINAL EQUIPMENT	\$11,264		\$11,264	0.9770	\$11,004		\$11,004	14.03%	\$2,734	\$2,734	\$0
32	2362	OTHER TERMINAL EQUIPMENT	\$45,690		\$45,690		\$49,515		\$49,515	24.84%	\$7,911	\$7,911	\$0
33	2310	TOTAL INFORMATION ORIGIN/TERMINATION	\$45,690	\$0	\$45,690		\$49,515	\$0	\$49,515		\$7,911	\$7,911	\$0
34													
35													
<b>TPIS - CABLE &amp; WIRE FACILITIES:</b>													
36	2411	POLES	\$136,560		\$136,483	2.9942	\$408,657		\$408,657	10.89%	\$43,675	\$43,675	\$0
37	2421	AERIAL CABLE	\$819,450		\$819,450		\$0		\$0				
38	2421 822C	AERIAL CABLE - NON-METALLIC	\$53,353		\$53,353	1.1034	\$58,870		\$58,870	11.51%	\$6,774	\$6,774	\$0
39	2421 22C	AERIAL CABLE - METALLIC	\$766,097	\$1,340	\$764,757	1.7126	\$1,309,723		\$1,309,723	11.51%	\$150,716	\$150,716	\$0
40	2422	UNDERGROUND CABLE	\$709,178	\$590	\$708,588		\$0		\$0				
41	2422	UNDERGROUND CABLE - NON-METALLIC	\$188,012	\$215	\$187,797	1.0800	\$202,821		\$202,821	10.09%	\$20,456	\$20,456	\$0
42	2422 85C	UNDERGROUND CABLE - METALLIC	\$521,163	\$693	\$520,470	1.8611	\$979,654		\$979,654	9.35%	\$91,609	\$91,609	\$0
43	2423	BURIED CABLE	\$960,298		\$960,298		\$0		\$0				
44	2423 845C	BURIED CABLE - NON-METALLIC	\$111,442		\$111,442	1.1034	\$122,965		\$122,965	11.15%	\$13,708	\$13,708	\$0
45	2423 45C	BURIED CABLE - METALLIC	\$848,856	\$693	\$848,163	1.3471	\$1,142,561		\$1,142,561	10.10%	\$115,417	\$115,417	\$0
46	2424	SUBMARINE CABLE	\$410	\$0	\$410		\$0		\$0				
47													

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H = F * G	Input Tab 2	J = H + I	Input Tab 2	L = J * K	M = L * N	N
Line	Acct. No.		Ohio Dec. 31, 2002 Booked Cost	Transit Benefit Obligation (TBO)	Booked Costs Less TBO	CC/B/C	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
		<b>ITEMS</b>								<b>CLEC ADJ. NO. 2</b>			
48	2424 86C	SUBMARINE CABLE - NON-METALLIC	\$0	\$0	\$0	4.4125	\$0	\$0	\$0	0.00%	\$0	\$0	\$0
49	2424 8C	SUBMARINE CABLE - METALLIC	\$410	\$0	\$410	4.4125	\$1,811	\$1,811	\$1,811	0.00%	\$0	\$0	\$0
50	2428	INTRABUILDING NETWORK CABLE	\$99,132	\$0	\$99,132	1.034	\$7,623	\$7,623	\$7,623	11.27%	\$859	\$859	\$0
51	2426 4820C	INTRABUILDING NETWORK CABLE - NON-METALLIC	\$6,969	\$0	\$6,969	1.034	\$181,170	\$181,170	\$181,170	11.27%	\$18,161	\$18,161	\$0
52	2426 4420C	INTRABUILDING NETWORK CABLE - METALLIC	\$92,223	\$0	\$92,223	1.7476	\$0	\$0	\$0		\$0	\$0	\$0
53	2431	AERIAL WIRE	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
54	2431	CONDUIT SYSTEMS	\$646,729	\$0	\$646,729	2.2479	\$1,453,781	\$1,453,781	\$1,453,781	8.42%	\$122,477	\$122,477	\$0
55	2441	TOTAL CABLE AND WIRE FACILITIES	\$3,371,754	\$2,700	\$3,369,054		\$5,849,635	\$0	\$5,849,635		\$583,852	\$583,852	\$0
56													
57	2690	INTANGIBLE ASSETS	\$47,114	\$0	\$47,114	1.0000	\$47,114	\$47,114	\$47,114	21.0%	\$9,886	\$9,886	\$0
58	240	TOTAL TPIS (BEFORE AMORTIZABLE ASSETS)	\$7,916,969	\$3,732	\$7,913,234		\$10,664,349	\$0	\$10,664,349		\$1,165,157	\$1,165,157	\$4,771
59													
60		<b>PLANT SPECIFIC OPERATIONS</b>											
61		<b>NETWORK SUPPORT EXPENSES</b>											
62	6112	VEHICLE EXPENSES	\$6,734	\$0	\$6,734		\$6,734	\$6,734	\$6,734		\$6,734	\$6,711	\$23
63	6114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$734	\$0	\$734		\$734	\$734	\$734		\$734	\$734	\$0
64	6110	TOTAL NETWORK SUPPORT EXPENSES	\$7,468	\$0	\$7,468		\$7,468	\$7,468	\$7,468		\$7,468	\$7,445	\$23
65													
66		<b>GENERAL SUPPORT EXPENSES</b>											
67	6121	LAND AND BUILDING EXPENSES	\$38,270	\$0	\$38,270		\$38,270	\$38,270	\$38,270		\$38,270	\$37,959	\$311
68	6122	FURNITURE AND ARTWORKS EXPENSES	\$615	\$0	\$615		\$615	\$615	\$615		\$615	\$604	\$11
69	6123	OFFICE EQUIPMENT EXPENSES	\$16,696	\$0	\$16,696		\$16,696	\$16,696	\$16,696		\$16,696	\$16,177	\$519
70	6124 (non 1)	GENERAL PURPOSE COMPUTERS EXPENSES (Non 1)	\$88,002	\$0	\$88,002		\$88,002	\$88,002	\$88,002		\$88,002	\$7,274	\$80,728
71	6120	TOTAL GENERAL SUPPORT EXPENSES	\$143,583	\$0	\$143,583		\$143,583	\$0	\$143,583		\$143,583	\$62,015	\$81,568
72													
73		<b>CENTRAL OFFICE SWITCHING EXPENSES</b>											
74	6211	ANALOG ELECTRONIC EXPENSES	\$772	\$0	\$772		\$772	\$772	\$772		\$772	\$772	\$0
75	6212	DIGITAL ELECTRONIC EXPENSES	\$46,076	\$1,648	\$44,428		\$44,428	\$44,428	\$44,428		\$44,428	\$44,428	\$0
76	6215	ELECTRO-MECHANICAL EXPENSES	\$2	\$0	\$2		\$2	\$2	\$2		\$2	\$2	\$0
77	6210	TOTAL CENTRAL OFFICE SWITCHING EXPENSES	\$46,850	\$1,648	\$45,202		\$45,202	\$0	\$45,202		\$45,202	\$45,202	\$0
78													
79	6220	OPERATOR SYSTEMS EXPENSES	\$2	\$0	\$2		\$2	\$0	\$2		\$2	\$2	\$0
80													
81		<b>CENTRAL OFFICE TRANSMISSION EXPENSES</b>											
82	6231	RADIO SYSTEMS EXPENSES	\$80	\$0	\$80		\$80	\$80	\$80		\$80	\$80	\$0
83	6232 257	CIRCUIT EQUIPMENT EXPENSES - 257	\$6,315	\$268	\$6,047		\$6,047	\$6,047	\$6,047		\$6,047	\$6,047	\$0
84	232 (non 25)	CIRCUIT EQUIPMENT EXPENSES (non 257)	\$25,058	\$773	\$24,285		\$24,285	\$24,285	\$24,285		\$24,285	\$24,285	\$0
85	6230	TOTAL CENTRAL OFFICE TRANSMISSION EXPENSES	\$31,453	\$1,041	\$30,412		\$30,412	\$0	\$30,412		\$30,412	\$30,412	\$0
86													
87		<b>INFORMATION ORIGIN/TERM EXPENSES</b>											
88	6311	STATION APPARATUS EXPENSES	\$5,407	\$0	\$5,407		\$5,407	\$5,407	\$5,407		\$5,407	\$5,407	\$0
89	6341	LARGE PRIVATE BRANCH EXCHANGE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
90	6351	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES	\$1,760	\$0	\$1,760		\$1,760	\$1,760	\$1,760		\$1,760	\$1,760	\$0
91	6362	OTHER TERMINAL EQUIPMENT EXPENSES	\$25,670	\$1,100	\$24,570		\$25,670	\$25,670	\$25,670		\$25,670	\$25,670	\$0
92	6310	TOTAL INFORMATION ORIGIN/TERM EXPENSES	\$33,937	\$1,100	\$32,837		\$32,837	\$0	\$32,837		\$32,837	\$32,837	\$0
93													
94		<b>CABLE AND WIRE FACILITIES EXPENSES</b>											
95	6411	POLE EXPENSES	\$3,778	\$0	\$3,778		\$3,778	\$3,778	\$3,778		\$3,778	\$3,778	\$0
96	6421	AERIAL CABLE EXPENSES	\$75,390	\$3,375	\$72,015		\$72,015	\$72,015	\$72,015		\$72,015	\$72,015	\$0
97	6422	UNDERGROUND CABLE EXPENSES	\$20,198	\$827	\$19,371		\$19,371	\$19,371	\$19,371		\$19,371	\$19,371	\$0
98	6423	BURIED CABLE EXPENSES	\$53,219	\$2,096	\$51,123		\$51,123	\$51,123	\$51,123		\$51,123	\$51,123	\$0
99	6424	SUBMARINE CABLE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
100	6425	DEEP SEA CABLE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
101	6426	INTRABUILDING NETWORK CABLE EXPENSES	\$1,730	\$0	\$1,730		\$1,730	\$1,730	\$1,730		\$1,730	\$1,730	\$0
102	6431	AERIAL WIRE EXPENSES	\$2,053	\$0	\$2,053		\$2,053	\$2,053	\$2,053		\$2,053	\$2,053	\$0
103	6441	CONDUIT SYSTEMS EXPENSES	\$156,368	\$6,298	\$150,070		\$150,070	\$0	\$150,070		\$150,070	\$150,070	\$0
104	6410	TOTAL CABLE AND WIRE FACILITIES EXPENSES	\$419,861	\$10,087	\$409,774		\$409,774	\$0	\$409,774		\$409,774	\$327,983	\$81,591
105													
106	650	TOTAL PLANT SPECIFIC OPERATIONS EXPENSES											



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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source:	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	Note J
Line No.	Acct. No.	ITEMS	Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
107													
108		PLANT NONSPECIFIC OPERATIONS EXPENSES:											
109	6511	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
110	6512	PROVISIONING EXPENSES	\$5,129	\$0	\$5,129		\$5,129	\$0	\$5,129		\$5,129	\$5,129	\$0
111	6510	OTHER PROPERTY, PLANT AND EQUIPMENT EXPENSES	\$5,129	\$0	\$5,129		\$5,129	\$0	\$5,129		\$5,129	\$5,129	\$0
112													
113	6531	POWER EXPENSES	\$12,793	\$0	\$12,793		\$12,793		\$12,793		\$12,793	\$12,793	\$0
114	6532	NETWORK ADMINISTRATION EXPENSES	\$9,622	\$0	\$9,622		\$9,622		\$9,622		\$9,622	\$9,622	\$0
115	6533	TESTING EXPENSES	\$2,048	\$0	\$2,048		\$2,048		\$2,048		\$2,048	\$2,048	\$0
116	6534	PLANT OPERATIONS ADMINISTRATION EXPENSES	\$51,830	\$3,559	\$48,271		\$48,271		\$48,271		\$48,271	\$48,271	\$0
117	6535	ENGINEERING EXPENSES	\$33,985	\$472	\$33,513		\$33,513		\$33,513		\$33,513	\$33,513	\$0
118													
119	6530	TOTAL NETWORK OPERATIONS EXPENSES	\$156,082	\$2,880	\$153,202		\$153,202	\$0	\$153,202		\$153,202	\$153,202	\$0
120													
121	6540	ACCESS EXPENSES	\$70,842	\$0	\$70,842		\$70,842		\$70,842		\$70,842	\$70,842	\$0
122													
123	6561	DEPRECIATION AND AMORTIZATION EXPENSES:											
124	6562	DEPRECIATION - TELECOM PLANT IN SERVICE	\$508,608	\$0	\$508,608		\$508,608		\$508,608		\$508,608	\$508,608	\$0
125	6563	DEPRECIATION - PROP HELD FOR FUTURE TELECOM USE	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
126	6563	AMORTIZATION EXPENSE - TANGIBLE	\$465	\$0	\$465		\$465		\$465		\$465	\$465	\$0
127	6564	AMORTIZATION EXPENSE - INTANGIBLE	\$17,793	\$0	\$17,793		\$17,793		\$17,793		\$17,793	\$17,793	\$0
128	6565	AMORTIZATION EXPENSE - OTHER	\$1,573	\$0	\$1,573		\$1,573		\$1,573		\$1,573	\$1,573	\$0
129	6560	TOTAL DEPRECIATION AND AMORTIZATION EXPENSES	\$528,439	\$0	\$528,439		\$528,439		\$528,439		\$528,439	\$528,439	\$0
130													
131	690	TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSES	\$760,492	\$2,880	\$757,612		\$757,612		\$757,612		\$757,612	\$757,612	\$0
132													
133		MARKETING EXPENSES:											
134	6611	PRODUCT MANAGEMENT	\$46,511	\$0	\$46,511		\$46,511		\$46,511		\$46,511	\$46,511	\$0
135	6612	SALES	\$67,094	\$31	\$67,063		\$67,063		\$67,063		\$67,063	\$67,063	\$0
136	6613	PRODUCT ADVERTISING	\$6,112	\$0	\$6,112		\$6,112		\$6,112		\$6,112	\$6,112	\$0
137	6610	TOTAL MARKETING EXPENSES	\$119,748	\$31	\$119,717		\$119,717		\$119,717		\$119,717	\$119,717	\$0
138													
139		SERVICES EXPENSES:											
140	6621	CALL CENTER SERVICES	\$5,042	\$143	\$4,899		\$4,899		\$4,899		\$4,899	\$4,899	\$0
141	6622	NUMBER SERVICES	\$19,741	\$376	\$19,365		\$19,365		\$19,365		\$19,365	\$19,365	\$0
142	6623	CUSTOMER SERVICES	\$183,505	\$1,890	\$181,615		\$181,615		\$181,615		\$181,615	\$181,615	\$0
143	6620	TOTAL SERVICES EXPENSES	\$208,288	\$2,409	\$205,879		\$205,879		\$205,879		\$205,879	\$205,879	\$0
144													
145	700	TOTAL CUSTOMER OPERATIONS EXPENSES	\$328,036	\$2,440	\$325,596		\$325,596		\$325,596		\$325,596	\$325,596	\$0
146													
147		EXECUTIVE AND PLANNING EXPENSES:											
148	6711	EXECUTIVE	\$4,178	\$0	\$4,178		\$4,178		\$4,178		\$4,178	\$4,178	\$0
149	6712	PLANNING	\$5	\$0	\$5		\$5		\$5		\$5	\$5	\$0
150	6710	TOTAL EXECUTIVE AND PLANNING EXPENSES	\$4,183	\$0	\$4,183		\$4,183		\$4,183		\$4,183	\$4,183	\$0
151													
152		GENERAL AND ADMINISTRATIVE EXPENSES:											
153	6721	ACCOUNTING AND FINANCE	\$24,041	\$1	\$24,040		\$24,040		\$24,040		\$24,040	\$24,040	\$0
154	6722	EXTERNAL RELATIONS	\$12,594	\$12	\$12,582		\$12,582		\$12,582		\$12,582	\$12,582	\$0
155	6723	HUMAN RESOURCES	\$38,114	\$2	\$38,112		\$38,112		\$38,112		\$38,112	\$38,112	\$0
156	6724	INFORMATION MANAGEMENT ***	\$30,105	\$18	\$30,086		\$30,086		\$30,086		\$30,086	\$30,086	\$0
157	6725	LEGAL	\$7,959	\$0	\$7,959		\$7,959		\$7,959		\$7,959	\$7,959	\$0
158	6726	PROCUREMENT	\$2,239	\$0	\$2,239		\$2,239		\$2,239		\$2,239	\$2,239	\$0
159	6727	RESEARCH AND DEVELOPMENT	\$2,523	\$0	\$2,523		\$2,523		\$2,523		\$2,523	\$2,523	\$0
160	6728	OTHER GENERAL AND ADMINISTRATIVE ****	\$59,483	\$37	\$59,446		\$59,446		\$59,446		\$59,446	\$59,446	\$0
161	6720	TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	\$177,058	\$57	\$176,986		\$176,986		\$176,986		\$176,986	\$176,986	\$0
162													
163	6790	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
			Source:	Input Tab 2	F=D-E	Input Tab 2	H = F * G	Input Tab 2	J = H + I	Input Tab 2	L = J * K	M = L * N	Note 3
Line No.	Acct. No.	ITEMS		Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustment	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
164	710	TOTAL CORPORATE OPERATIONS EXPENSES		\$181,241	\$71		\$181,169		\$181,169		\$181,169	\$0	\$181,169
165	720	TOTAL OPERATING EXPENSES		\$1,689,430	\$15,479		\$1,673,951	-\$527,974	\$1,145,977		\$1,145,977	\$763,477	\$382,500
166		TOTAL OPERATING EXPENSES EXCL. DEPR. & AMORT		\$1,160,991	\$15,479		\$1,145,512		\$1,145,512		\$1,145,512	\$763,035	\$382,477
167		Ad Valorem Tax - (Note 2)										\$0	\$0
168		Transition Benefit Obligation (TBO)										\$0	\$0
169		Uncollectible Expense (Accounts 5301 & 5302)										\$61,015	\$61,015
170													
171													
172	5301/5302												
173													
174		Total Cost								Total Cost	\$2,311,134	\$2,067,647	\$468,088

Note 1: The calculations for the assignment of accounts 2124 and 6124 to Direct and Shared and Common categories and any adjustment to 6724 are displayed on the Inputs Tab.

Note 2: The calculations for the Ad Valorem Tax and the assignment to Direct and Shared and Common categories are displayed on the Inputs Tab.

Note 3: The calculation for the assignment of accounts 2111 through 2123, accounts 6112 through 6123, and account 6563 to the Shared and Common categories is displayed on the Inputs Tab.

May not add due to rounding to \$000.

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source:	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	CLEC ADJ. NO. 1	J=H+I	Input Tab 2	L=J+K	M=L+N	N
Line No.	Acct. No.	ITEMS	CLEC ADJ. NO. 3	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CCBC	Current Cost	Forward Looking Adjustm	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
1	2111	LAND											
2	2112	MOTOR VEHICLES											
3	2114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE											
4	2121	BUILDINGS											
5	2122	FURNITURE											
6	2123	OFFICE EQUIPMENT *											
7	2124	GENERAL PURPOSE COMPUTERS (Note 1)											
8	2110	TOTAL LAND & SUPPORT ASSETS											
9													
10													
11	2211	TPIS - CENTRAL OFFICE SWITCHING											
12	2212	ANALOG ELECTRONIC SWITCHING											
13	2210	DIGITAL ELECTRONIC SWITCHING											
14		TOTAL CENTRAL OFFICE SWITCHING											
15	2220	OPERATOR SYSTEMS											
16													
17	2231	TPIS - CENTRAL OFFICE TRANSMISSION											
18	2231 187C	RADIO SYSTEMS-NON CELLULAR MOBILE											
19	2231 67C	RADIO SYSTEMS-OTHER RADIO FACILITIES											
20	2231	RADIO SYSTEMS											
21	2232	CIRCUIT EQUIPMENT											
22	2232 157C	DIGITAL CIRCUIT EQUIPMENT											
23	2232 257C	DIGITAL CIRCUIT EQUIPMENT											
24	2232 357C	DIGITAL CIRCUIT EQUIPMENT											
25	2232 57C	ANALOG CIRCUIT EQUIPMENT											
26	2230	TOTAL CENTRAL OFFICE TRANSMISSION											
27													
28													
29	2311	TPIS - INFORMATION ORIGIN/TERM											
30	2321	STATION APPARATUS											
31	2341	CUSTOMER PREMISES WIRING											
32	2351	LARGE PRIVATE BRANCH EXCHANGES											
33	2362	PUBLIC TELEPHONE TERMINAL EQUIPMENT											
34	2310	OTHER TERMINAL EQUIPMENT											
35		TOTAL INFORMATION ORIGIN/TERMINATION											
36													
37	2411	TPIS - CABLE & WIRE FACILITIES											
38	2421	POLES											
39	2421 822C	AERIAL CABLE											
40	2421 22C	AERIAL CABLE - NON-METALLIC											
41	2422	UNDERGROUND CABLE											
42	2422 85C	UNDERGROUND CABLE - NON-METALLIC											
43	2422 5C	UNDERGROUND CABLE - METALLIC											
44	2423	BURIED CABLE											
45	2423 845C	BURIED CABLE - NON-METALLIC											
46	2423 45C	BURIED CABLE - METALLIC											
47	2424	SUBMARINE CABLE											

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Line No.	Acct. No.	Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F*G	Input Tab 2	J=H+I	Input Tab 2	L=J*K	M=L*N	N
			<b>CLEC ADJ. NO. 3</b>					<b>CLEC ADJ. NO. 1</b>		<b>CLEC ADJ. NO. 2</b>			
			Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BIC	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
48	2424 86C	SUBMARINE CABLE - NON-METALLIC	\$0	\$0	\$0	4.4125	\$0	\$0	\$0	0.00%	\$0	\$0	\$0
49	2424 8C	SUBMARINE CABLE - METALLIC	\$410	\$0	\$410	4.4125	\$1,811	\$0	\$1,811	0.00%	\$0	\$0	\$0
50	2428	INTRABUILDING NETWORK CABLE	\$99,132	\$0	\$99,132		\$0	\$0	\$0				
51	2428 462C	INTRABUILDING NETWORK CABLE - NON-METALLIC	\$6,909	\$0	\$6,909	1.1034	\$7,623	\$0	\$7,623	11.37%	\$859	\$859	\$0
52	2428 442C	INTRABUILDING NETWORK CABLE - METALLIC	\$92,223	\$0	\$92,223	1.7476	\$161,170	\$0	\$161,170	11.37%	\$18,161	\$18,161	\$0
53	2431	AERIAL WIRE	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
54	2441	CONDUIT SYSTEMS	\$646,759	\$0	\$646,759	2.2479	\$1,453,781	\$0	\$1,453,781	8.42%	\$122,477	\$122,477	\$0
55	2410	TOTAL CABLE AND WIRE FACILITIES	\$3,371,754	\$2,700	\$3,369,054		\$5,849,635	\$0	\$5,849,635		\$583,852	\$583,852	\$0
56													
57	2690	INTANGIBLE ASSETS	\$47,114	\$0	\$47,114	1.0000	\$47,114	\$0	\$47,114	21.0%	\$9,886	\$9,886	\$0
58	240	TOTAL TIPS (BEFORE AMORTIZABLE ASSETS)	\$1,916,969	\$3,732	\$7,913,334		\$10,664,349	\$0	\$10,664,349		\$1,185,157	\$1,185,157	\$4,771
59													
60		<b>PLANT SPECIFIC OPERATIONS:</b>											
61		<b>NETWORK SUPPORT EXPENSES:</b>											
62	6112	MOTOR VEHICLE EXPENSES	\$6,734	\$0	\$6,734		\$6,734	\$0	\$6,734		\$6,734	\$6,711	\$23
63	6114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$734	\$0	\$734		\$734	\$0	\$734		\$734	\$734	\$0
64	6110	TOTAL NETWORK SUPPORT EXPENSES	\$7,468	\$0	\$7,468		\$7,468	\$0	\$7,468		\$7,468	\$7,445	\$23
65													
66		<b>GENERAL SUPPORT EXPENSES:</b>											
67	6121	LAND AND BUILDING EXPENSES	\$38,270	\$0	\$38,270		\$38,270	\$0	\$38,270		\$38,270	\$37,959	\$311
68	6122	FURNITURE AND ARTWORKS EXPENSES	\$615	\$0	\$615		\$615	\$0	\$615		\$615	\$604	\$11
69	6123	OFFICE EQUIPMENT EXPENSES	\$16,696	\$0	\$16,696		\$16,696	\$0	\$16,696		\$16,696	\$16,178	\$518
70	6124	GENERAL PURPOSE COMPUTERS EXPENSES (Note 1)	\$88,002	\$0	\$88,002		\$88,002	\$0	\$88,002		\$88,002	\$7,274	\$80,728
71	6120	TOTAL GENERAL SUPPORT EXPENSES	\$143,583	\$0	\$143,583		\$143,583	\$0	\$143,583		\$143,583	\$62,015	\$81,568
72													
73		<b>CENTRAL OFFICE SWITCHING EXPENSES:</b>											
74	6211	ANALOG ELECTRONIC EXPENSES	\$772	\$0	\$772		\$772	\$0	\$772		\$772	\$772	\$0
75	6212	DIGITAL ELECTRONIC EXPENSES	\$46,076	\$1,648	\$44,428		\$44,428	\$0	\$44,428		\$44,428	\$44,428	\$0
76	6215	ELECTRO-MECHANICAL EXPENSES	\$2	\$0	\$2		\$2	\$0	\$2		\$2	\$2	\$0
77	6210	TOTAL CENTRAL OFFICE SWITCHING EXPENSES	\$46,850	\$1,648	\$45,202		\$45,202	\$0	\$45,202		\$45,202	\$45,202	\$0
78													
79	6220	OPERATOR SYSTEMS EXPENSES	\$2	\$0	\$2		\$2	\$0	\$2		\$2	\$2	\$0
80													
81		<b>CENTRAL OFFICE TRANSMISSION EXPENSES:</b>											
82	6231	RADIO SYSTEMS EXPENSES	\$80	\$0	\$80		\$80	\$0	\$80		\$80	\$80	\$0
83	6232 257	CIRCUIT EQUIPMENT EXPENSES - 257	\$6,047	\$2,068	\$6,047		\$6,047	\$0	\$6,047		\$6,047	\$6,047	\$0
84	6232 (non 257)	CIRCUIT EQUIPMENT EXPENSES (non 257)	\$25,058	\$773	\$24,285		\$24,285	\$0	\$24,285		\$24,285	\$24,285	\$0
85	6230	TOTAL CENTRAL OFFICE TRANSMISSION EXPENSES	\$31,453	\$1,041	\$30,412		\$30,412	\$0	\$30,412		\$30,412	\$30,412	\$0
86													
87		<b>INFORMATION ORIGINATOR EXPENSES:</b>											
88	6311	STATION APPARATUS EXPENSES	\$5,407	\$0	\$5,407		\$5,407	\$0	\$5,407		\$5,407	\$5,407	\$0
89	6341	LARGE PRIVATE BRANCH EXCHANGE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
90	6351	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES	\$1,760	\$0	\$1,760		\$1,760	\$0	\$1,760		\$1,760	\$1,760	\$0
91	6362	OTHER TERMINAL EQUIPMENT EXPENSES	\$26,770	\$1,100	\$25,670		\$25,670	\$0	\$25,670		\$25,670	\$25,670	\$0
92	6310	TOTAL INFORMATION ORIGINATOR EXPENSES	\$33,937	\$1,100	\$32,837		\$32,837	\$0	\$32,837		\$32,837	\$32,837	\$0
93													
94		<b>CABLE AND WIRE FACILITIES EXPENSES:</b>											
95	6411	POLE EXPENSES	\$3,778	\$0	\$3,778		\$3,778	\$0	\$3,778		\$3,778	\$3,778	\$0
96	6421	AERIAL CABLE EXPENSES	\$75,390	\$3,375	\$72,015		\$72,015	\$0	\$72,015		\$72,015	\$72,015	\$0
97	6422	UNDERGROUND CABLE EXPENSES	\$20,198	\$627	\$19,571		\$19,571	\$0	\$19,571		\$19,571	\$19,571	\$0
98	6423	BURIED CABLE EXPENSES	\$53,219	\$2,096	\$51,123		\$51,123	\$0	\$51,123		\$51,123	\$51,123	\$0
99	6424	SUBMARINE CABLE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
100	6425	DEEP SEA CABLE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
101	6426	INTRABUILDING NETWORK CABLE EXPENSES	\$1,730	\$0	\$1,730		\$1,730	\$0	\$1,730		\$1,730	\$1,730	\$0
102	6431	AERIAL WIRE EXPENSES	\$2,053	\$0	\$2,053		\$2,053	\$0	\$2,053		\$2,053	\$2,053	\$0
103	6441	CONDUIT SYSTEMS EXPENSES	\$156,368	\$6,298	\$150,070		\$150,070	\$0	\$150,070		\$150,070	\$150,070	\$0
104	6410	TOTAL CABLE AND WIRE FACILITIES EXPENSES	\$419,661	\$10,087	\$409,574		\$409,574	\$0	\$409,574		\$409,574	\$327,983	\$81,591
105													
106	650	TOTAL PLANT SPECIFIC OPERATIONS EXPENSES											

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source:	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F*G	Input Tab 2	J=H+I	Input Tab 2	L=J*K	M=L*N	Note 3
Line No.	Acct. No.	ITEMS	CLEC ADJ. NO. 3	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	CLEC ADJ. NO. 1	Total Forward Looking Costs	CLEC ADJ. NO. 2	Direct and Shared Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED COMMON COSTS
107		PLANT NONSPECIFIC OPERATIONS EXPENSES:											
108	6511	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
109	6512	PROVISIONING EXPENSES	\$5,129	\$0	\$5,129		\$5,129	\$0	\$5,129		\$5,129	\$5,129	\$0
110	6510	OTHER PROPERTY, PLANT AND EQUIPMENT EXPENSES	\$5,129	\$0	\$5,129		\$5,129	\$0	\$5,129		\$5,129	\$5,129	\$0
111													
112													
113	6531	POWER EXPENSES	\$12,793	\$0	\$12,793		\$12,793		\$12,793		\$12,793	\$12,793	\$0
114	6532	NETWORK ADMINISTRATION EXPENSES	\$9,622	\$0	\$9,622		\$9,622		\$9,622		\$9,622	\$9,622	\$0
115	6533	TESTING EXPENSES	\$47,852	\$2,048	\$45,804		\$45,804		\$45,804		\$45,804	\$45,804	\$0
116	6534	PLANT OPERATIONS ADMINISTRATION EXPENSES	\$51,830	\$3,569	\$48,261		\$48,261		\$48,261		\$48,261	\$48,261	\$0
117	6535	ENGINEERING EXPENSES	\$33,965	\$4,721	\$29,244		\$29,244		\$29,244		\$29,244	\$29,244	\$0
118													
119	6530	TOTAL NETWORK OPERATIONS EXPENSES	\$156,082	\$2,880	\$153,202		\$153,202	\$0	\$153,202	\$0	\$153,202	\$153,202	\$0
120													
121	6540	ACCESS EXPENSES	\$70,842	\$0	\$70,842		\$70,842		\$70,842		\$70,842	\$70,842	\$0
122													
123		DEPRECIATION AND AMORTIZATION EXPENSES:											
124	6561	DEPRECIATION - TELECOM PLANT IN SERVICE	\$508,608	\$0	\$508,608		\$508,608	\$508,608	\$0				
125	6562	DEPRECIATION - PROP HELD FOR FUTURE TELECOM USE	\$0	\$0	\$0		\$0	\$0	\$0				
126	6563	AMORTIZATION EXPENSE - TANGIBLE	\$465	\$0	\$465		\$465	\$0	\$465		\$465	\$465	\$23
127	6564	AMORTIZATION EXPENSE - INTANGIBLE	\$17,793	\$0	\$17,793		\$17,793	\$17,793	\$0				
128	6565	AMORTIZATION EXPENSE - OTHER	\$1,573	\$0	\$1,573		\$1,573	\$1,573	\$0				
129	6560	TOTAL DEPRECIATION AND AMORTIZATION EXPENSES	\$528,439	\$0	\$528,439		\$528,439	\$528,439	\$465		\$465	\$442	\$23
130													
131	690	TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSES	\$760,492	\$2,880	\$757,612		\$757,612	\$527,974	\$229,638		\$229,638	\$729,615	\$23
132													
133		MARKETING EXPENSES:											
134	6611	PRODUCT MANAGEMENT	\$46,511	\$0	\$46,511		\$46,511		\$46,511		\$46,511	\$0	\$46,511
135	6612	SALES	\$67,125	\$31	\$67,094		\$67,094	\$67,094	\$67,094		\$67,094	\$0	\$67,094
136	6613	PRODUCT ADVERTISING	\$6,112	\$0	\$6,112		\$6,112	\$6,112	\$6,112		\$6,112	\$0	\$6,112
137	6610	TOTAL MARKETING EXPENSES	\$119,748	\$31	\$119,717		\$119,717	\$0	\$119,717		\$119,717	\$0	\$119,717
138													
139		SERVICES EXPENSES:											
140	6621	CALL COMPLETION SERVICES	\$5,042	\$143	\$4,899		\$4,899		\$4,899		\$4,899	\$4,899	\$0
141	6622	NUMBER SERVICES	\$19,741	\$376	\$19,365		\$19,365	\$19,365	\$19,365		\$19,365	\$19,365	\$0
142	6623	CUSTOMER SERVICES	\$183,505	\$1,890	\$181,615		\$181,615	\$181,615	\$181,615		\$181,615	\$181,615	\$0
143	6620	TOTAL SERVICES EXPENSES	\$208,288	\$2,409	\$205,879		\$205,879	\$0	\$205,879		\$205,879	\$205,879	\$0
144													
145	700	TOTAL CUSTOMER OPERATIONS EXPENSES	\$328,036	\$2,440	\$325,596		\$325,596	\$0	\$325,596		\$325,596	\$205,879	\$119,717
146													
147		EXECUTIVE AND PLANNING EXPENSES:											
148	6711	EXECUTIVE	\$4,178	\$0	\$4,178		\$4,178		\$4,178		\$4,178	\$0	\$4,178
149	6712	PLANNING	\$5	\$0	\$5		\$5	\$5	\$5		\$5	\$5	\$0
150	6710	TOTAL EXECUTIVE AND PLANNING EXPENSES	\$4,183	\$0	\$4,183		\$4,183	\$0	\$4,183		\$4,183	\$0	\$4,183
151													
152		GENERAL AND ADMINISTRATIVE EXPENSES:											
153	6721	ACCOUNTING AND FINANCE	\$24,041	\$1	\$24,040		\$24,040		\$24,040		\$24,040	\$0	\$24,040
154	6722	EXTERNAL RELATIONS	\$12,526	\$12	\$12,514		\$12,514	\$12,514	\$12,514		\$12,514	\$0	\$12,514
155	6723	HUMAN RESOURCES	\$38,112	\$2	\$38,110		\$38,110	\$38,110	\$38,110		\$38,110	\$0	\$38,110
156	6724	INFORMATION MANAGEMENT ***	\$30,086	\$18	\$30,068		\$30,068	\$0	\$30,068		\$30,068	\$0	\$30,068
157	6725	LEGAL	\$7,959	\$0	\$7,959		\$7,959	\$7,959	\$7,959		\$7,959	\$0	\$7,959
158	6726	PROCUREMENT	\$2,239	\$0	\$2,239		\$2,239	\$2,239	\$2,239		\$2,239	\$0	\$2,239
159	6727	RESEARCH AND DEVELOPMENT	\$2,523	\$0	\$2,523		\$2,523	\$2,523	\$2,523		\$2,523	\$0	\$2,523
160	6728	OTHER GENERAL AND ADMINISTRATIVE ****	\$6,891	\$37	\$6,854		\$6,854	\$0	\$6,854		\$6,854	\$0	\$6,854
161	6720	TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	\$110,653	\$71	\$110,582		\$110,582	\$0	\$110,582		\$110,582	\$0	\$110,582
162													
163	6790	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source:	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	N
Line No.	Acct. No.	ITEMS	CLEC ADJ. NO. 3	Transit Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	CLEC ADJ. NO. 1	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
		<b>TPIS - GENERAL SUPPORT:</b>											
1	2111	LAND	\$17,710		\$17,710	1.0000	\$17,710		\$17,710	10.40%	\$1,842	\$1,842	\$19
2	2112	MOTOR VEHICLES	\$77,053		\$77,053	1.0354	\$79,780		\$79,780	15.88%	\$12,630	\$12,630	\$37
3	2114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$63,891		\$63,891	1.1404	\$72,861		\$72,861	12.96%	\$9,440	\$9,440	\$0
4	2121	BUILDINGS	\$618,964		\$618,964	2.2779	\$1,406,842		\$1,406,842	9.51%	\$133,859	\$132,633	\$1,226
5	2122	FURNITURE	\$3,109		\$3,109	1.4556	\$4,525		\$4,525	9.30%	\$421	\$421	\$11
6	2123	OFFICE EQUIPMENT *	\$6,780		\$6,780	1.0324	\$6,999		\$6,999	15.58%	\$1,091	\$1,059	\$32
7	2124	GENERAL PURPOSE COMPUTERS (Note 1)	\$71,004		\$71,004	0.2717	\$19,835		\$19,835	18.37%	\$3,645	\$3,645	\$3,445
8	2110	TOTAL LAND & SUPPORT ASSETS	\$860,508		\$860,508		\$1,608,552		\$1,608,552		\$162,964	\$158,193	\$4,771
9													
10		<b>TPIS - CENTRAL OFFICE SWITCHING:</b>											
11	2211	ANALOG ELECTRONIC SWITCHING	\$8,657		\$8,657		\$0		\$0		\$0	\$0	\$0
12	2212	DIGITAL ELECTRONIC SWITCHING	\$1,539,482		\$1,539,482	0.7245	\$1,115,303		\$1,115,303	10.92%	\$121,750	\$121,750	\$0
13	2210	TOTAL CENTRAL OFFICE SWITCHING	\$1,548,139		\$1,548,068		\$1,115,303		\$1,115,303		\$121,750	\$121,750	\$0
14													
15	2220	OPERATOR SYSTEMS	\$19,356		\$19,356	1.1601	\$22,454		\$0	13.72%	\$3,080	\$3,080	\$0
16													
17		<b>TPIS - CENTRAL OFFICE TRANSMISSION:</b>											
18	2231 167C	RADIO SYSTEMS-NON CELLULAR MOBILE	\$7		\$7	1.0245	\$7		\$7				
19	2231 67C	RADIO SYSTEMS-OTHER RADIO FACILITIES	\$6,482		\$6,482	1.0245	\$6,641		\$6,641	13.72%	\$0	\$0	\$0
20	2231	RADIO SYSTEMS	\$6,489		\$6,489		\$0		\$0				
21	2232	CIRCUIT EQUIPMENT	\$2,019,921		\$665		\$0		\$0				
22	2232 157C	DIGITAL CIRCUIT EQUIPMENT	\$15,948		\$15,948	1.0164	\$16,210		\$16,210	19.04%	\$3,087	\$3,087	\$0
23	2232 257C	DIGITAL CIRCUIT EQUIPMENT	\$922,831		\$922,395	0.9713	\$895,922		\$895,922	13.06%	\$111,046	\$117,046	\$0
24	2232 357C	DIGITAL CIRCUIT EQUIPMENT	\$1,010,358		\$428	0.9713	\$980,945		\$980,945	13.06%	\$128,153	\$128,153	\$0
25	2232 57C	ANALOG CIRCUIT EQUIPMENT	\$70,783		\$70,783	1.0179	\$72,051		\$72,051	38.07%	\$27,427	\$27,427	\$0
26	2230	TOTAL CENTRAL OFFICE TRANSMISSION	\$2,026,410		\$665		\$1,971,775		\$0		\$275,713	\$275,713	\$0
27													
28		<b>TPIS - INFORMATION ORIGIN/TERM:</b>											
29	2311	STATION APPARATUS	\$1,597		\$1,597		\$1,597		\$1,597	0.00%	\$0	\$0	\$0
30	2321	CUSTOMER PREMISES WIRING	\$0		\$0		\$0		\$0		\$0	\$0	\$0
31	2341	LARGE PRIVATE BRANCH EXCHANGES	\$0		\$0		\$0		\$0	24.84%	\$0	\$0	\$0
32	2351	PUBLIC TELEPHONE TERMINAL EQUIPMENT	\$32,830		\$32,830	1.1244	\$36,913		\$36,913	14.07%	\$5,178	\$5,178	\$0
33	2362	OTHER TERMINAL EQUIPMENT	\$11,264		\$11,264	0.9770	\$10,970		\$11,004	24.84%	\$2,734	\$2,734	\$0
34	2310	TOTAL INFORMATION ORIGIN/TERMINATION	\$45,690		\$45,690		\$49,515		\$0		\$7,911	\$7,911	\$0
35													
36		<b>TPIS - CABLE &amp; WIRE FACILITIES:</b>											
37	2411	POLES	\$136,560		\$136,483	2.9942	\$408,657		\$408,657	10.69%	\$43,675	\$43,675	\$0
38	2421	AERIAL CABLE	\$819,450		\$53,353		\$58,870		\$58,870	11.51%	\$6,774	\$6,774	\$0
39	2421 822C	AERIAL CABLE - NON-METALLIC	\$53,353		\$53,353	1.1034	\$58,870		\$58,870	11.51%	\$6,774	\$6,774	\$0
40	2421 22C	AERIAL CABLE - METALLIC	\$766,097		\$766,097	1.7126	\$1,309,723		\$1,309,723	11.51%	\$150,716	\$150,716	\$0
41	2422	UNDERGROUND CABLE	\$709,176		\$590		\$0		\$0				
42	2422 85C	UNDERGROUND CABLE - NON-METALLIC	\$188,012		\$187,797	1.0800	\$202,821		\$202,821	10.09%	\$20,456	\$20,456	\$0
43	2422 5C	UNDERGROUND CABLE - METALLIC	\$521,163		\$520,788	1.8811	\$979,654		\$979,654	9.35%	\$97,609	\$97,609	\$0
44	2423	BURIED CABLE	\$960,298		\$693		\$0		\$0				
45	2423 845C	BURIED CABLE - NON-METALLIC	\$111,442		\$111,442	1.1034	\$122,965		\$122,965	11.15%	\$13,708	\$13,708	\$0
46	2423 45C	BURIED CABLE - METALLIC	\$848,856		\$693	1.3471	\$1,142,561		\$1,142,561	10.10%	\$115,417	\$115,417	\$0
47	2424	SUBMARINE CABLE	\$410		\$0		\$0		\$0				

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		Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	Note 3
Line No.	Acct. No.		CLEC ADJ. NO. 3	Transit Benefit Obligation (TBO)	Booked Costs Less TBO	CCBC	Current Cost	CLEC ADJ. NO. 1	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	CLEC ADJ. NO. 2	TOTAL DIRECT COSTS	CLEC ADJ. NO. 4
48	2424 86C	SUBMARINE CABLE - NON-METALLIC	\$0	\$0	\$0	4.4125	\$0	\$0	\$1,811	0.00%	\$0	\$0	\$0
49	2424 6C	SUBMARINE CABLE - METALLIC	\$410	\$0	\$0	4.4125	\$1,811	\$0	\$1,811	0.00%	\$0	\$0	\$0
50	2426	INTRABUILDING NETWORK CABLE	\$59,132	\$0	\$0	1.1034	\$7,623	\$0	\$7,623	11.27%	\$859	\$859	\$0
51	2426 482C	INTRABUILDING NETWORK CABLE - NON-METALLIC	\$6,909	\$0	\$0	1.1748	\$16,170	\$0	\$16,170	11.27%	\$1,161	\$1,161	\$0
52	2426 442C	INTRABUILDING NETWORK CABLE - METALLIC	\$92,223	\$0	\$0	2.2479	\$1,453,781	\$0	\$1,453,781	8.42%	\$122,477	\$122,477	\$0
53	2431	AERIAL WIRE	\$0	\$0	\$0	2.2479	\$5,849,635	\$0	\$5,849,635	21.0%	\$5,849,635	\$5,849,635	\$0
54	2441	CONDUIT SYSTEMS	\$646,729	\$2,700	\$3,369,054	1.0000	\$47,114	\$0	\$47,114	21.0%	\$5,896	\$5,896	\$0
55	2410	TOTAL CABLE AND WIRE FACILITIES	\$3,371,754	\$2,700	\$3,369,054	1.0000	\$47,114	\$0	\$47,114	21.0%	\$5,896	\$5,896	\$0
56													
57	2690	INTANGIBLE ASSETS	\$47,114	\$0	\$47,114	1.0000	\$47,114	\$0	\$47,114	21.0%	\$5,896	\$5,896	\$0
58	240	TOTAL THIS BEFORE AMORTIZABLE ASSETS	\$7,916,969	\$3,732	\$7,913,334		\$10,664,349	\$0	\$10,664,349		\$1,165,157	\$1,165,157	\$4,771
59													
60													
61		PLANT SPECIFIC OPERATIONS:											
62	6112	NEW WORK SUPPORT EXPENSES:											
63	6114	MOTOR VEHICLE EXPENSES	\$6,734	\$0	\$6,734		\$6,734	\$0	\$6,734		\$6,734	\$6,734	\$23
64	6110	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$734	\$0	\$734		\$734	\$0	\$734		\$734	\$734	\$23
65		TOTAL NETWORK SUPPORT EXPENSES	\$7,468	\$0	\$7,468		\$7,468	\$0	\$7,468		\$7,468	\$7,468	\$23
66													
67		GENERAL SUPPORT EXPENSES:											
68	6121	LAND AND BUILDING EXPENSES	\$38,270	\$0	\$38,270		\$38,270	\$0	\$38,270		\$38,270	\$38,270	\$311
69	6122	FURNITURE AND ARTWORKS EXPENSES	\$615	\$0	\$615		\$615	\$0	\$615		\$615	\$615	\$11
70	6123	OFFICE EQUIPMENT EXPENSES	\$16,696	\$0	\$16,696		\$16,696	\$0	\$16,696		\$16,696	\$16,696	\$518
71	6124	GENERAL PURPOSE COMPUTERS EXPENSES (Note 1)	\$68,002	\$0	\$68,002		\$68,002	\$0	\$68,002		\$68,002	\$68,002	\$2,274
72	6120	TOTAL GENERAL SUPPORT EXPENSES	\$143,583	\$0	\$143,583		\$143,583	\$0	\$143,583		\$143,583	\$143,583	\$2,801
73		CENTRAL OFFICE SWITCHING EXPENSES:											
74	6211	ANALOG ELECTRONIC EXPENSES	\$48,076	\$0	\$48,076		\$48,076	\$0	\$48,076		\$48,076	\$48,076	\$0
75	6212	DIGITAL ELECTRONIC EXPENSES	\$48,076	\$0	\$48,076		\$48,076	\$0	\$48,076		\$48,076	\$48,076	\$0
76	6215	ELECTRO-MECHANICAL EXPENSES	\$2	\$0	\$2		\$2	\$0	\$2		\$2	\$2	\$0
77	6210	TOTAL CENTRAL OFFICE SWITCHING EXPENSES	\$48,850	\$0	\$48,850		\$48,850	\$0	\$48,850		\$48,850	\$48,850	\$0
78		OPERATOR SYSTEMS EXPENSES	\$2	\$0	\$2		\$2	\$0	\$2		\$2	\$2	\$0
79	6220	OPERATOR SYSTEMS EXPENSES	\$2	\$0	\$2		\$2	\$0	\$2		\$2	\$2	\$0
80													
81		CENTRAL OFFICE TRANSMISSION EXPENSES:											
82	6231	RADIO SYSTEMS EXPENSES	\$80	\$0	\$80		\$80	\$0	\$80		\$80	\$80	\$0
83	6232 257	CIRCUIT EQUIPMENT EXPENSES - 257	\$2,285	\$0	\$2,285		\$2,285	\$0	\$2,285		\$2,285	\$2,285	\$0
84	6232 (non 25)	CIRCUIT EQUIPMENT EXPENSES (non 257)	\$24,285	\$0	\$24,285		\$24,285	\$0	\$24,285		\$24,285	\$24,285	\$0
85	6230	TOTAL CENTRAL OFFICE TRANSMISSION EXPENSES	\$24,365	\$0	\$24,365		\$24,365	\$0	\$24,365		\$24,365	\$24,365	\$0
86													
87		INFORMATION ORIGINATOR EXPENSES:											
88	6311	STATION APPARATUS EXPENSES	\$5,407	\$0	\$5,407		\$5,407	\$0	\$5,407		\$5,407	\$5,407	\$0
89	6341	LARGE PRIVATE BRANCH EXCHANGE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
90	6351	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES	\$1,760	\$0	\$1,760		\$1,760	\$0	\$1,760		\$1,760	\$1,760	\$0
91	6362	OTHER TERMINAL EQUIPMENT EXPENSES	\$28,770	\$1,100	\$29,870		\$29,870	\$0	\$29,870		\$29,870	\$29,870	\$0
92	6310	TOTAL INFORMATION ORIGINATOR EXPENSES	\$33,937	\$1,100	\$35,037		\$35,037	\$0	\$35,037		\$35,037	\$35,037	\$0
93													
94		CABLE AND WIRE FACILITIES EXPENSES:											
95	6411	POLE EXPENSES	\$3,778	\$0	\$3,778		\$3,778	\$0	\$3,778		\$3,778	\$3,778	\$0
96	6421	AERIAL CABLE EXPENSES	\$75,990	\$3,375	\$79,365		\$79,365	\$0	\$79,365		\$79,365	\$79,365	\$0
97	6422	UNDERGROUND CABLE EXPENSES	\$20,198	\$2,827	\$23,025		\$23,025	\$0	\$23,025		\$23,025	\$23,025	\$0
98	6423	BURIED CABLE EXPENSES	\$53,219	\$2,096	\$55,315		\$55,315	\$0	\$55,315		\$55,315	\$55,315	\$0
99	6424	SUBMARINE CABLE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
100	6425	DEEP SEA CABLE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
101	6426	INTRABUILDING NETWORK CABLE EXPENSES	\$1,730	\$0	\$1,730		\$1,730	\$0	\$1,730		\$1,730	\$1,730	\$0
102	6431	AERIAL WIRE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
103	6441	CONDUIT SYSTEMS EXPENSES	\$2,053	\$0	\$2,053		\$2,053	\$0	\$2,053		\$2,053	\$2,053	\$0
104	6410	TOTAL CABLE AND WIRE FACILITIES EXPENSES	\$156,368	\$6,298	\$162,666		\$162,666	\$0	\$162,666		\$162,666	\$162,666	\$0
105													
106	650	TOTAL PLANT SPECIFIC OPERATIONS EXPENSES	\$419,061	\$10,087	\$429,148		\$429,148	\$0	\$429,148		\$429,148	\$429,148	\$81,591

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		Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	K	L=J+K	M=L+N	N
Line No.	Acct. No.	ITEMS	CLEC ADJ. NO. 3	Transit Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	CLEC ADJ. NO. 1	Total Forward Looking Costs	CLEC ADJ. NO. 2	Direct and Shared Common Costs	TOTAL DIRECT COSTS	CLEC ADJ. NO. 4
107													
108	6511	PLANT NONSPECIFIC OPERATIONS EXPENSES:											
109	6512	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	
110	6512	PROVISIONING EXPENSES	\$5,129	\$0	\$5,129		\$5,129	\$0	\$5,129		\$5,129	\$5,129	\$0
111	6510	OTHER PROPERTY, PLANT AND EQUIPMENT EXPENSES	\$5,129	\$0	\$5,129		\$5,129	\$0	\$5,129		\$5,129	\$5,129	\$0
112													
113	6531	POWER EXPENSES	\$12,793	\$0	\$12,793		\$12,793	\$12,793	\$12,793		\$12,793	\$12,793	\$0
114	6532	NETWORK ADMINISTRATION EXPENSES	\$9,622	\$0	\$9,622		\$9,622	\$9,622	\$9,622		\$9,622	\$9,622	\$0
115	6533	TESTING EXPENSES	\$47,853	\$2,048	\$45,804		\$45,804	\$45,804	\$45,804		\$45,804	\$45,804	\$0
116	6534	PLANT OPERATIONS ADMINISTRATION EXPENSES	\$51,471	\$3,559	\$47,912		\$47,912	\$47,912	\$47,912		\$47,912	\$47,912	\$0
117	6535	ENGINEERING EXPENSES	\$33,985	\$472	\$33,513		\$33,513	\$33,513	\$33,513		\$33,513	\$33,513	\$0
118													
119	6530	TOTAL NETWORK OPERATIONS EXPENSES	\$156,082	\$2,880	\$153,202		\$153,202	\$153,202	\$153,202		\$153,202	\$153,202	\$0
120													
121	6540	ACCESS EXPENSES	\$70,842	\$0	\$70,842		\$70,842		\$70,842		\$70,842	\$70,842	\$0
122													
123		DEPRECIATION AND AMORTIZATION EXPENSES:											
124	6561	DEPRECIATION - TELECOM PLANT IN SERVICE	\$508,608	\$0	\$508,608		\$508,608	\$508,608	\$508,608		\$508,608	\$508,608	\$0
125	6562	DEPRECIATION - PROP HELD FOR FUTURE TELECOM USE	\$485	\$0	\$485		\$485	\$485	\$485		\$485	\$485	\$0
126	6563	AMORTIZATION EXPENSE - TANGIBLE	\$17,793	\$0	\$17,793		\$17,793	\$17,793	\$17,793		\$17,793	\$17,793	\$0
127	6564	AMORTIZATION EXPENSE - INTANGIBLE	\$1,573	\$0	\$1,573		\$1,573	\$1,573	\$1,573		\$1,573	\$1,573	\$0
128	6565	TOTAL DEPRECIATION AND AMORTIZATION EXPENSES	\$528,439	\$0	\$528,439		\$528,439	\$528,439	\$528,439		\$528,439	\$528,439	\$0
129	6560												
130	690	TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSES	\$760,492	\$2,880	\$757,612		\$757,612	\$757,612	\$757,612		\$757,612	\$757,612	\$0
131													
132		MARKETING EXPENSES:											
133	6611	PRODUCT MANAGEMENT	\$46,511	\$0	\$46,511		\$46,511	\$46,511	\$46,511		\$46,511	\$46,511	\$0
134	6612	SALES	\$67,094	\$31	\$67,063		\$67,063	\$67,063	\$67,063		\$67,063	\$67,063	\$0
135	6613	PRODUCT ADVERTISING	\$6,112	\$0	\$6,112		\$6,112	\$6,112	\$6,112		\$6,112	\$6,112	\$0
136	6613	TOTAL MARKETING EXPENSES	\$119,717	\$31	\$119,686		\$119,686	\$119,686	\$119,686		\$119,686	\$119,686	\$0
137	6610												
138		SERVICES EXPENSES:											
139	6621	CALL COMPLETION SERVICES	\$5,042	\$143	\$4,899		\$4,899	\$4,899	\$4,899		\$4,899	\$4,899	\$0
140	6622	NUMBER SERVICES	\$19,741	\$378	\$19,363		\$19,363	\$19,363	\$19,363		\$19,363	\$19,363	\$0
141	6623	CUSTOMER SERVICES	\$183,505	\$1,890	\$181,615		\$181,615	\$181,615	\$181,615		\$181,615	\$181,615	\$0
142	6623	TOTAL SERVICES EXPENSES	\$208,288	\$2,409	\$205,879		\$205,879	\$205,879	\$205,879		\$205,879	\$205,879	\$0
143	6620												
144		TOTAL CUSTOMER OPERATIONS EXPENSES	\$328,036	\$2,440	\$325,596		\$325,596	\$325,596	\$325,596		\$325,596	\$325,596	\$0
145	700												
146		EXECUTIVE AND PLANNING EXPENSES:											
147	6711	EXECUTIVE	\$4,178	\$0	\$4,178		\$4,178	\$4,178	\$4,178		\$4,178	\$4,178	\$0
148	6712	PLANNING	\$5	\$0	\$5		\$5	\$5	\$5		\$5	\$5	\$0
149	6712	TOTAL EXECUTIVE AND PLANNING EXPENSES	\$4,183	\$0	\$4,183		\$4,183	\$4,183	\$4,183		\$4,183	\$4,183	\$0
150	6710												
151		GENERAL AND ADMINISTRATIVE EXPENSES:											
152	6721	ACCOUNTING AND FINANCE	\$24,041	\$1	\$24,040		\$24,040	\$24,040	\$24,040		\$24,040	\$24,040	\$0
153	6722	EXTERNAL RELATIONS	\$12,514	\$12	\$12,502		\$12,502	\$12,502	\$12,502		\$12,502	\$12,502	\$0
154	6723	HUMAN RESOURCES	\$38,114	\$2	\$38,112		\$38,112	\$38,112	\$38,112		\$38,112	\$38,112	\$0
155	6724	INFORMATION MANAGEMENT ***	\$30,086	\$18	\$30,068		\$30,068	\$30,068	\$30,068		\$30,068	\$30,068	\$0
156	6725	LEGAL	\$7,959	\$0	\$7,959		\$7,959	\$7,959	\$7,959		\$7,959	\$7,959	\$0
157	6725	PROCUREMENT	\$2,239	\$0	\$2,239		\$2,239	\$2,239	\$2,239		\$2,239	\$2,239	\$0
158	6726	RESEARCH AND DEVELOPMENT	\$2,523	\$0	\$2,523		\$2,523	\$2,523	\$2,523		\$2,523	\$2,523	\$0
159	6727	OTHER GENERAL AND ADMINISTRATIVE ****	\$4,891	\$37	\$4,854		\$4,854	\$4,854	\$4,854		\$4,854	\$4,854	\$0
160	6728	TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	\$110,553	\$37	\$110,516		\$110,516	\$110,516	\$110,516		\$110,516	\$110,516	\$0
161	6720												
162		PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
163	6790												

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L-N	Note 3
Line No.	Acct. No.	ITEMS	CLEC ADJ. NO. 3	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	CLEC ADJ. NO. 1	Total Forward Looking Costs	CLEC ADJ. NO. 2	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	CLEC ADJ. NO. 4
164			Ohio Dec. 31, 2002 Booked Cost										TOTAL SHARED & COMMON COSTS
165	710	TOTAL CORPORATE OPERATIONS EXPENSES	\$114,636	\$71	\$114,764		\$114,764	\$0	\$114,764		\$114,764	\$24,617	\$90,148
166													
167	720	TOTAL OPERATING EXPENSES	\$1,623,025	\$15,479	\$1,607,546		\$1,607,546	-\$527,974	\$1,079,572		\$1,079,572	\$788,094	\$291,478
168													
169		TOTAL OPERATING EXPENSES EXCL. DEPR. & AMORT.	\$1,094,586	\$15,479	\$1,079,107		\$1,079,107	\$0	\$1,079,107		\$1,079,107	\$787,652	\$291,455
170		Ad Valorem Tax - (Note 2)											
171		Transition Benefit Obligation (TBO)											
172	5301/5302	Uncollectible Expense (Accounts 5301 & 5302)											
173													
174		Total Cost								Total Cost	\$2,244,729	\$2,092,265	\$157,855

Note 1: The calculations for the assignment of accounts 2124 and 6124 to Direct and Shared and Common categories and any adjustment to 6724 are displayed on the Inputs Tab.

Note 2: The calculations for the Ad Valorem Tax and the assignment to Direct and Shared and Common categories are displayed on the Inputs Tab.

Note 3: The calculation for the assignment of accounts 2111 through 2123, accounts 6112 through 6123, and account 6563 to the Shared and Common categories is displayed on the Inputs Tab.

May not add due to rounding to \$000.

Exhibit MS-4 (S&C)  
(Tab 3 - Calculations (CLEC #5))

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	N
Line No.	Acct. No.	ITEMS	CLEC ADJ. NO. 3 & 5	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BIC	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	CLEC ADJ. NO. 2	Direct and Shared & Common Costs	TOTAL DIRECT COMMON COSTS	CLEC ADJ. NO. 4
107													
108		PLANT NONSPECIFIC OPERATIONS EXPENSES:											
109	6511	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	
110	6512	PROVISIONING EXPENSES	\$5,129	\$0	\$5,129		\$5,129	\$0	\$5,129		\$5,129	\$5,129	\$0
111	6510	OTHER PROPERTY, PLANT AND EQUIPMENT EXPENSES	\$5,129	\$0	\$5,129		\$5,129	\$0	\$5,129		\$5,129	\$5,129	\$0
112													
113	6531	POWER EXPENSES	\$12,793	\$0	\$12,793		\$12,793	\$12,793	\$12,793		\$12,793	\$12,793	\$0
114	6532	NETWORK ADMINISTRATION EXPENSES	\$9,622	\$0	\$9,622		\$9,622	\$9,622	\$9,622		\$9,622	\$9,622	\$0
115	6533	TESTING EXPENSES	\$47,852	\$2,048	\$45,804		\$45,804	\$45,804	\$45,804		\$45,804	\$45,804	\$0
116	6534	PLANT OPERATIONS ADMINISTRATION EXPENSES	\$51,830	\$3,959	\$47,871		\$51,471	\$51,471	\$51,471		\$51,471	\$51,471	\$0
117	6535	ENGINEERING EXPENSES	\$33,985	\$472	\$33,513		\$33,513	\$33,513	\$33,513		\$33,513	\$33,513	\$0
118													
119	6530	TOTAL NETWORK OPERATIONS EXPENSES	\$156,082	\$2,880	\$153,202		\$153,202	\$0	\$153,202		\$153,202	\$153,202	\$0
120													
121	6540	ACCESS EXPENSES	\$70,842	\$0	\$70,842		\$70,842		\$70,842		\$70,842	\$70,842	\$0
122													
123		DEPRECIATION AND AMORTIZATION EXPENSES:											
124	6561	DEPRECIATION - TELECOM PLANT IN SERVICE	\$508,608	\$0	\$508,608		\$508,608	\$508,608	\$0				
125	6562	DEPRECIATION - PROP HELD FOR FUTURE TELECOM USE	\$0	\$0	\$0		\$0	\$0	\$0				
126	6563	AMORTIZATION EXPENSE - TANGIBLE	\$465	\$0	\$465		\$465	\$465	\$465		\$465	\$441	\$24
127	6564	AMORTIZATION EXPENSE - INTANGIBLE	\$17,793	\$0	\$17,793		\$17,793	\$17,793	\$0				
128	6565	AMORTIZATION EXPENSE - OTHER	\$1,573	\$0	\$1,573		\$1,573	\$1,573	\$0				
129	6560	TOTAL DEPRECIATION AND AMORTIZATION EXPENSES	\$528,439	\$0	\$528,439		\$528,439	\$527,974	\$465		\$465	\$441	\$24
130													
131	690	TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSES	\$760,492	\$2,880	\$757,612		\$757,612	\$527,974	\$229,638		\$229,638	\$229,615	\$24
132													
133		MARKETING EXPENSES:											
134	6611	PRODUCT MANAGEMENT	\$46,511	\$0	\$46,511		\$46,511	\$46,511	\$46,511		\$46,511	\$0	\$46,511
135	6612	SALES	\$67,125	\$31	\$67,094		\$67,094	\$67,094	\$67,094		\$67,094	\$0	\$67,094
136	6613	PRODUCT ADVERTISING	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
137	6610	TOTAL MARKETING EXPENSES	\$113,636	\$31	\$113,605		\$113,605	\$0	\$113,605		\$113,605	\$0	\$113,605
138													
139		SERVICES EXPENSES:											
140	6621	CALL COMPLETION SERVICES	\$5,042	\$143	\$4,899		\$4,899	\$4,899	\$4,899		\$4,899	\$4,899	\$0
141	6622	NUMBER SERVICES	\$19,741	\$378	\$19,363		\$19,363	\$19,363	\$19,363		\$19,363	\$19,363	\$0
142	6623	CUSTOMER SERVICES	\$183,505	\$1,890	\$181,615		\$181,615	\$181,615	\$181,615		\$181,615	\$181,615	\$0
143	6620	TOTAL SERVICES EXPENSES	\$208,288	\$2,409	\$205,879		\$205,879	\$0	\$205,879		\$205,879	\$205,879	\$0
144													
145	700	TOTAL CUSTOMER OPERATIONS EXPENSES	\$321,924	\$2,440	\$319,484		\$319,484	\$0	\$319,484		\$319,484	\$205,879	\$113,605
146													
147		EXECUTIVE AND PLANNING EXPENSES:											
148	6711	EXECUTIVE	\$4,178	\$0	\$4,178		\$4,178	\$4,178	\$4,178		\$4,178	\$490	\$3,282
149	6712	PLANNING	\$5	\$0	\$5		\$5	\$5	\$5		\$5	\$5	\$4
150	6710	TOTAL EXECUTIVE AND PLANNING EXPENSES	\$4,183	\$0	\$4,183		\$4,183	\$0	\$4,183		\$4,183	\$497	\$3,286
151													
152		GENERAL AND ADMINISTRATIVE EXPENSES:											
153	6721	ACCOUNTING AND FINANCE	\$24,041	\$1	\$24,040		\$24,040	\$24,040	\$24,040		\$24,040	\$5,157	\$18,883
154	6722	EXTERNAL RELATIONS	\$12,526	\$12	\$12,514		\$12,514	\$12,514	\$12,514		\$12,514	\$2,684	\$9,830
155	6723	HUMAN RESOURCES	\$38,114	\$2	\$38,112		\$38,112	\$38,112	\$38,112		\$38,112	\$8,175	\$29,937
156	6724	INFORMATION MANAGEMENT ***	\$30,086	\$18	\$30,068		\$30,068	\$0	\$30,068		\$30,068	\$6,453	\$23,633
157	6725	LEGAL	\$7,959	\$0	\$7,959		\$7,959	\$7,959	\$7,959		\$7,959	\$1,707	\$6,252
158	6726	PROCUREMENT	\$2,239	\$0	\$2,239		\$2,239	\$2,239	\$2,239		\$2,239	\$480	\$1,759
159	6727	RESEARCH AND DEVELOPMENT	\$2,523	\$0	\$2,523		\$2,523	\$2,523	\$2,523		\$2,523	\$541	\$1,982
160	6728	OTHER GENERAL AND ADMINISTRATIVE ****	\$4,840	\$37	\$4,803		\$4,803	\$0	\$4,803		\$4,803	\$1,478	\$3,325
161	6720	TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	\$110,653	\$71	\$110,582		\$110,582	\$0	\$110,582		\$110,582	\$22,720	\$86,862
162													
163	6790	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	Note 3
			<b>CLEC ADJ. NO. 3 &amp; 5</b>					<b>CLEC ADJ. NO. 1</b>		<b>CLEC ADJ. NO. 2</b>			<b>CLEC ADJ. NO. 4</b>
Line No.	Acct. No.	ITEMS	Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustment	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
164													
165	710	TOTAL CORPORATE OPERATIONS EXPENSES	\$114,636	\$11	\$114,764		\$114,764	\$0	\$114,764		\$114,764	\$24,617	\$90,148
166													
167	720	TOTAL OPERATING EXPENSES	\$1,616,913	\$15,479	\$1,601,434		\$1,601,434	-\$527,974	\$1,073,460		\$1,073,460	\$788,093	\$285,367
168													
169		TOTAL OPERATING EXPENSES EXCL. DEPR. & AMORT											
170		Ad Valorem Tax - (Note 2)											
171		Transition Benefit Obligation (TBO)	\$1,088,474	\$15,479	\$1,072,995		\$1,072,995	\$0	\$1,072,995		\$1,072,995	\$787,652	\$285,343
172	5301/5302	Uncollectible Expense (Accounts 5301 & 5302)											
173													
174		Total Cost								Total Cost	\$2,238,617	\$2,092,263	\$351,745

Note 1: The calculations for the assignment of accounts 2124 and 6124 to Direct and Shared and Common categories and any adjustment to 6724 are displayed on the Inputs Tab

Note 2: The calculations for the Ad Valorem Tax and the assignment to Direct and Shared and Common categories are displayed on the Inputs Tab

Note 3: The calculation for the assignment of accounts 2111 through 2123, accounts 6112 through 6123, and account 6563 to the Shared and Common categories is displayed on the Inputs Tab

May not add due to rounding to \$000

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source:	Input Tab 2	Input Tab 2	F-D-E	Input Tab 2	H = F * G	Input Tab 2	J = H * I	Input Tab 2	L = J * K	M = L * N	Note 3
Line No.	Acct. No.	ITEMS	GLEC ADJ. NOS. 3, 5, 8	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustment	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	GLEC ADJ. NO. 4 TOTAL SHARED & COMMON COSTS
1	2111	LAND	\$16,774		\$16,774	1.0000	\$16,774		\$16,774	10.40%	\$1,744	\$1,744	\$19
2	2112	MOTOR VEHICLES	\$71,054		\$71,054	1.0354	\$73,569		\$73,569	15.88%	\$11,681	\$11,681	\$37
3	2114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$60,205		\$60,205	1.1404	\$68,658		\$68,658	12.96%	\$8,895	\$8,895	\$0
4	2121	BUILDINGS	\$585,799		\$585,799	2.2729	\$1,331,463		\$1,331,463	9.51%	\$126,687	\$126,687	\$1,227
5	2122	FURNITURE	\$2,558		\$2,558	1.4556	\$3,723		\$3,723	9.30%	\$346	\$346	\$11
6	2123	OFFICE EQUIPMENT *	\$5,979		\$5,979	1.0324	\$6,171		\$6,171	15.58%	\$898	\$898	\$32
7	2124	GENERAL PURPOSE COMPUTERS (Note 1)	\$46,819		\$46,819	0.2717	\$12,715		\$12,715	18.37%	\$2,335	\$2,335	\$179
8	2110	TOTAL LAND & SUPPORT ASSETS	\$808,778		\$808,778		\$1,518,098		\$1,518,098		\$153,587	\$149,104	\$4,483
10													
11	2211	IPIS - CENTRAL OFFICE SWITCHING	\$8,657		\$8,657	-	\$0		\$0		\$0	\$0	\$0
12	2212	ANALOG ELECTRONIC SWITCHING	\$1,538,641		\$1,538,641	0.7245	\$1,114,839		\$1,114,839	10.92%	\$121,699	\$121,699	\$0
13	2210	TOTAL CENTRAL OFFICE SWITCHING	\$1,547,298		\$1,547,298		\$1,114,839		\$1,114,839		\$121,699	\$121,699	\$0
14													
15	2220	OPERATOR SYSTEMS	\$18,068		\$18,068	1.1601	\$20,961		\$20,961	13.72%	\$2,875	\$2,875	\$0
16													
17													
18	2231 167C	IPIS - CENTRAL OFFICE TRANSMISSION	\$7		\$7	1.0245	\$7		\$7		\$0	\$0	\$0
19	2231 67C	RADIO SYSTEMS-NON CELLULAR MOBILE	\$6,462		\$6,462	1.0245	\$6,641		\$6,641	13.72%	\$912	\$912	\$0
20	2231	RADIO SYSTEMS	\$6,469		\$6,469		\$6,641		\$6,641		\$912	\$912	\$0
21	2232	CIRCUIT EQUIPMENT	\$2,019,449		\$2,019,449	1.0164	\$2,052,768		\$2,052,768	19.04%	\$3,087	\$3,087	\$0
22	2232 157C	DIGITAL CIRCUIT EQUIPMENT	\$15,947		\$15,947	0.9713	\$895,890		\$895,890	13.06%	\$117,042	\$117,042	\$0
23	2232 257C	DIGITAL CIRCUIT EQUIPMENT	\$922,788		\$922,788	0.9713	\$898,910		\$898,910	13.06%	\$128,149	\$128,149	\$0
24	2232 357C	DIGITAL CIRCUIT EQUIPMENT	\$1,010,322		\$1,010,322	0.9713	\$898,910		\$898,910	13.06%	\$128,149	\$128,149	\$0
25	2232 57C	ANALOG CIRCUIT EQUIPMENT	\$70,781		\$70,781	1.0179	\$72,048		\$72,048	38.07%	\$27,426	\$27,426	\$0
26	2230	TOTAL CENTRAL OFFICE TRANSMISSION	\$2,025,336		\$2,025,336		\$1,971,705		\$1,971,705		\$275,703	\$275,703	\$0
28													
29	2311	STATION APPARATUS	\$0		\$0	-	\$0		\$0	0.00%	\$0	\$0	\$0
30	2321	CUSTOMER PREMISES WIRING	\$0		\$0		\$0		\$0		\$0	\$0	\$0
31	2321	LARGE PRIVATE BRANCH EXCHANGES	\$0		\$0		\$0		\$0	24.84%	\$0	\$0	\$0
32	2351	PUBLIC TELEPHONE TERMINAL EQUIPMENT	\$0		\$0	1.1244	\$11,004		\$11,004	14.03%	\$2,734	\$2,734	\$0
33	2362	OTHER TERMINAL EQUIPMENT	\$11,264		\$11,264	0.9770	\$11,004		\$11,004	24.84%	\$2,734	\$2,734	\$0
34	2310	TOTAL INFORMATION ORIGIN/TERMINATION	\$11,264		\$11,264		\$11,004		\$11,004		\$2,734	\$2,734	\$0
35													
36													
37	2411	POLES	\$138,960		\$138,960	2.9942	\$408,657		\$408,657	10.69%	\$43,675	\$43,675	\$0
38	2421	AERIAL CABLE	\$818,450		\$818,450		\$58,870		\$58,870	11.51%	\$6,774	\$6,774	\$0
39	2421 822C	AERIAL CABLE - NON-METALLIC	\$53,353		\$53,353	1.1034	\$58,870		\$58,870	11.51%	\$6,774	\$6,774	\$0
40	2421 22C	AERIAL CABLE - METALLIC	\$764,097		\$764,097	1.7128	\$1,309,723		\$1,309,723	11.51%	\$150,716	\$150,716	\$0
41	2422	UNDERGROUND CABLE	\$709,185		\$709,185		\$202,818		\$202,818	10.09%	\$20,456	\$20,456	\$0
42	2422 85C	UNDERGROUND CABLE - NON-METALLIC	\$188,010		\$188,010	1.0800	\$202,818		\$202,818	10.09%	\$20,456	\$20,456	\$0
43	2422 3C	UNDERGROUND CABLE - METALLIC	\$521,175		\$521,175	1.8811	\$979,640		\$979,640	9.35%	\$91,607	\$91,607	\$0
44	2423	BURIED CABLE	\$960,292		\$960,292		\$0		\$0		\$13,708	\$13,708	\$0
45	2423 845C	BURIED CABLE - NON-METALLIC	\$111,441		\$111,441	1.1034	\$122,964		\$122,964	11.15%	\$13,708	\$13,708	\$0
46	2423 45C	BURIED CABLE - METALLIC	\$848,851		\$848,851	1.3471	\$1,142,553		\$1,142,553	10.10%	\$115,417	\$115,417	\$0
47	2424	SUBMARINE CABLE	\$410		\$410		\$0		\$0				

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
Line No.	Acct. No.	Source	Input Tab 2	Input Tab 2	F= D-E	Input Tab 2	H= F*G	Input Tab 2	J= H+I	Input Tab 2	L= J*K	M= L-N	Note 3
			<b>CLEC ADJ. NOS. 3, 5, 8</b>	<b>CLEC ADJ. NO. 8</b>				<b>CLEC ADJ. NO. 1</b>		<b>CLEC ADJ. NO. 2</b>			<b>CLEC ADJ. NO. 4</b>
			Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
48	2424.86C	SUBMARINE CABLE - NON-METALLIC	\$0		\$0								
49	2424.8C	SUBMARINE CABLE - METALLIC	\$410		\$410	4.4125	\$1,811		\$1,811	0.00%	\$0	\$0	\$0
50	2426	INTRABUILDING NETWORK CABLE	\$99,132		\$0		\$0		\$0				\$0
51	2426.462C	INTRABUILDING NETWORK CABLE - NON-METALLIC	\$6,809		\$6,809	1.1034	\$7,623		\$7,623	11.27%	\$459	\$459	\$0
52	2426.442C	INTRABUILDING NETWORK CABLE - METALLIC	\$92,223		\$92,223	1.7476	\$161,170		\$161,170	11.27%	\$18,161	\$18,161	\$0
53	2431	AERIAL WIRE	\$0		\$0		\$0		\$0				\$0
54	2441	CONDUIT SYSTEMS	\$646,721		\$646,721	2.2479	\$1,453,763		\$1,453,763	8.42%	\$122,475	\$122,475	\$0
55	2410	TOTAL CABLE AND WIRE FACILITIES	\$3,371,730	\$2,700	\$3,369,030		\$5,849,562		\$5,849,562		\$583,848	\$583,848	\$0
56													
57	2690	INTANGIBLE ASSETS	\$47,090	\$0	\$47,090	1.0000	\$47,090		\$47,090	21.9%	\$9,881	\$9,881	\$0
58	240	TOTAL TFS (BEFORE AMORTIZABLE ASSETS)	\$7,838,765	\$0	\$7,825,130		\$10,533,289		\$10,533,289		\$1,150,328	\$1,145,845	\$4,483
59													
60		<b>PLANT SPECIFIC OPERATIONS</b>											
61		<b>NETWORK SUPPORT EXPENSES</b>											
62	6112	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$5,803	\$0	\$5,803		\$5,803		\$5,803		\$5,803	\$5,780	\$23
63	6114	TOTAL NETWORK SUPPORT EXPENSES	\$5,803	\$0	\$5,803		\$5,803		\$5,803		\$5,803	\$5,780	\$23
64	6110	TOTAL NETWORK SUPPORT EXPENSES	\$5,803	\$0	\$5,803		\$5,803		\$5,803		\$5,803	\$5,780	\$23
65													
66		<b>GENERAL SUPPORT EXPENSES</b>											
67	6121	LAND AND BUILDING EXPENSES	\$35,470	\$0	\$35,470		\$35,470		\$35,470		\$35,470	\$35,159	\$311
68	6122	FURNITURE AND FIXTURES EXPENSES	\$533	\$0	\$533		\$533		\$533		\$533	\$522	\$11
69	6123	OFFICE EQUIPMENT EXPENSES	\$14,358	\$0	\$14,358		\$14,358		\$14,358		\$14,358	\$13,039	\$519
70	6124	GENERAL PURPOSE COMPUTERS EXPENSES (Note 1)	\$79,758	\$0	\$79,758		\$79,758		\$79,758		\$79,758	\$7,109	\$72,649
71	6120	TOTAL GENERAL SUPPORT EXPENSES	\$130,119	\$0	\$130,119		\$130,119		\$130,119		\$130,119	\$56,630	\$73,489
72													
73	6211	CENTRAL OFFICE SWITCHING EXPENSES	\$772	\$0	\$772		\$772		\$772		\$772	\$772	\$0
74	6212	ANALOG ELECTRONIC EXPENSES	\$44,416	\$1,647	\$44,416		\$44,416		\$44,416		\$44,416	\$44,416	\$0
75	6215	DIGITAL ELECTRONIC EXPENSES	\$2	\$0	\$2		\$2		\$2		\$2	\$2	\$0
76	6210	TOTAL CENTRAL OFFICE SWITCHING EXPENSES	\$46,837	\$1,647	\$45,190		\$45,190		\$45,190		\$45,190	\$45,190	\$0
77													
78	6220	OPERATOR SYSTEMS EXPENSES	\$2	\$0	\$2		\$2		\$2		\$2	\$2	\$0
79													
80		<b>CENTRAL OFFICE TRANSMISSION EXPENSES</b>											
81		<b>RADIO SYSTEMS EXPENSES</b>											
82	6231	CIRCUIT EQUIPMENT EXPENSES - 257	\$80	\$0	\$80		\$80		\$80		\$80	\$80	\$0
83	6232.257	CIRCUIT EQUIPMENT EXPENSES (non 257)	\$6,047	\$168	\$6,047		\$6,047		\$6,047		\$6,047	\$6,047	\$0
84	6232 (non 257)	CIRCUIT EQUIPMENT EXPENSES (non 257)	\$24,284	\$773	\$24,284		\$24,284		\$24,284		\$24,284	\$24,284	\$0
85	6230	TOTAL CENTRAL OFFICE TRANSMISSION EXPENSES	\$31,135	\$1,041	\$30,411		\$30,411		\$30,411		\$30,411	\$30,411	\$0
86													
87		<b>INFORMATION ORIGINATOR EXPENSES</b>											
88	6311	STATION APPARATUS EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
89	6341	LARGE PRIVATE BRANCH EXCHANGE EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
90	6351	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
91	6362	OTHER TERMINAL EQUIPMENT EXPENSES	\$9,366	\$385	\$9,366		\$9,366		\$9,366		\$9,366	\$9,366	\$0
92	6310	TOTAL INFORMATION ORIGINATOR EXPENSES	\$9,366	\$385	\$9,366		\$9,366		\$9,366		\$9,366	\$9,366	\$0
93													
94		<b>CABLE AND WIRE FACILITIES EXPENSES</b>											
95	6411	POLE EXPENSES	\$3,778	\$0	\$3,778		\$3,778		\$3,778		\$3,778	\$3,778	\$0
96	6421	AERIAL CABLE EXPENSES	\$75,390	\$3,375	\$72,015		\$72,015		\$72,015		\$72,015	\$72,015	\$0
97	6422	UNDERGROUND CABLE EXPENSES	\$30,194	\$27	\$30,167		\$30,167		\$30,167		\$30,167	\$30,167	\$0
98	6423	BURIED CABLE EXPENSES	\$53,219	\$2,096	\$51,123		\$51,123		\$51,123		\$51,123	\$51,123	\$0
99	6424	SUBMARINE CABLE EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
100	6425	DEEP SEA CABLE EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
101	6426	INTRABUILDING NETWORK CABLE EXPENSES	\$1,730	\$0	\$1,730		\$1,730		\$1,730		\$1,730	\$1,730	\$0
102	6431	CONDUIT WIRE EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
103	6441	CONDUIT SYSTEMS EXPENSES	\$2,053	\$0	\$2,053		\$2,053		\$2,053		\$2,053	\$2,053	\$0
104	6410	TOTAL CABLE AND WIRE FACILITIES EXPENSES	\$150,368	\$6,298	\$150,070		\$150,070		\$150,070		\$150,070	\$150,070	\$0
105													
106	650	TOTAL PLANT SPECIFIC OPERATIONS EXPENSES	\$380,639	\$9,372	\$371,267		\$371,267		\$371,267		\$371,267	\$371,267	\$73,512

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				Input Tab 2	Input Tab 2	F=J-E	Input Tab 2	H=F*G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	Note 3
				CLEC ADJ. NOS. 3, 5, 8	CLEC ADJ. NO. 6	Booked Costs Less TBO	CC/BC	Current Cost	CLEC ADJ. NO. 1	Total Forward Looking Costs	CLEC ADJ. NO. 2	Direct and Shared Common Costs	TOTAL DIRECT COMMON COSTS	CLEC ADJ. NO. 4
Line No.	Acct. No.	ITEMS		Ohio Dec 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)				Forward Looking Adjustmt		Cap Cost Factor Applies Only To Investment			TOTAL SHARED & COMMON COSTS
107														
108		PLANT NONSPECIFIC OPERATIONS EXPENSES:												
109	6511	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES		\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
110	6512	PROVISIONING EXPENSES		\$4,787	\$0	\$4,787		\$4,787	\$0	\$4,787		\$4,787	\$4,787	\$0
111	6510	OTHER PROPERTY, PLANT AND EQUIPMENT EXPENSES		\$4,787	\$0	\$4,787		\$4,787	\$0	\$4,787		\$4,787	\$4,787	\$0
112														
113	6531	POWER EXPENSES		\$12,787	\$0	\$12,787		\$12,787	\$12,787	\$12,787		\$12,787	\$12,787	\$0
114	6532	NETWORK ADMINISTRATION EXPENSES		\$9,621	\$0	\$9,621		\$9,621	\$9,621	\$9,621		\$9,621	\$9,621	\$0
115	6533	TESTING EXPENSES		\$33,991	\$1,530	\$33,991		\$33,991	\$33,991	\$33,991		\$33,991	\$33,991	\$0
116	6534	PLANT OPERATIONS ADMINISTRATION EXPENSES		\$48,145	\$334	\$47,811		\$47,811	\$47,811	\$47,811		\$47,811	\$47,811	\$0
117	6535	ENGINEERING EXPENSES		\$32,429	\$448	\$31,880		\$31,880	\$31,880	\$31,880		\$31,880	\$31,880	\$0
118														
119	6530	TOTAL NETWORK OPERATIONS EXPENSES		\$138,393	\$2,303	\$136,090		\$136,090	\$0	\$136,090		\$136,090	\$136,090	\$0
120														
121	6540	ACCESS EXPENSES		\$70,842	\$0	\$70,842		\$70,842		\$70,842		\$70,842	\$70,842	\$0
122														
123		DEPRECIATION AND AMORTIZATION EXPENSES:												
124	6561	DEPRECIATION - TELECOM PLANT IN SERVICE		\$504,172	\$0	\$504,172		\$504,172	\$504,172	\$0				
125	6562	DEPRECIATION - PROPERTY HELD FOR FUTURE TELECOM USE		\$0	\$0	\$0		\$0		\$0				
126	6563	AMORTIZATION EXPENSE - INTANGIBLE		\$435	\$0	\$435		\$435	\$435	\$435		\$435	\$435	\$24
127	6564	AMORTIZATION EXPENSE - OTHER		\$17,785	\$0	\$17,785		\$17,785	\$17,785	\$0				
128	6565	TOTAL DEPRECIATION AND AMORTIZATION EXPENSES		\$523,827	\$0	\$523,827		\$523,827	\$523,827	\$435		\$435	\$435	\$24
129														
130														
131	690	TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSES		\$737,849	\$2,303	\$735,546		\$735,546	\$523,392	\$212,154		\$212,154	\$212,131	\$24
132														
133		MARKETING EXPENSES:												
134	6611	PRODUCT MANAGEMENT		\$46,511	\$0	\$46,511		\$46,511	\$46,511	\$46,511		\$46,511	\$46,511	\$0
135	6612	SALES		\$67,125	\$26	\$67,099		\$67,099	\$67,099	\$67,099		\$67,099	\$67,099	\$0
136	6613	PRODUCT ADVERTISING		\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
137	6610	TOTAL MARKETING EXPENSES		\$113,636	\$26	\$113,610		\$113,610	\$0	\$113,610		\$113,610	\$113,610	\$0
138														
139		SERVICES EXPENSES:												
140	6621	CALL COMPLETION SERVICES		\$5,042	\$143	\$4,899		\$4,899		\$4,899		\$4,899	\$4,899	\$0
141	6622	NUMBER SERVICES		\$16,015	\$308	\$15,710		\$15,710	\$15,710	\$15,710		\$15,710	\$15,710	\$0
142	6623	CUSTOMER SERVICES		\$154,049	\$1,908	\$152,463		\$152,463	\$152,463	\$152,463		\$152,463	\$152,463	\$0
143	6620	TOTAL SERVICES EXPENSES		\$175,106	\$2,035	\$173,071		\$173,071	\$0	\$173,071		\$173,071	\$173,071	\$0
144														
145	700	TOTAL CUSTOMER OPERATIONS EXPENSES		\$288,742	\$2,001	\$286,681		\$286,681	\$0	\$286,681		\$286,681	\$173,071	\$113,610
146														
147		EXECUTIVE AND PLANNING EXPENSES:												
148	6711	EXECUTIVE		\$3,648	\$0	\$3,648		\$3,648		\$3,648		\$3,648	\$3,648	\$2,866
149	6712	PLANNING		\$4	\$0	\$4		\$4	\$4	\$4		\$4	\$4	\$3
150	6710	TOTAL EXECUTIVE AND PLANNING EXPENSES		\$3,653	\$0	\$3,653		\$3,653	\$0	\$3,653		\$3,653	\$3,653	\$2,869
151														
152		GENERAL AND ADMINISTRATIVE EXPENSES:												
153	6721	ACCOUNTING AND FINANCE		\$20,994	\$1	\$20,994		\$20,994		\$20,994		\$20,994	\$4,503	\$16,491
154	6722	EXTERNAL RELATIONS		\$10,929	\$10	\$10,929		\$10,929	\$10,929	\$10,929		\$10,929	\$2,344	\$8,585
155	6723	HUMAN RESOURCES		\$33,283	\$2	\$33,283		\$33,283	\$33,283	\$33,283		\$33,283	\$7,139	\$26,143
156	6724	INFORMATION MANAGEMENT ***		\$26,290	\$15	\$26,275		\$26,275	\$0	\$26,275		\$26,275	\$5,636	\$20,639
157	6725	LEGAL		\$6,951	\$0	\$6,951		\$6,951	\$6,951	\$6,951		\$6,951	\$1,491	\$5,460
158	6726	PROCUREMENT		\$1,955	\$0	\$1,955		\$1,955	\$1,955	\$1,955		\$1,955	\$419	\$1,536
159	6727	RESEARCH AND DEVELOPMENT		\$2,203	\$0	\$2,203		\$2,203	\$2,203	\$2,203		\$2,203	\$473	\$1,731
160	6728	OTHER GENERAL AND ADMINISTRATIVE ****		\$5,915	\$31	\$5,884		\$5,884	\$0	\$5,884		\$5,884	\$1,291	\$4,593
161	6720	TOTAL GENERAL AND ADMINISTRATIVE EXPENSES		\$96,532	\$40	\$96,572		\$96,572	\$0	\$96,572		\$96,572	\$20,715	\$75,857
162														
163	6790	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE		\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	Note 3
			CLEC ADJ. NOS. 3, 5, 8	CLEC ADJ. NO. 8				CLEC ADJ. NO. 1		CLEC ADJ. NO. 2			CLEC ADJ. NO. 4
Line No.	Acct. No.	ITEMS	Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
164	710	TOTAL CORPORATE OPERATIONS EXPENSES	\$100,285	\$40	\$100,225		\$100,225	\$0	\$100,225		\$100,225	\$21,498	\$78,727
166													
167	720	TOTAL OPERATING EXPENSES	\$1,507,515	\$13,795	\$1,493,720		\$1,493,720	-\$523,392	\$970,328		\$970,328	\$704,455	\$265,872
168													
169		TOTAL OPERATING EXPENSES EXCL. DEPR. & AMORT											
170		Ad Valorem Tax - (Note 2)											
171		Transition Benefit Obligation (TBO)	\$993,688	\$13,795	\$969,893		\$969,893	\$0	\$969,893		\$969,893	\$704,044	\$265,849
172	5301/5302	Uncollectible Expense (Accounts 5301 & 5302)											
173													
174		Total Cost								Total Cost	\$2,120,655	\$1,991,964	\$331,924

Note 1: The calculations for the assignment of accounts 2124 and 6124 to Direct and Shared and Common categories and any adjustment to 6724 are displayed on the Inputs Tab

Note 2: The calculations for the Ad Valorem Tax and the assignment to Direct and Shared and Common categories are displayed on the Inputs Tab

Note 3: The calculation for the assignment of accounts 2111 through 2123, accounts 6112 through 6123, and account 6563 to the Shared and Common categories is displayed on the Inputs Tab

May not add due to rounding to \$'000

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source:	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F*G	Input Tab 2	J=H+I	Input Tab 2	L=J*K	M=L-N	Note 3
			GLEC ADJ. NOS. 3, 5, 8	GLEC ADJ. NO. 8				GLEC ADJ. NO. 1		GLEC ADJ. NO. 2			GLEC ADJ. NO. 4
Line No.	Acct. No.	ITEMS	Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
1	2111	LAND	\$18,774		\$16,774	1.0000	\$16,774		\$16,774	10.40%	\$1,744	\$1,725	\$19
2	2112	MOTOR VEHICLES	\$71,054		\$71,054	1.0354	\$73,569		\$73,569	15.88%	\$11,681	\$11,644	\$37
3	2114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$60,205		\$60,205	1.1404	\$68,658		\$68,658	12.96%	\$8,895	\$8,895	\$0
4	2121	BUILDINGS	\$585,799		\$585,799	2.2729	\$1,331,463		\$1,331,463	9.51%	\$126,887	\$125,460	\$1,227
5	2122	FURNITURE	\$2,558		\$2,558	1.4556	\$3,723		\$3,723	9.30%	\$346	\$335	\$11
6	2123	OFFICE EQUIPMENT *	\$5,579		\$5,579	1.0324	\$5,760		\$5,760	15.58%	\$898	\$865	\$33
7	2124	GENERAL PURPOSE COMPUTERS (Note 1)	\$68,810		\$68,810	0.2717	\$18,152		\$18,152	18.37%	\$3,335	\$3,179	\$156
8	2110	TOTAL LAND & SUPPORT ASSETS	\$808,778	\$0	\$808,778		\$1,518,098	\$0	\$1,518,098		\$153,587	\$149,104	\$4,483
9													
10													
11	2211	TPIS - CENTRAL OFFICE SWITCHING:	\$6,657		\$6,657		\$0		\$0		\$0	\$0	\$0
12	2212	ANALOG ELECTRONIC SWITCHING:	\$1,538,841	\$70	\$1,538,771	0.7245	\$1,114,839		\$1,114,839	10.92%	\$121,699	\$121,699	\$0
13	2210	DIGITAL ELECTRONIC SWITCHING	\$1,545,498	\$70	\$1,545,427		\$1,114,839		\$1,114,839		\$121,699	\$121,699	\$0
14		TOTAL CENTRAL OFFICE SWITCHING					\$0		\$0				\$0
15	2220	OPERATOR SYSTEMS	\$18,068		\$18,068	1.1601	\$20,961		\$20,961	13.72%	\$2,875	\$2,875	\$0
16													
17		TPIS - CENTRAL OFFICE TRANSMISSION:	\$7		\$7		\$7		\$7				
18	2231.67C	RADIO SYSTEMS-NON CELLULAR MOBILE	\$6,483		\$6,483	1.0245	\$6,641		\$6,641	13.72%	\$911	\$890	\$21
19	2231.67C	RADIO SYSTEMS-OTHER RADIO FACILITIES	\$6,483		\$6,483	1.0245	\$6,641		\$6,641	13.72%	\$911	\$890	\$21
20	2232	CIRCUIT EQUIPMENT	\$3,019,419	\$865	\$3,018,554		\$0		\$0				\$0
21	2232	DIGITAL CIRCUIT EQUIPMENT	\$13,847		\$13,847	1.0164	\$16,209		\$16,209	19.04%	\$3,087	\$3,087	\$0
22	2232.157C	DIGITAL CIRCUIT EQUIPMENT	\$922,798	\$436	\$922,362	0.9713	\$895,690		\$895,690	13.06%	\$117,042	\$117,042	\$0
23	2232.257C	DIGITAL CIRCUIT EQUIPMENT	\$1,010,232	\$428	\$1,009,804	0.9713	\$980,910		\$980,910	13.06%	\$128,149	\$128,149	\$0
24	2232.357C	DIGITAL CIRCUIT EQUIPMENT	\$1,010,232	\$428	\$1,009,804	0.9713	\$980,910		\$980,910	13.06%	\$128,149	\$128,149	\$0
25	2232.57C	ANALOG CIRCUIT EQUIPMENT	\$70,781		\$70,781	1.0179	\$72,048		\$72,048	38.07%	\$27,426	\$27,426	\$0
26	2230	TOTAL CENTRAL OFFICE TRANSMISSION	\$3,026,338	\$865	\$3,025,473		\$1,971,705	\$0	\$1,971,705		\$275,703	\$275,703	\$0
27													
28		TPIS - INFORMATION ORIGIN/TERM:											
29	2311	STATION APPARATUS	\$0		\$0		\$0		\$0	0.00%	\$0	\$0	\$0
30	2321	CUSTOMER PREMISES WIRING	\$0		\$0		\$0		\$0	24.84%	\$0	\$0	\$0
31	2341	LARGE PRIVATE BRANCH EXCHANGES	\$0		\$0		\$0		\$0	14.03%	\$0	\$0	\$0
32	2351	PUBLIC TELEPHONE TERMINAL EQUIPMENT	\$0		\$0	1.1244	\$11,004		\$11,004	24.84%	\$2,734	\$2,734	\$0
33	2362	OTHER TERMINAL EQUIPMENT	\$11,264	\$0	\$11,264	0.9770	\$11,004		\$11,004		\$2,734	\$2,734	\$0
34	2310	TOTAL INFORMATION ORIGIN/TERMINATION	\$11,264	\$0	\$11,264		\$11,004	\$0	\$11,004		\$2,734	\$2,734	\$0
35													
36		TPIS - CABLE & WIRE FACILITIES:											
37	2411	POLES	\$136,560	\$77	\$136,483	2.9942	\$408,657		\$408,657	10.69%	\$43,675	\$43,675	\$0
38	2421	AERIAL CABLE	\$19,456		\$19,456		\$0		\$0				\$0
39	2421.822C	AERIAL CABLE - NON-METALLIC	\$53,353		\$53,353	1.1034	\$58,870		\$58,870	11.51%	\$6,774	\$6,774	\$0
40	2421.22C	AERIAL CABLE - METALLIC	\$766,097	\$1,349	\$764,747	1.7128	\$1,309,723		\$1,309,723	11.51%	\$150,716	\$150,716	\$0
41	2422	UNDERGROUND CABLE	\$709,185	\$590	\$708,595		\$0		\$0				\$0
42	2422.85C	UNDERGROUND CABLE - NON-METALLIC	\$188,010	\$215	\$187,795	1.0800	\$202,818		\$202,818	10.09%	\$20,456	\$20,456	\$0
43	2422.9C	UNDERGROUND CABLE - METALLIC	\$551,155	\$375	\$550,780	1.8811	\$979,640		\$979,640	9.35%	\$91,607	\$91,607	\$0
44	2423	BURIED CABLE	\$900,252	\$693	\$899,559		\$0		\$0				\$0
45	2423.845C	BURIED CABLE - NON-METALLIC	\$111,441		\$111,441	1.1034	\$122,964		\$122,964	11.15%	\$13,708	\$13,708	\$0
46	2423.45C	BURIED CABLE - METALLIC	\$848,158	\$693	\$847,465	1.3471	\$1,142,553		\$1,142,553	10.10%	\$115,417	\$115,417	\$0
47	2424	SUBMARINE CABLE	\$410	\$0	\$410		\$0		\$0				\$0

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
Line No.	Acct. No.	Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	Note 3
			<b>CLEC ADJ. NOS. 3, 5, 8</b>	<b>CLEC ADJ. NO. 8</b>				<b>CLEC ADJ. NO. 1</b>		<b>CLEC ADJ. NO. 2</b>			<b>CLEC ADJ. NO. 4</b>
			Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CCBC	Current Cost	Forward Looking Adjustm	Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
48	2424.80C	SUBMARINE CABLE - NON-METALLIC	\$0	\$0	\$0	4,412.5	\$0	\$0	\$0	0.00%	\$0	\$0	\$0
49	2424.8C	SUBMARINE CABLE - METALLIC	\$410	\$0	\$410	4,412.5	\$1,811	\$0	\$1,811	0.00%	\$0	\$0	\$0
50	2426	INTRABUILDING NETWORK CABLE	\$99,137	\$0	\$0		\$0	\$0	\$0				\$0
51	2426.462C	INTRABUILDING NETWORK CABLE - NON-METALLIC	\$4,909	\$0	\$4,909	1,103.4	\$7,623	\$0	\$7,623	11.27%	\$859	\$859	\$0
52	2426.442C	INTRABUILDING NETWORK CABLE - METALLIC	\$93,223	\$0	\$93,223	1,147.6	\$18,170	\$0	\$18,170	11.27%	\$18,181	\$18,181	\$0
53	2431	AERIAL WIRE	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
54	2441	CONDUIT SYSTEMS	\$646,721	\$0	\$646,721	2,247.9	\$1,453,763	\$0	\$1,453,763	8.42%	\$122,475	\$122,475	\$0
55	2410	TOTAL CABLE AND WIRE FACILITIES	<b>\$3,371,130</b>	<b>\$2,700</b>	<b>\$3,369,030</b>		<b>\$5,849,592</b>	<b>\$0</b>	<b>\$5,849,592</b>		<b>\$583,848</b>	<b>\$583,848</b>	<b>\$0</b>
56	2690	INTANGIBLE ASSETS	\$47,090	\$0	\$47,090	1,000.0	\$47,090	\$0	\$47,090	21.0%	\$9,881	\$9,881	\$0
58	240	TOTAL THIS BEFORE AMORTIZABLE ASSETS)	<b>\$7,871,785</b>	<b>\$0</b>	<b>\$7,871,785</b>		<b>\$10,533,289</b>	<b>\$0</b>	<b>\$10,533,289</b>		<b>\$1,145,845</b>	<b>\$1,145,845</b>	<b>\$4,483</b>
59													
60		<b>PLANT SPECIFIC OPERATIONS</b>											
61		<b>NEWTRON SUPPORT EXPENSES</b>											
62	6112	MOTOR VEHICLE EXPENSES	\$3,803	\$0	\$3,803		\$5,803	\$0	\$5,803		\$5,803	\$5,803	\$23
63	6114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$4,095	\$0	\$4,095		\$692	\$0	\$692		\$692	\$692	\$0
64	6110	TOTAL NETWORK SUPPORT EXPENSES	<b>\$7,898</b>	<b>\$0</b>	<b>\$7,898</b>		<b>\$6,495</b>	<b>\$0</b>	<b>\$6,495</b>		<b>\$6,495</b>	<b>\$6,495</b>	<b>\$23</b>
65													
66		<b>GENERAL SUPPORT EXPENSES</b>											
67	6121	LAND AND BUILDING EXPENSES	\$35,470	\$0	\$35,470		\$35,470	\$0	\$35,470		\$35,470	\$35,470	\$311
68	6122	FURNITURE AND ARTWORKS EXPENSES	\$533	\$0	\$533		\$533	\$0	\$533		\$533	\$533	\$11
69	6123	OFFICE EQUIPMENT EXPENSES	\$14,358	\$0	\$14,358		\$14,358	\$0	\$14,358		\$14,358	\$14,358	\$519
70	6124	GENERAL PURPOSE COMPUTERS EXPENSES (Note 1)	\$79,758	\$0	\$79,758		\$79,758	\$0	\$79,758		\$79,758	\$79,758	\$7,109
71	6120	TOTAL GENERAL SUPPORT EXPENSES	<b>\$130,119</b>	<b>\$0</b>	<b>\$130,119</b>		<b>\$130,119</b>	<b>\$0</b>	<b>\$130,119</b>		<b>\$130,119</b>	<b>\$130,119</b>	<b>\$72,849</b>
72													
73		<b>CENTRAL OFFICE SWITCHING EXPENSES</b>											
74	6211	ANALOG ELECTRONIC EXPENSES	\$772	\$0	\$772		\$772	\$0	\$772		\$772	\$772	\$0
75	6212	DIGITAL ELECTRONIC EXPENSES	\$44,416	\$1,647	\$42,769		\$44,416	\$0	\$44,416		\$44,416	\$44,416	\$0
76	6215	ELECTRO-MECHANICAL EXPENSES	\$2	\$0	\$2		\$2	\$0	\$2		\$2	\$2	\$0
77	6210	TOTAL CENTRAL OFFICE SWITCHING EXPENSES	<b>\$45,190</b>	<b>\$1,647</b>	<b>\$43,543</b>		<b>\$45,190</b>	<b>\$0</b>	<b>\$45,190</b>		<b>\$45,190</b>	<b>\$45,190</b>	<b>\$0</b>
78													
79	6220	OPERATOR SYSTEMS EXPENSES	\$2	\$0	\$2		\$2	\$0	\$2		\$2	\$2	\$0
80													
81		<b>CENTRAL OFFICE TRANSMISSION EXPENSES</b>											
82	6231	RADIO SYSTEMS EXPENSES	\$80	\$0	\$80		\$80	\$0	\$80		\$80	\$80	\$0
83	6232	CIRCUIT EQUIPMENT EXPENSES - 257	\$6,047	\$268	\$5,779		\$6,047	\$0	\$6,047		\$6,047	\$6,047	\$0
84	6230	TOTAL CENTRAL OFFICE TRANSMISSION EXPENSES	<b>\$6,127</b>	<b>\$268</b>	<b>\$5,859</b>		<b>\$6,127</b>	<b>\$0</b>	<b>\$6,127</b>		<b>\$6,127</b>	<b>\$6,127</b>	<b>\$0</b>
85													
86		<b>INFORMATION ORIGINATOR EXPENSES</b>											
87	6311	STATION APPARATUS EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
88	6341	LARGE PRIVATE BRANCH EXCHANGE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
89	6351	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
90	6362	OTHER TERMINAL EQUIPMENT EXPENSES	\$8,981	\$343	\$8,638		\$8,981	\$0	\$8,981		\$8,981	\$8,981	\$0
91	6310	TOTAL INFORMATION ORIGINATOR EXPENSES	<b>\$8,981</b>	<b>\$343</b>	<b>\$8,638</b>		<b>\$8,981</b>	<b>\$0</b>	<b>\$8,981</b>		<b>\$8,981</b>	<b>\$8,981</b>	<b>\$0</b>
92													
93		<b>CABLE AND WIRE FACILITIES EXPENSES</b>											
94	6411	POLE EXPENSES	\$3,778	\$0	\$3,778		\$3,778	\$0	\$3,778		\$3,778	\$3,778	\$0
95	6421	AERIAL CABLE EXPENSES	\$72,015	\$3,375	\$68,640		\$72,015	\$0	\$72,015		\$72,015	\$72,015	\$0
96	6422	UNDERGROUND CABLE EXPENSES	\$19,371	\$1,077	\$18,294		\$19,371	\$0	\$19,371		\$19,371	\$19,371	\$0
97	6423	BURIED CABLE EXPENSES	\$51,123	\$2,096	\$49,027		\$51,123	\$0	\$51,123		\$51,123	\$51,123	\$0
98	6424	SUBMARINE CABLE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
99	6425	DEEP SEA CABLE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
100	6426	INTRABUILDING NETWORK CABLE EXPENSES	\$1,730	\$0	\$1,730		\$1,730	\$0	\$1,730		\$1,730	\$1,730	\$0
101	6431	AERIAL WIRE EXPENSES	\$2,053	\$0	\$2,053		\$2,053	\$0	\$2,053		\$2,053	\$2,053	\$0
102	6441	CONDUIT SYSTEMS EXPENSES	\$150,070	\$0	\$150,070		\$150,070	\$0	\$150,070		\$150,070	\$150,070	\$0
103	6410	TOTAL CABLE AND WIRE FACILITIES EXPENSES	<b>\$150,070</b>	<b>\$3,473</b>	<b>\$146,597</b>		<b>\$150,070</b>	<b>\$0</b>	<b>\$150,070</b>		<b>\$150,070</b>	<b>\$150,070</b>	<b>\$0</b>
104													
105	650	TOTAL PLANT SPECIFIC OPERATIONS EXPENSES	<b>\$371,267</b>	<b>\$9,372</b>	<b>\$361,895</b>		<b>\$371,267</b>	<b>\$0</b>	<b>\$371,267</b>		<b>\$371,267</b>	<b>\$371,267</b>	<b>\$73,512</b>



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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source:	Input Tab 2	Input Tab 2	F-D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	Note J
Line No.	Acct. No.	ITEMS	CLEC ADJ. NOS. 3, 5, 8	CLEC ADJ. NO. 8	Booked Costs Less TBO	CC/BC	Current Cost	CLEC ADJ. NO. 1	Total Forward Looking Costs	CLEC ADJ. NO. 2	Direct and Shared Common Costs	TOTAL DIRECT COSTS	CLEC ADJ. NO. 4
107													
108	6511	PLANT NONSPECIFIC OPERATIONS EXPENSES:											
109	6512	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	
110	6512	PROVISIONING EXPENSES	\$4,787	\$0	\$4,787		\$4,787		\$4,787		\$4,787	\$4,787	
111	6510	OTHER PROPERTY, PLANT AND EQUIPMENT EXPENSES	\$4,787	\$0	\$4,787		\$4,787		\$0		\$4,787	\$4,787	
112													
113	6531	POWER EXPENSES	\$12,787	\$0	\$12,787		\$12,787		\$12,787		\$12,787	\$12,787	
114	6532	NETWORK ADMINISTRATION EXPENSES	\$9,621	\$0	\$9,621		\$9,621		\$9,621		\$9,621	\$9,621	
115	6533	TESTING EXPENSES	\$33,991	\$1,520	\$33,991		\$33,991		\$33,991		\$33,991	\$33,991	
116	6534	PLANT OPERATIONS ADMINISTRATION EXPENSES	\$48,145	\$334	\$47,811		\$47,811		\$47,811		\$47,811	\$47,811	
117	6535	ENGINEERING EXPENSES	\$32,329	\$449	\$31,880		\$31,880		\$31,880		\$31,880	\$31,880	
118													
119	6530	TOTAL NETWORK OPERATIONS EXPENSES	\$138,393	\$2,303	\$136,090		\$136,090		\$136,090		\$136,090	\$136,090	
120													
121	6540	ACCESS EXPENSES	\$70,842	\$0	\$70,842		\$70,842		\$70,842		\$70,842	\$70,842	
122													
123	6561	DEPRECIATION AND AMORTIZATION EXPENSES:											
124	6562	DEPRECIATION - TELECOM PLANT IN SERVICE	\$504,172		\$504,172		\$504,172		\$0				
125	6562	DEPRECIATION - PROP HELD FOR FUTURE TELECOM USE	\$0	\$0	\$0		\$0		\$0				
126	6563	AMORTIZATION EXPENSE - TANGIBLE	\$435		\$435		\$435		\$435		\$435	\$435	
127	6564	AMORTIZATION EXPENSE - INTANGIBLE	\$17,785		\$17,785		\$17,785		\$0				
128	6565	AMORTIZATION EXPENSE - OTHER	\$1,435		\$1,435		\$1,435		\$0				
129	6560	TOTAL DEPRECIATION AND AMORTIZATION EXPENSES	\$523,427		\$523,427		\$523,427		\$435		\$435	\$435	
130													
131	690	TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSES	\$737,849	\$2,303	\$735,546		\$735,546		\$212,154		\$212,154	\$212,131	
132													
133		MARKETING EXPENSES:											
134	6611	PRODUCT MANAGEMENT	\$46,511	\$0	\$46,511		\$46,511		\$46,511		\$46,511	\$0	
135	6612	SALES	\$67,125	\$26	\$67,099		\$67,099		\$67,099		\$67,099	\$0	
136	6613	PRODUCT ADVERTISING	\$0	\$0	\$0		\$0		\$0		\$0	\$0	
137	6610	TOTAL MARKETING EXPENSES	\$113,636	\$26	\$113,610		\$113,610		\$113,610		\$113,610	\$0	
138													
139		SERVICES EXPENSES:											
140	6621	CALL COMPLETION SERVICES	\$5,042	\$143	\$4,899		\$4,899		\$4,899		\$4,899	\$4,899	
141	6622	NUMBER SERVICES	\$18,015	\$305	\$17,710		\$17,710		\$17,710		\$17,710	\$0	
142	6623	CUSTOMER SERVICES	\$154,049	\$1,548	\$152,463		\$152,463		\$152,463		\$152,463	\$152,463	
143	6620	TOTAL SERVICES EXPENSES	\$177,106	\$2,035	\$175,071		\$175,071		\$175,071		\$175,071	\$175,071	
144													
145	700	TOTAL CUSTOMER OPERATIONS EXPENSES	\$208,742	\$2,041	\$206,681		\$206,681		\$206,681		\$206,681	\$173,071	
146													
147		EXECUTIVE AND PLANNING EXPENSES:											
148	6711	EXECUTIVE	\$3,649	\$0	\$3,649		\$3,649		\$3,649		\$3,649	\$3,649	
149	6712	PLANNING	\$4	\$4	\$0		\$4		\$4		\$4	\$4	
150	6710	TOTAL EXECUTIVE AND PLANNING EXPENSES	\$3,653	\$0	\$3,653		\$3,653		\$3,653		\$3,653	\$3,653	
151													
152		GENERAL AND ADMINISTRATIVE EXPENSES:											
153	6721	ACCOUNTING AND FINANCE	\$20,994	\$1	\$20,994		\$20,994		\$20,994		\$20,994	\$4,503	
154	6722	EXTERNAL RELATIONS	\$10,929	\$10	\$10,929		\$10,929		\$10,929		\$10,929	\$2,344	
155	6723	HUMAN RESOURCES	\$33,283	\$2	\$33,283		\$33,283		\$33,283		\$33,283	\$7,139	
156	6724	INFORMATION MANAGEMENT ***	\$26,275	\$15	\$26,275		\$26,275		\$26,275		\$26,275	\$5,636	
157	6725	LEGAL	\$6,951	\$0	\$6,951		\$6,951		\$6,951		\$6,951	\$1,491	
158	6726	PROCUREMENT	\$1,955	\$0	\$1,955		\$1,955		\$1,955		\$1,955	\$419	
159	6727	RESEARCH AND DEVELOPMENT	\$2,203	\$0	\$2,203		\$2,203		\$2,203		\$2,203	\$1,731	
160	6728	OTHER GENERAL AND ADMINISTRATIVE ****	(55,945)	\$31	-\$5,914		-\$5,914		-\$5,914		-\$5,914	-\$1,291	
161	6720	TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	\$90,632	\$160	\$90,572		\$90,572		\$90,572		\$90,572	\$20,716	
162													
163	6790	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE	\$0	\$0	\$0		\$0		\$0		\$0	\$0	

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source	Input Tab 2	Input Tab 2	F=D+E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L+N	Note 3
			CLEC ADJ. NOS. 3, 5, 6	CLEC ADJ. NO. 8				CLEC ADJ. NO. 1		CLEC ADJ. NO. 2			CLEC ADJ. NO. 4
Line No.	Acct. No.	ITEMS	Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COMMON COSTS	TOTAL SHARED & COMMON COSTS
164			\$100,285	\$40	\$100,225		\$100,225	\$0	\$100,225		\$100,225	\$21,496	\$78,727
165	710	TOTAL CORPORATE OPERATIONS EXPENSES											
166													
167	720	TOTAL OPERATING EXPENSES	\$1,507,515	\$13,795	\$1,493,720		\$1,493,720	-\$523,392	\$970,328		\$970,328	\$704,455	\$2,665,872
168													
169		TOTAL OPERATING EXPENSES EXCL. DEPR. & AMORT											
170		Ad Valorem Tax - (Note 2)			\$969,893		\$969,893	\$0	\$969,893		\$969,893	\$704,044	\$2,655,849
171		Transition Benefit Obligation (TBO)											
172	5301/5302	Uncollectible Expense (Accounts 5301 & 5302)	\$983,682	\$13,795									
173													
174		Total Cost								Total Cost	\$2,120,655	\$1,958,769	\$3,317,794

Note 1 The calculations for the assignment of accounts 2124 and 6124 to Direct and Shared and Common categories and any adjustment to 6724 are displayed on the Inputs Tab

Note 2 The calculations for the Ad Valorem Tax and the assignment to Direct and Shared and Common categories are displayed on the Inputs Tab

Note 3 The calculation for the assignment of accounts 2111 through 2123, accounts 6112 through 6123, and account 6563 to the Shared and Common categories is displayed on the Inputs Tab

May not add due to rounding to \$000

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F*G	Input Tab 2	J=H+I	Input Tab 2	L=J+K	M=L-N	N=Note J
Line No.	Acct. No.	ITEMS	CLEC ADJ. NOS. 3, 5, 8	CLEC ADJ. NO. 8	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
													CLEC ADJ. NO. 4
1	2111	TPIS - GENERAL SUPPORT:											
2	2112	LAND	\$16,774			\$16,774	1.0000	\$16,774	\$16,774	10.40%	\$1,744	\$1,352	\$392
3	2114	MOTOR VEHICLES	\$71,054			\$71,054	1.0354	\$73,569	\$73,569	15.88%	\$11,681	\$0	\$11,681
4	2121	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$60,205			\$60,205	1.1404	\$68,658	\$68,658	12.96%	\$8,895	\$1,28	\$8,767
5	2122	BUILDINGS	\$585,799			\$585,799	2.2729	\$1,331,463	\$1,331,463	9.51%	\$126,897	\$98,205	\$38,492
6	2123	FURNITURE	\$2,558			\$2,558	1.4556	\$3,723	\$3,723	9.30%	\$346	\$63	\$263
7	2124	OFFICE EQUIPMENT *	\$5,579			\$5,579	1.0324	\$5,760	\$5,760	15.58%	\$898	\$44	\$853
8	2110	GENERAL PURPOSE COMPUTERS (Note 1)	\$66,810			\$66,810	0.2717	\$18,152	\$18,152	18.37%	\$3,335	\$38	\$1,208
9		TOTAL LAND & SUPPORT ASSETS	\$808,778			\$808,778		\$1,518,098	\$0		\$153,587	\$99,831	\$53,756
10		TPIS - CENTRAL OFFICE SWITCHING:											
11	2211	ANALOG ELECTRONIC SWITCHING	\$6,657			\$6,657	-	\$0	\$0		\$0	\$0	\$0
12	2212	DIGITAL ELECTRONIC SWITCHING	\$1,538,841			\$1,538,841	0.7245	\$1,114,839	\$1,114,839	10.92%	\$121,699	\$121,699	\$0
13	2210	TOTAL CENTRAL OFFICE SWITCHING	\$1,545,498			\$1,545,427		\$1,114,839	\$0		\$121,699	\$121,699	\$0
14		OPERATOR SYSTEMS	\$18,068			\$18,068	1.1601	\$20,961	\$0		\$2,875	\$2,875	\$0
15	2220												
16		TPIS - CENTRAL OFFICE TRANSMISSION:											
17	2231	RADIO SYSTEMS-NON-CELLULAR MOBILE	\$7			\$7	1.0245	\$7	\$7		\$0	\$0	\$0
18	2231	RADIO SYSTEMS-OTHER RADIO FACILITIES	\$6,482			\$6,482	1.0245	\$6,641	\$6,641	13.72%	\$911	\$0	\$911
19	2231	CIRCUIT EQUIPMENT	\$2,019,449			\$2,019,449		\$0	\$0		\$0	\$0	\$0
20	2232	DIGITAL CIRCUIT EQUIPMENT	\$15,947			\$15,947	1.0164	\$16,209	\$16,209	19.04%	\$3,087	\$3,087	\$0
21	2232	DIGITAL CIRCUIT EQUIPMENT	\$922,362			\$922,362	0.9713	\$895,890	\$895,890	13.06%	\$117,042	\$117,042	\$0
22	2232	DIGITAL CIRCUIT EQUIPMENT	\$1,009,894			\$1,009,894	0.9713	\$980,910	\$980,910	13.06%	\$128,148	\$128,148	\$0
23	2232	DIGITAL CIRCUIT EQUIPMENT	\$1,010,122			\$1,010,122	1.0179	\$1,027,048	\$1,027,048	38.07%	\$27,426	\$27,426	\$0
24	2232	ANALOG CIRCUIT EQUIPMENT	\$170,781			\$170,781		\$1,971,705	\$0		\$275,703	\$275,703	\$0
25	2232	TOTAL CENTRAL OFFICE TRANSMISSION	\$2,076,538			\$2,025,473		\$1,971,705	\$0		\$275,703	\$275,703	\$0
26	2230												
27		TPIS - INFORMATION ORIGIN/TERM:											
28	2311	STATION APPARATUS	\$0			\$0	-	\$0	\$0	0.00%	\$0	\$0	\$0
29	2321	CUSTOMER PREMISES WIRING	\$0			\$0		\$0	\$0	24.84%	\$0	\$0	\$0
30	2341	LARGE PRIVATE BRANCH EXCHANGES	\$0			\$0	1.1244	\$11,004	\$11,004	24.84%	\$2,734	\$2,734	\$0
31	2351	PUBLIC TELEPHONE TERMINAL EQUIPMENT	\$0			\$0	0.9770	\$11,004	\$11,004	24.84%	\$2,734	\$2,734	\$0
32	2362	OTHER TERMINAL EQUIPMENT	\$11,264			\$11,264		\$11,004	\$0		\$2,734	\$2,734	\$0
33	2310	TOTAL INFORMATION ORIGIN/TERMINATION	\$11,264			\$11,264		\$11,004	\$0		\$2,734	\$2,734	\$0
34	2310												
35		TPIS - CABLE & WIRE FACILITIES:											
36	2411	POLES	\$136,560			\$136,560	2.9942	\$408,657	\$408,657	10.69%	\$43,675	\$43,675	\$0
37	2421	AERIAL CABLE	\$119,450			\$119,450		\$0	\$0		\$0	\$0	\$0
38	2421	AERIAL CABLE - NON-METALLIC	\$53,353			\$53,353	1.1034	\$58,870	\$58,870	11.51%	\$6,774	\$6,774	\$0
39	2421	AERIAL CABLE - METALLIC	\$766,097			\$766,097	1.7126	\$1,309,723	\$1,309,723	11.51%	\$150,716	\$150,716	\$0
40	2421	UNDERGROUND CABLE	\$709,185			\$709,185		\$0	\$0		\$0	\$0	\$0
41	2422	UNDERGROUND CABLE - NON-METALLIC	\$188,010			\$188,010	1.0800	\$202,818	\$202,818	10.09%	\$20,456	\$20,456	\$0
42	2422	UNDERGROUND CABLE - METALLIC	\$521,155			\$521,155	1.8811	\$979,640	\$979,640	9.35%	\$91,607	\$91,607	\$0
43	2423	BURIED CABLE	\$900,292			\$900,292		\$0	\$0		\$0	\$0	\$0
44	2423	BURIED CABLE - NON-METALLIC	\$111,441			\$111,441	1.1034	\$122,964	\$122,964	11.15%	\$13,708	\$13,708	\$0
45	2423	BURIED CABLE - METALLIC	\$848,851			\$848,851	1.3471	\$1,142,553	\$1,142,553	10.10%	\$115,417	\$115,417	\$0
46	2423	SUBMARINE CABLE	\$419			\$419		\$0	\$0		\$0	\$0	\$0
47	2424												

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
Line No.	Acct. No.	ITEMS	Input Tab 2	Input Tab 2	F+D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	Cap Cost Factor Applies Only To Investment	L=J+K	M=L+N	Note 3
			CLEC ADJ. NOS. 3, 5, 8	CLEC ADJ. NO. 8	Booked Costs Less TBO	CC/BC	Current Cost	CLEC ADJ. NO. 1	Total Forward Looking Costs	CLEC ADJ. NO. 2	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	CLEC ADJ. NO. 4
48	2424.86C	SUBMARINE CABLE - NON-METALLIC	\$0	\$0	\$0	4.4125	\$0	\$0	\$0	0.00%	\$0	\$0	\$0
49	2424.86C	SUBMARINE CABLE - METALLIC	\$410	\$410	\$410	4.4125	\$1,811	\$0	\$1,811	0.00%	\$0	\$0	\$0
50	2426	INTRABUILDING NETWORK CABLE	\$99,132	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
51	2426.462C	INTRABUILDING NETWORK CABLE - NON-METALLIC	\$0,909	\$0	\$0,909	1.1034	\$7,623	\$0	\$7,623	11.27%	\$859	\$859	\$0
52	2426.442C	INTRABUILDING NETWORK CABLE - METALLIC	\$92,223	\$0	\$92,223	1.1478	\$18,161	\$0	\$18,161	11.27%	\$18,161	\$18,161	\$0
53	2431	AERIAL WIRE	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
54	2441	CONDUIT SYSTEMS	\$446,721	\$2,700	\$446,721	2.2479	\$1,453,763	\$0	\$1,453,763	8.42%	\$122,475	\$122,475	\$0
55	2410	TOTAL CABLE AND WIRE FACILITIES	\$3,371,730	\$2,700	\$3,369,030		\$5,849,592	\$0	\$5,849,592		\$583,848	\$583,848	\$0
56													
57	2690	INTANGIBLE ASSETS	\$47,090	\$0	\$47,090	1.0000	\$47,090	\$0	\$47,090	21.0%	\$9,881	\$9,881	\$0
58	240	TOTAL TPIS (BEFORE AMORTIZABLE ASSETS)	\$7,828,765	\$0	\$7,828,765		\$10,533,289	\$0	\$10,533,289		\$1,150,328	\$1,096,571	\$53,756
59													
60		PLANT SPECIFIC OPERATIONS:											
61		NEW WORK SUPPORT EXPENSES:											
62	6112	MOTOR VEHICLE EXPENSES	\$5,803	\$0	\$5,803		\$5,803	\$0	\$5,803		\$5,803	\$0	\$5,803
63	6114	TOOLS AND OTHER WORK EQUIPMENT EXPENSE	\$692	\$0	\$692		\$692	\$0	\$692		\$692	\$0	\$692
64	8110	TOTAL NETWORK SUPPORT EXPENSES	\$6,495	\$0	\$6,495		\$6,495	\$0	\$6,495		\$6,495	\$0	\$6,495
65													
66		GENERAL SUPPORT EXPENSES:											
67	6121	LAND AND BUILDING EXPENSES	\$35,470	\$0	\$35,470		\$35,470	\$0	\$35,470		\$35,470	\$19,562	\$15,908
68	6122	FURNITURE AND ARTWORKS EXPENSES	\$533	\$0	\$533		\$533	\$0	\$533		\$533	\$0	\$533
69	6123	OFFICE EQUIPMENT EXPENSES	\$14,358	\$0	\$14,358		\$14,358	\$0	\$14,358		\$14,358	\$0	\$14,358
70	6124 (Note 1)	GENERAL PURPOSE COMPUTERS EXPENSES (Note 1)	\$79,758	\$0	\$79,758		\$79,758	\$0	\$79,758		\$79,758	\$0	\$79,758
71	6120	TOTAL GENERAL SUPPORT EXPENSES	\$130,119	\$0	\$130,119		\$130,119	\$0	\$130,119		\$130,119	\$19,562	\$110,557
72													
73		CENTRAL OFFICE SWITCHING EXPENSES:											
74	6211	ANALOG ELECTRONIC EXPENSES	\$772	\$0	\$772		\$772	\$0	\$772		\$772	\$0	\$0
75	6212	DIGITAL ELECTRONIC EXPENSES	\$44,416	\$1,447	\$44,416		\$44,416	\$0	\$44,416		\$44,416	\$44,416	\$0
76	6215	ELECTRO-MECHANICAL EXPENSES	\$2	\$0	\$2		\$2	\$0	\$2		\$2	\$0	\$0
77	6210	TOTAL CENTRAL OFFICE SWITCHING EXPENSES	\$46,837	\$1,447	\$45,190		\$45,190	\$0	\$45,190		\$45,190	\$45,190	\$0
78													
79	6220	OPERATOR SYSTEMS EXPENSES	\$2	\$0	\$2		\$2	\$0	\$2		\$2	\$0	\$0
80													
81		CENTRAL OFFICE TRANSMISSION EXPENSES:											
82	6231	RADIO SYSTEMS EXPENSES	\$80	\$0	\$80		\$80	\$0	\$80		\$80	\$0	\$0
83	6232.257	CIRCUIT EQUIPMENT EXPENSES - 257	\$6,315	\$268	\$6,047		\$6,047	\$0	\$6,047		\$6,047	\$6,047	\$0
84	232 (non 25)	BURIED CABLE EXPENSES (non 257)	\$25,057	\$773	\$24,284		\$24,284	\$0	\$24,284		\$24,284	\$24,284	\$0
85	6230	TOTAL CENTRAL OFFICE TRANSMISSION EXPENSES	\$31,452	\$1,041	\$30,411		\$30,411	\$0	\$30,411		\$30,411	\$30,411	\$0
86													
87		INFORMATION ORIGINATOR EXPENSES:											
88	6311	STATION APPARATUS EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
89	6341	LARGE PRIVATE BRANCH EXCHANGE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
90	6351	PUBLIC TELEPHONE TERMINAL EQUIPMENT EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
91	6362	OTHER TERMINAL EQUIPMENT EXPENSES	\$3,981	\$385	\$3,596		\$3,596	\$0	\$3,596		\$3,596	\$3,596	\$0
92	6310	TOTAL INFORMATION ORIGINATOR EXPENSES	\$3,981	\$385	\$3,596		\$3,596	\$0	\$3,596		\$3,596	\$3,596	\$0
93													
94		CABLE AND WIRE FACILITIES EXPENSES:											
95	6411	POLE EXPENSES	\$3,778	\$0	\$3,778		\$3,778	\$0	\$3,778		\$3,778	\$3,778	\$0
96	6421	AERIAL CABLE EXPENSES	\$75,390	\$3,375	\$72,015		\$72,015	\$0	\$72,015		\$72,015	\$72,015	\$0
97	6422	UNDERGROUND CABLE EXPENSES	\$20,188	\$427	\$19,761		\$19,761	\$0	\$19,761		\$19,761	\$19,761	\$0
98	6423	BURIED CABLE EXPENSES	\$53,219	\$2,096	\$51,123		\$51,123	\$0	\$51,123		\$51,123	\$51,123	\$0
99	6424	SUBMARINE CABLE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
100	6425	DEEP SEA CABLE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
101	6426	INTRABUILDING NETWORK CABLE EXPENSES	\$1,730	\$0	\$1,730		\$1,730	\$0	\$1,730		\$1,730	\$1,730	\$0
102	6431	INTRAL WIRE EXPENSES	\$0	\$0	\$0		\$0	\$0	\$0		\$0	\$0	\$0
103	6441	CONDUIT SYSTEMS EXPENSES	\$2,053	\$0	\$2,053		\$2,053	\$0	\$2,053		\$2,053	\$2,053	\$0
104	6410	TOTAL CABLE AND WIRE FACILITIES EXPENSES	\$154,368	\$4,296	\$150,072		\$150,072	\$0	\$150,072		\$150,072	\$150,072	\$0
105													
106	650	TOTAL PLANT SPECIFIC OPERATIONS EXPENSES	\$390,639	\$9,272	\$371,267		\$371,267	\$0	\$371,267		\$371,267	\$254,215	\$117,052

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source:	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H = F + G	Input Tab 2	J = H + I	Input Tab 2	L = J + K	M = L - N	Note 3
Line No.	Acct. No.	ITEMS	CLEC ADJ. NOS. 3, 5, 8	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COSTS	TOTAL SHARED & COMMON COSTS
107													
108	6511	PLANT NONSPECIFIC OPERATIONS EXPENSES:											
109	6512	PROPERTY HELD FOR FUTURE TELECOM USE EXPENSES	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
110	6512	PROVISIONING EXPENSES	\$4,787	\$0	\$4,787		\$4,787	\$0	\$4,787		\$4,787	\$4,787	\$0
111	6510	OTHER PROPERTY, PLANT AND EQUIPMENT EXPENSES	\$4,787	\$0	\$4,787		\$4,787	\$0	\$4,787		\$4,787	\$4,787	\$0
112													
113	6531	POWER EXPENSES	\$12,787	\$0	\$12,787		\$12,787		\$12,787		\$12,787	\$12,787	\$0
114	6532	NETWORK ADMINISTRATION EXPENSES	\$9,621	\$0	\$9,621		\$9,621		\$9,621		\$9,621	\$9,621	\$0
115	6533	TESTING EXPENSES	\$33,991	\$1,520	\$33,991		\$33,991		\$33,991		\$33,991	\$33,991	\$0
116	6534	PLANT OPERATIONS ADMINISTRATION EXPENSES	\$48,145	\$334	\$47,811		\$47,811		\$47,811		\$47,811	\$47,811	\$0
117	6535	ENGINEERING EXPENSES	\$32,829	\$448	\$31,860		\$31,860		\$31,860		\$31,860	\$31,860	\$0
118													
119	6530	TOTAL NETWORK OPERATIONS EXPENSES	\$138,383	\$2,303	\$136,090		\$136,090	\$0	\$136,090	\$0	\$136,090	\$136,090	\$0
120													
121	6540	ACCESS EXPENSES	\$70,842	\$0	\$70,842		\$70,842		\$70,842		\$70,842	\$70,842	\$0
122													
123	6561	DEPRECIATION AND AMORTIZATION EXPENSES:											
124	6562	DEPRECIATION - TELECOM PLANT IN SERVICE	\$504,172		\$504,172		\$504,172	-\$504,172	\$0				
125	6562	DEPRECIATION - PROP HELD FOR FUTURE TELECOM USE	\$0	\$0	\$0		\$0		\$0				
126	6563	AMORTIZATION EXPENSE - TANGIBLE	\$435	\$0	\$435		\$435		\$435		\$435	\$435	\$0
127	6564	AMORTIZATION EXPENSE - INTANGIBLE	\$17,785		\$17,785		\$17,785	-\$17,785	\$0				\$435
128	6565	AMORTIZATION EXPENSE - OTHER	\$1,435		\$1,435		\$1,435		\$1,435		\$1,435	\$1,435	\$0
129	6560	TOTAL DEPRECIATION AND AMORTIZATION EXPENSES	\$523,827		\$523,827		\$523,827	-\$523,392	\$435		\$435	\$435	\$0
130													
131	690	TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSES	\$737,849	\$2,303	\$735,546		\$735,546	-\$523,392	\$212,154		\$212,154	\$211,719	\$435
132													
133	6611	MARKETING EXPENSES:											
134	6612	PRODUCT MANAGEMENT	\$46,511	\$0	\$46,511		\$46,511		\$46,511		\$46,511	\$46,511	\$0
135	6612	SALES	\$67,125	\$26	\$67,099		\$67,099		\$67,099		\$67,099	\$67,099	\$0
136	6613	PRODUCT ADVERTISING	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0
137	6610	TOTAL MARKETING EXPENSES	\$113,636	\$26	\$113,610		\$113,610		\$113,610		\$113,610	\$113,610	\$0
138													
139	6621	SERVICES EXPENSES:											
140	6621	CALL COMPLETION SERVICES	\$5,042	\$143	\$4,899		\$4,899		\$4,899		\$4,899	\$4,899	\$0
141	6622	NUMBER SERVICES	\$16,015	\$305	\$15,710		\$15,710		\$15,710		\$15,710	\$15,710	\$0
142	6623	CUSTOMER SERVICES	\$154,049	\$1,506	\$152,463		\$152,463		\$152,463		\$152,463	\$152,463	\$0
143	6620	TOTAL SERVICES EXPENSES	\$175,106	\$2,035	\$173,071		\$173,071	\$0	\$173,071		\$173,071	\$173,071	\$0
144													
145	700	TOTAL CUSTOMER OPERATIONS EXPENSES	\$288,742	\$2,041	\$286,681		\$286,681	\$0	\$286,681		\$286,681	\$173,071	\$113,610
146													
147	6711	EXECUTIVE AND PLANNING EXPENSES:											
148	6712	EXECUTIVE	\$3,649	\$0	\$3,648		\$3,648		\$3,648		\$3,648	\$3,648	\$0
149	6712	PLANNING	\$4	\$0	\$4		\$4		\$4		\$4	\$4	\$0
150	6710	TOTAL EXECUTIVE AND PLANNING EXPENSES	\$3,653	\$0	\$3,653		\$3,653	\$0	\$3,653		\$3,653	\$3,653	\$0
151													
152	6721	GENERAL AND ADMINISTRATIVE EXPENSES:											
153	6721	ACCOUNTING AND FINANCE	\$20,994	\$1	\$20,994		\$20,994		\$20,994		\$20,994	\$4,503	\$16,491
154	6722	EXTERNAL RELATIONS	\$10,929	\$10	\$10,929		\$10,929		\$10,929		\$10,929	\$2,344	\$8,585
155	6723	HUMAN RESOURCES	\$33,283	\$2	\$33,283		\$33,283		\$33,283		\$33,283	\$7,139	\$26,143
156	6724	INFORMATION MANAGEMENT	\$26,290	\$15	\$26,275		\$26,275	\$0	\$26,275		\$26,275	\$5,636	\$20,639
157	6725	LEGAL	\$6,951	\$0	\$6,951		\$6,951		\$6,951		\$6,951	\$1,491	\$5,460
158	6726	PROCUREMENT	\$1,955	\$0	\$1,955		\$1,955		\$1,955		\$1,955	\$419	\$1,536
159	6727	RESEARCH AND DEVELOPMENT	\$2,203	\$0	\$2,203		\$2,203		\$2,203		\$2,203	\$473	\$1,730
160	6728	OTHER GENERAL AND ADMINISTRATIVE	\$5,987	\$31	\$5,956		\$5,956	\$0	\$5,956		\$5,956	\$1,291	\$4,726
161	6720	TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	\$96,632	\$60	\$96,572		\$96,572	\$0	\$96,572		\$96,572	\$20,715	\$75,857
162													
163	6790	PROVISION FOR UNCOLLECTIBLE NOTES RECEIVABLE	\$0	\$0	\$0		\$0		\$0		\$0	\$0	\$0

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A	B	C	D	E	F	G	H	I	J	K	L	M	N
		Source	Input Tab 2	Input Tab 2	F=D-E	Input Tab 2	H=F+G	Input Tab 2	J=H+I	K	L=J+K	M=L+N	N
			CLEC ADJ. NOS. 3, 5, 6	CLEC ADJ. NO. 8				CLEC ADJ. NO. 1		CLEC ADJ. NO. 2			CLEC ADJ. NO. 4
Line No.	Acct. No.	ITEMS	Ohio Dec. 31, 2002 Booked Cost	Transition Benefit Obligation (TBO)	Booked Costs Less TBO	CC/BC	Current Cost	Forward Looking Adjustmt	Total Forward Looking Costs	Cap Cost Factor Applies Only To Investment	Direct and Shared & Common Costs	TOTAL DIRECT COMMON COSTS	TOTAL SHARED & COMMON COSTS
164			\$190,285	\$60	\$190,225		\$100,225	\$0	\$100,225		\$100,225	\$21,498	\$78,727
165	710	TOTAL CORPORATE OPERATIONS EXPENSES											
166			\$1,507,513	\$13,795	\$1,493,720		\$1,493,720	-\$523,392	\$970,328		\$970,328	\$660,504	\$309,824
167	720	TOTAL OPERATING EXPENSES											
168													
169		TOTAL OPERATING EXPENSES EXCL. DEPR. & AMORT											
170		Ad Valorem Tax (Note 2)											
171		Transition Benefit Obligation (TBO)											
172	5301/5302	Uncollectible Expense (Accounts 5301 & 5302)											
173													
174		Total Cost								Total Cost	\$2,120,655	\$1,860,880	\$429,684

Note 1 The calculations for the assignment of accounts 2124 and 6124 to Direct and Shared and Common categories and any adjustment to 6124 are displayed on the Inputs Tab

Note 2 The calculations for the Ad Valorem Tax and the assignment to Direct and Shared and Common categories are displayed on the Inputs Tab

Note 3 The calculation for the assignment of accounts 2111 through 2123 accounts 6112 through 6123 and account 6563 to the Shared and Common categories is displayed on the Inputs Tab

May not add due to rounding to \$000

SBC Ohio Inc.  
 Case No. 02-1280-TP-UNC  
 AT&T 3rd Set  
 Attachment to Response to DR MS-57  
 SBC Ohio's Schedule of Pension Settlement Gains/(Losses)

	IN THOUSANDS										AVERAGE
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	
Pension settlement gains	81,839	154,201	7,580	3,934	3,567	128,624	132,406	99,108			
Pension settlement losses	(46,852)					(7,879)	(51,713)		(48)		
Net Pension Settlement Gains/ (Losses)	34,987	154,201	7,580	3,934	3,567	120,745	80,693	99,108	(48)	-	50,477

CONFIDENTIAL

SBC Ohio  
 MS-52  
 Period 1998 through 2003

Product	Account	1998	1999	2000	2001	2002	2003
Unbundled Loops (UNE)	5001 113/ 114/ 13/ 23, 5040 523/ 553, 5061 5, 5063 11/ 31, 5064 2717/ 311/ 312/ 332, 5240 71/ 72/ 73/ 76/ 999, 5280 111/ 114/ 115/ 19/ 8	3,012,466	6,126,276	10,837,275	32,330,729	72,800,791	116,513,707
Unbundled Ports (UNE)	5001 112, 5040 523/ 553, 5061 5, 5062 711/ 5063 11/ 31, 5064 222/ 2421/ 2422/ 2722/ 331/ 332, 5240 71/ 72/ 73/ 76/ 999, 5264 511/ 599, 5280 99/ 999	-	-	-	630,437	17,396,455	30,701,109
Collocation /, Interconnection	5062 721, 5063 11/ 31, 5064 2721/ 2722/ 311/ 312/ 331/ 332, 5240 71/ 999, 5280 8	9,235,273	25,207,884	34,863,034	51,193,038	37,467,116	25,991,190
Switched Access	5001 11/ 119/ 126/ 21/ 212/ 23/ 42/ 5003 11/ 12, 5061 5, 5062 21/ 411/ 421/ 424/ 611/ 621/ 711/ 714/ 71 6/ 721/ 726/ 81/ 991, 5063 11/ 31, 5064 221/ 222/ 2411/ 2421/ 2422/ 2424/ 2611/ 2612/ 2621/ 2622/ 2711/ 2712/ 2714/ 2716/ 271 7/ 2721/ 2722/ 2723/ 291/ 2991/ 2992/ 2993/ 33 1/ 332, 5240 71/ 72/ 73/ 76, 5263 198, 5264 11/ 19/ 511/ 512/ 599	184,507,498	150,551,569	121,034,444	91,076,935	75,958,281	69,321,359
Special Access/Transport - Analog & misc.	5001 11/ 119/ 126/ 13/ 21/ 23/ 42/ 5003 11/ 12, 5004 11/ 13, 5040 51/ 521/ 552/ 559, 5060 111/ 112, 5061 1, 5062 21/ 421/ 711/ 721/ 991, 5063 11/ 21/ 31/ 32, 5064 221/ 222/ 2412/ 2422/ 2611/ 2711/ 2721/ 2722/ 2991/ 2992/ 311/ 312/ 313/ 321/ 331/ 332 / 341, 5121 5, 5122 5, 5125 51/ 52, 5128 5, 5240 41/ 43/ 71/ 73/ 76, 5263 198, 5264 599, 5280 114/ 116/ 19/ 21/ 8	12,888,321	12,289,901	8,509,039	6,177,849	4,630,682	4,020,478
Special Access/Transport - Digital	5001 11/ 112, 5040 552/ 559/ 59, 5060 111/ 5061 9, 5062 411/ 711/ 721/ 991, 5063 11/ 12/ 21/ 31/ 32, 5064 19/ 2411/ 2711/ 2722/ 2991/ 311/ 312/ 32 1/ 331/ 332, 5125 51/ 52, 5240 73, 5264 599, 5280 111/ 114/ 115/ 19/ 21/ 8	139,672,219	181,618,359	210,588,691	255,449,276	282,236,451	272,851,910
Special Access/Transport - SONET UNE Combinations	5040 552/ 559, 5060 111, 5062 721/ 991, 5063 11/ 31, 5064 2721/ 2991/ 311/ 331, 5280 111/ 8	7,814,843	17,971,920	30,864,694	45,160,761	52,289,061	51,537,784
Billing Services	5063 11, 5064 2425/ 331, 5240 72/ 73, 5280 8, 5001 111, 5060 111/ 113, 5061 1/ 5, 5100 19/ 59, 5261 5, 5264 595, 5270 1/ 4/ 5/ 6/ 9	169,336	330,902	679,618	1,407,314	6,515,722	15,574,921
Pay Telephone Services	5001 111/ 119/ 126/ 13/ 21/ 23/ 42/ 5003 11/ 5010 111/ 31/ 51, 5050 11, 5060 313, 5061 1/ 9, 5261 5, 5280 2999	27,988,947	28,243,474	28,043,990	23,998,100	20,887,191	17,556,807
Wireless	5001 111/ 119/ 126/ 13/ 21/ 23/ 42/ 5003 11/ 12/ 13, 5004 11/ 13, 5040 51, 5060 111/ 113/ 121/ 411/ 92/ 932/ 99, 5061 1/ 5, 5062 421/ 424/ 711/ 721/ 726/ 991, 5063 11/ 31, 5064 221/ 222/ 2412/ 2422/ 2612/ 2716/ 2721/ 2722/ 2991/ 311/ 322/ 331/ 332, 5240 76, 5261 5, 5264 11/ 19/ 511/ 512/ 599, 5270 5/ 9, 5280 8	37,740	40,412	29,104	(131,275)	15,352	(255,189)
Resale	5001 111/ 119/ 126/ 13/ 21/ 23/ 42/ 5003 11/ 5002 11/ 21, 5010 9, 5040 51/ 521/ 551/ 552, 5060 111/ 112/ 113/ 121/ 211/ 212/ 213/ 221/ 41/ 51/ 52/ 92/ 99, 5061 1/ 2/ 42/ 5/ 9, 5063 12/ 32, 5064 19/ 311/ 4, 5100 511/ 512/ 521/ 522/ 542, 5111 5, 5122 5, 5125 51, 5230 11, 5240 72, 5262 192, 5264 19, 5280 114/ 115/ 121/ 122/ 291/ 2991/ 2992/ 299 4/ 32/ 35/ 49/ 52/ 8	12,645,723	8,548,222	10,089,916	16,975,561	20,215,354	19,083,479
Ameritech Centrex Service	5001 111/ 119/ 126/ 13/ 21/ 23/ 42/ 5003 11/ 5004 13, 5010 53, 5040 51/ 521, 5060 111/ 113/ 121/ 411/ 933, 5061 1/ 5/ 9, 5100 511/ 512, 5230 11, 5280 2999/ 32	39,896,486	36,915,781	38,693,329	32,636,717	18,263,130	8,473,689
Ameritech ISDN Direct/Prime	5001 111/ 119/ 126/ 13/ 21/ 5060 111/ 113/ 211/ 41, 5061 1/ 2/ 5/ 9, 5062 411/ 711/ 721, 5063 11/ 31, 5064 2711/ 2721/ 311/ 331, 5125 51, 5261 5	11,712,200	11,617,279	4,276,476	2,184,863	836,107	484,106
End Office Integration	5001 113/ 126, 5003 12, 5062 21/ 421/ 611/ 711/ 991, 5063 11, 5064 231/ 2421/ 2422/ 2611/ 2612/ 2621/ 2622/ 2711/ 2712/ 2991/ 2992/ 2993/ 331, 5240 71/ 72/ 73/ 76, 5264 11/ 19/ 511/ 512/ 599	2,805,727	5,099,585	739,114	713,686	258,914	388,483
Information/ Directory Assistance	5064 2611/ 2612/ 2721, 5060 12/ 22/ 33/ 327/ 99, 5062 811/ 721, 5001 111/ 13/ 21/ 23/ 42/ 5003 11/ 5010 33/ 53, 5060 113/ 213/ 52, 5061 42/ 9/ 91, 5062 931, 5100 542, 5261 5, 5270 1/ 5, 5280 293/ 52	1,308,065	3,334,104	5,014,010	7,024,012	8,148,453	6,980,654
Presubscription-Account Maintenance	5064 2611/ 2612/ 2721, 5001 111/ 13/ 21/ 23/ 42/ 5003 11/ 5010 33/ 53, 5060 113/ 213/ 52, 5061 42/ 9/ 91, 5062 931, 5100 542, 5261 5, 5270 1/ 5, 5280 293/ 52	7,783,943	6,033,755	-	(2)	-	-
Primary Interexchange Carrier Charge	5001 1260, 5061 9, 5062 217/ 421, 5063 11, 5064 19/ 221/ 222, 5264 511/ 599	6,178,285	10,782,604	(95,437)	267,841	62,648	468,577
Various Miscellaneous Products	5001 1260, 5061 9, 5062 217/ 421, 5063 11, 5064 19/ 221/ 222, 5264 511/ 599	47,245,608	61,412,960	50,770,769	19,111,117	4,614,288	(480)
Total Wholesale Revenue		89,113,547	79,052,531	64,513,630	24,323,206	(315,100)	6,897,851
		604,016,225	645,177,519	619,471,697	610,530,165	622,280,895	646,590,435
UNE REVENUE		12,417,075	31,665,063	46,399,928	85,561,518	134,180,083	188,780,927
UNE Revenue As A Percentage of Total Wholesale Revenue		2.06%	4.91%	7.49%	14.01%	21.56%	29.20%

**SBC Ohio**  
**Analysis of Wholesale Revenue, Bad Debt Expense and Actual Write-Offs**  
**Period 1996 through 2003**

	AMOUNTS IN THOUSANDS						AVERAGE	
	1998	1999	2000	2001	2002	2003	(1998 - 2003)	(2000 - 2003)
Line 1 Wholesale revenue <sup>1 &amp; 4</sup>	486,236	566,572	617,028	647,424	671,037	681,460		
Line 2 Wholesale Bad debt write off in 1181 <sup>2</sup>	776	568	1,519	13,029	18,129	10,642		
Line 3 Wholesale Bad debt exp. in 5300 <sup>2</sup>	4,912	1,174	2,394	14,491	6,966 <sup>3</sup>	2,840	5,463	6,673

<sup>1</sup> Per SBC's response to AT&T's 3rd Set of Data Requests, MS-61.

<sup>2</sup> Per Direct Testimony of Timothy Dominak, p. 18.

<sup>3</sup> Adjusted to remove Bad Debt Expense related to WorldCom bankruptcy per Direct Testimony of Timothy Dominak, p. 18.

<sup>4</sup> Per SBC's response to AT&T's 12th Set of Data Requests, MS-84.

	A	B	C	D	E	F	G
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Ohio			Cost of Capital :		7.53%
2002			Composite Tax Rate:		35.00%
			Debt Ratio:		32.84%
			Annual Interest Rate:		4.15%

Account Number	Account Name	Book Depreciation	Cost of Money	Income Tax Expense	Total Capital Costs
2111	Total Land	0.0%	7.2%	3.2%	10.4%
2112	Total Motor Vehicles	10.8%	3.6%	1.6%	15.9%
2114	Tools and Other Work Equipment	8.3%	3.2%	1.4%	13.0%
2121.1	Buildings - Administrative	2.1%	5.2%	2.3%	9.5%
2121.2	Buildings - Network	2.1%	5.2%	2.3%	9.5%
2121.3	Buildings - Network Support	2.1%	5.2%	2.3%	9.5%
2122	Furniture	4.1%	3.6%	1.6%	9.3%
2123.1	Office Equipment - Office Support	10.0%	3.2%	1.4%	14.6%
2123.2	Office Equipment - Office Communication	14.3%	3.3%	1.5%	19.0%
2124	General Purpose Computers	13.4%	3.4%	1.5%	18.4%
2212	Digital Electronic Switching	6.3%	3.2%	1.4%	10.9%
2220	Operator Systems	9.1%	3.2%	1.4%	13.7%
2231	Radio Systems	11.3%	3.2%	1.4%	15.9%
2232.157	Circuit Equipment - DDS	14.3%	3.3%	1.5%	19.0%
2232.257	Circuit Equipment - Digital Loop Electronic	8.5%	3.2%	1.4%	13.1%
2232.357	Circuit Equipment - Digital Other	8.5%	3.2%	1.4%	13.1%
2232.57	Circuit Equipment - Analog	33.3%	3.3%	1.4%	38.1%
2351	Public Telephone Terminal	9.1%	3.4%	1.5%	14.0%
2362	Other Terminal Equipment	19.8%	3.5%	1.5%	24.8%
2411	Poles	6.8%	2.7%	1.2%	10.7%
2421.22	Aerial Cable - Metallic	6.3%	3.7%	1.6%	11.5%
2421.822	Aerial Cable Non - Non-Metallic	6.3%	3.7%	1.6%	11.5%
2422.5	Underground Cable - Metallic	4.4%	4.0%	1.8%	10.1%
2422.85	Underground Cable - Non-Metallic	3.7%	4.0%	1.7%	9.4%
2423.45	Buried Cable Exchange Metallic	5.5%	3.9%	1.7%	11.1%
2423.845	Buried Cable Non-Metallic	4.4%	4.0%	1.7%	10.1%
2426.442	Intrabuilding Cable - Metallic	5.8%	3.8%	1.7%	11.3%
2426.462	Intrabuilding Cable - Non-Metallic	5.8%	3.8%	1.7%	11.3%
2441	Conduit System	2.1%	4.4%	1.9%	8.4%
2690	Intangible Assets	16.7%	3.0%	1.3%	21.0%

**Current Cost to Book Cost Ratio**  
**Ohio 2002**

Account	Description	Current Cost (1946 - 2002 )	Book Cost (1946 - 2002 )	CC/BC Ratio
2111	Land	\$0	\$0	1.0000
2112	Motor Vehicles	\$88,541,411	\$85,516,393	1.0354
2114	Other Work Equipment	\$74,115,165	\$64,989,094	1.1404
2121	Buildings	\$1,401,770,808	\$616,732,181	2.2729
2122	Furniture	\$3,531,041	\$2,425,819	1.4556
2123.1	Office Support	\$5,511,345	\$5,322,224	1.0355
2123.2	Office Communication Equipment	\$1,117,836	\$1,094,556	1.0213
2124	General Purpose Computers	\$13,887,336	\$51,104,492	0.2717
2212	Digital Electronic Systems	\$1,147,729,897	\$1,584,259,615	0.7245
2220	Operator Systems	\$21,912,985	\$18,889,514	1.1601
2231	Radio Systems - Microwave	\$5,885,809	\$5,745,243	1.0245
2232.157	Digital Data Systems	\$19,833,945	\$19,514,163	1.0164
2232.257	Digital Circuit Equipment	\$1,913,944,871	\$1,970,429,549	0.9713
2232.57	Analog Circuit Equipment	\$69,504,086	\$68,280,943	1.0179
2351	Public Telephone Terminal	\$37,083,921	\$32,982,147	1.1244
2362	Other Terminal Equipment	\$11,029,496	\$11,289,037	0.9770
2411	Poles	\$412,650,409	\$137,814,878	2.9942
2421.22	Aerial Cable Metallic	\$1,443,703,627	\$842,979,561	1.7126
2422.5	Underground Cable Metallic	\$976,945,842	\$519,344,328	1.8811
2422.85	Underground Cable Non-Metallic	\$208,121,217	\$192,700,945	1.0800
2423.45	Buried Cable Metallic	\$1,164,911,974	\$864,762,122	1.3471
2423.845	Buried Cable Non-Metallic	\$124,495,278	\$112,832,345	1.1034
2424	Submarine Cable	\$1,751,893	\$397,027	4.4125
2426.442	Intrabuilding Network Cable Metallic	\$169,127,659	\$96,778,900	1.7476
2441	Conduits	\$1,446,366,361	\$643,415,831	2.2479
2690	Intangible Assets			1.0000

**COMPOSITE CC / BC RATIO**      **\$10,763,474,213**      **\$7,949,600,907**      **1.353964097**

Developed by SBC Cost Analysis Group

based on Telephone Plant Index published by A. C. Turner and

Investment Vintage Data provided by SBC Finance Operations Group.



FCC Report 43-03, the ARMIS Joint Cost Report  
 Table I. Regulated/Nonregulated Data

Date Run: 06/11/2004

Report Number	Company	Row	Row Title	Y2002 Total (b)	Y2001 Total (b)	Y2002 Total Regulated (i)	Y2001 Total Regulated (i)	Y2002 Total Nonregulated (j)	Y2001 Total Nonregulated (j)	REGULATED %
4303	Ohio Bell	6112	Motor Vehicles Expense	6,734	6,662	5,803	4,034	931	2,628	86.11%
4303	Ohio Bell	6113	Accrual Expense	0	0	0	0	0	0	0.00%
4303	Ohio Bell	6114	Tools and other work equipment Expense	734	1,840	692	1,702	42	138	94.28%
4303	Ohio Bell	6115	Network Support Expenses	3,468	8,495	6,495	5,796	973	2,706	86.91%
4303	Ohio Bell	6121	Land And Building Expense	36,036	36,036	35,459	32,800	2,800	3,407	92.48%
4303	Ohio Bell	6122	Land And Building Expense	8,115	1,533	8,115	875	82	283	86.67%
4303	Ohio Bell	6123	Land And Building Expense	16,666	8,768	14,356	6,559	2,306	1,804	86.06%
4303	Ohio Bell	6124	Office Equipment Expense	86,002	71,476	79,759	61,927	2,244	8,431	96.63%
4303	Ohio Bell	6125	General Support Expenses	143,560	117,397	130,116	102,265	11,454	15,112	96.62%
4303	Ohio Bell	6211	Non-digital Switching Expense	774	1,214	774	1,214	0	186	100.00%
4303	Ohio Bell	6212	Digital Electronic Switching Expense	48,076	51,168	48,076	51,168	0	186	99.81%
4303	Ohio Bell	6213	Central Office Switching Expense	48,831	52,362	48,831	52,362	0	186	99.81%
4303	Ohio Bell	6221	Operational Expenses	48	114	48	114	0	2	100.00%
4303	Ohio Bell	6222	Operational Expenses	31,372	30,726	31,372	30,726	0	2	100.00%
4303	Ohio Bell	6223	Operational Expenses	31,452	30,836	31,452	30,836	0	2	100.00%
4303	Ohio Bell	6311	Station Applicable Expenses	5,407	10,416	0	0	5,407	10,416	0.00%
4303	Ohio Bell	6312	Public Tel Terminal Equipment Expense	1,760	2,094	0	0	1,760	2,094	0.00%
4303	Ohio Bell	6313	Public Tel Terminal Equipment Expense	28,770	27,551	9,366	8,842	17,404	18,709	34.89%
4303	Ohio Bell	6314	Information OTI Expenses	33,837	40,024	9,366	8,842	24,571	31,162	27.60%
4303	Ohio Bell	6411	Power Expense	3,776	6,413	3,776	6,413	0	0	100.00%
4303	Ohio Bell	6421	Aerial Cable Expense	75,394	78,472	75,394	78,472	0	0	100.00%
4303	Ohio Bell	6422	Underground Cable Expense	20,196	19,635	20,196	19,635	0	0	100.00%
4303	Ohio Bell	6423	Buried Cable Expense	53,218	57,848	53,218	57,848	0	0	100.00%
4303	Ohio Bell	6424	Summertime and Deep Sea Cable Expense	0	0	0	0	0	0	0.00%
4303	Ohio Bell	6431	Aerial Wire Expense	1,730	2,271	1,730	2,271	0	0	100.00%
4303	Ohio Bell	6441	Conduit Systems Expense	2,053	1,845	2,053	1,845	0	0	100.00%
4303	Ohio Bell	6511	PHF TU Expense	156,366	166,484	156,366	166,484	0	0	100.00%
4303	Ohio Bell	6512	Provisioning Expense	5,126	4,404	4,787	4,516	342	-112	93.33%
4303	Ohio Bell	6513	Power Expense	12,794	11,522	12,794	11,522	0	0	100.00%
4303	Ohio Bell	6521	Network Administration Expense	9,623	10,028	9,623	10,028	0	0	100.00%
4303	Ohio Bell	6531	Testing Expense	47,852	37,806	35,511	28,357	12,341	9,481	74.21%
4303	Ohio Bell	6532	Paint Operations Administration Expense	51,829	47,068	48,144	34,734	3,685	12,334	92.80%
4303	Ohio Bell	6533	Engineering Expense	33,985	29,791	32,330	29,049	1,656	742	95.13%
4303	Ohio Bell	6534	Network Operations Expense	156,094	136,247	136,395	113,687	17,699	22,560	88.67%
4303	Ohio Bell	6541	Access Expense	70,841	75,427	70,841	75,427	0	0	100.00%
4303	Ohio Bell	6542	Depreciation-THS Expense	508,606	471,457	504,172	466,472	4,436	4,985	99.13%
4303	Ohio Bell	6552	Depreciation-THS Expense	465	464	0	0	465	464	0.00%
4303	Ohio Bell	6553	Depreciation-THS Expense	17,763	8,281	17,763	8,281	0	0	100.00%
4303	Ohio Bell	6554	Depreciation-THS Expense	1,571	1,572	1,435	1,324	136	248	91.21%
4303	Ohio Bell	6555	Depreciation-THS Expense	578,439	481,774	523,877	478,494	4,612	5,280	98.13%
4303	Ohio Bell	6611	Product Management and Sales Expense	113,636	108,886	95,236	96,192	18,397	10,706	83.81%
4303	Ohio Bell	6612	Product Advertising Expense	8,111	2,497	5,236	1,564	873	913	85.71%
4303	Ohio Bell	6613	Marketing Expense	118,477	105,385	100,477	87,776	18,270	11,618	83.81%
4303	Ohio Bell	6621	Call Compensation Expense	5,942	4,311	5,942	4,311	0	0	100.00%
4303	Ohio Bell	6622	Customer Services Expense	18,141	17,527	16,015	15,453	3,726	1,864	81.13%
4303	Ohio Bell	6623	Customer Services Expense	163,525	161,856	156,046	152,422	29,459	34,506	83.45%
4303	Ohio Bell	6624	Customer Services Expense	208,288	183,696	175,106	148,096	33,182	35,600	84.07%
4303	Ohio Bell	6721	General & Administrative	137,987	113,172	137,987	113,172	0	0	100.00%
4303	Ohio Bell	6722	Provision for Uncollectible Note	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7101	Total Operating Expenses	1,706,174	1,525,386	1,566,916	1,371,167	139,158	148,219	91.84%
4303	Ohio Bell	7102	Total Operating Expenses	1,197	1,035	1,197	1,035	0	0	100.00%
4303	Ohio Bell	7103	Station Network (1990 - 2002)	0	72	0	0	0	0	0.00%
4303	Ohio Bell	7104	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7105	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7106	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7107	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7108	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7109	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7110	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7111	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7112	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7113	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7114	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7115	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7116	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7117	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7118	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7119	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7120	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7121	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7122	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7123	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7124	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7125	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7126	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7127	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7128	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7129	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7130	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7131	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7132	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7133	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7134	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7135	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7136	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7137	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7138	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7139	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7140	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7141	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7142	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7143	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7144	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7145	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7146	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7147	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7148	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7149	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7150	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7151	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7152	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7153	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7154	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7155	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7156	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7157	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7158	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7159	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7160	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7161	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7162	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7163	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7164	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7165	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7166	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7167	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7168	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7169	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7170	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7171	Station Network (1990 - 2002)	0	0	0	0	0	0	0.00%
4303	Ohio Bell	7172	Station Network (199							



Case File Date: 06/27/2004

# FCC Report 43-03, the ARMIS Joint Cost Report Table I. Regulated/Nonregulated Data

Report Number	Company	Row	Row Title	Y2002 Total (b)	Y2001 Total (b)	Y2002 Total Regulated (f)	Y2001 Total Regulated (f)	Y2002 Total Nonregulated (j)	Y2001 Total Nonregulated (j)	REGULATED % 2002	REGULATED % 2001
4303 Onco Bell		7160(2002)	Other Operating Gains/Losses (1990 - 2002)	-598	-374	-558	-348	-40	-26	93.31%	93.85%
4303 Onco Bell		7100	Other Operating Income and Expense	599	728	639	754	-40	-26	100.00%	100.00%
4303 Onco Bell		7210	Operating Invest. Tax Credit-net	2,730	3,295	2,702	3,244	33	51	98.79%	98.45%
4303 Onco Bell		7220	Operating Federal Income Taxes	114,031	218,011	121,975	221,369	-7,044	-5,358	100.00%	100.00%
4303 Onco Bell		7230	Operating State and Local Income Taxes	67,339	71,468	67,339	71,468	-4,127	-4,337	100.00%	100.00%
4303 Onco Bell		7240	Operating Other Taxes	98,451	123,045	97,102	118,479	1,349	4,566	98.83%	96.29%
4303 Onco Bell			Provision for Deferred Operating Income								
4303 Onco Bell		7250	Taxes - Net	317,223	50,827	39,505	52,088	-2,292	-1,261	100.00%	100.00%
4303 Onco Bell		7200	Operating Taxes	315,206	404,213	327,346	406,754	-12,137	-2,541	100.00%	100.00%
4303 Onco Bell		2111	Land	17,785	17,634	16,869	16,659	896	975	94.96%	94.47%
4303 Onco Bell		2112	Motor Vehicles	85,517	69,589	79,531	62,577	5,986	6,012	93.00%	91.23%
4303 Onco Bell		2113	Aircraft	0	0	0	0	0	0	0.00%	0.00%
4303 Onco Bell		2114	Tools and Other Work Equipment	84,989	82,792	81,787	56,623	3,202	4,169	95.07%	93.36%
4303 Onco Bell		2121	Buildings	529,045	608,862	596,385	575,213	32,660	33,649	94.81%	94.47%
4303 Onco Bell		2122	Furniture	2,574	3,643	2,122	2,963	452	680	82.44%	82.16%
4303 Onco Bell		2123	Office Equipment	6,417	7,142	5,290	5,867	1,127	1,275	82.44%	82.15%
4303 Onco Bell		2124	General Purpose Computers	51,104	94,902	46,158	87,462	4,946	7,440	90.32%	92.16%
4303 Onco Bell		2110	Land and Support Assets	857,431	863,594	808,182	859,394	49,269	54,190	94.25%	93.72%
4303 Onco Bell		2212	Digital Electronic Switching	456	12,857	456	12,857	0	0	100.00%	100.00%
4303 Onco Bell		2210	Land and Support Assets	1,564,230	1,494,733	1,563,629	1,494,053	601	680	99.96%	99.85%
4303 Onco Bell		2211	Digital Electronic Switching	1,564,686	1,507,598	1,564,085	1,506,910	601	680	99.96%	99.85%
4303 Onco Bell		2210	Central Office Switching	18,892	19,921	17,145	18,991	1,745	830	90.76%	95.81%
4303 Onco Bell		2220	Operator Systems	5,743	7,232	5,743	7,232	0	0	100.00%	100.00%
4303 Onco Bell		2231	Radio Systems	2,068,251	1,981,591	2,068,178	1,981,526	73	71	100.00%	100.00%
4303 Onco Bell		2230	Circuit Equipment	2,063,996	1,988,823	2,063,923	1,988,752	73	71	100.00%	100.00%
4303 Onco Bell		2200	Central Office - Transmission	1,287	1,597	0	0	1,287	1,597	0.00%	0.00%
4303 Onco Bell		2311	Station Apparatus	0	0	0	0	0	0	0.00%	0.00%
4303 Onco Bell		2321	Customer Premises Wiring	0	0	0	0	0	0	0.00%	0.00%
4303 Onco Bell		2341	Large Private Branch Exchanges	32,892	32,877	0	0	32,892	32,877	0.00%	0.00%
4303 Onco Bell		2351	Public Telephone Equipment	11,290	11,290	0	0	11,290	11,290	0.00%	0.00%
4303 Onco Bell		2360	Other Terminal	45,869	45,511	11,290	11,237	34,579	34,274	24.61%	24.60%
4303 Onco Bell		2370	Information Origination/Termination	138,578	134,542	139,578	134,542	0	0	100.00%	100.00%
4303 Onco Bell		2411	Phone Cable	843,038	795,862	843,038	795,862	0	0	100.00%	100.00%
4303 Onco Bell		2421	Aerial Cable	719,536	698,814	719,520	698,811	16	3	100.00%	100.00%
4303 Onco Bell		2422	Underground Cable	977,831	942,775	977,812	942,772	9	3	100.00%	100.00%
4303 Onco Bell		2423	Submarine and Deep Sea Cable	411	410	410	410	0	0	100.00%	100.00%
4303 Onco Bell		2424	Interbuilding Network Cable	99,134	99,130	99,134	99,130	0	0	100.00%	100.00%
4303 Onco Bell		2431	Aerial Wire	0	0	0	0	0	0	0.00%	0.00%
4303 Onco Bell		2441	Conduit Systems	655,752	637,705	655,738	637,703	14	2	100.00%	100.00%
4303 Onco Bell		2410	Cable and Wire Facilities	3,434,272	3,309,238	3,434,231	3,309,230	41	8	100.00%	100.00%
4303 Onco Bell		2681	Capital Leases	1,884	1,884	1,884	1,874	100	110	94.96%	94.46%
4303 Onco Bell		2682	Leasehold Improvements	3,752	3,862	3,539	3,651	217	211	94.22%	94.54%
4303 Onco Bell		2680	Amortizable Tangible Assets	5,790	5,846	5,419	5,525	317	321	94.47%	94.51%
4303 Onco Bell		2690	Intangibles	60,059	34,169	60,025	34,155	34	14	99.94%	99.96%
4303 Onco Bell		2001	TPS	8,070,939	7,774,562	7,984,280	7,684,194	88,659	90,368	98.83%	98.84%
4303 Onco Bell			Uncol-telecommunications Revenue								
4303 Onco Bell		5301	(1990 - 2002)	73,445	59,626	69,868	56,309	3,577	3,317	95.13%	94.44%
4303 Onco Bell		5302	Uncol-other Revenue (1990 - 2002)	264	0	264	0	0	0	100.00%	0.00%

**BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO**

<b>In the matter of the Review of SBC Ohio's</b>	)	
<b>TELRIC Costs for Unbundled Network</b>	)	<b>Case No. 02-1280-TP-UNC</b>
<b>Elements</b>	)	
	)	

**TESTIMONY OF  
MICHAEL STARKEY**

**EXHIBIT \_\_\_\_ (MS-4A)**

**Shared & Common Cost Recalculation:  
Step-by-Step Description**

**This Exhibit is Considered Confidential Pursuant to the Protective  
Order in Case No. 02-1280-TP-UNC – Filed Under Seal. It is Available  
Only in the Confidential Version of this Filing**

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## JOINT CLECS COMMON AND SHARED COST RECALCULATION Step-by-Step Description

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Because of the complexities required in ensuring that all revisions are incorporated sensibly, the order in which each revision is made has been critically reviewed. Hence, each revision may be described in this document in a different order than which it was described in the testimony. Activities below are listed in the order in which they were incorporated into the recalculated analysis.

To ensure that all recommended changes flow through SBC's Shared and Common cost algorithms correctly, each Adjustment Number has separate *Tab 2 - Inputs* and *Tab 3 - Calculations* pages to better isolate the cumulative impact of each adjustment and to facilitate independent review of these calculations. For example, **Joint CLECs Adjustment 1** (changing SBC's denominator to embedded cost brought to current value) will be supported by *Tab 2 - Inputs (CLEC #1)* and *Tab 3 - Calculations (CLEC #1)*. Since this is the first of the 10 adjustments made to SBC's Shared and Common cost study, these sheets reflect the impact of that single adjustment. **Joint CLECs Adjustment 2** changes the direct cost denominator to embedded cost brought to current value + the impact of The Joint CLECs' recommended cost of capital and depreciation. These changes are reflected on *Tab 2 - Inputs (CLEC #2)* and *Tab 3 - Calculations (CLEC #2)*.

Each subsequent adjustment is reflected on new support tabs inclusive of all prior adjustments with the exception of a few adjustments that could be made directly on the results page of the cost study without being run through SBC's algorithm from the bottom up.

SBC's original inputs and calculations are contained in *Tab 2 - Inputs (SBC)* and *Tab 3 - Calculations (SBC)*.

*Tab 1 - Results* compares SBC's proposed Shared and Common cost factors with the cumulative impact of all 10 adjustments recommended by the Joint CLECs. The Shared and Common cost factors displayed under **Joint CLECs Adjustment 10** are my recommended factors.

The following matrix summarizes the sheets (tabs) that support each adjustment.

<b>Joint CLECs Adjustment #</b>	<b>Tab 2 – Inputs (XX)</b>	<b>Tab 3 – Calculations (XX)</b>	<b>Tab 1 – Results or Other</b>
1	Tab 2 – Inputs (CLEC #1)	Tab 3 Calculations (CLEC #1)	N/A
2	Tab 2 – Inputs (CLEC #2)	Tab 3 Calculations (CLEC #2)	Capital Cost Factors
3	Tab 2 – Inputs (CLEC #3)	Tab 3 Calculations (CLEC #3)	Net Pension Settlement Gains
4	N/A	Tab 3 Calculations (CLEC #4)	Tab 1 - Results
5	Tab 2 – Inputs (CLEC #5)	Tab 3 Calculations (CLEC #5)	Tab 1 – Results, Wholesale Revenue By Service
6	N/A	N/A	Tab 1 – Results, Wholesale Revenue By Service, Average Uncollectibles
7	N/A	N/A	Tab 1 – Results, Wholesale Revenue By Service
8	Tab 2 – Inputs (CLEC #8)	Tab 3 Calculations (CLEC #8)	ARMIS 43-03
9	Tab 2 – Inputs (CLEC #9)	Tab 3 Calculations (CLEC #9)	Ohio CC-BC Ratios
10	Tab 2 – Inputs (CLEC #10)	Tab 3 Calculations (CLEC #10)	Exhibit MS-10 (Ohio Only - SAF).xls

## II. SHARED AND COMMON COSTS

### IIA. COMMON COSTS (CRITIQUE OF SBC'S ANALYSIS)

#### *IIA (i). Mismatch of Embedded and Forward Looking Data*

##### REVISION REQUIRED

The Joint CLECs replaced SBC's "forward looking direct cost" denominator with a denominator based on embedded direct cost brought to current cost.

##### RECALCULATION SPECIFICS

##### **ADJUSTMENT 1**

In **Adjustment 1** (column G) of the Joint CLECs' Recommended Adjustment section within SBC's Shared and Common cost study, Exhibit MS-4 (*S&C.xls*), *Tab 1 – Results*, I used SBC's methodology of calculating its direct cost denominator and made a fundamental adjustment. I made a copy of worksheet *Tab 3 - Calculations* and called it *Tab 3 - Calculations (CLEC #1)* to make my adjustment to SBC's common cost denominator. The Joint CLECs removed SBC's adjustments in column I, *Forward Looking Adjustmt*, for all plant investment and operating expense accounts except for SBC's adjustments to remove book depreciation expense.

The Joint CLECs retained SBC's adjustment to remove book depreciation because capital cost factors produced by CAPCS include a depreciation component. The resulting direct costs in column M on *Tab 3 - Calculations (CLEC #1)* were then pulled into *Tab 1 – Results*, cells G36 and G37.

**Adjustment 1** also contains modified values for Ad Valorem tax expense included in both the numerator (common costs) and the denominator (direct costs). This modification is a byproduct of using book plant investment brought to current value rather than SBC's adjusted investment. The Ad Valorem tax calculations on *Tab 2 - Inputs (CLEC #1)*, cells I151 through I162 rely upon Total Plant In Service ("TPIS") values from *Tab 3 - Calculations (CLEC #1)*. Because the Joint CLECs' calculation of TPIS is greater than SBC's, it results in an increased amount of Ad Valorem tax expense in the common cost calculation. The Joint CLECs' adjusted Ad Valorem tax expense is contained in cells G29 and G39 on *Tab 1 – Results*.

Removing SBC's "forward-looking" adjustments results in a denominator (direct cost on row 43 of *Tab 1 – Results*) that is 25.3% larger than SBC's which causes the common cost factor to decline by 20.2%.

## ADJUSTMENT 2

**Adjustment 2** (column H) takes the changes made in **Adjustment 1** a step further. It replaces SBC capital cost factors on Tab 2 – Inputs, column G with Ms. Terry Murray's and Mr. Mike Majoros' recommended capital cost factors. These are then applied to investment in Tab 3 - Calculations (CLEC #2), column K. Ms. Murray's and Mr. Majoros' recommended capital cost factors are smaller than SBC's proposed factors due to a lower cost of capital and longer depreciation lives. The application of smaller capital cost factors produces a smaller amount of direct costs for the denominator. Since the denominator declines, the common cost factor increases. The denominator decreases by 4.7% from SBC's proposed denominator after applying adjusted capital cost factors. Therefore, using Ms. Murray's and Mr. Majoros' recommended capital cost factors mitigate the impact of removing SBC's "forward-looking" adjustments.

### ***IIA (iv). TBO / Net Pension Settlement Gains / OSS Testing Expense / Disallowable Cost Adjustments***

#### REVISION REQUIRED

The Joint CLECs removed TBO expenses attributable to common costs, adjusted Account 6728 (*Other General and Administrative*) to recognize the average net credits recorded by SBC for pension settlement gains based on a review of historical data, removed OSS testing expense from Account 6728, and removed Tier 1 Remedy payments and UNE-P advertising expenses as unwarranted and disallowable costs.

#### RECALCULATION SPECIFICS

In **Adjustment 3** (column I), Joint CLECs removed the [BEGIN CONFIDENTIAL \*\* \$19,210,000 \*\* END CONFIDENTIAL] line item "Transitional Benefit Obligation" from SBC's analysis. This adjustment was made by zeroing out the total TBO expense on Tab 2 – Inputs (CLEC #3), cell F118.

Likewise, the Joint CLECs adjusted Account 6728 (*Other General and Administrative*) by adding back the average pension settlement gain credit of [BEGIN CONFIDENTIAL \*\* \$50,477,000 \*\* END CONFIDENTIAL] from 1994 – 2003 as calculated on tab *Net Pension Settlement Gains*. SBC's adjustment to add back average OSS testing expense of [BEGIN CONFIDENTIAL \*\* \$14,332,110 \*\* END CONFIDENTIAL] in Account 6728 was removed on Tab 2 – Inputs (CLEC #3), cell E108. Tier 1 Remedy payments of [BEGIN CONFIDENTIAL \*\* \$895,000 \*\* END CONFIDENTIAL] and UNE-P advertising expenses of [BEGIN CONFIDENTIAL \*\* \$681,000 \*\* END CONFIDENTIAL] were also removed from Account 6728 on Tab 2 – Inputs (CLEC #3), cell E108.

***IIA (ii). Failure to Diligently Allocate Direct and Shared Costs***

REVISION REQUIRED

The Joint CLECs reduced SBC's common cost expenses (balances in Accounts 67XX) by [BEGIN CONFIDENTIAL \*\* 21.45% \*\* END CONFIDENTIAL], an amount equal to the Commission's approved avoided wholesale discount, to remove costs attributable to its retail organization as direct costs. Joint CLECs then added these direct costs to the direct cost pool used in SBC's Shared and Common cost denominator.

RECALCULATION SPECIFICS

**Adjustment 4** (column J), contains the Commission's approved avoided wholesale cost discount factor of [BEGIN CONFIDENTIAL \*\* 21.45 % \*\* END CONFIDENTIAL] in cell J11. This factor is used to reduce the adjusted 67XX balances from **Adjustment 3** in *Tab 3 – Calculations (CLEC #4)*, cells N164 – N177. The algorithm is: (67XX balance in column N) X (1 – the Avoided Wholesale Cost Discount Factor). Making the adjustment here rather than on *Tab 1 – Results* automatically reclassifies the removed costs as direct costs because SBC's algorithm in *Tab 3 – Calculations* calculates direct costs as the difference between total costs and common costs. See formula in column M.

***IIA (iii). Failure to Isolate Regulated Versus Non-Regulated Data***

REVISION REQUIRED

The Joint CLECs removed non-regulated expenses and investment from SBC's common cost analysis to restate SBC's common cost analysis to reflect its regulated operations only.

RECALCULATION SPECIFICS

**Adjustment 8** (column N), reflects the removal of non-regulated expenses and investment from the common cost factor calculation. A percentage reflecting the regulated portion of each individual expense and investment account was derived from SBC's 2001 and 2002 ARMIS 43-03 reports filed with the FCC. The ARMIS 43-03 report breaks out book investment and expense into three primary categories: (1) Total, (2) Total Regulated and (3) Total Non-Regulated. Investment requires 2001 and 2002 information to remove non-regulated costs from beginning and ending account balances used to determine average investment. Expenses only



require 2002 cost data. The necessary regulated percentages for all accounts are contained on worksheet *ARMIS 43-03*, rows 10 through 115, columns L and M.

The regulated percentages for the accounts used in the common cost analysis were then pulled into equations calculating regulated-only costs via formula reference on worksheet *Tab 2 - Inputs (CLEC #8)*, columns N and O. These adjusted amounts then flow to *Tab 3 - Calculations (CLEC #8)*, columns D and E and ultimately to *Tab 1 - Results*. The algorithm to make this adjustment on *Tab 2 - Inputs (CLEC #8)* is: (Expense and Investment values in columns E and F) X (Regulated % from *ARMIS 43-03*).

*N/A. Adjustment of Ad Valorem Taxes Using Investment at Current Cost*

REVISION REQUIRED

The Joint CLECs calculated a reduced Ad Valorem tax factor by using an investment denominator based upon current cost rather than book cost. This adjustment reflects consistency with The Joint CLECs' adjustment of the Ad Valorem tax ACF in **Section IIIB (iii)** of the testimony.

RECALCULATION SPECIFICS

In **Adjustment 9**, (column O), the Joint CLECs incorporate a modified Ad Valorem tax expense into the common cost factor by applying a reduced tax factor to TPIS brought to current value. Ad Valorem tax expense is calculated in *Tab 2 - Inputs (CLEC #9)*, cells L139 through L162. Joint CLECs calculated a modified Ad Valorem tax factor by adjusting the average book investment, which is used as a denominator, to current value using SBC's 2002 CC/BC ratios.

The Joint CLECs modified SBC's CC/BC ratio worksheet to calculate a composite CC/BC ratio for all plant investment in total. This was done on tab *Ohio CC-BC Ratios*, cell F32. This composite CC/BC ratio, **[BEGIN CONFIDENTIAL \*\*1.35396\*\* END CONFIDENTIAL]**, was multiplied by 2002 regulated average book investment, **[BEGIN CONFIDENTIAL \*\* \$7,837,691,000 \*\* END CONFIDENTIAL]**, to produce average investment at current cost of **[BEGIN CONFIDENTIAL \*\* \$10,611,952,000 \*\* END CONFIDENTIAL]**. This calculation is done in cell L152 on *Tab 2 - Inputs (CLEC #9)*.

The adjusted Ad Valorem tax factor is then multiplied by TPIS at current cost to calculate adjusted Ad Valorem tax expense which is pulled into *Tab 3 - Calculations (CLEC #9)*, cells M186 and N186.



***IIA (vi). Incorporating Adjusted Support Asset Values Attributable to Common Costs***

**REVISION REQUIRED**

The Joint CLECs adjusted the support asset cost portion of the common cost numerator to flow through Ohio-specific support asset costs calculated in Exhibit MS-10 (*Ohio Only - SAF*).

**RECALCULATION SPECIFICS**

**Adjustment 10** (column P) replaces SBC's proposed support asset cost additive to common costs with an amount representing the entire pool of support asset costs attributable to SBC's Ohio operations. This adjusted support asset cost is inclusive of mainframe and mid-range computer costs currently recovered in SBC's Service Order Processing study. The adjustment is imported from the adjusted support assets cost study in Exhibit MS-10 and is located in cell P27. Additionally, SBC's adjustment to remove mainframe computer investment, expense and associated labor costs from common costs must be eliminated. This is accomplished in series of adjustments made to SBC's General Purpose Computer calculations on *Tab 2 - Inputs (CLEC #10)* in column I, rows 171-191.

Amounts representing Ohio-only support assets are imported from Exhibit MS-10 into *Tab 2 - Inputs (CLEC #10)*, rows 314-327. They flow through to *Tab 3 - Calculations (CLEC #10)*, column N. The adjusted common costs flow through to the common cost numerator on *Tab 1 - Results*. At the same time, the increase in common costs causes a reduction in the direct cost pool used in the denominator. This happens because a larger portion of the Total Direct and Shared & Common costs in column L on *Tab 3 - Calculations (CLEC #10)* is now classified as common. The remaining direct cost comprises the denominator.

## **IIB. SHARED COSTS (CRITIQUE OF SBC'S ANALYSIS)**

### ***IIA (i). Shared Cost Denominator Based Upon Book Investment at Current Cost***

#### REVISION REQUIRED

The Joint CLECs modified SBC's wholesale direct cost denominator by applying SBC's Wholesale Direct Cost Percentage to the Joint CLECs' adjusted direct cost used in the common cost factor.

#### RECALCULATION SPECIFICS

In **Adjustment 1** (column G) of the Joint CLECs Recommended Adjustment section within SBC's Shared and Common cost study, Exhibit MS-4 (*S&C.xls*), *Tab 1 – Results*, Joint CLECs multiplied SBC's Wholesale Direct Cost Percentage of **[BEGIN CONFIDENTIAL \*\* 6.90% \*\* END CONFIDENTIAL]** in cell G68 by direct cost before inflation in cell G67. This adjustment increases the wholesale direct cost denominator by 25.3% and correspondingly reduces the wholesale shared cost factor by 20.1%.

**Adjustment 2** (column H) offsets the reduction made in **Adjustment 1** by applying the lower capital cost factors recommended by Ms. Murray and Mr. Majoros.

### ***IIB (i). Elimination of Wholesale Product Advertising and Reduction in Wholesale Marketing Costs***

#### REVISION REQUIRED

The Joint CLECs eliminated wholesale product advertising as an unwarranted cost in the pricing of UNEs since SBC does not undertake initiatives aimed at "stimulating the purchase" of UNEs. The Joint CLECs also reduced marketing costs in Account 6611 (*Product Management*) and Account 6612 (*Product Sales*) attributable to wholesale operations to reflect a more reasonable allocation of these product support costs to purchasers of UNEs.

#### RECALCULATION SPECIFICS

**Adjustment 5** (column K), cells K51, K53 and K54 on worksheet *Tab 1 – Results*, contains the end result of the Joint CLECs' adjustments to wholesale marketing costs. The value in cell K51 is calculated on worksheet *Tab 3 - Calculations (CLEC #5)*, cell J153. Account 6613 (*Product Advertising*) is zeroed out on *Tab 2 – Inputs*

(CLEC #5), cell E94. The net Total Marketing Costs in on Tab 3 – Calculations (CLEC #5), cell J153 are then pulled into cell K51 on *Tab 1 – Results*.

The modified Total Marketing Costs in cell K51 were then multiplied by the Wholesale Marketing Percentage in cell K52 to produce a modified Wholesale Marketing Cost for the shared cost numerator.

I further adjusted the Wholesale Marketing Cost by applying an additional factor to determine the amount of Wholesale Marketing Costs attributable to UNE activities. I added row 28 to the analysis for the UNE Revenue factor (**[BEGIN CONFIDENTIAL \*\* 21.56% \*\* END CONFIDENTIAL]**) to apply to Wholesale Marketing Costs. The UNE Revenue factor is UNE Revenue as a percentage of wholesale revenue and is calculated in cell G29 on tab *Wholesale Revenue by Service*. This results in adjusted Wholesale Marketing Cost of **[BEGIN CONFIDENTIAL \*\* \$1,282,000 \*\* END CONFIDENTIAL]**.

***IIB (ii). Wholesale Uncollectible Costs are Reduced to a UNE-Specific Level***

REVISION REQUIRED

Since SBC is unable to calculate UNE uncollectible expense, it's normalized 2002 bad debt expense must be further reduced to a UNE-specific level by applying the same UNE Revenue factor used to adjust Wholesale Marketing Costs

RECALCULATION SPECIFICS

In **Adjustment 6** (column L), I determined the UNE portion of SBC's wholesale bad debt expense using the UNE Revenue factor developed by Joint CLECs in Adjustment 5. I added row 32 to the analysis to apply the UNE Revenue factor to wholesale bad debt expense.

The adjusted UNE-related bad debt expense of **[BEGIN CONFIDENTIAL \*\* \$1,502,000 \*\* END CONFIDENTIAL]** is contained in cell L59 on *Tab 1 – Results*.

***IIB (iii). UNE Revenue is a Better Denominator for Shared Costs***

REVISION REQUIRED

The Joint CLECs changed SBC's shared cost denominator from wholesale direct costs to UNE-specific revenue because the two types of costs identified by SBC Ohio as shared, i.e., marketing expenses and bad debt, are more causally related to revenue than they are to direct costs. Also, replacing SBC's wholesale direct cost with UNE

revenue as a denominator ensures consistency with the UNE-specific marketing and uncollectible costs determined in **Adjustments 5** and **6**.

#### RECALCULATION SPECIFICS

In **Adjustment 7** on *Tab 1 – Results*, column M, the Joint CLECs eliminated SBC's wholesale direct cost denominator from the calculation of shared costs on study rows 37-41. Based upon SBC's response to AT&T Data Request MS-52(c) on *tab Wholesale Revenue by Service*, the Joint CLECs identified a total of **[BEGIN CONFIDENTIAL \*\* \$134,180,000 \*\* END CONFIDENTIAL]** in UNE revenue for SBC Ohio in 2002. This amount is used as the new denominator for wholesale shared costs in cell M73 just below those containing SBC's wholesale direct cost denominator calculations. The new UNE shared cost denominator is approximately 13% less than the wholesale shared cost denominator of **[BEGIN CONFIDENTIAL \*\* \$154,466,000 \*\* END CONFIDENTIAL]**.

#### ***IIB (iv). Failure to Isolate Regulated Versus Non-Regulated Data***

##### REVISION REQUIRED

The Joint CLECs removed non-regulated expenses and investment from SBC's shared cost analysis as was done in the common cost section.

#### RECALCULATION SPECIFICS

**Adjustment 8** (column N), reflects the removal of non-regulated expenses and investment from the common cost factor calculation. A percentage reflecting the regulated portion of each individual expense and investment account was derived from SBC's 2001 and 2002 ARMIS 43-03 reports filed with the FCC. The ARMIS 43-03 report breaks out book investment and expense into three primary categories: (1) Total, (2) Total Regulated and (3) Total Non-Regulated. Investment requires 2001 and 2002 information to remove non-regulated costs from beginning and ending account balances used to determine average investment. Expenses only require 2002 cost data. The necessary regulated percentages for all accounts are contained on worksheet *ARMIS 43-03*, rows 10 through 115, columns L and M.

The regulated percentages for the accounts used in the common cost analysis were then pulled into equations calculating regulated-only costs via formula reference on worksheet *Tab 2 - Inputs (CLEC #8)*, columns N and O. These adjusted amounts then flow to *Tab 3 - Calculations (CLEC #8)*, columns D and E and ultimately to *Tab 1 – Results*. The algorithm to make this adjustment on *Tab 2 - Inputs (CLEC #8)* is: (Expense and Investment values in columns E and F) X (Regulated % from *ARMIS 43-03*).

BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO

In the matter of the Review of SBC Ohio's     )  
TELRIC Costs for Unbundled Network     )     Case No. 02-1280-TP-UNC  
Elements     )  
   )


TESTIMONY OF  
MICHAEL STARKEY

**EXHIBIT \_\_\_\_ (MS-5)**

**ACFs Modified With Recommended Cost  
of Capital**

**INPUT AND RESULTS SHEET ONLY  
FULL ACF PRESENTATION PROVIDED AS AN  
ELECTRONIC FILE ONLY ON CD-ROM**

**This Exhibit is Considered Confidential Pursuant to the Protective  
Order in Case No. 02-1280-TP-UNC – Filed Under Seal. It is Available  
Only in the Confidential Version of this Filing**

A	B	C	D	E	F	G	H	I	J	K	L
2			SBC Communications, Inc. Annual Cost Factors and Investment Factor Development Model								
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Binder Tab: 3B

**SBC Communications**  
**Capital Cost System PC Version 1.0**  
**Results**

**Ohio**  
**2002**

Cost of Capital :	7.53%
Composite Tax Rate:	35.00%
Debt Ratio:	32.84%
Annual Interest Rate:	4.15%

Account Number	Account Name	Book Depreciation	Cost of Money	Income Tax Expense	Total Capital Costs
2111	Total Land	0.0%	7.2%	3.2%	10.4%
2112	Total Motor Vehicles	11.3%	3.5%	1.5%	16.3%
2114	Tools and Other Work Equipment	8.3%	3.2%	1.4%	13.0%
2121.1	Buildings - Administrative	2.4%	5.0%	2.2%	9.6%
2121.2	Buildings - Network	2.4%	5.0%	2.2%	9.6%
2121.3	Buildings - Network Support	2.4%	5.0%	2.2%	9.6%
2122	Furniture	6.7%	3.4%	1.5%	11.6%
2123.1	Office Equipment - Office Support	10.0%	3.2%	1.4%	14.6%
2123.2	Office Equipment - Office Communication	14.3%	3.3%	1.5%	19.0%
2124	General Purpose Computers	16.7%	3.4%	1.5%	21.5%
2212	Digital Electronic Switching	10.0%	3.2%	1.4%	14.6%
2220	Operator Systems	14.3%	3.3%	1.5%	19.0%
2231	Radio Systems	14.3%	3.3%	1.5%	19.0%
2232.157	Circuit Equipment - DDS	14.3%	3.3%	1.5%	19.0%
2232.257	Circuit Equipment - Digital Loop Electronic	11.1%	3.2%	1.4%	15.8%
2232.357	Circuit Equipment - Digital Other	11.1%	3.2%	1.4%	15.8%
2232.57	Circuit Equipment - Analog	33.3%	3.3%	1.4%	38.1%
2351	Public Telephone Terminal	14.3%	3.6%	1.6%	19.5%
2362	Other Terminal Equipment	20.0%	3.5%	1.5%	25.0%
2411	Poles	4.8%	4.1%	1.8%	10.7%
2421.22	Aerial Cable - Metallic	6.7%	4.2%	1.8%	12.6%
2421.822	Aerial Cable Non - Non-Metallic	5.0%	4.1%	1.8%	10.9%
2422.5	Underground Cable - Metallic	6.7%	4.2%	1.8%	12.6%
2422.85	Underground Cable - Non-Metallic	5.0%	4.1%	1.8%	10.9%
2423.45	Buried Cable Exchange Metallic	6.7%	4.2%	1.8%	12.6%
2423.845	Buried Cable Non-Metallic	5.0%	4.1%	1.8%	10.9%
2426.442	Intrabuilding Cable - Metallic	6.7%	4.2%	1.8%	12.6%
2426.462	Intrabuilding Cable - Non-Metallic	5.0%	4.1%	1.8%	10.9%
2441	Conduit System	2.0%	4.5%	2.0%	8.5%
2690	Intangible Assets	33.3%	3.3%	1.4%	38.1%



BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO

In the matter of the Review of SBC Ohio's     )  
TELRIC Costs for Unbundled Network     )     Case No. 02-1280-TP-UNC  
Elements     )  
   )

TESTIMONY OF  
MICHAEL STARKEY

**EXHIBIT \_\_\_\_ (MS-6)**

**ACFs Modified With Recommended  
Depreciation Lives**

**INPUT AND RESULTS SHEET ONLY  
FULL ACF PRESENTATION PROVIDED AS AN  
ELECTRONIC FILE ONLY ON CD-ROM**

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Only in the Confidential Version of this Filing**



Binder Tab: 3B

**SBC Communications**  
**Capital Cost System PC Version 1.0**  
**Results**

**Ohio**  
  
**2002**

Cost of Capital :	11.91%
Composite Tax Rate:	35.00%
Debt Ratio:	19.00%
Annual Interest Rate:	6.18%

Account Number	Account Name	Book Depreciation	Cost of Money	Income Tax Expense	Total Capital Costs
2111	Total Land	0.0%	11.2%	5.4%	16.6%
2112	Total Motor Vehicles	10.8%	5.8%	2.8%	19.3%
2114	Tools and Other Work Equipment	8.3%	5.4%	2.6%	16.3%
2121.1	Buildings - Administrative	2.1%	8.9%	4.3%	15.3%
2121.2	Buildings - Network	2.1%	8.9%	4.3%	15.3%
2121.3	Buildings - Network Support	2.1%	8.9%	4.3%	15.3%
2122	Furniture	4.1%	6.2%	3.0%	13.3%
2123.1	Office Equipment - Office Support	10.0%	5.3%	2.6%	17.9%
2123.2	Office Equipment - Office Communication	14.3%	5.4%	2.6%	22.2%
2124	General Purpose Computers	13.4%	5.6%	2.7%	21.7%
2212	Digital Electronic Switching	6.3%	5.5%	2.7%	14.4%
2220	Operator Systems	9.1%	5.3%	2.6%	17.0%
2231	Radio Systems	11.3%	5.3%	2.5%	19.1%
2232.157	Circuit Equipment - DDS	14.3%	5.4%	2.6%	22.2%
2232.257	Circuit Equipment - Digital Loop Electronic	8.5%	5.3%	2.6%	16.4%
2232.357	Circuit Equipment - Digital Other	8.5%	5.3%	2.6%	16.4%
2232.57	Circuit Equipment - Analog	33.3%	5.2%	2.5%	41.0%
2351	Public Telephone Terminal	9.1%	5.7%	2.8%	17.5%
2362	Other Terminal Equipment	19.8%	5.6%	2.7%	28.1%
2411	Poles	6.8%	5.5%	2.7%	14.9%
2421.22	Aerial Cable - Metallic	6.3%	6.4%	3.1%	15.8%
2421.822	Aerial Cable Non - Non-Metallic	6.3%	6.4%	3.1%	15.8%
2422.5	Underground Cable - Metallic	4.4%	7.0%	3.4%	14.7%
2422.85	Underground Cable - Non-Metallic	3.7%	7.1%	3.4%	14.2%
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2423.845	Buried Cable Non-Metallic	4.4%	7.0%	3.4%	14.7%
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2426.462	Intrabuilding Cable - Non-Metallic	5.8%	6.7%	3.2%	15.6%
2441	Conduit System	2.1%	7.8%	3.8%	13.7%
2690	Intangible Assets	16.7%	4.8%	2.3%	23.8%

BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO

In the matter of the Review of SBC Ohio's     )  
TELRIC Costs for Unbundled Network     )     Case No. 02-1280-TP-UNC  
Elements     )  
   )

TESTIMONY OF  
MICHAEL STARKEY

**EXHIBIT \_\_\_\_ (MS-7)**

**ACFs Modified With Recommended Cost  
of Capital and Depreciation Lives**

**INPUT AND RESULTS SHEET ONLY  
FULL ACF PRESENTATION PROVIDED AS AN  
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Binder Tab: 3B

**SBC Communications**  
**Capital Cost System PC Version 1.0**  
**Results**

**Ohio**  
**2002**

Cost of Capital :	7.53%
Composite Tax Rate:	35.00%
Debt Ratio:	32.84%
Annual Interest Rate:	4.15%

Account Number	Account Name	Book Depreciation	Cost of Money	Income Tax Expense	Total Capital Costs
2111	Total Land	0.0%	7.2%	3.2%	10.4%
2112	Total Motor Vehicles	10.8%	3.6%	1.6%	15.9%
2114	Tools and Other Work Equipment	8.3%	3.2%	1.4%	13.0%
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2121.2	Buildings - Network	2.1%	5.2%	2.3%	9.5%
2121.3	Buildings - Network Support	2.1%	5.2%	2.3%	9.5%
2122	Furniture	4.1%	3.6%	1.6%	9.3%
2123.1	Office Equipment - Office Support	10.0%	3.2%	1.4%	14.6%
2123.2	Office Equipment - Office Communication	14.3%	3.3%	1.5%	19.0%
2124	General Purpose Computers	13.4%	3.4%	1.5%	18.4%
2212	Digital Electronic Switching	6.3%	3.2%	1.4%	10.9%
2220	Operator Systems	9.1%	3.2%	1.4%	13.7%
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2232.257	Circuit Equipment - Digital Loop Electronic	8.5%	3.2%	1.4%	13.1%
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2362	Other Terminal Equipment	19.8%	3.5%	1.5%	24.8%
2411	Poles	6.8%	2.7%	1.2%	10.7%
2421.22	Aerial Cable - Metallic	6.3%	3.7%	1.6%	11.5%
2421.822	Aerial Cable Non - Non-Metallic	6.3%	3.7%	1.6%	11.5%
2422.5	Underground Cable - Metallic	4.4%	4.0%	1.8%	10.1%
2422.85	Underground Cable - Non-Metallic	3.7%	4.0%	1.7%	9.4%
2423.45	Buried Cable Exchange Metallic	5.5%	3.9%	1.7%	11.1%
2423.845	Buried Cable Non-Metallic	4.4%	4.0%	1.7%	10.1%
2426.442	Intrabuilding Cable - Metallic	5.8%	3.8%	1.7%	11.3%
2426.462	Intrabuilding Cable - Non-Metallic	5.8%	3.8%	1.7%	11.3%
2441	Conduit System	2.1%	4.4%	1.9%	8.4%
2690	Intangible Assets	16.7%	3.0%	1.3%	21.0%

**BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO**

<b>In the matter of the Review of SBC Ohio's</b>	)	
<b>TELRIC Costs for Unbundled Network</b>	)	<b>Case No. 02-1280-TP-UNC</b>
<b>Elements</b>	)	
	)	

**TESTIMONY OF  
MICHAEL STARKEY**

**EXHIBIT \_\_\_\_ (MS-8)**

**ACFs With All Recommended  
Adjustments**

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**LIST OF CHANGES MADE TO THE ACF MODEL INPUTS & ALGORITHMS BY THE JOINT CLECS**

SHEET NAME	CELL REFERENCE	DESCRIPTION OF CHANGE MADE	SOURCE OF CHANGE
Inputs	D15	Terry Murray recommended weighted average cost of capital	Direct testimony of Terry Murray
Inputs	D17	Terry Murray recommended debt ratio	Direct testimony of Terry Murray
Inputs	D18	Terry Murray recommended cost of debt	Direct testimony of Terry Murray
Inputs	D24 - F53	Mike Majoris recommended depreciation lives in yellow.	Direct testimony of Mike Majoris
Inputs	J25 - J53	Mike Majoris recommended net salvage value % in yellow.	Direct testimony of Mike Majoris
Inputs	D69	Zero out factor to remove support asset expense from ACFs based on recommendation to recover all support asset costs from common cost factor.	Testimony of Michael Starkey; Section IIIB (i)
Inputs	E78/F78	Removal of non-regulated land investment using % Regulated, Columns O and P, sheet ARMIS 43-03 Invest. 2001-2002 and estimate of land investment leased to collocating carriers, cell L6, sheet Space Leased to Non-Affiliates	Testimony of Michael Starkey; Section IIIB (i)
Inputs	E82/F82	Regulated, Columns O and P, sheet ARMIS 43-03 Invest. 2001-2002 and estimate of land investment leased to	Testimony of Michael Starkey; Section IIIB (i)
Inputs	E83/F83 - E90/F90	Removal of non-regulated investment using % Regulated, Columns O and P, sheet ARMIS 43-03 Invest. 2001-2002	Testimony of Michael Starkey; Section IIIB (i)
Inputs	E92/F92 - E93/F93	Removal of non-regulated investment using % Regulated, Columns O and P, sheet ARMIS 43-03 Invest. 2001-2002	Testimony of Michael Starkey; Section IIIB (i)
Inputs	E95/F95 - E97/F97	Removal of non-regulated investment using % Regulated, Columns O and P, sheet ARMIS 43-03 Invest. 2001-2002	Testimony of Michael Starkey; Section IIIB (i)
Inputs	E99/F99 - E100/F100	Removal of non-regulated investment using % Regulated, Columns O and P, sheet ARMIS 43-03 Invest. 2001-2002	Testimony of Michael Starkey; Section IIIB (i)
Inputs	E102/F102 - E103/F103	Removal of non-regulated investment using % Regulated, Columns O and P, sheet ARMIS 43-03 Invest. 2001-2002	Testimony of Michael Starkey; Section IIIB (i)
Inputs	E105/F105 - E107/F107	Removal of non-regulated investment using % Regulated, Columns O and P, sheet ARMIS 43-03 Invest. 2001-2002	Testimony of Michael Starkey; Section IIIB (i)
Inputs	E109/F109 - E110/F110	Removal of non-regulated investment using % Regulated, Columns O and P, sheet ARMIS 43-03 Invest. 2001-2002	Testimony of Michael Starkey; Section IIIB (i)
Inputs	F132	Removal of non-regulated land and building expense using % Regulated, Column K, sheet ARMIS 43-03 2002 Expenses and estimate of land and building expense for space leased to collocating carriers, cell L6, sheet Space Leased to Non-Affiliates	Testimony of Michael Starkey; Section IIIB (i)
Inputs	F136	Removal of non-regulated land and building expense using % Regulated, Column K, sheet ARMIS 43-03 2002 Expenses and estimate of land and building expense for space leased to collocating carriers, cell L6, sheet Space Leased to Non-Affiliates	Testimony of Michael Starkey; Section IIIB (i)
Inputs	F141/I141 - F148/I148	Removal of non-regulated expense using % Regulated, Column K, sheet ARMIS 43-03 2002 Expenses	Testimony of Michael Starkey; Section IIIB (i)

**LIST OF CHANGES MADE TO THE ACF MODEL INPUTS & ALGORITHMS BY THE JOINT CLECS**

SHEET NAME	CELL REFERENCE	DESCRIPTION OF CHANGE MADE	SOURCE OF CHANGE
<i>Inputs</i>	F150/I150 - F154/I154	Removal of non-regulated expense using % Regulated, Column K, sheet ARMIS 43-03 2002 Expenses	Testimony of Michael Starkey; Section IIB (i)
<i>Inputs</i>	F156/I156 - F158/I158	Removal of non-regulated expense using % Regulated, Column K, sheet ARMIS 43-03 2002 Expenses	Testimony of Michael Starkey; Section IIB (i)
<i>Inputs</i>	F160/I160 - F161/I161	Removal of non-regulated expense using % Regulated, Column K, sheet ARMIS 43-03 2002 Expenses	Testimony of Michael Starkey; Section IIB (i)
<i>Inputs</i>	F163/I163 - F164/I164	Removal of non-regulated expense using % Regulated, Column K, sheet ARMIS 43-03 2002 Expenses	Testimony of Michael Starkey; Section IIB (i)
<i>Inputs</i>	F166/I166 - F167/I167	Removal of non-regulated expense using % Regulated, Column K, sheet ARMIS 43-03 2002 Expenses	Testimony of Michael Starkey; Section IIB (i)
<i>Inputs</i>	F169/I169 - F170/I170	Removal of non-regulated expense using % Regulated, Column K, sheet ARMIS 43-03 2002 Expenses	Testimony of Michael Starkey; Section IIB (i)
<i>Inputs</i>	F173/I173 - F180/I180	Removal of non-regulated expense using % Regulated, Column K, sheet ARMIS 43-03 2002 Expenses	Testimony of Michael Starkey; Section IIB (i)
<i>Inputs</i>	F183/I183 - F184/I184	Removal of non-regulated expense using % Regulated, Column K, sheet ARMIS 43-03 2002 Expenses	Testimony of Michael Starkey; Section IIB (i)
<i>Space Leased to Non-Affiliates</i>	L6	% of building space leased to non-affiliated carriers	Testimony of Michael Starkey; Section IIB (i)
<i>ARMIS 43-03 2002 Expenses</i>	Entire Sheet Added	Derivation of Regulated % of expenses using 2002 ARMIS data	Testimony of Michael Starkey; Section IIB (i)
<i>ARMIS 43-03 Invest. 2001 - 2002</i>	Entire Sheet Added	Derivation of Regulated % of investment using 2001 and 2002 ARMIS data	Testimony of Michael Starkey; Section IIB (i)
<i>ACF Base (SBC Proposed)</i>	Entire Sheet Added	Copy of ACFs filed by SBC	Testimony of Michael Starkey; Section III
<i>CHANGE IN ACFS</i>	Entire Sheet Added	Calculates change in ACFs from recommended input changes by subtracting ACFs filed by SBC on sheet ACF Base (SBC Proposed) from sheet ACF Base (Joint CLECs)	Testimony of Michael Starkey; Section III
<i>Ad Valorem Tax</i>	E28	Contains the 2002 composite CC/BC ratio for total investment to convert average book investment to current cost	Testimony of Michael Starkey; Section IIB (iii)
<i>Ad Valorem Tax</i>	E29	Conversion of average book investment to current cost	Testimony of Michael Starkey; Section IIB (iii)

A	B	C	D	E	F	G	H	I	J	K	L
2			SBC Communications, Inc. Annual Cost Factors and Investment Factor Development Model								
3			Ohio								
5			Based on 2002 Data								
6			Issue Date: 01/14/2004 Study Type: Standard								
7			Location in Binder 3C								
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Notes: - Investment Data

A	B	C	D	E	F	G	H	I	J	K	L
	Account Number	Account Name	Source		Percent Assigned	Annual Expenses	TBO	SOAA	Salary & Wage	Cost of Removal	Notes
				See note 8 & 9	See notes 7	See note 11	See note 12	See note 13	See note 14		
				Col F, G, H & I	Tab Expense Data, Col F Binder Tab 4D	Tab Expense Data, Col G Binder Tab 4D	Tab Expense Data, Col H Binder Tab 4D	Tab Expense Data, Col I Binder Tab 4D	Tab Expense Data, Col J Binder Tab 4D		
126	6121 1-0	Land & Bldg - Owned - Administration	10C	18.9%	\$ 4,487,515	\$ 0	\$ 0	\$ 0	\$ 0	See Note 8	
127	6121 2-0	Land & Bldg - Owned - Network	10C	76.6%	\$ 18,156,192	\$ 0	\$ 0	\$ 0	\$ 0	Ibid	
128	6121 3-0	Land & Bldg - Owned - Network Support	10C	4.4%	\$ 1,049,614	\$ 0	\$ 0	\$ 0	\$ 0	Ibid	
129	6121 0	Total Land & Buildings - Owned	10C	100.0%	\$ 23,693,321	\$ 0	\$ 0	\$ 0	\$ 0	Sum (Line 129 - 131)	
130	6121 1-L	Land & Bldg - Leased - Administration	10C	50.3%	\$ 5,248,666	\$ 0	\$ 0	\$ 0	\$ 0	See Note 8	
131	6121 2-L	Land & Bldg - Leased - Network	10C	0.6%	\$ 57,357	\$ 0	\$ 0	\$ 0	\$ 0	Ibid	
132	6121 3-L	Land & Bldg - Leased - Network Support	10C	49.1%	\$ 5,122,481	\$ 0	\$ 0	\$ 0	\$ 0	Ibid	
133	6121 L	Total Land & Buildings - Leased	10C	100.0%	\$ 10,428,504	\$ 0	\$ 0	\$ 0	\$ 0	Sum (Line 133 - 135)	
134	6121 1	Land & Bldg - Total - Administration	10C		\$ 9,736,181	\$ 0	\$ 0	\$ 0	\$ 0	Sum (Line 129 - 133)	
135	6121 2	Land & Bldg - Total - Network	10C		\$ 18,213,548	\$ 0	\$ 0	\$ 0	\$ 0	Sum (Line 130 - 134)	
136	6121 3	Land & Bldg - Total - Network Support	10C		\$ 6,172,095	\$ 0	\$ 0	\$ 0	\$ 0	Sum (Line 131 - 135)	
137	6121 0	Total Land & Buildings - Owned & Leased	10C		\$ 34,121,825	\$ 0	\$ 0	\$ 0	\$ 0	Sum (Line 137 - 139)	
140	6121				\$ 772,378	\$ 0	\$ 201,034	\$ 656,214	\$ 0		
141	6211	Analog COE			\$ 46,063,311	\$ 1,647,279	\$ 12,420,483	\$ 29,361,333	\$ 0		
142	6212	Digital COE			\$ 1,724	\$ 0	\$ 0	\$ 99	\$ 0		
143	6220	Operator Systems			\$ 79,793	\$ 0	\$ 577	\$ 48,260	\$ 0		
144	6231	Radio Systems			\$ 75,050	\$ 0	\$ 44,868	\$ 691	\$ 0	See Note 9	
145	6232 157	Circuit - Digital Loop	157MR	0.2%	\$ 6,314,747	\$ 267,540	\$ 302,922	\$ 4,343,563	\$ 0	Ibid	
146	6232 257	Circuit - Other Digital	257MR	68.6%	\$ 21,516,794	\$ 658,575	\$ 5,604,396	\$ 12,095,245	\$ 0	Ibid	
147	6232 357	Circuit - Analog	357MR	11.0%	\$ 3,485,360	\$ 114,858	\$ 1,731,319	\$ 2,565,928	\$ 0	Ibid	
148	6232 57	Total Circuit Equipment	57 & 457 MR	100.0%	\$ 31,371,951	\$ 1,040,974	\$ 7,883,505	\$ 19,005,427	\$ 0	Sum (Line 145 - 148)	
149	6341	Large PBX			\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		
150	6351	Public Telephone Terminal			\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		
151	6362 TE	Oth Term Equip - Telco Equipment	See Note 10	0.86%	\$ 230,441	\$ 0	\$ 47,633	\$ 156,675	\$ 0	See Note 10	
152	6362 TW	Oth Term Equip - Telco Wiring	Ibid	30.44%	\$ 8,148,205	\$ 256,290	\$ 4,779,644	\$ 5,330,656	\$ 0	Ibid	
153	6362 C	Oth Term Equip - Customer Premises	Ibid	68.70%	\$ 18,391,017	\$ 843,740	\$ 7,664,960	\$ 13,005,974	\$ 0	Ibid	
154	6362	Other Terminal Equipment		100.0%	\$ 28,769,663	\$ 1,100,030	\$ 12,492,236	\$ 18,493,304	\$ 0	Sum (Line 152 - 154)	
155	6411	Pole Expenses			\$ 3,778,319	\$ 0	\$ 14,855	\$ 693,581	\$ 0		
156	6421 22	Aerial Cable - Metallic	2.52 / M, P, R	99.9%	\$ 75,327,691	\$ 3,374,872	\$ 9,768,553	\$ 46,297,613	\$ 0	See Note 9	
157	6421 62	Aerial Cable - Non-Metallic	62 / M, P, R	0.1%	\$ 62,076	\$ 0	\$ 0	\$ 38,828	\$ 0	Ibid	
158	6421	Aerial Cable		100.0%	\$ 75,389,767	\$ 3,374,872	\$ 9,768,553	\$ 46,336,441	\$ 0	Sum (Line 157 - 158)	
159	6422 5	Underground Cable - Metallic	5.15 / M, P, R	98.2%	\$ 19,825,214	\$ 826,967	\$ 4,234,524	\$ 12,534,305	\$ 0	See Note 9	
160	6422 85	Underground Cable - Non-Metallic	85 / M, P, R	1.8%	\$ 372,578	\$ 0	\$ 199	\$ 225,914	\$ 0	Ibid	
161	6422	Underground Cable		100.0%	\$ 20,197,793	\$ 826,967	\$ 4,234,722	\$ 12,760,219	\$ 0	Sum (Line 160 - 161)	
162	6423 45	Buried Cable - Metallic	4.5, 14.5, 54.5	99.6%	\$ 53,022,262	\$ 2,096,489	\$ 10,780,415	\$ 27,525,173	\$ 0	See Note 9	
163	6423 845	Buried Cable - Non-Metallic	84.5, 96.45	0.4%	\$ 197,239	\$ 0	\$ 937	\$ 51,552	\$ 0	Ibid	
164	6423	Buried Cable		100.0%	\$ 53,219,501	\$ 2,096,489	\$ 10,781,351	\$ 27,576,724	\$ 0	Sum (Line 163 - 164)	
165	6424 6	Submarine Cable - Metallic	6 / M, R	0.0%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	See Note 9	
166	6424 86	Submarine Cable - Non-Metallic	66 / M, R	0.0%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	Ibid	
167	6424	Submarine Cable		0.0%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	Sum (Line 166 - 167)	
168	6426 442	Intralog Nixx Cable - Metallic	12, 44.2 / M, P, R	99.4%	\$ 1,719,562	\$ 0	\$ 870,166	\$ 1,162,707	\$ 0	See Note 9	
169	6426 462	Intralog Nixx Cable - Non-Metallic	81.2, 46.2 / M, P, R	0.6%	\$ 10,712	\$ 0	\$ 0	\$ 5,883	\$ 0	Ibid	
170	6426	Intralog Nixx Cable		100.0%	\$ 1,730,274	\$ 0	\$ 870,166	\$ 1,168,590	\$ 0	Sum (Line 169 - 170)	
171	6431	Aerial Wire - Exchange Line Wire			\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		
172	6441	Conduit Systems			\$ 2,053,243	\$ 0	\$ 10,571	\$ 190,341	\$ 0	See Note 9	
173	6512	Provisioning			\$ 4,786,542	\$ 0	\$ 73,974	\$ 1,641,018	\$ 0	Ibid	
174	6531	Power			\$ 12,787,427	\$ 0	\$ 15	\$ 0	\$ 0	Ibid	
175	6532	Network Administration			\$ 9,821,675	\$ 0	\$ 662,141	\$ 5,631,370	\$ 0	Ibid	
176	6533 11	Testing - Subscriber Line - Shared	41T	88.9%	\$ 31,568,457	\$ 1,423,963	\$ 2,200,100	\$ 22,302,877	\$ 0	See Note 9	
177	6533 12	Testing - Regulated Subscriber Line	42T	0.5%	\$ 173,875	\$ 0	\$ 51,124	\$ 138,698	\$ 0	Ibid	
178	6533 3	Testing - Service Order	41E	9.0%	\$ 3,201,730	\$ 95,945	\$ 2,222,186	\$ 2,277,403	\$ 0	Ibid	
179	6533 4	Testing - Interoffice - Facilities	44T	1.6%	\$ 566,727	\$ 0	\$ 39,323	\$ 60,435	\$ 0	Ibid	
180	6533 8	Testing - Public and Other	81E, 81T	0.0%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	Ibid	
181	6533	Total Testing		100.0%	\$ 35,510,790	\$ 1,519,908	\$ 4,512,733	\$ 24,779,412	\$ 0	Sum (Line 177 - 181)	
182	6534	Plant Operations Administration			\$ 48,144,872	\$ 333,866	\$ 9,423,052	\$ 20,710,356	\$ 0		
183	6535	Engineering			\$ 32,329,459	\$ 448,983	\$ 0	\$ 9,697,621	\$ 0		

Notes:

7 Annual Expenses data from File OH 2001 GL acct 6500.xls, Binder Tab 11E, with ARMS adjustment from File OH 2001 ARMS Overlay.xls, Binder Tab 11E.

8 Owned and Leased Land & Building expenses are allocated to different Building types based on square footage, with proportions shown in Inputs - Miscellaneous Entries above.

Sub-account labeling for land and building is not in the official SBC Accounts Manual. They are used in this file only for ease of identification. L=Leased, O=Owned, 1=Administration, 2=Network Support.

Notes - Expense Data

- 7 Annual Expenses data from File OH 2002 GL acc'd Socr sis, Binder Tab 11B, with ARMS adjustment from File OH 2001 ARMS Overlay sis, Binder Tab 11E
- 8 Owned and Leased Land & Building expenses are allocated to different Building types based on square footage with proportions shown in Inputs - Miscellaneous Entries above
- Sub-account labeling for land and building is not in the official SBC Accounts Manual. They are used in this file only for ease of identification. L = Leased, O = Owned, 1 = Administration, 2 = Network, 3 = Network Support

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A	B	C	D	E	F	G	H	I	J	K	L
252		Effective Federal Income Tax Rate									
253		Composite Tax Rate = Sum (Line 251 - 252)	35.00%								
254			35.00%								
255											
256											

10 (X) Inputs - Utilization Rates

Account No.	Description	FRC	Weight	Forward Looking Utilization	Alternative Utilization
2212	Digital Electronic Switching	377C		65.41%	65.41%
2232 257	Circuit Equipment - Digital Loop Electronics - Chassis	257C	Actual Forward-Looking	Actual Forward-Looking	Actual Forward-Looking
2232 357	Circuit Equipment - Digital Loop Electronics - Plug-In	357C	Actual Forward-Looking	Actual Forward-Looking	Actual Forward-Looking
2421 22	Aerial Cable - Metallic - Feeder	22C	Actual Forward-Looking	Actual Forward-Looking	Actual Forward-Looking
2421 822	Aerial Cable - Non-Metallic (Interoffice)	822C	Actual Forward-Looking	Actual Forward-Looking	Actual Forward-Looking
2422 5	Underground Cable - Metallic - Feeder	5C	Actual Forward-Looking	Actual Forward-Looking	Actual Forward-Looking
2422 85	Underground Cable - Non-Metallic (Interoffice)	85C	Actual Forward-Looking	Actual Forward-Looking	Actual Forward-Looking
2423 45	Buried Cable - Metallic - Feeder	45C	Actual Forward-Looking	Actual Forward-Looking	Actual Forward-Looking
2423 845	Buried Cable - Non-Metallic (Interoffice)	845C	Actual Forward-Looking	Actual Forward-Looking	Actual Forward-Looking

Note:

These inputs are not required for standard ACF purposes UNLESS the state commission orders a different set of utilization rates for these accounts. Until then, the inputs in this section do not affect the results of the ACF

11 (XI) Inputs - CEV adjustment to Conduit Factor

Equipment Item	Material Unit Price	Number of Units	Total CEV Current Investment As of 2002 Year-End
Source / File OH 2002 CEV Investment Summary.xls			Cell D 262 + E 262
Destination	Col. F	Col. F	Tab Placement Factors, Cell J 29
CEV Structure	\$44,008		
Shoring	\$2,820		
ROW	\$5,940		
Site Prep	\$28,109		
Total	\$80,877	350	\$ 20,218,341



Cell: E90  
Comment: ARMIS Overlay  
\$ -600,511.31

Cell: H97  
Comment: CCBC ratio for this sub account is not available. Use the maximum value of comparable accounts as a conservative estimate.

Cell: E102  
Comment: ARMIS Overlay  
\$ 6,801.28

Cell: H107  
Comment: CCBC ratio for this sub account is not available. Use the maximum value of comparable accounts as a conservative estimate.

Cell: B136  
Comment: 6121.5 Operating Rental

Cell: F177  
Comment: Credit of \$ 26,616.18 zeroed out of 6533.8 and placed in 6533.11 to have total account match ARMIS

Cell: F181  
Comment: Credit of \$ 26,616.18 zeroed out of 6533.8 and placed in 6533.11 to have total account match ARMIS

Cell: F183  
Comment: ARMIS Overlay  
\$ 368,904.02

Cell: H184  
Comment: Negative SOAA entry \$ 1,729,501.69,  
zeroed out

Cell: E221  
Comment: Adjusted for ARMIS Overlay for account 2232 and 2423 see comments to these accounts above

Data Run Date: 05/17/2004

**FCC Report 43-03, the ARMIS Joint Cost Report**  
**Table I. Regulated/Nonregulated Data**

Report Number	Company	Row	Row Title	Y2002 Total (b)	Y2002 Total Regulated (i)	Y2002 Total Nonregulated (j)	REGULATED %
4303	Ohio Bell	6112	Motor Vehicles Expense	6,734	5,803	931	86.2%
4303	Ohio Bell	6113	Aircraft Expense	0	0	0	0.0%
4303	Ohio Bell	6114	Tools and other work equipment Expense	734	692	42	94.3%
4303	Ohio Bell	6110	Network Support Expenses	7,468	6,495	973	87.0%
4303	Ohio Bell	6121	Land And Building Expense	38,269	35,469	2,800	92.7%
4303	Ohio Bell	6122	Furniture And Artwork Expense	615	533	82	86.7%
4303	Ohio Bell	6123	Office Equipment Expense	16,696	14,358	2,338	86.0%
4303	Ohio Bell	6124	Gen Purpose Computers Expense	88,002	79,758	8,244	90.6%
4303	Ohio Bell	6120	General Support Expenses	143,582	130,118	13,464	90.6%
4303	Ohio Bell	6211	Non-digital Switching Expense	774	774	0	100.0%
4303	Ohio Bell	6212	Digital Electronic Switching Expense	46,076	46,063	13	100.0%
4303	Ohio Bell	6210	Central Office Switching Expense	46,850	46,837	13	100.0%
4303	Ohio Bell	6220	Operator Systems Expenses	2	2	0	100.0%
4303	Ohio Bell	6231	Radio Systems Expense	80	80	0	100.0%
4303	Ohio Bell	6232	Circuit Equipment Expense	31,372	31,371	1	100.0%
4303	Ohio Bell	6230	Central Office Transmission Expenses	31,452	31,451	1	100.0%
4303	Ohio Bell	6311	Station Apparatus Expense	5,407	0	5,407	0.0%
4303	Ohio Bell	6341	Large Private Branch Exchange Expense	0	0	0	0.0%
4303	Ohio Bell	6351	Public Tel Terminal Equipment Expense	1,760	0	1,760	0.0%
4303	Ohio Bell	6362	Other Terminal Equipment Expense	26,770	9,366	17,404	35.0%
4303	Ohio Bell	6310	Information O/T Expenses	33,937	9,366	24,571	27.6%
4303	Ohio Bell	6411	Poles Expense	3,778	3,778	0	100.0%
4303	Ohio Bell	6421	Aerial Cable Expense	75,390	75,390	0	100.0%
4303	Ohio Bell	6422	Underground Cable Expense	20,198	20,198	0	100.0%
4303	Ohio Bell	6423	Buried Cable Expense	53,219	53,219	0	100.0%
4303	Ohio Bell	6424	Submarine and Deep Sea Cable Expense	0	0	0	0.0%

Exhibit MS-8 (All Adjustments)  
 (ARMIS 43-03 2002 Expenses)

Data Run Date: 05/17/2004

## FCC Report 43-03, the ARMIS Joint Cost Report

### Table I. Regulated/Nonregulated Data

Report Number	Company	Row	Row Title	Y2002 Total (b)	Y2002 Total Regulated (i)	Y2002 Total Nonregulated (j)	REGULATED %
4303	Ohio Bell	6426	Intrabuilding Network Cable Expense	1,730	1,730	0	100.0%
4303	Ohio Bell	6431	Aerial Wire Expense	0	0	0	0.0%
4303	Ohio Bell	6441	Conduit Systems Expense	2,053	2,053	0	100.0%
4303	Ohio Bell	6410	Cable and Wire Facilities Expenses	156,368	156,368	0	100.0%
4303	Ohio Bell	6511	PHFTU Expense	0	0	0	0.0%
4303	Ohio Bell	6512	Provisioning Expense	5,129	4,787	342	93.3%
4303	Ohio Bell	6510	Other PP&E Expenses	5,129	4,787	342	93.3%
4303	Ohio Bell	6531	Power Expense	12,794	12,788	6	100.0%
4303	Ohio Bell	6532	Network Administration Expense	9,623	9,622	1	100.0%
4303	Ohio Bell	6533	Testing Expense	47,852	35,511	12,341	74.2%
4303	Ohio Bell	6534	Plant Operations Administration Expense	51,829	48,144	3,685	92.9%
4303	Ohio Bell	6535	Engineering Expense	33,986	32,330	1,656	95.1%
4303	Ohio Bell	6530	Network Operations Expenses	156,084	138,395	17,689	88.7%
4303	Ohio Bell	6540	Access Expense	70,841	70,849	-8	100.0%
4303	Ohio Bell	6561	Depreciation-TPIS expense	508,608	504,172	4,436	99.1%
4303	Ohio Bell	6562	Depreciation-PHFTU expense	0	0	0	0.0%
4303	Ohio Bell	6563	Amortization-tangible expense	465	435	30	93.5%
4303	Ohio Bell	6564	Amortization-intangible expense	17,793	17,785	8	100.0%
4303	Ohio Bell	6565	Amortization-other expense	1,573	1,435	138	91.2%
4303	Ohio Bell	6560	Depreciation/Amortization Expenses	528,439	523,827	4,612	99.1%
4303	Ohio Bell	6611	Product Management and Sales Expense	113,636	95,239	18,397	83.8%
4303	Ohio Bell	6613	Product Advertising Expense	6,111	5,238	873	85.7%
4303	Ohio Bell	6610	Marketing Expense	119,747	100,477	19,270	83.9%
4303	Ohio Bell	6621	Call Completion expense	5,042	5,042	0	100.0%
4303	Ohio Bell	6622	Number Services expense	19,741	16,015	3,726	81.1%
4303	Ohio Bell	6623	Customer Services expense	183,505	154,049	29,456	83.9%

Exhibit MS-8 (All Adjustments)  
 (ARMIS 43-03 2002 Expenses)

Data Run Date: 05/17/2004

## FCC Report 43-03, the ARMIS Joint Cost Report

### Table I. Regulated/Nonregulated Data

Report Number	Company	Row	Row Title	Y2002 Total (b)	Y2002 Total Regulated (i)	Y2002 Total Nonregulated (j)	REGULATED %
4303	Ohio Bell	6620	Services Expenses	208,288	175,106	33,182	84.1%
4303	Ohio Bell	6720	General & Administrative	197,987	172,900	25,087	87.3%
4303	Ohio Bell	6790	Provision for Uncollectible Note Receivable	0	0	0	0.0%
4303	Ohio Bell	720	Total Operating Expenses	1,706,174	1,566,978	139,196	91.8%
4303	Ohio Bell	7110	Income Custom Work (1990 - 2002)	1,197	1,197	0	100.0%
4303	Ohio Bell	7130	Return Nonregulated Use (1990 - 2002)	0	0	0	0.0%
4303	Ohio Bell	7140	Gain/losses Foreign (1990 - 2002)	0	0	0	0.0%
4303	Ohio Bell	7150	Gain/losses from Land/Artwork (1990 - 2002)	0	0	0	0.0%
4303	Ohio Bell	7160	Other Operating Gains/losses (1990 - 2002)	-598	-558	-40	93.3%
4303	Ohio Bell	7100	Other Operating Income and Expense	599	639	-40	106.7%
4303	Ohio Bell	7210	Operating Invest. Tax Credit-net	2,735	2,702	33	98.8%
4303	Ohio Bell	7220	Operating Federal Income Taxes	114,931	121,975	-7,044	106.1%
4303	Ohio Bell	7230	Operating State and Local Income Taxes	67,339	71,466	-4,127	106.1%
4303	Ohio Bell	7240	Operating Other Taxes	98,451	97,102	1,349	98.6%
			Provision for Deferred Operating Income Taxes -				
4303	Ohio Bell	7250	Net	37,223	39,505	-2,282	106.1%
4303	Ohio Bell	7200	Operating Taxes	315,209	327,346	-12,137	103.9%
4303	Ohio Bell	7310	Dividend Income (1990 - 2002)	0	0	0	0.0%
4303	Ohio Bell	7320	Interest Income (1990 - 2002)	2,655	2,655	0	100.0%
4303	Ohio Bell	7330	Income from Sinking/other Funds (1990 - 2002)	0	0	0	0.0%
4303	Ohio Bell	7340	AFUDC (1990 - 2002)	1,509	1,509	0	100.0%
4303	Ohio Bell	7350	Gain/losses from Property (1990 - 2002)	0	0	0	0.0%
4303	Ohio Bell	7360	Other Nonoperating Income	-99,409	-99,409	0	100.0%
4303	Ohio Bell	7370	Special Charges (1990 - 2002)	18,708	18,698	10	99.9%
4303	Ohio Bell	7300	Nonoperating Income and Expense	-113,953	-113,943	-10	100.0%
4303	Ohio Bell	7510	Interest on Funded Debt (1990 - 2002)	23,284	23,007	277	98.8%

Exhibit MS-8 (All Adjustments)  
 (ARMIS 43-03 2002 Expenses)

Data Run Date: 05/17/2004

## FCC Report 43-03, the ARMIS Joint Cost Report

### Table I. Regulated/Nonregulated Data

Report Number	Company	Row	Row Title	Y2002 Total (b)	Y2002 Total Regulated (i)	Y2002 Total Nonregulated (j)	REGULATED %
4303	Ohio Bell	7520	Interest Expense Capital Leases (1990 - 2002)	78	73	5	93.6%
4303	Ohio Bell	7530	Amortization Debt Issuance (1990 - 2002)	29	29	0	100.0%
4303	Ohio Bell	7540	Other Interest Deductions (1990 - 2002)	7,160	7,096	64	99.1%
4303	Ohio Bell	7500	Interest & Related Items	30,551	30,205	346	98.9%
4303	Ohio Bell	7610	Extraordinary Income Credits (1990 - 2002)	0	0	0	0.0%
4303	Ohio Bell	7620	Extraordinary Income Charges (1990 - 2002)	0	0	0	0.0%
4303	Ohio Bell	7630	Current Income Tax Effect (1990 - 2002)	0	0	0	0.0%
4303	Ohio Bell	7640	Provision Deferred Tax - Net (1990 - 2002)	0	0	0	0.0%
4303	Ohio Bell	7600	Extraordinary Items	0	0	0	0.0%
4303	Ohio Bell		Income Effect of Jurisdictional Ratemaking				
4303	Ohio Bell	7910	Difference - Net	0	0		0.0%
4303	Ohio Bell	7990	Nonregulated Net Income	0	0	0	0.0%
4303	Ohio Bell	750	Total Expenses	2,165,288	2,037,833	127,455	94.1%

Exhibit MS-8 (All Adjustments)  
 (ARMIS 43-03 2002 Expenses)

Data Run Date: 05/17/2004

**FCC Report 43-03, the ARMIS Joint Cost Report**  
**Table I. Regulated/Nonregulated Data**

Report Number	Company	Row	Row Title	Y2002		Y2001		Y2002		Y2001		Y2002		Y2001		REGULATED %	
				Total (b)	Total (b)	Total (b)	Total (b)	Total Regulated (i)	Total (i)	Total Regulated (i)	Total (i)	Total Nonregulated (j)	Total (j)	Total Regulated (i)	Total (i)	2002	2001
4303	Ohio Bell	2111	Land	17,785	17,785	17,634	16,889	16,659	896	16,659	896	975	975	95.0%	94.5%		
4303	Ohio Bell	2112	Motor Vehicles	85,517	85,517	68,589	79,531	62,577	5,986	62,577	5,986	6,012	6,012	93.0%	91.2%		
4303	Ohio Bell	2113	Aircraft	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%		
4303	Ohio Bell	2114	Tools and Other Work Equipment	64,989	62,792	61,787	58,623	58,623	3,202	58,623	3,202	4,169	4,169	95.1%	93.4%		
4303	Ohio Bell	2121	Buildings	629,045	608,882	596,385	575,213	575,213	32,660	575,213	32,660	33,669	33,669	94.8%	94.5%		
4303	Ohio Bell	2122	Furniture	2,574	3,643	2,122	2,993	2,993	452	2,993	452	650	650	82.4%	82.2%		
4303	Ohio Bell	2123	Office Equipment	6,417	7,142	5,290	5,867	5,867	1,127	5,867	1,127	1,275	1,275	82.4%	82.1%		
4303	Ohio Bell	2124	General Purpose Computers	51,104	94,902	46,158	87,462	87,462	4,946	87,462	4,946	7,440	7,440	90.3%	92.2%		
4303	Ohio Bell	2110	Land and Support Assets	857,431	863,584	808,162	809,394	809,394	49,269	809,394	49,269	54,190	54,190	94.3%	93.7%		
4303	Ohio Bell	2211	Non-digital Switching	456	12,857	456	12,857	12,857	0	12,857	0	0	0	100.0%	100.0%		
4303	Ohio Bell	2212	Digital Electronic Switching	1,584,230	1,494,733	1,583,629	1,494,053	1,494,053	601	1,494,053	601	680	680	100.0%	100.0%		
4303	Ohio Bell	2210	Central Office Switching	1,584,686	1,507,590	1,584,085	1,506,910	1,506,910	601	1,506,910	601	680	680	100.0%	100.0%		
4303	Ohio Bell	2220	Operator Systems	18,890	19,821	17,145	18,991	18,991	1,745	18,991	1,745	830	830	90.8%	95.8%		
4303	Ohio Bell	2231	Radio Systems	5,745	7,232	5,745	7,232	7,232	0	7,232	0	0	0	100.0%	100.0%		
4303	Ohio Bell	2232	Circuit Equipment	2,058,251	1,981,591	2,058,178	1,981,520	1,981,520	73	1,981,520	73	71	71	100.0%	100.0%		
4303	Ohio Bell	2300	Central Office - Transmission	2,063,996	1,988,823	2,063,923	1,988,752	1,988,752	73	1,988,752	73	71	71	100.0%	100.0%		
4303	Ohio Bell	2311	Station Apparatus	1,597	1,597	0	0	0	1,597	0	1,597	1,597	1,597	0.0%	0.0%		
4303	Ohio Bell	2321	Customer Premises Wiring	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%		
4303	Ohio Bell	2341	Large Private Branch Exchanges	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%		
4303	Ohio Bell	2351	Public Telephone Equipment	32,982	32,677	0	0	0	32,982	0	32,982	32,677	32,677	0.0%	0.0%		
4303	Ohio Bell	2362	Other Terminal	11,290	11,237	11,290	11,237	11,237	0	11,237	0	0	0	100.0%	100.0%		
4303	Ohio Bell	2310	Information Origination/Termination	45,869	45,511	11,290	11,290	11,237	34,579	11,237	34,579	34,274	34,274	24.6%	24.7%		
4303	Ohio Bell	2411	Poles	138,578	134,542	138,578	134,542	134,542	0	134,542	0	0	0	100.0%	100.0%		
4303	Ohio Bell	2421	Aerial Cable	843,038	795,862	843,038	795,862	795,862	0	795,862	0	0	0	100.0%	100.0%		
4303	Ohio Bell	2422	Underground Cable	719,538	698,814	719,520	698,811	698,811	18	698,811	18	3	3	100.0%	100.0%		
4303	Ohio Bell	2423	Buried Cable	977,821	942,775	977,812	942,772	942,772	9	942,772	9	3	3	100.0%	100.0%		
4303	Ohio Bell	2424	Submarine and Deep Sea Cable	411	410	411	410	410	0	410	0	0	0	100.0%	100.0%		
4303	Ohio Bell	2426	Intrabuilding Network Cable	99,134	99,130	99,134	99,130	99,130	0	99,130	0	0	0	100.0%	100.0%		
4303	Ohio Bell	2431	Aerial Wire	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%		
4303	Ohio Bell	2441	Conduit Systems	655,752	637,705	655,738	637,703	637,703	14	637,703	14	2	2	100.0%	100.0%		
4303	Ohio Bell	2410	Cable and Wire Facilities	3,434,272	3,309,238	3,434,231	3,309,230	3,309,230	41	3,309,230	41	8	8	100.0%	100.0%		
4303	Ohio Bell	2681	Capital Leases	1,984	1,984	1,884	1,874	1,874	100	1,874	100	110	110	95.0%	94.5%		
4303	Ohio Bell	2682	Leasehold Improvements	3,752	3,862	3,535	3,651	3,651	217	3,651	217	211	211	94.2%	94.5%		
4303	Ohio Bell	2680	Amortizable Tangible Assets	5,736	5,846	5,419	5,525	5,525	317	5,525	317	321	321	99.9%	100.0%		
4303	Ohio Bell	2690	Intangibles	60,059	34,169	60,025	34,155	34,155	34	34,155	34	14	14	99.9%	100.0%		
4303	Ohio Bell	2001	TPIS	8,070,939	7,774,582	7,984,280	7,684,194	7,684,194	86,659	7,684,194	86,659	90,388	90,388	98.9%	98.8%		

Exhibit MS-8 (All Adjustments)  
 (ARMIS 43-03 Invest. 2001-2002)

**INPUTS FOR JOINT CLEC ADJUSTMENTS TO BUILDING AND LAND INVESTMENT USED IN ACF STUDY**

**PERCENTAGE OF BUILDING SPACE LEASED TO NON-AFFILIATED ENTITIES**

(SBC's response to MS-69)

TOTAL SQUARE FOOTAGE LEASED TO THIRD PARTIES

% OF TOTAL
3.80%

Exhibit MS-8 (All Adjustments)  
Space Leased to Non-Affiliates

Highly Sensitive Confidential



Ohio 2002 Annual Cost Factors (with all Joint CLEC adjustments)												
Based on 2002 Data												
A		B	C	D	E	F	G	H	I	J	K	
Account	Description	FRC	Depreciation	Cost of Money	Income Tax	Maintenance	Other Expense	Ad Valorem Tax @	Commission Assessment @	Annual Cost Factor (ACF)	TOTAL	
Source			See Note 3	See Note 3	See Note 3	See Note 4	See Note 4	See Note 5	Sum (D to J) * 0.0014	Sum (D to J)		
2111	Total Land	20C	0.0000	0.0722	0.0318			0.0090	0.0014	0.1132		
2112	Total Motor Vehicles	164C	0.1075	0.0356	0.0157			0.0090	0.0014	0.1680		
2114	Tools and Other Work Equipment	564C	0.0833	0.0321	0.0141			0.0090	0.0014	0.1387		
2121.2	Buildings - Network	10C	0.0209	0.0515	0.0227	0.0186		0.0090	0.0014	0.1229		
2122	Furniture	261C	0.0413	0.0359	0.0158			0.0090	0.0014	0.1021		
2123.1	Office Equipment - Office Support	0	0.1000	0.0322	0.0142			0.0090	0.0014	0.1556		
2123.2	Office Equipment - Office Communication	262C	0.1429	0.0330	0.0145			0.0090	0.0014	0.1997		
2124	General Purpose Computers	361C	0.1343	0.0343	0.0151			0.0090	0.0014	0.1930		
2212	Digital Electronic Switching	377C	0.0625	0.0324	0.0143	0.0328	0.0112	0.0090	0.0014	0.1624		
2220	Operator Systems	117C	0.0909	0.0321	0.0141	0.0042	0.0112	0.0090	0.0014	0.1617		
2231	Radio Systems	67C	0.1133	0.0319	0.0141	0.0163	0.0112	0.0090	0.0014	0.1961		
2232.157	Circuit Equipment - DDS	157C	0.1429	0.0330	0.0145	0.0062	0.0112	0.0090	0.0014	0.2171		
2232.257	Circuit Equipment - Digital Loop Electronics	257C	0.0850	0.0317	0.0140	0.0165	0.0112	0.0090	0.0014	0.1676		
2232.357	Circuit Equipment - Other Digital	357, 467, 827C	0.0850	0.0317	0.0140	0.0197	0.0112	0.0090	0.0014	0.1708		
2232.457	Circuit - Digital	257C & 357, 467, 827C	0.0850	0.0317	0.0140	0.0182	0.0112	0.0090	0.0014	0.1693		
2232.57	Circuit Equipment - Analog Other	57C/957C	0.3333	0.0329	0.0145	0.0268	0.0112	0.0090	0.0014	0.4283		
2351	Public Telephone Terminal Equipment	188C	0.0909	0.0343	0.0151	0.0000	0.0000	0.0090	0.0014	0.1495		
2362	Other Terminal Equipment	858C	0.1980	0.0350	0.0154	0.0230	0.0083	0.0090	0.0014	0.2891		
2411	Poles	1C	0.0679	0.0271	0.0119	0.0097	0.0083	0.0090	0.0014	0.1341		
2421.22	Aerial Cable - Metallic	12, 22 C	0.0625	0.0365	0.0161	0.0539	0.0083	0.0090	0.0014	0.1866		
2421.822	Aerial Cable - Non-Metallic	818, 822C	0.0625	0.0365	0.0161	0.0076	0.0083	0.0090	0.0014	0.1402		
2422.5	Underground Cable - Metallic	5, 55C	0.0436	0.0398	0.0175	0.0216	0.0083	0.0090	0.0014	0.1400		
2422.85	Underground Cable - Non-Metallic	85, 585 C	0.0366	0.0395	0.0174	0.0083	0.0083	0.0090	0.0014	0.1193		
2423.45	Buried Cable - Metallic	45, 545, 645 C	0.0550	0.0392	0.0173	0.0416	0.0083	0.0090	0.0014	0.1706		
2423.845	Buried Cable - Non-Metallic	845, 8645, 515 C	0.0440	0.0396	0.0174	0.0081	0.0083	0.0090	0.0014	0.1266		
2426.442	Intrabuilding Network Cable - Metallic	442C	0.0575	0.0383	0.0169	0.0117	0.0083	0.0090	0.0014	0.1419		
2426.462	Intrabuilding Network Cable - Non-Metallic	462C	0.0575	0.0383	0.0169	0.0078	0.0083	0.0090	0.0014	0.1380		
2441	Conduit	4C	0.0215	0.0436	0.0192	0.0019	0.0083	0.0090	0.0014	0.1036		
2690	Intangible Assets		0.1667	0.0300	0.0132			0.0090	0.0014	0.2192		
Investment Factors												
Account	Description	FRC	Sales Tax Factor	Power & Com. Factor	Land Inv. Factor	Building Inv. Factor	Pole Factor	Conduit Factor	ACF with Power, Land and Building			
Source			See Note 6	See Note 7	See Note 8	See Note 8	See Note 8	See Note 8	See Tab In-Place			
2212	Digital Electronic Switching	377C	0.0000	0.0857	0.0040	0.3158	Aerial Cable Only	Underground Cable Only				
2220	Operator Systems	117C	0.0000	0.0206	0.0040	0.3158						
2232	Circuit Equipment	257C & 357, 467, 827C	0.0000	0.0468	0.0040	0.3158						
2411-2441	Cable and Wire		0.0620				0.2983	1.2114				
Notes: - General												
1 7.534559 % Cost of Capital used to develop these facts												
2 FRC is for reference only												
It represents the leading FRC of the account rather than the exclusive list.												
Notes: - Source												
3 Tab Results, Binder Tab 3B												
4 Tab Mice Expense Factor, Col. K, Binder Tab 4A												
5 Tab Ad Valorem Tax, Cell E 32, Binder Tab 5												
6 Tab Inputs, Cell E 243 to 246, Binder Tab 4B												
7 File OH D2001 Power and Common Factors.xls, Binder Tab 9												
8 Tab Placement Factors, Cell J 33 to J 36, Binder Tab												

Ohio 2002 Annual Cost Factors (As Filed by SBC Ohio)											
Based on 2002 Data											
Binder Tab : 1											
Account	Description	FRC	CAPITAL COST FACTORS			OPERATING EXPENSE FACTORS					TOTAL
			Depreciation	Cost of Money	Income Tax	Maintenance	Other Expense	Ad Valorem Tax @	Commission Assessment @	Annual Cost Factor (ACF)	
		Source	See Note 3	See Note 3	See Note 3	See Note 4	See Note 4	See Note 5	Sum (D to I) * 0.0014	Sum (D to J)	
2111	Total Land	20C	0.0000	0.1118	0.0542			0.0121	0.0014	0.1783	
2112	Total Motor Vehicles	164C	0.1125	0.0564	0.0273			0.0121	0.0014	0.2086	
2114	Tools and Other Work Equipment	564C	0.0833	0.0536	0.0260			0.0121	0.0014	0.1752	
2121.2	Buildings - Network	10C	0.0239	0.0869	0.0421	0.0189		0.0121	0.0014	0.1842	
2122	Furniture	261C	0.0667	0.0577	0.0280			0.0121	0.0014	0.1647	
2123.1	Office Equipment - Office Support	0	0.1000	0.0532	0.0258			0.0121	0.0014	0.1914	
2123.2	Office Equipment - Office Communication	262C	0.1429	0.0536	0.0260			0.0121	0.0014	0.2349	
2124	General Purpose Computers	361C	0.1667	0.0543	0.0263			0.0121	0.0014	0.2598	
2212	Digital Electronic Switching	377C	0.1000	0.0532	0.0258	0.0445	0.0148	0.0121	0.0014	0.2508	
2220	Operator Systems	117C	0.1429	0.0536	0.0260	0.0042	0.0148	0.0121	0.0014	0.2540	
2231	Radio Systems	67C	0.1429	0.0536	0.0260	0.0209	0.0148	0.0121	0.0014	0.2707	
2232.157	Circuit Equipment - DDS	157C	0.1429	0.0536	0.0260	0.0064	0.0148	0.0121	0.0014	0.2562	
2232.257	Circuit Equipment - Digital Loop Electronics	257C	0.1111	0.0532	0.0258	0.0250	0.0148	0.0121	0.0014	0.2423	
2232.357	Circuit Equipment - Other Digital	357, 467, 827C	0.1111	0.0532	0.0258	0.0254	0.0148	0.0121	0.0014	0.2427	
2232.457	Circuit - Digital	257C & 357, 467, 827C	0.1111	0.0532	0.0258	0.0252	0.0148	0.0121	0.0014	0.2425	
2232.57	Circuit Equipment - Analog, Other	57C/957C	0.3333	0.0518	0.0251	0.0379	0.0148	0.0121	0.0014	0.4757	
2351	Public Telephone Terminal Equipment	188C	0.1429	0.0582	0.0282	0.0432	0.0109	0.0121	0.0014	0.2959	
2362	Other Terminal Equipment	858C	0.2000	0.0556	0.0269	0.0357	0.0109	0.0121	0.0014	0.3417	
2411	Poles	1C	0.0476	0.0704	0.0341	0.0131	0.0109	0.0121	0.0014	0.1885	
2421.22	Aerial Cable - Metallic	12, 22 C	0.0667	0.0693	0.0336	0.0816	0.0109	0.0121	0.0014	0.2746	
2421.822	Aerial Cable - Non-Metallic	818, 822C	0.0500	0.0701	0.0340	0.0139	0.0109	0.0121	0.0014	0.1913	
2422.5	Underground Cable - Metallic	5, 55C	0.0667	0.0693	0.0336	0.0344	0.0109	0.0121	0.0014	0.2273	
2422.85	Underground Cable - Non-Metallic	85, 885 C	0.0500	0.0701	0.0340	0.0153	0.0109	0.0121	0.0014	0.1927	
2423.45	Buried Cable - Metallic	45, 545, 645 C	0.0667	0.0693	0.0336	0.0597	0.0109	0.0121	0.0014	0.2527	
2423.845	Buried Cable - Non-Metallic	845, 8645, 515 C	0.0500	0.0701	0.0340	0.0144	0.0109	0.0121	0.0014	0.1918	
2426.442	Intrabuilding Network Cable - Metallic	442C	0.0667	0.0693	0.0336	0.0200	0.0109	0.0121	0.0014	0.2129	
2426.462	Intrabuilding Network Cable - Non-Metallic	462C	0.0500	0.0701	0.0340	0.0141	0.0109	0.0121	0.0014	0.1915	
2441	Conduit	4C	0.0200	0.0792	0.0384	0.0024	0.0109	0.0121	0.0014	0.1632	
2690	Intangible Assets		0.3333	0.0518	0.0251			0.0121	0.0014	0.4229	
Investment Factors											
Account	Description	FRC	Sales Tax Factor	Power & Com. Factor	Land Inv. Factor	Building Inv. Factor	Pole Factor	Conduit Factor	ACF with Power Land and Building		
		Source	See Note 6	See Note 7	See Note 8	See Note 8	See Note 8	See Note 8	See Tab In-Place		
2212	Digital Electronic Switching	377C	0.0000	0.0857	0.0044	0.3466	Aerial Cable	Underground Cable			
2220	Operator Systems	117C	0.0000	0.0206	0.0044	0.3466	Only	Only			
2232	Circuit Equipment	257C & 357, 467, 827C	0.0000	0.0468	0.0044	0.3466	0.2983	1.2114			
2411-2441	Cable and Wire		0.0620								
Notes: - General											
Notes: - Source											
3 Tab Results, Binder Tab 3B											
4 Tab Mtoe Expense Factor, Col K, Binder Tab 4B											
5 Tab Utilization Adjustment, Col I, Binder Tab 4A											
6 Tab Inputs, Cell E 243 to 246, Binder Tab 4B											
7 File: OH D2001 Power and Common Factor.xls, Binder Tab 9											
8 Tab Placement Factors, Cell J 33 to J 36, Binder Tab 9											

Change in Ohio 2002 Annual Cost Factors Based on 2002 Data												
A	B	C	D	E	F	G	H	I	J	K	Binder Tab: 1	
Account	Description	FRC	Depreciation	Cost of Money	Income Tax	Maintenance	Other Expense	Ad Valorem Tax @	Commission Assessment @	Annual Cost Factor (ACF)	TOTAL	
5		Source	See Note 3	See Note 3	See Note 3	See Note 4	See Note 4	See Note 5	Sum (D to J) * 0.0014	Sum (D to J)		
6												
7	2111 Total Land	20C	0.0000	-0.0396	-0.0224			-0.0031	0.0000	-0.0651		
8	2112 Total Motor Vehicles	164C	-0.0050	-0.0208	-0.0116			-0.0031	0.0000	-0.0405		
9	2114 Tools and Other Work Equipment	564C	0.0000	-0.0215	-0.0119			-0.0031	0.0000	-0.0365		
10	2121 Buildings - Network	10C	-0.0030	-0.0354	-0.0194	-0.0003		-0.0031	0.0000	-0.0612		
11	2122 Furniture	261C	-0.0254	-0.0218	-0.0122			-0.0031	0.0000	-0.0625		
12	2123 Office Equipment - Office Support	0	0.0000	-0.0210	-0.0116			-0.0031	0.0000	-0.0357		
13	2123.1 Office Equipment - Office Communication	262C	0.0000	-0.0206	-0.0115			-0.0031	0.0000	-0.0352		
14	2124 General Purpose Computers	361C	-0.0324	-0.0200	-0.0112			-0.0031	0.0000	-0.0667		
15	2212 Digital Electronic Switching	377C	-0.0375	-0.0208	-0.0115	-0.0117	-0.0036	-0.0031	0.0000	-0.0882		
16	2220 Operator Systems	117C	-0.0520	-0.0215	-0.0119	0.0000	-0.0036	-0.0031	0.0000	-0.0921		
17	2231 Radio Systems	67C	-0.0296	-0.0217	-0.0119	-0.0046	-0.0036	-0.0031	0.0000	-0.0745		
18	2232.157 Circuit Equipment - DDS	157C	0.0000	-0.0206	-0.0115	-0.0002	-0.0036	-0.0031	0.0000	-0.0390		
19	2232.257 Circuit Equipment - Digital Loop Electronics	257C	-0.0261	-0.0215	-0.0118	-0.0085	-0.0036	-0.0031	0.0000	-0.0746		
20	2232.357 Circuit Equipment - Other Digital	357, 467, 827C	-0.0261	-0.0215	-0.0118	-0.0057	-0.0036	-0.0031	0.0000	-0.0718		
21	2232.457 Circuit - Digital	257C & 357, 467.8	-0.0261	-0.0215	-0.0118	-0.0070	-0.0036	-0.0031	0.0000	-0.0731		
22	2232.57 Circuit Equipment - Analog Other	57C/957C	0.0000	-0.0189	-0.0106	-0.0111	-0.0036	-0.0031	0.0000	-0.0473		
23	2351 Public Telephone Terminal Equipment	188C	-0.0520	-0.0239	-0.0131	-0.0432	-0.0109	-0.0031	0.0000	-0.1462		
24	2362 Other Terminal Equipment	856C	-0.0020	-0.0206	-0.0115	-0.0127	-0.0026	-0.0031	0.0000	-0.0525		
25	2411 Poles	1C	0.0203	-0.0433	-0.0222	-0.0034	-0.0026	-0.0031	0.0000	-0.0543		
26	2421.22 Aerial Cable - Metallic	12, 22 C	-0.0042	-0.0328	-0.0175	-0.0277	-0.0026	-0.0031	0.0000	-0.0879		
27	2421.822 Aerial Cable - Non-Metallic	818, 822C	0.0125	-0.0336	-0.0179	-0.0063	-0.0026	-0.0031	0.0000	-0.0510		
28	2422.5 Underground Cable - Metallic	5, 55C	-0.0231	-0.0295	-0.0161	-0.0128	-0.0026	-0.0031	0.0000	-0.0872		
29	2422.85 Underground Cable - Non-Metallic	85, 585 C	-0.0134	-0.0306	-0.0166	-0.0070	-0.0026	-0.0031	0.0000	-0.0733		
30	2423.45 Buried Cable - Metallic	45, 545, 645 C	-0.0117	-0.0301	-0.0163	-0.0181	-0.0026	-0.0031	0.0000	-0.0819		
31	2423.845 Buried Cable - Non-Metallic	845, 8645, 515 C	-0.0060	-0.0305	-0.0166	-0.0063	-0.0026	-0.0031	0.0000	-0.0651		
32	2426.442 Intrabuilding Network Cable - Metallic	442C	-0.0092	-0.0310	-0.0167	-0.0083	-0.0026	-0.0031	0.0000	-0.0709		
33	2426.462 Intrabuilding Network Cable - Non-Metallic	462C	0.0075	-0.0318	-0.0171	-0.0063	-0.0026	-0.0031	0.0000	-0.0534		
34	2441 Conduit	4C	0.0015	-0.0356	-0.0192	-0.0005	-0.0026	-0.0031	0.0000	-0.0595		
35	2690 Intangible Assets		-0.1666	-0.0218	-0.0119			-0.0031	0.0000	-0.2034		
36												
37												
Investment Factors												
Account	Description	FRC	Sales Tax Factor	Power & Com. Factor	Land Inv. Factor	Building Inv. Factor	Pole Factor	Conduit Factor	ACF with Power, Land and Building			
		Source	See Note 6	See Note 7	See Note 8	See Note 8	See Note 8	See Note 8	See Tab in Place			
2212	Digital Electronic Switching	377C	0.0000	0.0000	-0.0004	-0.0308	Aerial Cable Only	Underground Cable Only				
2220	Operator Systems	117C	0.0000	0.0000	-0.0004	-0.0308						
2232	Circuit Equipment	257C & 357, 467, 827C	0.0000	0.0000	-0.0004	-0.0308						
2411-2441	Cable and Wire		0.0000				0.0000					
Notes: - General												
44	1. 11.91 % Cost of Capital used to develop these factors.											
45	2. FRC is for reference only; it represents the leading FRC of the account rather than the exclusive list.											
46	Notes: - Source											
47	3. Tab Results, Binder Tab 3B.											
48	4. Tab Misc Expense Factor, Col. K, Binder Tab 4A.											
49	5. Tab Ad Valorem Tax, Cell E 29 - Bboder Tab 5.											
50	6. Tab Inputs, Cell E 243 to 246, Binder Tab 4B.											
51	7. File: OH D2001 Power and Common Factor.xls, Binder Tab 9.											
52	8. Tab Placement Factors, Cell J 33 to J 36, Binder Tab											

	A	B	C	D	E	F	G	H	I	J	K
1	Ohio	2002									
2	Installation Factors										
3											
4	Source										
5	Material / total price	File OH 2002 Installation Factors 2002	377C	117C	357	22C	822C	5C	85C	45C	845C
6	Vendor Service Included in price	ibid	0.7891	0.8339	0.8326	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
7	Total Vendor Bill	ibid	0.2109	0.1661	0.1674	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
8	Vendor Service Not Included in price	ibid				1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
9	Telco Engineering	ibid	0.0134	0.0137	0.0305	0.3810	0.1458	0.2428	0.3350	1.5158	2.4169
10	Telco Labor	ibid	0.0157	0.0665	0.0418	0.9870	0.3775	0.3981	0.1673	0.8351	0.6058
11	Telco Other Expense	ibid	0.0065	0.0173	0.0147	0.4585	0.8588	1.2662	0.4174	1.1089	0.5325
12	Telco Total Additional Cost to Vendor Price	Sum ( Rows 8 - 11 )	0.0356	0.0975	0.0870	3.2414	1.7178	2.2245	1.0977	3.8424	4.8173
13											
14											
15	In-Place Investment Factors										
For each dollar of the vendor equipment price, the following is the total investment to put the equipment in place.											
16	Vendor Price	Factor Base @ \$1	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000
17	Material subject to Sales Tax	Row 16 x Row 5	\$ 0.7891	\$ 0.8339	\$ 0.8926	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000
18	Sales Tax Rate	Tab ACF Base (Joint CLECs), Col D	-	-	-	\$ 0.0620	\$ 0.0620	\$ 0.0620	\$ 0.0620	\$ 0.0620	\$ 0.0620
19	Sales Tax Amount	Row 18 x Row 17	\$ -	\$ -	\$ -	\$ 0.0620	\$ 0.0620	\$ 0.0620	\$ 0.0620	\$ 0.0620	\$ 0.0620
20	Service (Not Subject to Sales Tax)	Row 16 x Row 6	\$ 0.2109	\$ 0.1661	\$ 0.1074	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Total Price after Sales Tax	Sum ( Rows 17, 19 & 20 )	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0620	\$ 1.0620	\$ 1.0620	\$ 1.0620	\$ 1.0620	\$ 1.0620
22											
23	Additional Vendor Service	Row 8 x Row 21	\$ -	\$ -	\$ -	\$ 0.4046	\$ 0.1548	\$ 0.2579	\$ 0.3558	\$ 1.6098	\$ 2.5667
24	Telco Engineering	Row 9 x Row 21	\$ 0.0134	\$ 0.0137	\$ 0.0305	\$ 1.0482	\$ 0.4009	\$ 0.4228	\$ 0.1777	\$ 0.8869	\$ 0.6434
25	Telco Labor	Row 10 x Row 21	\$ 0.0157	\$ 0.0665	\$ 0.0418	\$ 1.5489	\$ 0.9120	\$ 1.3447	\$ 0.4433	\$ 1.1777	\$ 0.5655
26	Telco Other Expense	Row 11 x Row 21	\$ 0.0065	\$ 0.0173	\$ 0.0147	\$ 0.4406	\$ 0.3565	\$ 0.3371	\$ 0.1890	\$ 0.4063	\$ 1.1280
27	Total Additional Cost to Vendor Price	Sum ( Rows 23, 24, 25, 26 )	\$ 0.0356	\$ 0.0975	\$ 0.0870	\$ 3.4424	\$ 1.8243	\$ 2.3624	\$ 1.1658	\$ 4.0806	\$ 4.9036
28	Total Installed Cost	Sum ( Rows 21, 27 )	\$ 1.0356	\$ 1.0975	\$ 1.0870	\$ 4.5044	\$ 2.8863	\$ 3.4244	\$ 2.2278	\$ 5.1426	\$ 5.9656
29											
30	Power and Common Factor	Row 30 x Row 28	0.0857	0.0206	0.0468						
31	Power and Common Equipment Cost	Row 30 x Row 28	\$ 0.0857	\$ 0.0206	\$ 0.0468						
32	Total In-Place Investment with Power and Common	Sum ( Rows 28, 31 )	\$ 1.1244	\$ 1.2011	\$ 1.1379	\$ 4.5044	\$ 2.8863	\$ 3.4244	\$ 2.2278	\$ 5.1426	\$ 5.9656
33											
34	In-Place Annual Cost Factors										
For each dollar of the vendor equipment price, the following is the Forward Looking Annual Cost for the Equipment and Placement Assets:											
35	Equipment Annual Cost										
36	Capital Cost Factors	Sum(Tab ACF Base (Joint CLECs), Col 3)	0.1092	0.1371	0.1307	0.1151	0.1151	0.1009	0.0935	0.1115	0.1010
37	Base Year Mfr & Other Expense Factors	Sum(Tab ACF Base (Joint CLECs), Col 4)	0.044	0.0154	0.0309	0.0622	0.0159	0.0299	0.0166	0.0499	0.0164
38	Operating Expense Inflation Factor	Inflation calculator	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
39	Forward Looking Mfr & Other Expense Factor	Row 37 x Row 38	0.044	0.0154	0.0309	0.0622	0.0159	0.0299	0.0166	0.0499	0.0164
40	Ad Valorem Tax	Tab ACF Base (Joint CLECs), Col 1	0.009	0.009	0.009	0.009	0.009	0.009	0.009	0.009	0.009
41	Forward Looking ACF before Commission Assessment	Sum ( Rows 36, 39 & 40 )	0.1622	0.1615	0.1706	0.1863	0.1400	0.1398	0.1191	0.1704	0.1264
42	Forward Looking Equipment Annual Cost Before Commission Assessment	Row 41 x Row 32	\$ 0.1624	\$ 0.1809	\$ 0.1841	\$ 0.8392	\$ 0.4041	\$ 0.4787	\$ 0.2653	\$ 0.8763	\$ 0.7540
43	Placement Annual Cost										
44	Land Factor @ ACF Base Year	Tab ACF Base (Joint CLECs), Col F	0.004	0.004	0.004						
45	Land Factor Inflation relative to Equipment	Land Factor Inflation relative to Equipment	1.0000	1.0000	1.0000						
46	Forward Looking Land Factor	Row 44 x Row 45	0.004	0.004	0.004						
47	Forward Looking Land Investment	Row 46 x Row 32	\$ 0.0045	\$ 0.0045	\$ 0.0046						
48	Land ACF - Base Year before Commission Assessment	Sum(Tab ACF Base (Joint CLECs), Col 3)	\$ 0.1130	\$ 0.1130	\$ 0.1130						

Highly Sensitive Confidential



Binder Tab: 3B

**SBC Communications**  
**Capital Cost System PC Version 1.0**  
**Results**

**Ohio**  
**2002**

Cost of Capital :	7.53%
Composite Tax Rate:	35.00%
Debt Ratio:	32.84%
Annual Interest Rate:	4.15%

Account Number	Account Name	Book Depreciation	Cost of Money	Income Tax Expense	Total Capital Costs
2111	Total Land	0.0%	7.2%	3.2%	10.4%
2112	Total Motor Vehicles	10.8%	3.6%	1.6%	15.9%
2114	Tools and Other Work Equipment	8.3%	3.2%	1.4%	13.0%
2121.1	Buildings - Administrative	2.1%	5.2%	2.3%	9.5%
2121.2	Buildings - Network	2.1%	5.2%	2.3%	9.5%
2121.3	Buildings - Network Support	2.1%	5.2%	2.3%	9.5%
2122	Furniture	4.1%	3.6%	1.6%	9.3%
2123.1	Office Equipment - Office Support	10.0%	3.2%	1.4%	14.6%
2123.2	Office Equipment - Office Communication	14.3%	3.3%	1.5%	19.0%
2124	General Purpose Computers	13.4%	3.4%	1.5%	18.4%
2212	Digital Electronic Switching	6.3%	3.2%	1.4%	10.9%
2220	Operator Systems	9.1%	3.2%	1.4%	13.7%
2231	Radio Systems	11.3%	3.2%	1.4%	15.9%
2232.157	Circuit Equipment - DDS	14.3%	3.3%	1.5%	19.0%
2232.257	Circuit Equipment - Digital Loop Electronic	8.5%	3.2%	1.4%	13.1%
2232.357	Circuit Equipment - Digital Other	8.5%	3.2%	1.4%	13.1%
2232.57	Circuit Equipment - Analog	33.3%	3.3%	1.4%	38.1%
2351	Public Telephone Terminal	9.1%	3.4%	1.5%	14.0%
2362	Other Terminal Equipment	19.8%	3.5%	1.5%	24.8%
2411	Poles	6.8%	2.7%	1.2%	10.7%
2421.22	Aerial Cable - Metallic	6.3%	3.7%	1.6%	11.5%
2421.822	Aerial Cable Non - Non-Metallic	6.3%	3.7%	1.6%	11.5%
2422.5	Underground Cable - Metallic	4.4%	4.0%	1.8%	10.1%
2422.85	Underground Cable - Non-Metallic	3.7%	4.0%	1.7%	9.4%
2423.45	Buried Cable Exchange Metallic	5.5%	3.9%	1.7%	11.1%
2423.845	Buried Cable Non-Metallic	4.4%	4.0%	1.7%	10.1%
2426.442	Intrabuilding Cable - Metallic	5.8%	3.8%	1.7%	11.3%
2426.462	Intrabuilding Cable - Non-Metallic	5.8%	3.8%	1.7%	11.3%
2441	Conduit System	2.1%	4.4%	1.9%	8.4%
2690	Intangible Assets	16.7%	3.0%	1.3%	21.0%

## Ohio 2002 Maintenance Expense Factor

Source: Tab 4A

Account Number	Account Name	FRC	Average Investment Current Cost	Plant Specific Expense	Support Asset Expense	6362 Oth. Term Equip. Exp	6531 Power Expense	6533 Testing Expense	Total Expenses	ME Factor	Maintenance Expense Factors as filed by SBC in OH 2002 ACF 2004-01-14.018	Percentage Overstatement due to Non-regulated Investment and Expenses & Support Assets
2121.2	Buildings - Network	192C	\$18,713,548	\$18,713,548					\$18,713,548	0.0186	0.0186	1.39%
2121.3	Total Aerial Electronic Switching	171C	\$6,656,503	\$7,343			\$27,325		\$6,683,828	0.0899	0.1345	33.16%
2121.4	Central Office Transmission	171C	\$1,114,860,265	\$31,965,549			\$4,576,668		\$1,146,436,823	0.0328	0.0445	26.39%
2201	Telephone Systems	117C	\$25,475,785	\$79,214			\$86,044		\$25,561,829	0.0042	0.0042	0.00%
2201.1	Radio Systems	677C	\$6,467,785	\$79,214			\$27,289		\$6,544,999	0.0163	0.0163	22.01%
2232.157	Circuit Equipment - DOTS	157C	\$16,559,035	\$30,182			\$6,468		\$16,595,283	0.0053	0.0053	3.13%
2232.157	Circuit Equipment - Digital Loop Electronics	257C	\$498,113,967	\$5,744,285			\$3,879,404		\$498,937,656	0.0062	0.0064	34.00%
2232.357	Circuit Equipment - Other Digital	357	\$681,326,106	\$15,053,822			\$5,340,634		\$681,680,562	0.0185	0.0254	22.44%
2232.457	Circuit - Digital	457C	\$1,877,640,074	\$20,798,107			\$7,707,786		\$1,895,145,867	0.0182	0.0254	27.78%
2232.57	Circuit Equipment - Analog Other	57C	\$72,047,934	\$1,615,183			\$266,760		\$72,314,694	0.0258	0.0378	47.20%
2261	Public Telephone - Terminal Equipment	57C/657C	\$0	\$0					\$0	0.0000	0.0432	100.00%
2261.1	Other Terminal Equipment	658C	\$11,004,496	\$182,809					\$11,187,305	0.0000	0.0432	100.00%
2411	Poles	1C	\$408,888,424	\$3,763,465					\$412,651,889	0.0097	0.0131	25.90%
2421.22	Aerial Cables - Metallic	12, 22 C	\$1,312,017,676	\$62,184,266					\$1,374,201,942	0.0538	0.0816	33.95%
2421.822	Aerial Cables - Non-Metallic	818, 822C	\$58,869,587	\$2,076					\$58,871,663	0.0076	0.0139	45.32%
2422.5	Underground Cable - Metallic	5, 59C	\$980,345,534	\$14,763,724					\$995,109,258	0.0216	0.0344	37.21%
2422.85	Underground Cable - Non-Metallic	85, 598 C	\$203,050,317	\$372,380					\$203,422,697	0.0083	0.0153	45.75%
2423.45	Buried Cable - Metallic	45, 545, 645 C	\$1,143,086,620	\$40,143,359					\$1,183,230,000	0.0416	0.0597	30.32%
2423.84	Buried Cable - Non-Metallic	84, 5, 845, 515 C	\$122,864,033	\$96,302					\$122,960,335	0.0081	0.0144	43.75%
2424.462	Interconnecting Network Cable - Metallic	462C	\$161,669,507	\$40,398					\$161,709,905	0.0117	0.0200	41.50%
2424.462	Interconnecting Network Cable - Non-Metallic	462C	\$7,823,151	\$10,172					\$7,833,323	0.0078	0.0141	44.88%
2431	Aerial Wire	3C	\$1,453,763,061	\$2,943,673					\$1,456,706,734	0.0000	0.0000	0.00%
2441	Conduit	4C	\$8,950,763,973	\$197,883,012					\$9,148,646,985	0.0019	0.0024	20.83%
Total									\$243,248,236			

## Ohio 2002 Other Expense Factors

Account Number	Plant Category	Average Investment Current Cost	6512 Provisioning Expense	6532 Network Admin. Expense	6534 Plant Operations Expense	6535 Engineering Expense	Total Other Expenses	Other Expense Factor
2211.2212, 2215, 2220	Switching & Operator Systems	\$1,142,507,453	\$99,568	\$2,961,087	\$4,883,598	\$4,056,068	\$12,825,721	0.0148
2231, 2232	Central Office Transmission	\$1,972,544,832	\$1,035,156	\$5,673,446	\$4,432,246	\$7,002,822	\$22,143,671	0.0112
2241, 2262	Terminal Equipment	\$11,204,496	\$5,775	\$6,742	\$47,542	\$36,068	\$91,885	0.0083
2411, 2421, 2422, 2423, 2424, 2426, 2431, 2441	Public Telephone Cables & Wire Facilities	\$8,853,983,346	\$3,072,069		\$6,034,668	\$20,782,518	\$26,819,255	0.0000
Total		\$18,903,505,137	\$4,172,508	\$8,635,533	\$38,387,954	\$31,860,216	\$83,940,532	0.0083

Notes: - Source

1. Tab Investment Data, Col. I, Row 46, 4C
2. Tab Expense Data, Col. J, Row 46, 4C
3. Tab Support Asset Expense, Col. J, Row 46, 4E
4. Tab Alloc. Oth. Term Exp. Col. J, Row 46, 4F
5. Tab Allocated Power Exp. Col. J, Row 46, 4G
6. Tab Allocated Testing Exp. Col. U, Row 46, 4H
7. Tab Allocated Other Expenses, Col. I, Row 46, 4I

Notes: - Destination  
 8. Tab ACF Base (Net CLECs), Col. G, Row 46, 1  
 9. Tab Utilization Adjustment, Col. E, Row 46, 4A



A	B	C	D	E	F	G	H	I
1	<b>Ohio 2002 Maintenance Factors Adjusted for Ordered Alternative Utilization Rates</b>							
2	Purpose: This sheet calculates the adjusted maintenance factors using the Forward-Looking and Alternate Utilization Factor.							
3								
Account	Description	FRC	Percent Weight	Maintenance Factors Tab Mice Expense Factor Col K	Forward Looking Utilization Tab Inputs Col J	Alternative Utilization See Note 1	Adjusted Maintenance Factors E / (F / G)	Adjusted Maintenance Factor Col D : H
8	2212 Digital Electronic Switching	377C	Actual Forward-Looking	0.0328	65.41%	65.41%		0.0328
9	2232 257 Circuit Equipment - Digital Loop Electronics - Chassis	257C	Actual Forward-Looking	0.0165	Actual Forward-Looking	Actual Forward-Looking	0.0165	0.0165
10	2232 257 Circuit Equipment - Digital Loop Electronics - Plug In		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
11	2232 357 Circuit Equipment - Other Digital (Interface)	357, 467, 827C	Actual Forward-Looking	0.0197	Actual Forward-Looking	Actual Forward-Looking	0.0197	0.0197
12	2232 357 Circuit Equipment - Other Digital (Interface)		Actual Forward-Looking	0.0539	Actual Forward-Looking	Actual Forward-Looking	0.0539	0.0539
13	2421 22 Aerial Cable - Metallic	12, 22 C	Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
14	2421 22 Aerial Cable - Metallic - Feeder		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
15	2421 22 Aerial Cable - Metallic - Distribution		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
16	2421 822 Aerial Cable - Non-Metallic (Interface)	818, 822C	Actual Forward-Looking	0.0076	Actual Forward-Looking	Actual Forward-Looking	0.0076	0.0076
17	2422 5 Underground Cable - Metallic	5, 55C	Actual Forward-Looking	0.0216	Actual Forward-Looking	Actual Forward-Looking	0.0216	0.0216
18	2422 5 Underground Cable - Metallic - Feeder		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
19	2422 5 Underground Cable - Metallic - Distribution		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
20	2422 85 Underground Cable - Non-Metallic (Interface)	85, 585 C	Actual Forward-Looking	0.0083	Actual Forward-Looking	Actual Forward-Looking	0.0083	0.0083
21	2422 85 Underground Cable - Non-Metallic (Interface)		Actual Forward-Looking	0.0416	Actual Forward-Looking	Actual Forward-Looking	0.0416	0.0416
22	2423 45 Buried Cable - Metallic	45, 545, 645 C	Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
23	2423 45 Buried Cable - Metallic - Feeder		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
24	2423 45 Buried Cable - Metallic - Distribution		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
25	2423 845 Buried Cable - Non-Metallic (Interface)	845, 8645, 515 C	Actual Forward-Looking	0.0081	Actual Forward-Looking	Actual Forward-Looking	0.0081	0.0081
26	2232 457 Circuit - Digital	257C & 357, 467, 827C						0.0182
27								
28	<b>Ohio 2002 Other Factor Adjusted from Forward-Looking to Alternative Utilization Rates</b>							
29								
Account	Description	FRC	Percent Weight	Other Expense Factor Tab Mice Expense Factor Col K	Forward Looking Utilization Tab Inputs Col J	Alternative Utilization See Note 1	Adjusted Other Expense Factor E / (F / G)	Adjusted Other Expense Factor Col D : H
34	2212 Digital Electronic Switching	377C	Actual Forward-Looking	0.0112	65.41%	65.41%		0.0112
35	2232 257 Circuit Equipment - Digital Loop Electronics	257C	Actual Forward-Looking	0.0112	Actual Forward-Looking	Actual Forward-Looking	0.0112	0.0112
36	2232 257 Circuit Equipment - Digital Loop Electronics - Chassis		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
37	2232 357 Circuit Equipment - Other Digital (Interface)	357, 467, 827C	Actual Forward-Looking	0.0112	Actual Forward-Looking	Actual Forward-Looking	0.0112	0.0112
38	2232 357 Circuit Equipment - Other Digital (Interface)		Actual Forward-Looking	0.0083	Actual Forward-Looking	Actual Forward-Looking	0.0083	0.0083
39	2421 22 Aerial Cable - Metallic	12, 22 C	Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
40	2421 22 Aerial Cable - Metallic - Feeder		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
41	2421 22 Aerial Cable - Metallic - Distribution		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
42	2421 822 Aerial Cable - Non-Metallic (Interface)	818, 822C	Actual Forward-Looking	0.0083	Actual Forward-Looking	Actual Forward-Looking	0.0083	0.0083
43	2422 5 Underground Cable - Metallic	5, 55C	Actual Forward-Looking	0.0083	Actual Forward-Looking	Actual Forward-Looking	0.0083	0.0083
44	2422 5 Underground Cable - Metallic - Feeder		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
45	2422 5 Underground Cable - Metallic - Distribution		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
46	2422 85 Underground Cable - Non-Metallic (Interface)	85, 585 C	Actual Forward-Looking	0.0083	Actual Forward-Looking	Actual Forward-Looking	0.0083	0.0083
47	2422 85 Underground Cable - Non-Metallic (Interface)		Actual Forward-Looking	0.0083	Actual Forward-Looking	Actual Forward-Looking	0.0083	0.0083
48	2423 45 Buried Cable - Metallic	45, 545, 645 C	Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
49	2423 45 Buried Cable - Metallic - Feeder		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
50	2423 45 Buried Cable - Metallic - Distribution		Actual Forward-Looking		Actual Forward-Looking	Actual Forward-Looking		
51	2423 845 Buried Cable - Non-Metallic (Interface)	845, 8645, 515 C	Actual Forward-Looking	0.0083	Actual Forward-Looking	Actual Forward-Looking	0.0083	0.0083
52	2232 457 Circuit - Digital	257C & 357, 467, 827C						0.0112
53								
54	<b>Note:</b>							
55	1 The Alternative Utilization is ordered by the State Commission after the ACF study is filed. Before an order is issued for UNE studies, the Alternative Utilization Rate is set to equal SBC's Forward Looking Utilization Rate.							
56								

A	B	C	D	E	F	G	H	I	J
Ohio 2002 Investment Data									
1									
2									
3	Account Number	Account Name	FRC	Beginning Investment Tab Inputs, Col. E Col. G	Ending Investment Tab Inputs, Col. F Col. G	Average Investment = (E + F) / 2 Col. I	CCBC Ratio Tab Inputs, Col. H Col.	Average Inv. - Current I = G x H	Destination
4									
5									
6	2111.2	Land - Network	20C	\$ 12,280,772	\$ 12,449,863	\$ 12,365,317	1.0000	\$ 12,365,317	See Note 1
7	2121.2	Buildings - Network	10C	\$ 424,035,796	\$ 439,643,594	\$ 431,839,695	2.2729	\$ 981,528,443	See Note 1, 2
8	2211	Total Analog Electronic Switching	77C	\$ 12,856,876	\$ 456,130	\$ 6,656,503	1.0000	\$ 6,656,503	See Note 1, 2, 3, 4, 5, 6, 7
9	2212	Digital Electronic Switching	377C	\$ 1,494,053,058	\$ 1,583,628,688	\$ 1,538,840,873	0.7245	\$ 1,114,890,285	See Note 1, 2, 3, 4, 5, 6, 7
10	2220	Operator Systems	117C	\$ 18,991,403	\$ 17,144,559	\$ 18,067,981	1.1601	\$ 20,960,665	See Note 1, 2, 3, 4, 5, 6, 7
11	2231	Radio Systems	67C	\$ 7,232,382	\$ 5,745,243	\$ 6,488,813	1.0245	\$ 6,647,789	See Note 1, 2, 3, 4, 5, 6, 7
12									
13	2232	Circuit Equipment		\$ 1,981,520,748	\$ 2,058,177,427	\$ 2,019,849,088		\$ 1,965,897,943	See Note 1, 2, 3, 4, 5, 6, 7
14									
15	2341	Large Private Branch Exchanges	101C	\$ 0	\$ 0	\$ 0	0.0000	\$ 0	See Note 3, 4, 5, 6, 7
16	2351	Public Telephone Terminal Equipment	188C	\$ 0	\$ 0	\$ 0	1.1244	\$ 0	See Note 2, 3, 4, 5, 6, 7
17	2362	Other Terminal Equipment	858C	\$ 11,237,128	\$ 11,289,988	\$ 11,263,558	0.9770	\$ 11,004,496	See Note 2, 3, 4, 5, 6, 7
18	2411	Poles	1C	\$ 134,542,304	\$ 138,578,012	\$ 136,560,158	2.9942	\$ 408,888,424	See Note 2, 3, 4, 5, 6, 7
19									
20	2421	Aerial Cable Total		\$ 795,862,033	\$ 843,037,708	\$ 819,449,871		\$ 1,370,887,263	See Note 3, 7
21	2422	Underground Cable Total		\$ 698,810,177	\$ 719,519,845	\$ 709,165,011		\$ 1,183,395,850	See Note 3, 7
22	2423	Buried Cable Total		\$ 942,771,541	\$ 977,811,685	\$ 960,291,613		\$ 1,266,450,653	See Note 3, 7
23									
24	2424	Submarine Cable	6C/86C	\$ 410,478	\$ 410,510	\$ 410,494	4.4125	\$ 1,811,306	See Note 3, 4, 5, 6, 7
25	2426	Intrabuilding Network Cable Total		\$ 99,130,429	\$ 99,132,249	\$ 99,132,249		\$ 168,792,798	See Note 3, 7
26									
27	2431	Aerial Wire	3C	\$ 0	\$ 0	\$ 0	1.0000	\$ 0	See Note 2, 3, 4, 5, 6, 7
28	2441	Conduit	4C	\$ 637,702,609	\$ 655,738,435	\$ 646,720,522	2.2479	\$ 1,453,763,061	See Note 2, 3, 4, 5, 6, 7
29									
30									
31									
32									
33									
34									
35									

	B	C	D	E	F	G	H	I	J
1	<b>Ohio 2002 Expense Data</b>								
2	<b>Binder Tab :</b>								
	Account Number	Account Name	FRC	Percent Assigned	Annual Expenses	TBO	SOAA	Cost of Removal	Recurring Expenses
3				See Note 3	Tab Inputs, Col. F	Tab Inputs, Col. G	Tab Inputs, Col. H	Tab Inputs, Col. J	J = F - G - H + I
4			Source:		Col. J	Col. J	Col. J	Col. J	See Note 3
5			Destination:						
6	6121.2	Land & Bldg - Total - Network	10C		\$ 18,213,548	\$ 0	\$ 0	\$ 0	\$ 18,213,548
7	6211	Analog COE			\$ 772,378	\$ 0	\$ 201,034	\$ 0	\$ 571,343
8	6212	Digital COE			\$ 46,063,311	\$ 1,647,279	\$ 12,420,483	\$ 0	\$ 31,995,549
9	6220	Operator Systems			\$ 1,724	\$ 0	\$ 0	\$ 0	\$ 1,724
10	6231	Radio Systems			\$ 79,793	\$ 0	\$ 577	\$ 0	\$ 79,215
11	6232.157	Circuit - DDS	157MR	0.2%	\$ 75,050	\$ 0	\$ 44,868	\$ 0	\$ 30,182
12	6232.257	Circuit - Digital Loop	257MR	20.1%	\$ 6,314,747	\$ 267,540	\$ 302,922	\$ 0	\$ 5,744,285
13	6232.357	Circuit - Other Digital	357MR	68.6%	\$ 21,516,794	\$ 658,575	\$ 5,804,396	\$ 0	\$ 15,053,822
14	6232.57	Circuit - Analog	57 & 457 M/R	11.0%	\$ 3,465,360	\$ 114,858	\$ 7,311,319	\$ 0	\$ 1,619,183
15	6232	Total Circuit Equipment		100.0%	\$ 31,371,951	\$ 1,040,974	\$ 7,883,505	\$ 0	\$ 22,447,472
16	6341	Large PBX			\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
17	6351	Public Telephone Terminal			\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
18	6362 TE	Oth Term Equip - Telco Equipment	See Note 10	0.9%	\$ 230,441	\$ 0	\$ 47,633	\$ 0	\$ 182,809
19	6362 TW	Oth Term Equip - Telco Wiring	Ibid	30.4%	\$ 8,148,205	\$ 256,290	\$ 4,779,644	\$ 0	\$ 3,112,271
20	6362 C	Oth Term Equip - Customer Premises	Ibid	68.7%	\$ 18,391,017	\$ 843,740	\$ 7,664,960	\$ 0	\$ 9,882,317
21	6362	Other Terminal Equipment		100.0%	\$ 26,769,663	\$ 1,100,030	\$ 12,492,236	\$ 0	\$ 13,177,397
22	6411	Poles Expense		0.0%	\$ 3,778,319	\$ 0	\$ 14,855	\$ 0	\$ 3,763,465
23	6421.22	Aerial Cable - Metallic	2.52 / M, P, R	99.9%	\$ 75,327,691	\$ 3,374,872	\$ 9,768,553	\$ 0	\$ 62,184,266
24	6421.822	Aerial Cable - Non-Metallic	82 / M, P, R	0.1%	\$ 62,076	\$ 0	\$ 0	\$ 0	\$ 62,076
25	6421	Aerial Cable		100.0%	\$ 75,389,767	\$ 3,374,872	\$ 9,768,553	\$ 0	\$ 62,246,342
26	6422.5	Underground Cable - Metallic	5, 15 / M, P, R	98.2%	\$ 19,825,214	\$ 826,967	\$ 4,234,524	\$ 0	\$ 14,763,724
27	6422.85	Underground Cable - Non-Metallic	85 / M, P, R	1.8%	\$ 372,578	\$ 0	\$ 199	\$ 0	\$ 372,380
28	6422	Underground Cable		100.0%	\$ 20,197,793	\$ 826,967	\$ 4,234,722	\$ 0	\$ 15,136,103
29	6423.45	Buried Cable - Metallic	45, 145, 545	99.6%	\$ 53,022,262	\$ 2,096,489	\$ 10,780,415	\$ 0	\$ 40,145,359
30	6423.845	Buried Cable - Non-Metallic	845, 9845	0.4%	\$ 197,239	\$ 0	\$ 937	\$ 0	\$ 196,302
31	6423	Buried Cable		100.0%	\$ 53,219,501	\$ 2,096,489	\$ 10,781,351	\$ 0	\$ 40,341,661
32	6424.6	Submarine Cable - Metallic	6 / M, R	0.0%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
33	6424.86	Submarine Cable - Non-Metallic	86 / M, R	0.0%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
34	6424	Submarine Cable		0.0%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
35	6426.442	Intrabldg Ntwk Cable - Metallic	12, 442 / M, P, R	99.4%	\$ 1,719,562	\$ 0	\$ 870,166	\$ 0	\$ 849,396
36	6426.462	Intrabldg Ntwk Cable - Non-Metallic	812, 462 / M, P, R	0.6%	\$ 10,712	\$ 0	\$ 0	\$ 0	\$ 10,712
37	6426	Intrabldg Ntwk Cable		100.0%	\$ 1,730,274	\$ 0	\$ 870,166	\$ 0	\$ 860,108
38	6431	Aerial Wire - Exchange Line Wire			\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
39	6441	Conduit Systems			\$ 2,053,243	\$ 0	\$ 10,571	\$ 0	\$ 2,042,673
40	6512	Provisioning			\$ 4,786,542	\$ 0	\$ 73,974	\$ 0	\$ 4,712,568
41	6531	Power			\$ 12,787,427	\$ 0	\$ 15	\$ 0	\$ 12,787,412

	B	C	D	E	F	G	H	I	J
1	<b>Ohio 2002 Expense Data</b>								
2	<b>Binder Tab :</b>								
42	6532	Network Administration			\$ 9,621,675	\$ 0	\$ 662,141		\$ 8,959,533
43	6533.11	Testing - Subscriber Line - Shared	41T	88.9%	\$ 31,568,457	\$ 1,423,963	\$ 2,200,100		\$ 27,944,394
44	6533.12	Testing - Regulated Subscriber Line	42T	0.5%	\$ 173,875	\$ 0	\$ 51,124		\$ 122,752
45	6533.30	Testing - Service Order	41E	9.0%	\$ 3,201,730	\$ 95,945	\$ 2,222,186		\$ 883,598
46	6533.40	Testing - Interoffice - Facilities	44T	1.6%	\$ 566,727	\$ 0	\$ 39,323		\$ 527,405
47	6533.80	Testing - Public and Other	81E, 81T	0.0%	\$ 0	\$ 0	\$ 0		\$ 0
48	6533	Total Testing		100.0%	\$ 35,510,790	\$ 1,519,908	\$ 4,512,733		\$ 29,478,148
49	6534	Plant Operations Administration			\$ 48,144,872	\$ 333,866	\$ 9,423,052		\$ 38,387,954
50	6535	Engineering			\$ 32,329,459	\$ 448,983	\$ 0		\$ 31,880,476
51									
52									
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58									
59									
60									
61									

Notes: - Source

3 Tab Inputs, Col. E; Binder Tab 4B

Notes: - General

1 100% of TBO Expenses has been removed from recurring expenses.

2 FRC is for reference only; not an all inclusive list.

Notes: - Destination

3 Except for accounts to be allocated, Recurring Expenses are posted to

Tab Mice Expense Factor, Col. E; Binder Tab 4A

4 Tab Alloc Oth. Term Exp., Cell H 32; Binder Tab 4F

5 Tab Allocated Power Exp., Cell H 32; Binder Tab 4G

10 Tab Allocated Other Expenses, Cell G 12; Binder Tab 4I

11 Tab Allocated Other Expenses, Cell G 23; Binder Tab 4I

Ohio 2002 Support Asset Expense													Binder Tab: 4E	
Support Asset Factor : From Tab Inputs, Cell D 69													0.00%	
Account Number	Account Name	FRC	Percent Assigned Tab Expense Data, Col E	Annual Expenses Tab Expense Data, Col F	SOAA Tab Expense Data, Col H	Salary & Wage Tab Inputs, Col I	SOAA Proportion = F / E	Recurring Salaries & Wages = G x (1 - H)	Support Asset Expense = I x 0 (SAF)	Notes				
			N/A	Col H	Col H	Col I	Col I	Col J		See Note 1				
5	Land & Bldg - Total - Network	10C	0.0%	\$ 18,213,548			0.00%	\$ 0	\$ 0					
6	Analog COE		0.0%	\$ 772,378	\$ 201,034	\$ 658,214	28.03%	\$ 485,414	\$ 0					
7	Digital COE		0.0%	\$ 46,063,311	\$ 12,420,483	\$ 29,381,333	26.96%	\$ 21,444,381	\$ 0					
8	Operator Systems		0.0%	\$ 1,724	\$ 0	\$ 99	0.00%	\$ 99	\$ 0					
9	Radio Systems		0.0%	\$ 79,793	\$ 577	\$ 48,260	0.72%	\$ 47,911	\$ 0					
10	Circuit DCS	15TMR	0.2%	\$ 75,050	\$ 44,868	\$ 691	59.75%	\$ 278	\$ 0					
11	Circuit - Digital Loop	25TMR	20.1%	\$ 6,314,747	\$ 302,922	\$ 4,343,563	4.80%	\$ 4,135,200	\$ 0					
12	Circuit - Other Digital	35TMR	68.6%	\$ 21,516,794	\$ 5,804,396	\$ 12,095,245	26.96%	\$ 8,832,417	\$ 0					
13	Circuit - Analog	57 & 457 M/R	11.0%	\$ 3,465,360	\$ 1,731,319	\$ 2,565,928	49.96%	\$ 1,283,972	\$ 0					
14	Total Circuit Equipment		100.0%	\$ 31,371,951	\$ 7,883,505	\$ 19,805,427	25.13%	\$ 14,229,525	\$ 0					
15	Large PBX		0.0%	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0					
16	Public Telephones Terminal		0.0%	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0					
17	Om Term Equip - Telco Equipment	See Note 10	0.9%	\$ 230,441	\$ 47,633	\$ 156,875	20.67%	\$ 124,290	\$ 0	See Note 2				
18	Om Term Equip - Telco Wiring	Noted	30.4%	\$ 8,148,205	\$ 4,779,644	\$ 3,300,656	58.66%	\$ 2,203,754	\$ 0					
19	Om Term Equip - Customer Premises	Noted	68.7%	\$ 18,391,017	\$ 7,664,960	\$ 13,005,874	41.68%	\$ 7,583,378	\$ 0					
20	Other Terminal Equipment		100.0%	\$ 26,769,863	\$ 12,492,236	\$ 18,493,384	46.67%	\$ 9,863,284	\$ 0					
21	Poles Expense		0.0%	\$ 3,778,319	\$ 14,855	\$ 693,581	0.39%	\$ 890,854	\$ 0					
22	Aerial Cable - Metallic	2.52 / M, P, R	99.9%	\$ 75,327,691	\$ 9,768,553	\$ 46,297,613	12.97%	\$ 40,293,703	\$ 0					
23	Aerial Cable - Non-Metallic	82 / M, P, R	0.1%	\$ 62,076	\$ 0	\$ 38,828	0.00%	\$ 38,828	\$ 0					
24	Aerial Cable		100.0%	\$ 75,389,767	\$ 9,768,553	\$ 46,336,441	12.96%	\$ 40,332,443	\$ 0					
25	Underground Cable - Metallic	5.15 / M, P, R	98.2%	\$ 19,825,214	\$ 4,234,524	\$ 12,534,305	21.36%	\$ 9,857,067	\$ 0					
26	Underground Cable - Non-Metallic	85 / M, P, R	1.8%	\$ 372,578	\$ 199	\$ 225,914	0.05%	\$ 225,793	\$ 0					
27	Underground Cable		100.0%	\$ 20,197,793	\$ 4,234,722	\$ 12,760,219	20.87%	\$ 10,084,878	\$ 0					
28	Buried Cable - Metallic	45, 145, 545	99.6%	\$ 53,022,262	\$ 10,780,415	\$ 27,525,173	20.33%	\$ 21,928,792	\$ 0					
29	Buried Cable - Non-Metallic	845, 9845	0.4%	\$ 197,239	\$ 937	\$ 51,552	0.47%	\$ 51,307	\$ 0					
30	Buried Cable		100.0%	\$ 53,219,501	\$ 10,781,351	\$ 27,576,724	20.26%	\$ 21,990,156	\$ 0					
31	Submarine Cable - Metallic	6 / M, R	0.0%	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0					
32	Submarine Cable - Non-Metallic	86 / M, R	0.0%	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0					
33	Submarine Cable		0.0%	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0					
34	Intruding New Cable - Metallic	12, 442 / M, P, R	99.4%	\$ 1,719,562	\$ 870,166	\$ 1,162,707	50.60%	\$ 574,332	\$ 0					
35	Intruding New Cable - Non-Metallic	812, 402 / M, P, R	0.6%	\$ 10,712	\$ 0	\$ 5,883	0.00%	\$ 5,883	\$ 0					
36	Intruding New Cable		100.0%	\$ 1,730,274	\$ 870,166	\$ 1,168,590	50.29%	\$ 580,898	\$ 0					
37	Aerial Wire - Exchange Line Wire		0.0%	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0					
38	Conduit Systems		0.0%	\$ 2,053,243	\$ 10,571	\$ 190,341	0.51%	\$ 189,381	\$ 0	See Note 4				
39	Provisioning		0.0%	\$ 4,786,442	\$ 73,874	\$ 1,841,018	1.55%	\$ 1,812,566	\$ 0	See Note 5				
40	Power		0.0%	\$ 12,787,427	\$ 15	\$ 0	0.00%	\$ 0	\$ 0	See Note 6				
41	Network Administration		0.0%	\$ 9,631,675	\$ 662,141	\$ 5,631,370	6.88%	\$ 5,243,832	\$ 0	See Note 7				
42	Testing - Subscriber Line - Shared	41T	88.9%	\$ 31,568,457	\$ 2,200,100	\$ 22,302,877	6.97%	\$ 20,748,523	\$ 0	See Note 2				
43	Testing - Regulated Subscriber Line	42T	0.5%	\$ 173,875	\$ 51,124	\$ 138,698	29.40%	\$ 97,817	\$ 0	See Note 2				
44	Testing - Service Order	41E	9.0%	\$ 3,201,730	\$ 2,222,186	\$ 2,277,403	69.41%	\$ 696,753	\$ 0	See Note 2				
45	Testing - Interface - Facilities	44T	1.6%	\$ 566,727	\$ 36,323	\$ 80,435	6.94%	\$ 56,241	\$ 0	See Note 2				
46	Testing - Public and Other	81E, 81T	0.0%	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	\$ 0	See Note 2				
47	Total Testing		100.0%	\$ 35,510,790	\$ 4,512,733	\$ 24,778,412	12.71%	\$ 21,830,429	\$ 0	See Note 6				
48	Plant Operations Administration		0.0%	\$ 48,144,872	\$ 9,423,052	\$ 20,710,356	19.37%	\$ 16,656,866	\$ 0	See Note 7				
49	Engineering		0.0%	\$ 32,329,459	\$ 0	\$ 9,897,621	0.00%	\$ 9,897,621	\$ 0	See Note 7				
50														
51														
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Notes: - Destination

1

Except for accounts to be allocated, Recurring Support Asset Expenses are posted to Tab Mice Expense Factor, Col 1, Binder Tab 4A

2

Tab Alloc Om Term Exp, Cell I 32, Binder Tab 4F

3

Tab Allocated Power Exp, Cell I 32, Binder Tab 4G

4

Tab Allocated Other Expenses, Cell H 12, Binder Tab 4I

5

Tab Allocated Other Expenses, Cell H 12, Binder Tab 4I

6

Tab Allocated Other Expenses, Cell H 12, Binder Tab 4I

7

Tab Allocated Other Expenses, Cell H 34, Binder Tab 4I

8

Tab Allocated Other Expenses, Cell H 45, Binder Tab 4I

Notes: - Destination

- Except for accounts to be allocated, Recurring Support Asset Expenses are posted to Tab Mice Expense Factor, Col , Binder Tab 4A.
- Tab Alloc Om Term Exp, Cell I 32, Binder Tab 4F.
- Tab Alloc Power Exp, Cell I 32, Binder Tab 4G.
- Tab Allocated Other Expenses, Cell H 12, Binder Tab 4I.
- Tab Allocated Other Expenses, Cell H 121, Binder Tab 4I.
- Tab Allocated Other Expenses, Cell H 34, Binder Tab 4I.
- Tab Allocated Other Expenses, Cell H 45, Binder Tab 4I.

	A	B	C	D	E	F	G	H	I	J
1	<b>Allocated Other Terminal Equipment Expenses - Account 6362</b>									
2	Purpose: This sheet Allocates the wire-related expenses of account 6362 to the Cable and Wire accounts, and									
3	adds to the numerator of the Cable and Wire maintenance factors.									
4										
5										
6	Account Number	Plant Account	FRC	Average Inv. - Current	Allocation Yes=1 / No=0	Allocation Base F = (D x E) Col. G	Allocated Percentage F / Cell F 32 Col. H	Allocated Term Equip Expense G x Cell H 32 Col. J	Allocated Support Asset Expense G x Cell I 32 Col. J	Total Allocated Expenses H + I See Note 2
7		Source : Destination :		See Note 1 Col. F	N/A Col. F					
8										
9	2211	Total Analog Electronic Switching	77C	\$ 6,656,503	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
10	2212	Digital Electronic Switching	377C	\$ 1,114,890,285	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
11	2220	Operator Systems	117C	\$ 20,960,665	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
12	2231	Radio Systems	67C	\$ 6,647,789	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
13	2232.157	Circuit Equipment - DDS	157C	\$ 16,209,035	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
14	2232.257	Circuit Equipment - Digital Loop Electronic	257C	\$ 896,313,967	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
15	2232.357	Circuit Equipment - Other Digital	357.467.827C	\$ 981,326,108	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
16	2232.57	Circuit Equipment - Analog Other	57C/957C	\$ 72,047,934	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
17	2341	Large Private Branch Exchanges	101C	\$ -	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
18	2351	Public Telephone Terminal Equipment	188C	\$ -	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
19	2362	Other Terminal Equipment	858C	\$ 11,004,496	1	\$ 11,004,496	0.19%	\$ 5,840	\$ 0	\$ 5,840
20	2411	Poles	1C	\$ 408,888,424	1	\$ 408,888,424	6.97%	\$ 216,977	\$ 0	\$ 216,977
21	2421.22	Aerial Cable - Metallic	12, 22 C	\$ 1,312,017,676	1	\$ 1,312,017,676	22.37%	\$ 696,225	\$ 0	\$ 696,225
22	2421.822	Aerial Cable - Non-Metallic	818, 822C	\$ 58,869,587	1	\$ 58,869,587	1.00%	\$ 31,239	\$ 0	\$ 31,239
23	2422.5	Underground Cable - Metallic	5, 55C	\$ 980,345,534	1	\$ 980,345,534	16.72%	\$ 520,222	\$ 0	\$ 520,222
24	2422.85	Underground Cable - Non-Metallic	85, 585 C	\$ 203,050,317	1	\$ 203,050,317	3.46%	\$ 107,749	\$ 0	\$ 107,749
25	2423.45	Buried Cable - Metallic	45, 545, 645 C	\$ 1,143,486,620	1	\$ 1,143,486,620	19.50%	\$ 606,793	\$ 0	\$ 606,793
26	2423.845	Buried Cable - Non-Metallic	845, 8645, 515	\$ 122,964,033	1	\$ 122,964,033	2.10%	\$ 65,251	\$ 0	\$ 65,251
27	2424	Submarine Cable	6C/86C	\$ 1,811,306	1	\$ 1,811,306	0.03%	\$ 961	\$ 0	\$ 961
28	2426.442	Intrabuilding Network Cable - Metallic	442C	\$ 161,169,507	1	\$ 161,169,507	2.75%	\$ 85,525	\$ 0	\$ 85,525
29	2426.462	Intrabuilding Network Cable - Non-Metallic	462C	\$ 7,623,291	1	\$ 7,623,291	0.13%	\$ 4,045	\$ 0	\$ 4,045
30	2431	Aerial Wire	3C	\$ -	1	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
31	2441	Conduit	4C	\$ 1,453,763,061	1	\$ 1,453,763,061	24.79%	\$ 771,442	\$ 0	\$ 771,442
32	<b>Total</b>			<b>\$ 5,864,993,852</b>	<b>100.00%</b>	<b>\$ 3,112,271</b>	<b>\$ 3,112,271</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,112,271</b>
33										
34	Notes: - Source									
35	1 Tab Investment Data, Col. I; Binder Tab 4C									
36										
37										
38										
39										

Notes: - Destination  
 2 Tab Mice Expense Factor, Col. G; Binder Tab 4A



	A	B	C	D	E	F	G	H	I	J
1	<b>Ohio 2002 Allocated Power Expenses - Account 6531</b>									
2	<b>Purpose: This sheet calculates how Power expense is allocated in this study. These</b>									
3	<b>amounts are linked to the "Mtce Expense Factor" worksheet.</b>									
4										
5										
	Account Number	Plant Account	FRC	Average Inv. - Current	Allocation Yes=1 / No=0	Allocation Base D x E	Allocation Percentage F / Cell F 32	Allocated Power Expense G x Cell H 32	Allocated Support Asset Expense G x Cell I 32	Total Allocated Expenses H + I
6		Source :		Col. F	Col. F	Col. G	Col. H	Col. J	Col. J	See Note 2
7		Destination :								
8										
9	2211	Total Analog Electronic Switching	77C	\$ 6,656,503	1	\$ 6,656,503	0.21%	\$ 27,325	\$ 0	\$ 27,325
10	2212	Digital Electronic Switching	377C	\$ 1,114,890,285	1	\$ 1,114,890,285	35.79%	\$ 4,576,668	\$ 0	\$ 4,576,668
11	2220	Operator Systems	117C	\$ 20,960,665	1	\$ 20,960,665	0.67%	\$ 86,044	\$ 0	\$ 86,044
12	2231	Radio Systems	67C	\$ 6,647,789	1	\$ 6,647,789	0.21%	\$ 27,289	\$ 0	\$ 27,289
13	2232.157	Circuit Equipment - DDS	157C	\$ 16,209,035	1	\$ 16,209,035	0.52%	\$ 66,539	\$ 0	\$ 66,539
14	2232.257	Circuit Equipment - Digital Loop Electronic	257C	\$ 896,313,967	1	\$ 896,313,967	28.77%	\$ 3,679,404	\$ 0	\$ 3,679,404
15	2232.357	Circuit Equipment - Other Digital	357, 467.827C	\$ 981,326,108	1	\$ 981,326,108	31.50%	\$ 4,028,382	\$ 0	\$ 4,028,382
16	2232.57	Circuit Equipment - Analog Other	57C/957C	\$ 72,047,934	1	\$ 72,047,934	2.31%	\$ 295,760	\$ 0	\$ 295,760
17	2341	Large Private Branch Exchanges	101C	\$ -	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
18	2351	Public Telephone Terminal Equipment	188C	\$ 11,004,496	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
19	2362	Other Terminal Equipment	858C	\$ 408,888,424	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
20	2411	Poles	1C	\$ 1,312,017,676	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
21	2421.22	Aerial Cable - Metallic	12, 22 C	\$ 58,869,587	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
22	2421.822	Aerial Cable - Non-Metallic	818, 822C	\$ 980,345,534	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
23	2422.5	Underground Cable - Metallic	5, 55C	\$ 203,050,317	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
24	2422.85	Underground Cable - Non-Metallic	85, 585 C	\$ 1,143,486,620	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
25	2423.45	Buried Cable - Metallic	45, 545, 645 C	\$ 122,964,033	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
26	2423.845	Buried Cable - Non-Metallic	845, 8645, 515	\$ 1,811,306	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
27	2424	Submarine Cable	6C/86C	\$ 161,169,507	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
28	2426.442	Intrabuilding Network Cable - Metallic	442C	\$ 7,623,291	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
29	2426.462	Intrabuilding Network Cable - Non-Metallic	462C	\$ -	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
30	2431	Aerial Wire	3C	\$ 1,453,763,061	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
31	2441	Conduit	4C	\$ -	0	\$ 0	0.00%	\$ 0	\$ 0	\$ 0
32	<b>Total</b>					\$ 3,115,052,285	<b>100%</b>	\$ 12,787,412	\$ 0	\$ 12,787,412
33	<b>Notes: - Source</b>									
34	1 Tab Investment Data, Col. I ; Binder Tab 4C									
35	<b>Notes: - Destination</b>									
36	2 Tab Mtce Expense Factor, Col. H ; Binder Tab 4A									
37										
38										
39										
40										



Ohio 2002 Allocated Testing Expenses - Account 6533													
Binder Tab: 4H													
Account Number	Plant Account	FRC	Average Inv. - Current	Allocation base = D x E	Allocation Proportion = F / Col F 32	Expense Allocated = G x Col H 32	Assigned Year1 / No = 0	Allocation base = D x I	Allocation Proportion = J / Col J 32	Expense Allocated = K x Col L 32	Allocate Year1 / No = 0	Allocation base = D x M	Testing - Interoffice
7	Source	Destination	See Note 1	Col F	Col H	Col Q	Col J	Col K	Col L	Col O	Col N	Col P	Col R
9 2211	Total Aerial Electronic Switching	77C	\$ 6,856,503	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
10 2212	Digital Electronic Switching	377C	\$ 1,114,890,283	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
11 2220	Operator Systems	117C	\$ 20,962,663	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
12 2231	Radio Systems	67C	\$ 6,647,789	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
13 2232 157	Circuit Equipment - DOB	157C	\$ 18,209,035	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
14 2232 257	Circuit Equipment - Digital	257C	\$ 896,313,967	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
15 2232 357	Circuit Equipment - Analog	357C	\$ 981,326,108	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
16 2232 57	Circuit Equipment - Analog Other	57C	\$ 72,047,834	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
17 2241	Large Phone Branch Exchanges	101C	\$ 0	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
18 2242	Public Telephone Terminal Equipment	185C	\$ 11,804,496	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
19 2243	Other Terminal Equipment	191C	\$ 408,604,424	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
20 2244	Cable - Metallic	201C	\$ 1,312,017,876	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
21 2245 12	Aerial Cable - Metallic	12 2245	\$ 1,312,017,876	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
22 2245 122	Aerial Cable - Non-Metallic	122 2245	\$ 58,869,587	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
23 2245 1222	Underground Cable - Metallic	1222 2245	\$ 985,545,534	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
24 2245 1222 85	Underground Cable - Non-Metallic	85 1222 2245	\$ 203,050,317	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
25 2245 1223 45	Buried Cable - Metallic	45 1223 2245	\$ 1,423,486,620	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
26 2245 1223 45	Buried Cable - Non-Metallic	45 1223 2245	\$ 1,423,486,620	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
27 2245 1224	Submarine Cable	1224 2245	\$ 1,811,396	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
28 2245 1224 442	Intrabuilding Network Cable - Metallic	442C	\$ 181,168,507	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
29 2245 1224 442	Intrabuilding Network Cable - Non-Metallic	442C	\$ 7,623,291	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
30 2241	Aerial Wire	3C	\$ 0	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
31 2241	Conduit	4C	\$ 1,453,783,961	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
32 Total			\$ 4,898,636,334	\$ 0	0.00%	\$ 0	0	\$ 0	0.00%	\$ 0	0	\$ 0	0
33				\$ 28,967,148	100.00%	\$ 28,967,148	0	\$ 5,174,887,199	100.00%	\$ 883,588	0	\$ 5,793,278,588	0
34	Notes: - Source												
35	1 Tab Investment Data Col 1 Binder Tab 4C												
36	Notes: - Destination												
37	2 Tab Misc Expense Factor Col 1 Binder Tab 4A												
38													

A		B		C	D	E - Facilities - FRC 447		F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U
Ohio 2002 Allocated Testing Expenses - Account 653:						FRC	Allocation Proportion = N / Cell N 32	Expense Allocated = O x Cell P 32	Direct Testing Expense = H + L + P	Distribution = Q / Cell Q 32	Support Expense = R x Cell S 32	Asset Expense = T x Cell U 32	Allocated Indirect Testing Expenses = R x Cell 132	Allocated Testing and SA Expenses = Q + S + T	Total								
Account Number	Plant Account	Source	Destination				Cell P	Cell Q	Cell R	Cell S	Cell T	Cell U	Cell V	Cell W	See Note 2								
9 2211	Total Analog Electronic Switching			77C	0.00%					0.00%													
10 2212	Digital Electronic Switching			377C	0.00%					0.00%													
11 2220	Operator Systems			117C	0.00%					0.00%													
12 2231	Radio Systems			87C	0.11%	665		1,568		0.01%													
13 2232 157	Circuit Equipment - DCS			57C	0.28%	1,476		3,873		0.01%													
14 2232 257	Circuit Equipment - Digital Loop Electronics			257C	15.47%	81,598		5,348,634		18.15%													
15 2232 357	Circuit Equipment - Other Digital			357 467 477C	16.84%	89,337		234,461		0.86%													
16 2232 57	Circuit Equipment - Analog Other			57C	1.24%	6,559		17,214		0.06%													
17 2241	Large Private Branch Exchanges			107C	0.00%					0.00%													
18 2251	Public Telephone Terminal Equipment			187C	0.00%					0.00%													
19 2252	Other Terminal Equipment			197C	0.00%					0.00%													
20 2411	Power			12 22 2C	22.65%			64,678		0.22%													
21 2421 22	Aerial Cable - Metallic			118 822C	1.02%			7,830,755		26.59%													
22 2421 622	Aerial Cable - Non-Metallic			5 582C	16.82%			351,362		1.10%													
23 2422 5	Underground Cable - Metallic			85 585 C	3.50%			5,851,175		19.85%													
24 2422 86	Underground Cable - Non-Metallic			45 545 845 C	18.74%			1,211,902		4.11%													
25 2423 45	Buried Cable - Metallic			845 8645 515 C	2.12%			8,824,880		23.15%													
26 2423 845	Buried Cable - Non-Metallic			442C	0.00%			733,909		2.49%													
27 2424	Submarine Cable			462C	0.00%			10,646		0.04%													
28 2426 442	Intrabuilding Network Cable - Metallic			3C	0.00%			947,265		3.21%													
29 2426 462	Intrabuilding Network Cable - Non-Metallic			4C	0.00%			44,805		0.15%													
30 2431	Aerial Wire				0.00%					0.00%													
31 2441	Conduit				0.00%					0.00%													
32 Total					100.00%			527,483		29,478,148													
33																							
34																							
35																							
36																							
37																							

Notes: - Source

1 Tab Investment Data Col 1 Binder Tab 4C

2 Tab Wire Expense Factor Col 1 Binder Tab 4A

Notes: - Source

1 Tab Investment Data Col 1: Binder Tab 4C

Notes: - Destination

2 Tab Mice Expense Factor Col 1: Binder Tab 4A

Highly Sensitive Confidential

	A	B	C	D	E
1	Ohio 2002 Ad Valorem Tax Factor			Binder Tab :	5
2					
3	Account		Amount	Subject to Ad Valorem Tax Factor	Amount Subject to Ad Valorem Tax Factor
4	7240	OPERATING OTHER TAXES			\$ -
5	7240.1	PROPERTY	\$ -	0	\$ -
6	7240.11	REAL PROPERTY	\$ 95,131,915.00	1	\$ 95,131,915
7	7240.12	PERSONAL PROPERTY	\$ -	1	\$ -
8	7240.2	GROSS RECEIPTS	\$ -	1	\$ -
9	7240.3	CAPITAL STOCK	\$ -	1	\$ -
10	7240.9	OTHER TAXES	\$ -	0	\$ -
11	7240.91	PUBLIC UTILITY COMMISSION	\$ 2,282,400.00	0	\$ -
12	7240.92	SALES AND USE TAXES	\$ -	1	\$ -
13	7240.93	FEDERAL SUPERFUND	\$ -	1	\$ -
14	7240.94	SINGLE BUSINESS TAX	\$ -	1	\$ -
15	7240.95	FRANCHISE TAX AOCs	\$ -	1	\$ -
16	7240.99	OTHER	\$ 1,035,844.00	1	\$ 1,035,844
17	0	0	\$ -	0	\$ -
18	0	0	\$ -	0	\$ -
19	0	0	\$ -	0	\$ -
20	7240 Total		\$ 98,450,159		\$ 96,167,759
21					
22	AVERAGE BOOK INVESTMENT:				
23					
24	Account	Account Name			
25	2001	Beginning Balance Investment			\$7,774,582,586
26	2001	Ending Balance Investment			\$8,070,935,648
27		Average Booked Investment = (Line 25 + 26 ) / 2			\$7,922,759,117
28	COMPOSITE CC/BC RATIO (per Exhibit MS-9)				1.353964097
29	AVERAGE INVESTMENT AT CURRENT COST				\$10,727,131,393
30					
31					
32	Ad Valorem Tax Factor =		Cell E 20 / Cell E 27		0.0090
33					
34					
35	Data Sources:				
36	Tab Inputs section ( V ) ; Binder Tab 4B				
37					
38	Destination:				
39	Tab ACF Base (Joint CLECs), Col. I ; Binder Tab 4A				
40					

	A	B	C	D	E	F
1	<b>Ohio 2002 Commission Assessment Factor</b>					
2						
3						<b>Binder Tab : 6</b>
4	<b>Formula:</b>					
5	Public Utility Commission Assessment					
6	Total Intrastate Operating Revenues - Amount in Numerator Above					
7						
8	<b>Calculation:</b>					
9						
10	$\frac{\$2,282,400}{\$1,604,369,967 - \$2,282,400}$					
11						
12						
13						
14	$= \frac{\$2,282,400}{\$1,602,087,567}$					
15						
16						
17						
18	$= 0.0014$					
19						
20						
21	<b>Data Sources:</b>					
22	Tab Inputs, Cell E 228 and Cell E 229, binder Tab 4B.					
23						
24	<b>Destination:</b>					
25	Result in Cell B 18 posts to Tab ACF Base (Joint CLECs), Cell J 7 ; Binder Tab 1					
26						
27						

Binder Tab: 8

**Ohio 2002**

**Placement Factors**

Investment account	Source	FRC	Beginning Investment Tab Investment Data, Col E	Ending Investment Tab Investment Data, Col F	Average Investment Tab Investment Data, Col G	CC/BC Ratio Tab Investment Data, Col H	Current Cost Investment Tab Investment Data, Col I
<b>Total Network Land Investment</b>							
2111.2 Land - Network		20C	\$ 12,280,772	\$ 12,449,863	\$ 12,365,317	1.0000	\$ 12,365,317
<b>Total Network Buildings - Network</b>							
2121.2 Buildings - Network		10C	\$ 424,035,796	\$ 439,643,594	\$ 431,839,695	2.2729	\$ 981,528,443
2211 Total Analog Electronic Switching		77C	\$ 12,856,876	\$ 456,130	\$ 6,656,503	1.0000	\$ 6,656,503
2212 Digital Electronic Switching		377C	\$ 1,494,053,058	\$ 1,583,628,888	\$ 1,538,840,973	0.7245	\$ 1,114,890,285
2220 Operator Systems		117C	\$ 18,991,403	\$ 17,144,559	\$ 18,067,981	1.1601	\$ 20,960,665
2232.157 Circuit Equipment - DDS		157C	\$ 16,366,901	\$ 15,528,093	\$ 15,947,497	1.0164	\$ 16,209,035
2232.257 Circuit Equipment - Digital Loop Electronics		257C	\$ 896,653,408	\$ 948,943,146	\$ 922,798,277	0.9713	\$ 896,313,967
2232.357 Circuit Equipment - Other Digital		357, 467,827C	\$ 997,229,538	\$ 1,023,415,180	\$ 1,010,322,359	0.9713	\$ 981,326,108
2232.57 Circuit Equipment - Analog Other		57C/957C	\$ 71,270,901	\$ 70,291,008	\$ 70,780,954	1.0179	\$ 72,047,934
<b>Total Central Office Equipment Investment</b>			\$ 3,507,422,086	\$ 3,659,407,004	\$ 3,583,414,545		\$ 3,108,404,497
<b>Poles Investment</b>							
2411 Poles		1C	\$ 134,542,304	\$ 138,578,012	\$ 136,560,158	2.9942	\$ 408,888,424
<b>Aerial Cable Investment</b>							
2421.22 Aerial Cable - Metallic		12, 22 C	\$ 744,175,322	\$ 788,018,624	\$ 766,096,973	1.7126	\$ 1,312,017,676
2421.822 Aerial Cable - Non-Metallic		818, 822C	\$ 51,686,711	\$ 55,019,083	\$ 53,352,897	1.1034	\$ 58,869,587
<b>2421 Aerial Cable Total</b>			\$ 795,862,033	\$ 843,037,708	\$ 819,449,871		\$ 1,370,887,263
<b>Underground Cable Investment</b>							
2422.5 Underground Cable - Metallic		5, 55C	\$ 515,487,198	\$ 526,823,720	\$ 521,155,459	1.8811	\$ 980,345,534
2422.85 Underground Cable - Non-Metallic		85, 585 C	\$ 183,322,980	\$ 192,696,125	\$ 188,009,552	1.0800	\$ 203,050,317
<b>2422 Underground Cable Total</b>			\$ 698,810,177	\$ 719,519,845	\$ 709,165,011		\$ 1,183,395,850
<b>Conduit Investment</b>							
2441 Conduit		4C	\$ 637,702,609	\$ 655,738,435	\$ 646,720,522	2.2479	\$ 1,453,763,061
<b>Conduit Investment for Conduit Factor</b>							\$ 20,219,341
							\$ 1,433,543,721

<b>Land Factor</b> = Network Land Investment / COE Investment	\$ 12,365,317 / \$ 3,108,404,497	=	<b>Land Factor</b>	0.0040
<b>Building Factor</b> = Network Building Investment / COE Investment	\$ 981,528,443 / \$ 3,108,404,497	=	<b>Building Factor</b>	0.3158
<b>Pole Factor</b> = Poles Investment / Aerial Cable Investment	\$ 408,888,424 / \$ 1,370,887,263	=	<b>Pole Factor</b>	0.2983
<b>Conduit Factor</b> = Conduit Investment / Underground Cable Investment	\$ 1,433,543,721 / \$ 1,183,395,850	=	<b>Conduit Factor</b>	1.2114

Destination: Tab ACF Base (Joint CLECs), Cell F 40 to I 43 ; Binder Tab 1

BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO

In the matter of the Review of SBC Ohio's     )  
TELRIC Costs for Unbundled Network     )     Case No. 02-1280-TP-UNC  
Elements     )  
   )

TESTIMONY OF  
MICHAEL STARKEY

**EXHIBIT \_\_\_\_ (MS-9)**

**Modified SBC CC/BC Ratio Calculation**

**RESULTS SHEET ONLY**  
**FULL CALCULATION PROVIDED AS AN**  
**ELECTRONIC FILE ONLY ON CD-ROM**

**This Exhibit is Considered Confidential Pursuant to the Protective  
Order in Case No. 02-1280-TP-UNC – Filed Under Seal. It is Available  
Only in the Confidential Version of this Filing**



**Current Cost to Book Cost Ratio**  
**Ohio**                      **2002**

Account	Description	Current Cost (1946 - 2002 )	Book Cost (1946 - 2002 )	CC/BC Ratio
2111	Land	\$0	\$0	1.0000
2112	Motor Vehicles	\$88,541,411	\$85,516,393	1.0354
2114	Other Work Equipment	\$74,115,165	\$64,989,094	1.1404
2121	Buildings	\$1,401,770,808	\$616,732,181	2.2729
2122	Furniture	\$3,531,041	\$2,425,819	1.4556
2123.1	Office Support	\$5,511,345	\$5,322,224	1.0355
2123.2	Office Communication Equipment	\$1,117,836	\$1,094,556	1.0213
2124	General Purpose Computers	\$13,887,336	\$51,104,492	0.2717
2212	Digital Electronic Systems	\$1,147,729,897	\$1,584,259,615	0.7245
2220	Operator Systems	\$21,912,985	\$18,889,514	1.1601
2231	Radio Systems - Microwave	\$5,885,809	\$5,745,243	1.0245
2232.157	Digital Data Systems	\$19,833,945	\$19,514,163	1.0164
2232.257	Digital Circuit Equipment	\$1,913,944,871	\$1,970,429,549	0.9713
2232.57	Analog Circuit Equipment	\$69,504,086	\$68,280,943	1.0179
2351	Public Telephone Terminal	\$37,083,921	\$32,982,147	1.1244
2362	Other Terminal Equipment	\$11,029,496	\$11,289,037	0.9770
2411	Poles	\$412,650,409	\$137,814,878	2.9942
2421.22	Aerial Cable Metallic	\$1,443,703,627	\$842,979,561	1.7126
2422.5	Underground Cable Metallic	\$976,945,842	\$519,344,328	1.8811
2422.85	Underground Cable Non-Metallic	\$208,121,217	\$192,700,945	1.0800
2423.45	Buried Cable Metallic	\$1,164,911,974	\$864,762,122	1.3471
2423.845	Buried Cable Non-Metallic	\$124,495,278	\$112,832,345	1.1034
2424	Submarine Cable	\$1,751,893	\$397,027	4.4125
2426.442	Intrabuilding Network Cable Metallic	\$169,127,659	\$96,778,900	1.7476
2441	Conduits	\$1,446,366,361	\$643,415,831	2.2479
2690	Intangible Assets			1.0000

**COMPOSITE CC / BC RATIO      \$10,763,474,213      \$7,949,600,907      1.353964097**

Developed by SBC Cost Analysis Group  
 based on Telephone Plant Index published by A. C. Turner and  
 Investment Vintage Data provided by SBC Finance Operations Group.

**BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO**

<b>In the matter of the Review of SBC Ohio's</b>	<b>)</b>	
<b>TELRIC Costs for Unbundled Network</b>	<b>)</b>	<b>Case No. 02-1280-TP-UNC</b>
<b>Elements</b>	<b>)</b>	
	<b>)</b>	

**TESTIMONY OF  
MICHAEL STARKEY**

**EXHIBIT \_\_\_\_ (MS-10)**

**Modified SBC Support Asset Factors  
Study – Ohio Only**

**This Exhibit is Considered Confidential Pursuant to the Protective  
Order in Case No. 02-1280-TP-UNC – Filed Under Seal. It is Available  
Only in the Confidential Version of this Filing**

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(8)		<table><tr><th>Acct</th><th>Description</th><th>Salary</th><th>Plant Employees</th><th>Operators</th><th>Service Rep</th><th>Marketing &amp; Corporate</th></tr><tr><td>11</td><td>Source</td><td>Fee AIT 2002 Salary Data.xls</td><td>62xx-65xx</td><td>6621-6622</td><td>6623</td><td>6611 &amp; 67xx</td></tr><tr><td>12</td><td>Destination</td><td></td><td>See note 6</td><td>See note 6</td><td>See note 6</td><td>See note 6</td></tr><tr><td>13</td><td>6210</td><td>Central Office Switch</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>14</td><td>6220</td><td>Operator Services</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>15</td><td>6230</td><td>Central Office Trunks</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>16</td><td>6310</td><td>Info Original/Term Expense</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>17</td><td>6410</td><td>Total Cable Wire Facility</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>18</td><td>6512</td><td>Provisioning Expense</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>19</td><td>6530</td><td>Network Operations</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>20</td><td>6610</td><td>Marketing</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>21</td><td>6621</td><td>Call Completion Services</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>22</td><td>6622</td><td>Number Services</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>23</td><td>6623</td><td>Customer Services</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>24</td><td>6710</td><td>Executive and Planning</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>25</td><td>6720</td><td>General &amp; Administrative</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr><tr><td>26</td><td>Total</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td><td>\$</td></tr></table>										Acct	Description	Salary	Plant Employees	Operators	Service Rep	Marketing & Corporate	11	Source	Fee AIT 2002 Salary Data.xls	62xx-65xx	6621-6622	6623	6611 & 67xx	12	Destination		See note 6	See note 6	See note 6	See note 6	13	6210	Central Office Switch	\$	\$	\$	\$	14	6220	Operator Services	\$	\$	\$	\$	15	6230	Central Office Trunks	\$	\$	\$	\$	16	6310	Info Original/Term Expense	\$	\$	\$	\$	17	6410	Total Cable Wire Facility	\$	\$	\$	\$	18	6512	Provisioning Expense	\$	\$	\$	\$	19	6530	Network Operations	\$	\$	\$	\$	20	6610	Marketing	\$	\$	\$	\$	21	6621	Call Completion Services	\$	\$	\$	\$	22	6622	Number Services	\$	\$	\$	\$	23	6623	Customer Services	\$	\$	\$	\$	24	6710	Executive and Planning	\$	\$	\$	\$	25	6720	General & Administrative	\$	\$	\$	\$	26	Total	\$	\$	\$	\$	\$																																																																																																																																																																																																																																																													
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Other Work Equipment</td><td></td><td>\$ 56,892,773</td><td>\$ 56,892,773</td><td>\$ 56,892,773</td><td>0</td><td>1.1404</td><td>12.96%</td><td>1</td><td>\$ 8,787,420</td></tr><tr><td>41</td><td>2114</td><td>Tools &amp; Other Work Equipment</td><td></td><td>\$ 1,730,964</td><td>\$ 1,730,964</td><td>\$ 1,730,964</td><td>0</td><td>1.1404</td><td>12.96%</td><td>0</td><td>\$ 0</td></tr><tr><td>42</td><td>2114</td><td>Tools &amp; Other Work Equipment</td><td></td><td>\$ 56,892,773</td><td>\$ 56,892,773</td><td>\$ 56,892,773</td><td>0</td><td>1.1404</td><td>12.96%</td><td>0</td><td>\$ 0</td></tr><tr><td>43</td><td>2121</td><td>Buildings - Administration</td><td>18.94%</td><td>\$ 104,805,402</td><td>\$ 106,663,052</td><td>\$ 105,734,227</td><td>0</td><td>2.2729</td><td>9.51%</td><td>1</td><td>\$ 23,082,700</td></tr><tr><td>44</td><td>2121</td><td>Buildings - Network</td><td>76.63%</td><td>\$ 424,035,796</td><td>\$ 429,643,594</td><td>\$ 426,839,695</td><td>0</td><td>2.2729</td><td>9.51%</td><td>0</td><td>\$ 0</td></tr><tr><td>45</td><td>2121</td><td>Buildings - Network Support</td><td>4.43%</td><td>\$ 24,513,618</td><td>\$ 25,415,909</td><td>\$ 24,964,764</td><td>0</td><td>2.2729</td><td>9.51%</td><td>0</td><td>\$ 0</td></tr><tr><td>46</td><td>2121</td><td>Total Buildings</td><td>100.00%</td><td>\$ 553,354,817</td><td>\$ 561,722,555</td><td>\$ 560,538,686</td><td>0</td><td>2.2729</td><td>9.51%</td><td>0</td><td>\$ 0</td></tr><tr><td>47</td><td>2122</td><td>Furniture</td><td></td><td>\$ 1,992,995</td><td>\$ 1,999,941</td><td>\$ 1,996,418</td><td>0</td><td>1.4556</td><td>9.30%</td><td>1</td><td>\$ 270,204</td></tr><tr><td>48</td><td>2122</td><td>Furniture</td><td></td><td>\$ 121,822</td><td>\$ 122,240</td><td>\$ 122,031</td><td>0</td><td>1.0000</td><td>10.40%</td><td>1</td><td>\$ 12,891</td></tr><tr><td>49</td><td>2122</td><td>Furniture - Small Value Items</td><td></td><td>\$ 878,162</td><td>\$ 878,162</td><td>\$ 878,162</td><td>0</td><td>1.4556</td><td>9.30%</td><td>0</td><td>\$ 0</td></tr><tr><td>50</td><td>2122</td><td>Furniture &amp; Network</td><td></td><td>\$ 2,992,919</td><td>\$ 2,992,919</td><td>\$ 2,992,919</td><td>0</td><td>1.4556</td><td>9.30%</td><td>0</td><td>\$ 0</td></tr><tr><td>51</td><td>2123</td><td>Office Equipment - Office Support</td><td>81.81%</td><td>\$ 4,372,093</td><td>\$ 4,387,487</td><td>\$ 4,379,795</td><td>0</td><td>1.0355</td><td>14.64%</td><td>1</td><td>\$ 663,775</td></tr><tr><td>52</td><td>2123</td><td>Office Equipment - Communications</td><td>18.19%</td><td>\$ 1,445,537</td><td>\$ 1,445,537</td><td>\$ 1,445,537</td><td>0</td><td>1.0355</td><td>14.64%</td><td>1</td><td>\$ 189,434</td></tr><tr><td>53</td><td>2123</td><td>Office Equipment - Small Value Items</td><td></td><td>\$ 440,352</td><td>\$ 440,352</td><td>\$ 440,352</td><td>0</td><td>1.0000</td><td>14.64%</td><td>0</td><td>\$ 0</td></tr><tr><td>54</td><td>2123</td><td>Total Office Equipment</td><td>100.00%</td><td>\$ 6,258,982</td><td>\$ 6,273,376</td><td>\$ 6,265,684</td><td>0</td><td>1.0355</td><td>14.64%</td><td>0</td><td>\$ 0</td></tr><tr><td>55</td><td>2124</td><td>GPC - Maintenance/Upgrade</td><td>85.11%</td><td>\$ 73,154,631</td><td>\$ 73,154,631</td><td>\$ 73,154,631</td><td>0</td><td>0.2717</td><td>18.37%</td><td>1</td><td>\$ 2,306,737</td></tr><tr><td>56</td><td>2124</td><td>GPC-All Excluding MFMR &amp; Small Value Items</td><td>14.89%</td><td>\$ 12,798,407</td><td>\$ 12,798,407</td><td>\$ 12,798,407</td><td>0</td><td>0.2717</td><td>18.37%</td><td>1</td><td>\$ 491,039</td></tr><tr><td>57</td><td>2124</td><td>GPC - Small Value Items</td><td></td><td>\$ 1,509,118</td><td>\$ 1,509,118</td><td>\$ 1,509,118</td><td>0</td><td>0.2717</td><td>18.37%</td><td>0</td><td>\$ 0</td></tr><tr><td>58</td><td>2124</td><td>Total General Purpose Computers (GPC)</td><td>100.00%</td><td>\$ 87,452,157</td><td>\$ 87,452,157</td><td>\$ 87,452,157</td><td>0</td><td>0.2717</td><td>18.37%</td><td>0</td><td>\$ 0</td></tr></table>										Acct	Description	FRC	% assigned	Beginning Investment	Ending Investment	Average Investment	TBO	CC/BIC Ratio	Capital Cost Factor	Applies to SAF	Annual Capital Cost	29	Source		See note 1 to 5	See note 6	See note 6	See note 6	See note 7	See note 8	See note 9	See note 10	See note 11	30	Destination		Col E to H	Col G	Col G	Col L	Col L	Col L	Col L	Col L	Col L	31	2111 admin	Land Admin	18.94%	\$ 3,035,336	\$ 3,077,129	\$ 3,056,233	0	1.0000	10.40%	1	\$ 317,842	32	2111 netw	Land Network	76.63%	\$ 12,280,772	\$ 12,449,863	\$ 12,365,317	0	1.0000	10.40%	0	\$ 0	33	2111 support	Land Network Support	4.43%	\$ 709,955	\$ 719,730	\$ 714,842	0	1.0000	10.40%	0	\$ 74,342	34	2111	Total Land	100.0%	\$ 16,026,063	\$ 16,246,722	\$ 16,136,392	0	1.0000	10.40%	0	\$ 0	35	2112 admin	Motor Vehicles - Admin	10.01%	\$ 7,960,396	\$ 7,960,396	\$ 7,960,396	0	1.0354	15.68%	1	\$ 1,199,288	36	2112 plant	Motor Vehicles - Plant Specific	89.99%	\$ 56,312,866	\$ 56,312,866	\$ 56,312,866	0	1.0354	15.68%	1	\$ 10,511,912	37	2112	Motor Vehicles	100.0%	\$ 62,273,262	\$ 62,273,262	\$ 62,273,262	0	1.0354	15.68%	0	\$ 0	38	2112	Motor Vehicles - Small Value Items		\$ 0	\$ 0	\$ 0	0	1.0354	15.68%	0	\$ 0	39	2112	Motor Vehicles		\$ 62,273,262	\$ 62,273,262	\$ 62,273,262	0	1.0354	15.68%	0	\$ 0	40	2114	Tools & Other Work Equipment		\$ 56,892,773	\$ 56,892,773	\$ 56,892,773	0	1.1404	12.96%	1	\$ 8,787,420	41	2114	Tools & Other Work Equipment		\$ 1,730,964	\$ 1,730,964	\$ 1,730,964	0	1.1404	12.96%	0	\$ 0	42	2114	Tools & Other Work Equipment		\$ 56,892,773	\$ 56,892,773	\$ 56,892,773	0	1.1404	12.96%	0	\$ 0	43	2121	Buildings - Administration	18.94%	\$ 104,805,402	\$ 106,663,052	\$ 105,734,227	0	2.2729	9.51%	1	\$ 23,082,700	44	2121	Buildings - Network	76.63%	\$ 424,035,796	\$ 429,643,594	\$ 426,839,695	0	2.2729	9.51%	0	\$ 0	45	2121	Buildings - Network Support	4.43%	\$ 24,513,618	\$ 25,415,909	\$ 24,964,764	0	2.2729	9.51%	0	\$ 0	46	2121	Total Buildings	100.00%	\$ 553,354,817	\$ 561,722,555	\$ 560,538,686	0	2.2729	9.51%	0	\$ 0	47	2122	Furniture		\$ 1,992,995	\$ 1,999,941	\$ 1,996,418	0	1.4556	9.30%	1	\$ 270,204	48	2122	Furniture		\$ 121,822	\$ 122,240	\$ 122,031	0	1.0000	10.40%	1	\$ 12,891	49	2122	Furniture - Small Value Items		\$ 878,162	\$ 878,162	\$ 878,162	0	1.4556	9.30%	0	\$ 0	50	2122	Furniture & Network		\$ 2,992,919	\$ 2,992,919	\$ 2,992,919	0	1.4556	9.30%	0	\$ 0	51	2123	Office Equipment - Office Support	81.81%	\$ 4,372,093	\$ 4,387,487	\$ 4,379,795	0	1.0355	14.64%	1	\$ 663,775	52	2123	Office Equipment - Communications	18.19%	\$ 1,445,537	\$ 1,445,537	\$ 1,445,537	0	1.0355	14.64%	1	\$ 189,434	53	2123	Office Equipment - Small Value Items		\$ 440,352	\$ 440,352	\$ 440,352	0	1.0000	14.64%	0	\$ 0	54	2123	Total Office Equipment	100.00%	\$ 6,258,982	\$ 6,273,376	\$ 6,265,684	0	1.0355	14.64%	0	\$ 0	55	2124	GPC - Maintenance/Upgrade	85.11%	\$ 73,154,631	\$ 73,154,631	\$ 73,154,631	0	0.2717	18.37%	1	\$ 2,306,737	56	2124	GPC-All Excluding MFMR & Small Value Items	14.89%	\$ 12,798,407	\$ 12,798,407	\$ 12,798,407	0	0.2717	18.37%	1	\$ 491,039	57	2124	GPC - Small Value Items		\$ 1,509,118	\$ 1,509,118	\$ 1,509,118	0	0.2717	18.37%	0	\$ 0	58	2124	Total General Purpose Computers (GPC)	100.00%	\$ 87,452,157	\$ 87,452,157	\$ 87,452,157	0	0.2717	18.37%	0	\$ 0
Acct	Description	FRC	% assigned	Beginning Investment	Ending Investment	Average Investment	TBO	CC/BIC Ratio	Capital Cost Factor	Applies to SAF	Annual Capital Cost																																																																																																																																																																																																																																																																																																																																																																																				
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34	2111	Total Land	100.0%	\$ 16,026,063	\$ 16,246,722	\$ 16,136,392	0	1.0000	10.40%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
35	2112 admin	Motor Vehicles - Admin	10.01%	\$ 7,960,396	\$ 7,960,396	\$ 7,960,396	0	1.0354	15.68%	1	\$ 1,199,288																																																																																																																																																																																																																																																																																																																																																																																				
36	2112 plant	Motor Vehicles - Plant Specific	89.99%	\$ 56,312,866	\$ 56,312,866	\$ 56,312,866	0	1.0354	15.68%	1	\$ 10,511,912																																																																																																																																																																																																																																																																																																																																																																																				
37	2112	Motor Vehicles	100.0%	\$ 62,273,262	\$ 62,273,262	\$ 62,273,262	0	1.0354	15.68%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
38	2112	Motor Vehicles - Small Value Items		\$ 0	\$ 0	\$ 0	0	1.0354	15.68%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
39	2112	Motor Vehicles		\$ 62,273,262	\$ 62,273,262	\$ 62,273,262	0	1.0354	15.68%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
40	2114	Tools & Other Work Equipment		\$ 56,892,773	\$ 56,892,773	\$ 56,892,773	0	1.1404	12.96%	1	\$ 8,787,420																																																																																																																																																																																																																																																																																																																																																																																				
41	2114	Tools & Other Work Equipment		\$ 1,730,964	\$ 1,730,964	\$ 1,730,964	0	1.1404	12.96%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
42	2114	Tools & Other Work Equipment		\$ 56,892,773	\$ 56,892,773	\$ 56,892,773	0	1.1404	12.96%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
43	2121	Buildings - Administration	18.94%	\$ 104,805,402	\$ 106,663,052	\$ 105,734,227	0	2.2729	9.51%	1	\$ 23,082,700																																																																																																																																																																																																																																																																																																																																																																																				
44	2121	Buildings - Network	76.63%	\$ 424,035,796	\$ 429,643,594	\$ 426,839,695	0	2.2729	9.51%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
45	2121	Buildings - Network Support	4.43%	\$ 24,513,618	\$ 25,415,909	\$ 24,964,764	0	2.2729	9.51%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
46	2121	Total Buildings	100.00%	\$ 553,354,817	\$ 561,722,555	\$ 560,538,686	0	2.2729	9.51%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
47	2122	Furniture		\$ 1,992,995	\$ 1,999,941	\$ 1,996,418	0	1.4556	9.30%	1	\$ 270,204																																																																																																																																																																																																																																																																																																																																																																																				
48	2122	Furniture		\$ 121,822	\$ 122,240	\$ 122,031	0	1.0000	10.40%	1	\$ 12,891																																																																																																																																																																																																																																																																																																																																																																																				
49	2122	Furniture - Small Value Items		\$ 878,162	\$ 878,162	\$ 878,162	0	1.4556	9.30%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
50	2122	Furniture & Network		\$ 2,992,919	\$ 2,992,919	\$ 2,992,919	0	1.4556	9.30%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
51	2123	Office Equipment - Office Support	81.81%	\$ 4,372,093	\$ 4,387,487	\$ 4,379,795	0	1.0355	14.64%	1	\$ 663,775																																																																																																																																																																																																																																																																																																																																																																																				
52	2123	Office Equipment - Communications	18.19%	\$ 1,445,537	\$ 1,445,537	\$ 1,445,537	0	1.0355	14.64%	1	\$ 189,434																																																																																																																																																																																																																																																																																																																																																																																				
53	2123	Office Equipment - Small Value Items		\$ 440,352	\$ 440,352	\$ 440,352	0	1.0000	14.64%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
54	2123	Total Office Equipment	100.00%	\$ 6,258,982	\$ 6,273,376	\$ 6,265,684	0	1.0355	14.64%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
55	2124	GPC - Maintenance/Upgrade	85.11%	\$ 73,154,631	\$ 73,154,631	\$ 73,154,631	0	0.2717	18.37%	1	\$ 2,306,737																																																																																																																																																																																																																																																																																																																																																																																				
56	2124	GPC-All Excluding MFMR & Small Value Items	14.89%	\$ 12,798,407	\$ 12,798,407	\$ 12,798,407	0	0.2717	18.37%	1	\$ 491,039																																																																																																																																																																																																																																																																																																																																																																																				
57	2124	GPC - Small Value Items		\$ 1,509,118	\$ 1,509,118	\$ 1,509,118	0	0.2717	18.37%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				
58	2124	Total General Purpose Computers (GPC)	100.00%	\$ 87,452,157	\$ 87,452,157	\$ 87,452,157	0	0.2717	18.37%	0	\$ 0																																																																																																																																																																																																																																																																																																																																																																																				

Support Asset Factors - Inputs Sheet													
A	B	C	D	E	F	G	H	I	J	K	L		
61	2690.41	Network Software	396C	\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
62	2690.42	General Purpose Computer Software	770C	\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
63	2690.43PC	General Purpose Computer Software - PC part		\$	\$	\$	\$	\$	0	1,000	20.98%	1	\$
64	2690.43	Internally Developed Software	790C	\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
65	2690.43PC	Internally Developed Software - PC part		\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
66	2690.4	Capitalized Software		\$	\$	\$	\$	\$	0	1,000	20.98%	1	\$
67	TOTAL subject to Support Asset Factor												
68				\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
69				\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
70				\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
71				\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
72				\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
73				\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
74				\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
75				\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
76				\$	\$	\$	\$	\$	0	1,000	20.98%	0	\$
77	(V)	EXPENSE DATA											
78	I	L	M	N	O	P	Q	R					
79	Acct	Description	% if applicable	Annual Expenses	TBO	Subject to SAF	Net Expense						
80			See notes 10	See notes 13	See note 14	Col. G	Col. Q						
81		Source	Col. D & E	Col. G	Col. G	Col. G	Col. Q						
82	6112 admin	Motor Vehicles - Administrative	10.01%	\$ 580,910	\$ 0	\$ 580,910	\$ 580,910						
83	6112 plant	Motor Vehicles - Plant Specific	89.99%	\$ 5,222,383	\$ 0	\$ 5,222,383	\$ 5,222,383						
84	6112	Motor Vehicles	100.00%	\$ 5,803,293	\$ 0	\$ 5,803,293	\$ 5,803,293						
85	6114	Tools and Other Work Equipment		\$ 692,298	\$ 0	\$ 692,298	\$ 692,298						
86	6121.1-O	Land & Bldg - Owned - Administration	18.94%	\$ 4,487,515	\$ 0	\$ 4,487,515	\$ 4,487,515						
87	6121.2-O	Land & Bldg - Owned - Network	76.63%	\$ 18,156,192	\$ 0	\$ 18,156,192	\$ 18,156,192						
88	6121.3-O	Land & Bldg - Owned - Network Support	4.43%	\$ 1,049,614	\$ 0	\$ 1,049,614	\$ 1,049,614						
89	6121-O	Total Land & Buildings - Owned	100.00%	\$ 23,693,321	\$ 0	\$ 23,693,321	\$ 23,693,321						
90	6121.1-L	Land & Bldg - Leased - Administration	50.33%	\$ 5,248,666	\$ 0	\$ 5,248,666	\$ 5,248,666						
91	6121.5-L	Land & Bldg - Leased - Network	0.55%	\$ 57,357	\$ 0	\$ 57,357	\$ 57,357						
92	6121.5-L	Land & Bldg - Leased - Network Support	49.12%	\$ 5,122,481	\$ 0	\$ 5,122,481	\$ 5,122,481						
93	6121-L	Total Land & Buildings - Leased	100.00%	\$ 5,179,838	\$ 0	\$ 5,179,838	\$ 5,179,838						
94	6121 admin	Land & Bldg - Total - Administration		\$ 9,636,181	\$ 0	\$ 9,636,181	\$ 9,636,181						
95	6121 network	Land & Bldg - Total - Network		\$ 18,213,548	\$ 0	\$ 18,213,548	\$ 18,213,548						
96	6121 support	Land & Bldg - Total - Network Support		\$ 6,172,095	\$ 0	\$ 6,172,095	\$ 6,172,095						
97	6121	Total Land & Buildings		\$ 34,121,825	\$ 0	\$ 34,121,825	\$ 34,121,825						
98	6122	Furniture & Artwork		\$ 532,812	\$ 0	\$ 532,812	\$ 532,812						
99	6123	Office Equipment		\$ 14,358,193	\$ 0	\$ 14,358,193	\$ 14,358,193						
100	6124 MF	GPC - Maintenance and Mtrngs	85.11%	\$ 67,881,687	\$ 0	\$ 67,881,687	\$ 67,881,687						
101	6124 PC	GPC - All Excluding MF&MR	14.89%	\$ 11,875,906	\$ 0	\$ 11,875,906	\$ 11,875,906						
102	6124	Total General Purpose Computers (GPC)		\$ 79,757,593	\$ 0	\$ 79,757,593	\$ 79,757,593						
103	6583	Amortization - Tangible		\$ 434,941	\$ 0	\$ 434,941	\$ 434,941						
104	Total			\$ 117,487,406	\$ 0	\$ 117,487,406	\$ 117,487,406						
105	Notes: - Expense Data Source												
106	10 Motor Vehicle Distribution data is from File AIT 2002 Field Distribution.xls												
107	11 Building distribution data is from File AIT 2002 Building Distribution.xls												
108	12 Computer distribution data is from File AIT 2002 Computer Distribution.xls												
109	13 Annual Expenses data from File AIT 2002 SA accounts Expenses.xls												
110	14 TBO data from File N/A												
111	(V)	Inputs for Ad Valorem Tax Factor											
112													
113	Account	AIT	Amount	Subject to Ad Valorem Tax Factor	Notes								
114	7240	OPERATING OTHER TAXES		See Note	Source of data in Column D								
115	7240.1	PROPERTY	\$ 0	1	\$ 0								
116	7240.11	REAL PROPERTY	\$ 0	1	\$ 0								
117	7240.12	PERSONAL PROPERTY	\$ 0	1	\$ 0								
118	7240.2	GROSS RECEIPTS	\$ 0	1	\$ 0								
119	7240.3	CAPITAL STOCK	\$ 0	1	\$ 0								
120	7240.9	OTHER TAXES	\$ 0	1	\$ 0								
121	7240.91	PUBLIC UTILITY COMMISSION	\$ 0	0	\$ 0								
122	7240.92	SALES AND USE TAXES	\$ 0	1	\$ 0								

Investment data from File AIT 2002 SA accounts Investment.xls

Adjustment, where applicable, is from File AIT 2002 ARMS Overlay.xls

7 TBO from File N/A

8 CO/BC Ratio from File AIT 2002 CC, BC for SA account.xls

9 Capital Cost Factor from Tab results, Col. O

Cell I50, Capital Cost Factor for Artwork equals that for land, both including only the cost of capital and income tax, but not depreciation

Source of data in Column D

1 = subject to Ad Valorem Tax

0 = not subject to Ad Valorem Tax

	A	B	C	D	E	F	G	H	I	J	K	L
1	<b>Support Asset Factors - Inputs Sheet</b>											
123	7240.93	FEDERAL SUPERFUND		\$	0	0	\$					
124	7240.94	SINGLE BUSINESS TAX		\$	0	0	\$					
125	7240.99	OTHER		\$	0	1	\$					
126	<b>Total</b>			\$	0		\$					
127												
128												
129	<b>Book Investment</b>											
130	<b>Account</b>	<b>Account Name</b>		<b>Amount</b>	<b>Source</b>							
131	2001	Beginning Balance Investment		\$ 7,844,194,000	File AIT 2002 ARMS account TPIS.xls							
132	2001	Ending Balance Investment		\$ 7,984,280,000								
133		Average Balance		\$ 7,934,237,000	average( Cell D 131 : D 132 )							
134		<b>Ad Valorem Tax Factor</b>										
135				0	Cell F 126 / Cell D 133							
136												
137												
138												

## Support Asset Factor - Result

Binder Tab : 1

Capital Cost - All excluding TBO & Small Value Items		Expenses	
Source:		Source:	
Destination:		Destination:	
Account	Description	Account	Description
Capital Cost		Net Expense	
2111 admin	Land Admin		
2111 support	Land Network Support		
2112 admin	Motor Vehicles - Admin		
2112 plant	Motor Vehicles - Plant Specific		
2114.1	Tools & Other Work Equipment		
2121.1	Buildings - Administration		
2121.3	Buildings - Network Support		
2122.1	Furniture		
2122.2	Artwork		
2123.1	Office Equipment - Office Support		
2123.2	Office Equipment - Communications		
2124.1	GPC		
2690 PC	Capitalized Software - PC part		
TOTAL subject to Support Asset Factor			

Employee Group	Plant Employees	Operators	Service Rep	Marketing & Corporate	Total Supporting Base	SA Factor Per Supported Salary Dollar
Acct	62xx-65xx	6621 & 6622	6,623	661x & 67xx	See Note 1	= Col. D / Col. I
Cost ?	Salary ?	0 \$	0 \$	0 \$	0	
Land Admin	317,842	1	1	1	\$	0
Land Network Support	74,342	1	0	0	\$	0
Building Admin	32,818,881	1	1	1	\$	0
Building Network Support	11,571,058	1	0	0	\$	0
Motor Vehicles Admin	1,750,198	1	0	1	\$	0
Motor Vehicles Plant	15,734,296	1	0	0	\$	0
Tools and Work Equipment	9,459,717	1	0	0	\$	0
Furniture and Artwork	815,707	1	1	1	\$	0
Office Equipment	15,211,401	1	1	1	\$	0
GPC - PC and other plant direct	83,055,369	1	1	1	\$	0
Capitalized Software - PC part	0	1	1	1	\$	0
Depreciation - Tangible	434,941	1	1	1	\$	0
TOTAL SUPPORT ASSET COSTS TO TRANSFER TO COMMON COSTS	\$ 171,243,751					

Support Asset Factor (see note 2)

Date Rec'd Date: 8/11/2003

FCC Report 43-02, the ARMIS USOA Report  
 Table B-1.B. Balance Sheet Accounts (Plant Accounts)

Report Number	COSA	Company	Y2002 Sub Num	Y2001 Sub Num	Row	Row Title	Y2002 Beginning Balance (ab)	Y2002 Ending Balance (af)
4302	LBIL	Illinois Bell	1	1	2001	Telecommunications plant in service (TPIS)		
4302	LBIL	Illinois Bell	1	1	2111	Land		
4302	LBIL	Illinois Bell	1	1	2112	Motor vehicles		
4302	LBIL	Illinois Bell	1	1	2113	Aircraft		
4302	LBIL	Illinois Bell	1	1	2114	Tools and other work equipment		
4302	LBIL	Illinois Bell	1	1	2121	Buildings		
4302	LBIL	Illinois Bell	1	1	2122	Furniture		
4302	LBIL	Illinois Bell	1	1	2123	Office equipment		
4302	LBIL	Illinois Bell	1	1	2124	General purpose computers		
4302	LBIL	Illinois Bell	1	1	2600	Intangibles		
4302	NBIN	Indiana Bell	1	1	2001	Telecommunications plant in service (TPIS)		
4302	NBIN	Indiana Bell	1	1	2111	Land		
4302	NBIN	Indiana Bell	1	1	2112	Motor vehicles		
4302	NBIN	Indiana Bell	1	1	2113	Aircraft		
4302	NBIN	Indiana Bell	1	1	2114	Tools and other work equipment		
4302	NBIN	Indiana Bell	1	1	2121	Buildings		
4302	NBIN	Indiana Bell	1	1	2122	Furniture		
4302	NBIN	Indiana Bell	1	1	2123	Office equipment		
4302	NBIN	Indiana Bell	1	1	2124	General purpose computers		
4302	NBIN	Indiana Bell	1	1	2600	Intangibles		
4302	MEMI	Michigan Bell	1	1	2001	Telecommunications plant in service (TPIS)		
4302	MEMI	Michigan Bell	1	1	2111	Land		
4302	MEMI	Michigan Bell	1	1	2112	Motor vehicles		
4302	MEMI	Michigan Bell	1	1	2113	Aircraft		
4302	MEMI	Michigan Bell	1	1	2114	Tools and other work equipment		
4302	MEMI	Michigan Bell	1	1	2121	Buildings		
4302	MEMI	Michigan Bell	1	1	2122	Furniture		
4302	MEMI	Michigan Bell	1	1	2123	Office equipment		
4302	MEMI	Michigan Bell	1	1	2124	General purpose computers		
4302	MEMI	Michigan Bell	1	1	2600	Intangibles		
4302	MEMI	Michigan Bell	1	1	2001	Telecommunications plant in service (TPIS)		
4302	MEMI	Michigan Bell	1	1	2111	Land		
4302	MEMI	Michigan Bell	1	1	2112	Motor vehicles		
4302	MEMI	Michigan Bell	1	1	2113	Aircraft		
4302	MEMI	Michigan Bell	1	1	2114	Tools and other work equipment		
4302	MEMI	Michigan Bell	1	1	2121	Buildings		
4302	MEMI	Michigan Bell	1	1	2122	Furniture		
4302	MEMI	Michigan Bell	1	1	2123	Office equipment		
4302	MEMI	Michigan Bell	1	1	2124	General purpose computers		
4302	MEMI	Michigan Bell	1	1	2600	Intangibles		
4302	MEMI	Michigan Bell	1	1	2001	Telecommunications plant in service (TPIS)		
4302	MEMI	Michigan Bell	1	1	2111	Land		
4302	MEMI	Michigan Bell	1	1	2112	Motor vehicles		
4302	MEMI	Michigan Bell	1	1	2113	Aircraft		
4302	MEMI	Michigan Bell	1	1	2114	Tools and other work equipment		
4302	MEMI	Michigan Bell	1	1	2121	Buildings		
4302	MEMI	Michigan Bell	1	1	2122	Furniture		
4302	MEMI	Michigan Bell	1	1	2123	Office equipment		
4302	MEMI	Michigan Bell	1	1	2124	General purpose computers		
4302	MEMI	Michigan Bell	1	1	2600	Intangibles		
4302	MEMI	Michigan Bell	1	1	2001	Telecommunications plant in service (TPIS)		
4302	MEMI	Michigan Bell	1	1	2111	Land		
4302	MEMI	Michigan Bell	1	1	2112	Motor vehicles		
4302	MEMI	Michigan Bell	1	1	2113	Aircraft		
4302	MEMI	Michigan Bell	1	1	2114	Tools and other work equipment		
4302	MEMI	Michigan Bell	1	1	2121	Buildings		
4302	MEMI	Michigan Bell	1	1	2122	Furniture		
4302	MEMI	Michigan Bell	1	1	2123	Office equipment		
4302	MEMI	Michigan Bell	1	1	2124	General purpose computers		
4302	MEMI	Michigan Bell	1	1	2600	Intangibles		

Y2001 Total (b)	Y2002 Total (c)	Y2001 Regulated (d)	Y2002 Total Regulated (e)	Y2001 Total Nonregulated (f)	Y2002 Total Nonregulated (g)	Y2001 Regulated % (h)	Y2002 Regulated % (i)
7,774,563	7,774,563	7,774,563	7,774,563	90,388	66,659	98.84%	98.84%
17,834	17,834	17,834	17,834	975	892	94.47%	94.47%
68,569	68,569	68,569	68,569	8,012	5,988	91.23%	91.23%
0	0	0	0	0	0	0.00%	0.00%
62,783	62,783	62,783	62,783	4,169	3,202	93.36%	93.36%
608,852	608,852	608,852	608,852	31,969	32,863	94.81%	94.81%
3,443	3,443	3,443	3,443	1,122	452	82.16%	82.16%
7,142	7,142	7,142	7,142	1,278	1,127	82.44%	82.44%
94,352	94,352	94,352	94,352	7,443	4,948	92.16%	92.16%
34,168	34,168	34,168	34,168	14	34	99.86%	99.86%

FCC Report 43-02, the ARMIS USOA Report  
 Table I-1. Income Statement Accounts

Report Number	COSA	Company	Y2002 Sub Num	Row	Row Title	Y2002 Amount (b)
4302	LBIL	Illinois Bell	1	6112	Account 6112 - Motor vehicles	
4302	LBIL	Illinois Bell	1	6113	Account 6113 - Aircraft	
4302	LBIL	Illinois Bell	1	6114	Account 6114 - Tools and other work equipment	



Case File Name: 07/14/2003

FCC Report 43-02, the ARMIS USOA Report  
 Table B-1.B. Balance Sheet Accounts (Plant Accounts)

Report Number	COSA	Company	Y2002 Sub Num	Y2001 Sub Num	Row	Row Title	Y2002 Beginning Balance (ab)	Y2002 Ending Balance (af)
4302	LBIL	Illinois Bell	1	8110	Network support			
4302	LBIL	Illinois Bell	1	8121	Land & building			
4302	LBIL	Illinois Bell	1	8122	Furniture & artwork			
4302	LBIL	Illinois Bell	1	8123	Office equipment			
4302	LBIL	Illinois Bell	1	6124	General purpose computers			
4302	LBIL	Illinois Bell	1	6563	Amortization-landable			
4302	LBIL	Illinois Bell	1	7240	Operating other taxes			
4302	NBIN	Indiana Bell	1	6112	Account 6112 - Motor vehicles			
4302	NBIN	Indiana Bell	1	6113	Account 6113 - Aircraft			
4302	NBIN	Indiana Bell	1	6114	Account 6114 - Tools and other work equipment			
4302	NBIN	Indiana Bell	1	6110	Network support			
4302	NBIN	Indiana Bell	1	6121	Land & building			
4302	NBIN	Indiana Bell	1	6122	Furniture & artwork			
4302	NBIN	Indiana Bell	1	6123	Office equipment			
4302	NBIN	Indiana Bell	1	6124	General purpose computers			
4302	NBIN	Indiana Bell	1	6563	Amortization-landable			
4302	NBIN	Indiana Bell	1	7240	Operating other taxes			
4302	MBMI	Michigan Bell	1	6112	Account 6112 - Motor vehicles			
4302	MBMI	Michigan Bell	1	6113	Account 6113 - Aircraft			
4302	MBMI	Michigan Bell	1	6114	Account 6114 - Tools and other work equipment			
4302	MBMI	Michigan Bell	1	6110	Network support			
4302	MBMI	Michigan Bell	1	6121	Land & building			
4302	MBMI	Michigan Bell	1	6122	Furniture & artwork			
4302	MBMI	Michigan Bell	1	6123	Office equipment			
4302	MBMI	Michigan Bell	1	6124	General purpose computers			
4302	MBMI	Michigan Bell	1	6563	Amortization-landable			
4302	MBMI	Michigan Bell	1	7240	Operating other taxes			
4302	OBCH	Ohio Bell	1	6112	Account 6112 - Motor vehicles			
4302	OBCH	Ohio Bell	1	6113	Account 6113 - Aircraft			
4302	OBCH	Ohio Bell	1	6114	Account 6114 - Tools and other work equipment			
4302	OBCH	Ohio Bell	1	6110	Network support			
4302	OBCH	Ohio Bell	1	6121	Land & building			
4302	OBCH	Ohio Bell	1	6122	Furniture & artwork			
4302	OBCH	Ohio Bell	1	6123	Office equipment			
4302	OBCH	Ohio Bell	1	6124	General purpose computers			
4302	OBCH	Ohio Bell	1	6563	Amortization-landable			
4302	OBCH	Ohio Bell	1	7240	Operating other taxes			
4302	WTWI	Wisconsin Bell	1	6112	Account 6112 - Motor vehicles			
4302	WTWI	Wisconsin Bell	1	6113	Account 6113 - Aircraft			
4302	WTWI	Wisconsin Bell	1	6114	Account 6114 - Tools and other work equipment			
4302	WTWI	Wisconsin Bell	1	6110	Network support			
4302	WTWI	Wisconsin Bell	1	6121	Land & building			
4302	WTWI	Wisconsin Bell	1	6122	Furniture & artwork			
4302	WTWI	Wisconsin Bell	1	6123	Office equipment			
4302	WTWI	Wisconsin Bell	1	6124	General purpose computers			
4302	WTWI	Wisconsin Bell	1	6563	Amortization-landable			
4302	WTWI	Wisconsin Bell	1	7240	Operating other taxes			

Y2002 Total (b)	Y2002 Total Regulated (f)	Y2002 Total Nonregulated (g)	Y2002 REGULATED %
8,734	5,803	931	86.2%
734	692	42	94.3%
7,466	8,495	973	87.6%
38,269	35,488	2,800	92.63%
615	533	82	86.7%
16,696	14,358	2,338	86.0%
88,002	79,758	8,244	90.6%
465	435	30	93.5%
88,451	97,102	1,349	98.6%

Y2002 Total (b)	Y2002 Total Regulated (f)	Y2002 Total Nonregulated (g)	Y2002 REGULATED %
8,734	5,803	831	66.2%
0	0	0	0.0%
734	692	42	94.3%
7,468	6,409	373	87.0%
38,766	35,463	2,802	92.0%
615	533	82	86.7%
18,896	14,358	2,338	86.0%
88,002	79,756	8,244	86.8%
465	435	30	93.5%
98,451	91,102	1,349	98.6%

General Ledger - 21xx accounts - Support Asset Investment

Source	Ameritech Regulatory Accounting Group	2002					Start of Year Balance					AIT Total	End of Year Balance					AIT Total
		Illinois	Indiana	Michigan	Ohio	Wisconsin	Illinois	Indiana	Michigan	Ohio	Wisconsin							
2111	General Support Assets																	
2112	Land (2111.1)	\$ 31,955,314	\$ 11,425,093	\$ 29,379,577	\$ 17,634,116	\$ 17,384,123	\$ 107,778,223	\$ 41,546,045	\$ 11,669,177	\$ 28,613,769	\$ 17,784,457	\$ 17,567,575	\$ 118,181,023					
2113	Motor Vehicles (2112)	\$ 119,381,982	\$ 31,994,948	\$ 38,026,055	\$ 66,588,786	\$ 11,389,053	\$ 269,380,824	\$ 147,324,781	\$ 39,850,427	\$ 55,821,543	\$ 85,316,391	\$ 17,144,869	\$ 345,658,032					
2114	Work Equipment																	
2115	Tools and Other Work Equip (2114.1)	\$ 146,684,743	\$ 45,240,050	\$ 77,799,038	\$ 60,938,727	\$ 35,301,392	\$ 369,963,951	\$ 157,476,032	\$ 45,399,522	\$ 84,119,316	\$ 64,989,093	\$ 38,055,934	\$ 390,039,897					
2116	Trailers (2114.2)																	
2117	Embedded Invest Small Value (2114.3)	\$ 3,012,100	\$ 1,491,255	\$ 2,935,763	\$ 1,854,063	\$ 771,856	\$ 10,065,038	\$ 157,476,032	\$ 45,399,522	\$ 84,119,316	\$ 64,989,093	\$ 38,055,934	\$ 390,039,897					
2118	Total Work Equip (Ln 4 thru 6)	\$ 149,696,844	\$ 46,731,305	\$ 80,734,801	\$ 62,792,790	\$ 36,073,248	\$ 380,028,989	\$ 157,476,032	\$ 45,399,522	\$ 84,119,316	\$ 64,989,093	\$ 38,055,934	\$ 390,039,897					
2121	Buildings (2121.1)	\$ 1,013,457,401	\$ 326,260,828	\$ 744,216,028	\$ 606,881,902	\$ 368,594,367	\$ 3,061,410,526	\$ 1,072,215,084	\$ 335,004,612	\$ 772,955,466	\$ 629,045,203	\$ 384,179,090	\$ 3,193,399,454					
2122	Furniture (2122.1)	\$ 5,356,912	\$ 643,721	\$ 3,913,493	\$ 2,425,820	\$ 1,171,641	\$ 13,511,587	\$ 4,080,531	\$ 643,721	\$ 3,586,238	\$ 2,425,820	\$ 1,178,029	\$ 11,914,340					
2123	Arnkworks (2122.2)	\$ 65,102	\$ 538,286	\$ 148,278	\$ 56,500	\$ 17,578	\$ 808,166	\$ 65,102	\$ 538,286	\$ 148,278	\$ 56,500	\$ 17,578	\$ 808,166					
2124	Embedded invest small Value (2122.3)	\$ 1,920,382	\$ 477,846	\$ 1,110,182	\$ 1,068,875	\$ 1,005,157	\$ 5,582,442											
2125	Office Equipment																	
2126	OFI Support Equip (2123.1)	\$ 9,727,732	\$ 1,741,235	\$ 6,875,156	\$ 5,322,224	\$ 6,679,485	\$ 30,344,831	\$ 7,890,668	\$ 1,657,819	\$ 6,872,929	\$ 5,322,224	\$ 6,679,485	\$ 28,423,125					
2127	Company Communications Eq (2123.2)	\$ 3,580,432	\$ 212,141	\$ 975,027	\$ 1,272,750	\$ 1,049,493	\$ 7,089,842	\$ 3,254,705	\$ 119,583	\$ 933,522	\$ 1,094,556	\$ 891,360	\$ 6,293,727					
2128	Embedded Invest Small Value (2123.3)	\$ 951,241	\$ 486,084	\$ 705,067	\$ 547,003	\$ 391,963	\$ 3,081,358											
2129	Total Office Equip (Ln 12 thru 14)	\$ 14,259,404	\$ 2,439,460	\$ 8,555,249	\$ 7,141,978	\$ 8,120,940	\$ 40,517,032	\$ 11,145,374	\$ 1,777,402	\$ 7,806,451	\$ 6,416,780	\$ 7,570,845	\$ 34,716,853					
2131	Gen'l Purpose Computers (2124.1)	\$ 61,986,363	\$ 43,886,515	\$ 44,019,819	\$ 93,284,678	\$ 31,141,586	\$ 274,298,961	\$ 54,592,214	\$ 9,167,232	\$ 26,053,995	\$ 51,104,493	\$ 25,410,433	\$ 166,328,367					
2132	Embedded Invest Small Value (2124.2)	\$ 5,802,403	\$ 2,427,111	\$ 4,213,944	\$ 1,637,492	\$ 2,412,385	\$ 16,493,335											
2133	Total Dep. Gen'l Support Assets (Ln 2124.1 thru 2124.2)	\$ 1,371,861,692	\$ 458,861,735	\$ 924,789,571	\$ 845,802,321	\$ 459,908,377	\$ 4,061,223,695	\$ 1,446,834,016	\$ 431,842,916	\$ 950,343,009	\$ 839,487,781	\$ 473,539,220	\$ 4,142,056,942					
2690	Total General Support Assets (Ln 1+10+18)	\$ 1,403,882,106	\$ 470,286,828	\$ 954,707,434	\$ 863,584,715	\$ 477,349,000	\$ 4,169,810,085	\$ 1,488,445,163	\$ 443,512,092	\$ 980,495,064	\$ 857,430,517	\$ 491,163,295	\$ 4,281,046,131					
76	Intangible Assets (2690)	\$ 91,286,576	\$ 25,613,813	\$ 45,364,364	\$ 34,168,255	\$ 19,703,172	\$ 216,136,178	\$ 137,839,250	\$ 543,687,677	\$ 76,869,753	\$ 60,058,767	\$ 32,935,579	\$ 351,391,027					
0001	(Ln 1+10+73+77)	#####	408,223,189	10,992,677,739	7,775,175,296	3,772,132,988	\$ 38,300,215,153	\$ 12,819,282,471	\$ 4,248,958,480	\$ 109,226,615,13	\$ 80,709,556,48	\$ 39,101,125,70	\$ 339,971,950,682					

**INPUTS FOR JOINT CLEC ADJUSTMENTS TO BUILDING AND LAND INVESTMENT USED IN ACF STUDY**

**PERCENTAGE OF BUILDING SPACE LEASED TO NON-AFFILIATED ENTITIES**  
(SBC's response to MS-69)

TOTAL SQUARE FOOTAGE LEASED TO THIRD PARTIES

% OF TOTAL
3.80%


OHIO GENERAL LEDGER EXPENSES - 2002

Sum of total EXPENSE		STATE
Main Account	Sub Account	Ohio
6112	1000	143,990
	2200	178,405
	2300	44,734
	9110	7,182,579
	9120	379,347
	9130	84,169
	9140	30,514
	9150	963,503
	9210	8,856,699
	9220	(221,620)
	9230	308,412
	9300	7,408,813
	9400	(19,651,938)
	9900	1,026,734
6112 Total		6,734,340
6114	1110	3,184,694
	1120	1,043,238
	1190	18,349
	1200	28,913
	1300	(3,498,429)
	1910	22,854
	1990	20,391
	9300	3,866
	9900	16,509
6114 Total		840,385
6121	1100	10,198,050
	1910	59,753
	1920	(136,457)
	2120	3,143,291
	2130	693,975
	2140	161,900
	2190	0
	2210	7,578,483
	2220	1,352,531
	2230	624,161
	2310	1,248,351
	2320	599,916
	2330	736,028
	2390	36,362
	5100	11,681,166
	5200	15,043
	7000	277,172
6121 Total		38,269,725
6122 (blank)		614,783
6122 Total		614,783
6123	1100	105,867
	1200	16,489,962
	2000	100,396
6123 Total		16,696,224
6124	1000	(2,600,619)
	9100	24,862,676
	9200	56,990
	9900	65,682,505
6124 Total		88,001,551
6563	1000	81,649
	2000	383,288
6563 Total		464,937
Grand Total		151,621,945

### AIT 2002 Expenses for Suppor Asset Accounts

Source: SBC Regulatory Accounting Group

STATE	Acct	Activity - Year-to-Date		
		Main Acco	Sub Acco	Field Rep
				total EXPENSE
Ohio	6112.1000	6112	1000	\$143,989.86
Ohio	6112.2200	6112	2200	\$178,405.16
Ohio	6112.2300	6112	2300	\$44,734.17
Ohio	6112.9110	6112	9110	\$7,182,578.50
Ohio	6112.9120	6112	9120	\$379,347.05
Ohio	6112.9130	6112	9130	\$84,168.67
Ohio	6112.9140	6112	9140	\$30,513.63
Ohio	6112.9150	6112	9150	\$963,502.98
Ohio	6112.9210	6112	9210	\$8,856,698.72
Ohio	6112.9220	6112	9220	(\$221,619.89)
Ohio	6112.9230	6112	9230	\$308,412.07
Ohio	6112.9300	6112	9300	\$7,408,812.97
Ohio	6112.9400	6112	9400	(\$19,651,937.97)
Ohio	6112.9900	6112	9900	\$1,026,734.19
Ohio	6114.1110	6114	1110	\$3,184,694.33
Ohio	6114.1120	6114	1120	\$1,043,238.21
Ohio	6114.1190	6114	1190	\$18,348.55
Ohio	6114.1200	6114	1200	\$28,912.95
Ohio	6114.1300	6114	1300	(\$3,498,428.87)
Ohio	6114.1910	6114	1910	\$22,853.89
Ohio	6114.1990	6114	1990	\$20,390.96
Ohio	6114.9300	6114	9300	\$3,865.88
Ohio	6114.9900	6114	9900	\$16,509.13
Ohio	6121.10M	6121	1100 10M	\$2,033,943.52
Ohio	6121.10R	6121	1100 10R	\$8,164,106.43
Ohio	6121.1910	6121	1910	\$59,753.49
Ohio	6121.1920	6121	1920	(\$136,457.10)
Ohio	6121.2120	6121	2120	\$3,143,291.10
Ohio	6121.2130	6121	2130	\$693,975.08
Ohio	6121.2140	6121	2140	\$161,900.29
Ohio	6121.2190	6121	2190	\$0.00
Ohio	6121.2210	6121	2210	\$7,578,482.86
Ohio	6121.2220	6121	2220	\$1,352,531.36
Ohio	6121.2230	6121	2230	\$624,160.61
Ohio	6121.2310	6121	2310	\$1,248,350.82
Ohio	6121.2320	6121	2320	\$599,915.82
Ohio	6121.2330	6121	2330	\$736,028.38
Ohio	6121.2390	6121	2390	\$36,362.24
Ohio	6121.5100	6121	5100	\$11,681,166.28
Ohio	6121.5200	6121	5200	\$15,042.50
Ohio	6121.7000	6121	7000	\$277,171.76
Ohio	6122.	6122		\$614,783.10
Ohio	6123.1100	6123	1100	\$105,866.63
Ohio	6123.1200	6123	1200	\$16,489,961.53
Ohio	6123.2000	6123	2000	\$100,395.93
Ohio	6124.1000	6124	1000	(\$2,600,619.17)
Ohio	6124.9100	6124	9100	\$24,862,675.66
Ohio	6124.9200	6124	9200	\$56,989.63
Ohio	6124.9900	6124	9900	\$65,682,504.88
Ohio	6563.1000	6563	1000	\$81,648.53
Ohio	6563.2000	6563	2000	383288.19

	B	C	D	E	F	G	H	I	J	K	L															
2	<div style="display: flex; justify-content: space-between; align-items: center;">  <div style="text-align: center;"> <p><b>SBC Communications, Inc.</b></p> <p><b>Capital Cost Model - CAPCS</b></p> </div> </div>																									
3																										
5																										
6	<p><b>AIT</b></p> <p><b>Based on 2002 Data</b></p>																									
7	<p>Issue Date: 10/30/2003      Study Type: Standard</p>																									
8	<p><b>Create 5 state CAPCS</b></p>																									
11																										
12																										
13																										
14																										
15																										
16																										
17																										
18																										
<p><b>(1) Inputs for Capital Cost Factors</b></p> <table border="1" style="width: 100%;"> <thead> <tr> <th colspan="2">Vintage Placement Year:</th> <th>2002</th> </tr> </thead> <tbody> <tr> <td>EOY Demand Units:</td> <td>Cost of Capital:</td> <td>10000</td> </tr> <tr> <td>Composite Tax Rate:</td> <td>Debt Ratio:</td> <td>35.00%</td> </tr> <tr> <td>Annual Interest Rate:</td> <td></td> <td>32.84%</td> </tr> <tr> <td></td> <td></td> <td>4.15%</td> </tr> </tbody> </table>												Vintage Placement Year:		2002	EOY Demand Units:	Cost of Capital:	10000	Composite Tax Rate:	Debt Ratio:	35.00%	Annual Interest Rate:		32.84%			4.15%
Vintage Placement Year:		2002																								
EOY Demand Units:	Cost of Capital:	10000																								
Composite Tax Rate:	Debt Ratio:	35.00%																								
Annual Interest Rate:		32.84%																								
		4.15%																								
21	Account Number	Description	Average Life	Retirement Method	Plant Asset Service Life (Years)	Net Future Cost of Removal	Tax Life																			
22	2111	Total Land	1	ND	1.0																					
23	2112	Total Motor Vehicles	8.5	SL	8.5	14.0%	5																			
24	2114	Tools and Other Work Equipment	12.0	SL	12.0	0.0%	5																			
25	2121.1	Buildings - Administrative	44.0	SL	44.0	8.0%	39																			
26	2121.2	Buildings - Network	44.0	SL	44.0	8.0%	39																			
27	2121.3	Buildings - Network Support	44.0	SL	44.0	8.0%	39																			
28	2122	Furniture	23.0	SL	23.0	5.0%	7																			
29	2123.1	Office Equipment - Office Support	10.0	SL	10.0	0.0%	5																			
30	2123.2	Office Equipment - Office Communication	7.0	SL	7.0	0.0%	5																			
31	2124	General Purpose Computers	7.0	SL	7.0	6.0%	5																			
32	2690	Intangible Assets	6	SL	6.0	0.0%	3																			
33																										
34																										
35																										
36	<p><b>Sources:</b> Cost of Capital, Debt Ratio and Annual Interest Rate from William E. Averis Testimony, ACF Binder Tab 3E</p>																									
37	<p>Composite Tax Rate from File: TX 2002 Income Tax Rate.xls, ACF Binder Tab 3F. Provided by SBC Tax Department</p>																									
38	<p>Plant Service Life and Net Future Cost of Removal values are from File: SWBT Plant Asset Lives &amp; FNS 2002.xls provided by SBC Finance Operations Department, ACF Binder Tab 3D.</p>																									
39	<p>Sub-account labeling for buildings is not in the official SBC Accounts Manual. They are used in this file only for ease of identification: 1 = Administration, 2 = Network, 3 = Network Support.</p>																									

**SBC Communications**  
**Capital Cost System PC Version 1.0**  
**Results**

AIT					Cost of Capital :		
2002					Composite Tax Rate:		
					Debt Ratio:		
					Annual Interest Rate:		
Account Number	Account Name	Book Depreciation	Cost of Money	Income Tax Expense	Total Capital Costs		
2111	Total Land	0.0%	7.2%	3.2%	10.4%		
2112	Total Motor Vehicles	10.8%	3.6%	1.6%	15.9%		
2114	Tools and Other Work Equipment	8.3%	3.2%	1.4%	13.0%		
2121 1	Buildings - Administrative	2.1%	5.2%	2.3%	9.5%		
2121 2	Buildings - Network	2.1%	5.2%	2.3%	9.5%		
2121 3	Buildings - Network Support	2.1%	5.2%	2.3%	9.5%		
2122	Furniture	4.1%	3.6%	1.6%	9.3%		
2123 1	Office Equipment - Office Support	10.0%	3.2%	1.4%	14.6%		
2123 2	Office Equipment - Office Communication	14.3%	3.3%	1.5%	19.0%		
2124	General Purpose Computers	13.4%	3.4%	1.5%	18.4%		
2690	Intangible Assets	16.7%	3.0%	1.3%	21.0%		

Account Number	Ohio		Ohio		Ohio		Ohio		AIT	
	Total Capital	Costs	Total Capital	Costs	Total Capital	Costs	Total Capital	Costs	Straight	Average
2111	10.40%	10.40%	10.40%	10.40%	10.40%	10.40%	10.40%	10.40%	7.53%	7.53%
2112	15.88%	15.88%	15.88%	15.88%	15.88%	15.88%	15.88%	15.88%	35.00%	35.00%
2114	12.96%	12.96%	12.96%	12.96%	12.96%	12.96%	12.96%	12.96%	32.84%	32.84%
2121 1	9.51%	9.51%	9.51%	9.51%	9.51%	9.51%	9.51%	9.51%	4.15%	4.15%
2121 2	9.51%	9.51%	9.51%	9.51%	9.51%	9.51%	9.51%	9.51%	7.53%	7.53%
2121 3	9.51%	9.51%	9.51%	9.51%	9.51%	9.51%	9.51%	9.51%	35.00%	35.00%
2122	9.30%	9.30%	9.30%	9.30%	9.30%	9.30%	9.30%	9.30%	32.84%	32.84%
2123 1	14.64%	14.64%	14.64%	14.64%	14.64%	14.64%	14.64%	14.64%	4.15%	4.15%
2123 2	19.04%	19.04%	19.04%	19.04%	19.04%	19.04%	19.04%	19.04%	7.53%	7.53%
2124	18.37%	18.37%	18.37%	18.37%	18.37%	18.37%	18.37%	18.37%	35.00%	35.00%
2690	20.98%	20.98%	20.98%	20.98%	20.98%	20.98%	20.98%	20.98%	32.84%	32.84%



BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO

In the matter of the Review of SBC Ohio's	)	
TELRIC Costs for Unbundled Network	)	Case No. 02-1280-TP-UNC
Elements	)	
	)	

TESTIMONY OF  
MICHAEL STARKEY

**EXHIBIT \_\_\_\_ (MS-11)**

**Modified SBC Support Asset Factors  
Study – Regional Data**

**INPUT AND RESULTS SHEETS ONLY  
FULL SAF PRESENTATION PROVIDED AS AN  
ELECTRONIC FILE ONLY ON CD-ROM**

This Exhibit is Considered Confidential Pursuant to the Protective  
Order in Case No. 02-1280-TP-UNC – Filed Under Seal It is Available  
Only in the Confidential Version of this Filing

A	B	C	D	E	F	G	H	I	J	K	L
1	<b>Support Asset Factors - Inputs Sheet</b>										
2											
3	(I)	GENERAL INFORMATION									
4											
5											
6											
7											
8											
9											
10	(II)	Salaries and Wages									

**Support Asset Factors - Inputs Sheet**

**GENERAL INFORMATION**

Region	AIT
Data Year	2002
Issue Date	10/30/2003
Study Type	Standard

**Salaries and Wages**

Acct	Description	Salary	Plant Employees	Operators	Service Rep	Marketing & Corporate
11						
12	Source	File AIT 2002 Salary Data.xls	62xx-65xx	6621 & 6622	6623	661x & 67xx
13	Destination		Tab SAF Factor Col E 25	Tab SAF Factor Col F 25	Tab SAF Factor Col G 25	Tab SAF Factor Col H 25
14	6210 Central Office Switch	\$ 175,815,347	\$ 175,815,347			
15	6220 Operator Services	\$ 63,977	\$ 63,977			
16	6230 Central Office Trunks	\$ 99,365,081	\$ 99,365,081			
17	6310 Into Original Term Expense	\$ 136,492,366	\$ 136,492,366			
18	6410 Total Cable Wire Facility	\$ 450,287,578	\$ 450,287,578			
19	6512 Provisioning Expense	\$ 7,831,060	\$ 7,831,060			
20	6530 Network Operations	\$ 391,774,540	\$ 391,774,540			
21	6610 Marketing	\$ 23,561,591				
22	6621 Call Completion Services	\$ 19,106,645				
23	6622 Number Services	\$ 82,660,869				
24	6623 Customer Services	\$ 352,923,845				
25	6710 Executive and Planning	\$ 1,329,383				
26	6720 General & Administrative	\$ 22,572,088				
27	<b>Total</b>	<b>\$ 1,763,784,411</b>	<b>\$ 1,261,629,969</b>	<b>\$ 101,767,534</b>	<b>\$ 352,923,845</b>	<b>\$ 47,483,062</b>

**INVESTMENT DATA**

Acct	Description	FRC	% assigned	Beginning Investment	Ending Investment	Average Investment	TBO	CCBC Ratio	Capital Cost Factor	Applies to SAF	Annual Capital Cost
30											
31	Source		See note 1 to 5	See note 6	See note 6	See note 6	See note 7	See note 8	See note 9	Yes or No	1/2 (G-H) x I x J x K
32	Destination		Col E to H	Col G	Col G	Col L	Col L	Col L	Col L	Col L	Col E
33	2111 admin		27.94%	\$ 30,113,235	\$ 33,019,778	\$ 31,566,507	\$ 0	10000	10.80%	1	\$ 3,652,245
34	2111 mktg		63.12%	\$ 68,029,614	\$ 74,595,862	\$ 71,312,738	\$ 0	10000	10.80%	1	\$ 0
35	2111 support		8.94%	\$ 9,635,373	\$ 10,565,383	\$ 10,100,378	\$ 0	10000	10.80%	1	\$ 1,168,614
36	<b>Total Land</b>	<b>20C</b>	<b>100.0%</b>	<b>\$ 107,778,223</b>	<b>\$ 118,181,023</b>	<b>\$ 112,979,623</b>	<b>\$ 0</b>	<b>10000</b>	<b>10.80%</b>	<b>1</b>	<b>\$ 0</b>
37	2112 admin		10.01%	\$ 26,965,020	\$ 34,600,369	\$ 30,782,695	\$ 0	10253	15.97%	1	\$ 5,283,395
38	2112 plant		89.99%	\$ 242,415,803	\$ 311,057,663	\$ 276,736,733	\$ 0	10253	15.97%	1	\$ 47,487,770
39	2112 x		100%	\$ 269,380,824	\$ 345,658,032	\$ 307,519,428	\$ 0	10253	15.97%	0	\$ 0
40	2112 y			\$ 0	\$ 0	\$ 0	\$ 0	10253	15.97%	0	\$ 0
41	<b>Total Motor Vehicles</b>	<b>164C</b>		<b>\$ 269,380,824</b>	<b>\$ 345,658,032</b>	<b>\$ 307,519,428</b>	<b>\$ 0</b>	<b>10253</b>	<b>15.97%</b>	<b>1</b>	<b>\$ 0</b>
42	2114.1 Tools & Other Work Equipment			\$ 369,963,951	\$ 390,039,897	\$ 380,001,924	\$ 0	11178	13.03%	1	\$ 58,617,729
43	2114.7 Tools & Other Work Equipment - Small Value Items			\$ 10,065,038	\$ 0	\$ 5,032,519	\$ 0	11178	13.03%	1	\$ 0
44	<b>Total Tools &amp; Other Work Equipment</b>	<b>164C</b>		<b>\$ 380,028,989</b>	<b>\$ 390,039,897</b>	<b>\$ 385,034,443</b>	<b>\$ 0</b>	<b>11178</b>	<b>13.03%</b>	<b>1</b>	<b>\$ 0</b>
45	2121.1 Buildings - Administration		27.94%	\$ 855,358,101	\$ 892,235,808	\$ 873,796,954	\$ 0	25441	9.77%	1	\$ 234,307,028
46	2121.2 Buildings - Network		63.12%	\$ 1,932,382,324	\$ 2,015,673,736	\$ 1,974,018,030	\$ 0	25441	9.77%	1	\$ 0
47	2121.3 Buildings - Network Support		8.94%	\$ 273,690,101	\$ 285,489,811	\$ 279,590,006	\$ 0	25441	9.77%	1	\$ 74,971,540
48	<b>Total Buildings</b>	<b>161C</b>	<b>100.00%</b>	<b>\$ 3,061,410,526</b>	<b>\$ 3,193,399,454</b>	<b>\$ 3,127,404,996</b>	<b>\$ 0</b>	<b>25441</b>	<b>9.77%</b>	<b>1</b>	<b>\$ 0</b>
49	2122.1 Furniture			\$ 13,511,587	\$ 11,914,340	\$ 12,712,963	\$ 0	13671	11.47%	1	\$ 2,127,299
50	2122.2 Furniture - Small Value Items			\$ 808,166	\$ 808,166	\$ 808,166	\$ 0	10000	10.80%	1	\$ 93,505
51	2122.7 Furniture - Small Value Items			\$ 5,582,442	\$ 0	\$ 2,791,221	\$ 0	13671	10.80%	1	\$ 0
52	<b>Total Furniture &amp; Network</b>	<b>71C</b>		<b>\$ 19,902,196</b>	<b>\$ 12,722,506</b>	<b>\$ 16,312,351</b>	<b>\$ 0</b>	<b>13671</b>	<b>10.80%</b>	<b>1</b>	<b>\$ 0</b>
53	2123.1 Office Equipment - Office Support		81.45%	\$ 30,345,831	\$ 28,423,125	\$ 29,384,478	\$ 0	10432	14.72%	1	\$ 4,748,287
54	2123.2 Office Equipment - Communications	<b>all others</b>	18.55%	\$ 7,089,842	\$ 6,293,727	\$ 6,691,785	\$ 0	10273	19.16%	1	\$ 1,370,082

Support Asset Factors - Inputs Sheet												
A	B	C	D	E	F	G	H	I	J	K	L	
55	2123.7	Office Equipment - Small Value Items										
56	2123	Total Office Equipment										
57	2124 MF	GPC - Mainframe/Midrange	270,370C									
58	2124 PC	GPC-AI Excluding MF/MR & Small Value Items	570,701,961C									
59	2124.7	GPC - Small Value Items										
60	2124	Total General Purpose Computers (GPC)										
61	2690.41	Network Software	399C									
62	2690.42	General Purpose Computer Software	770C									
63	2690.43	General Purpose Computer Software - PC part										
64	2690.43	Internally Developed Software	790C									
65	2690.43PC	Internally Developed Software PC part										
66	2690.4	Capitalized Software										
67		TOTAL subject to Support Asset Factor										
68												
69												
70												
71												
72												
73												
74												
75												
76												
77	(IV)	EXPENSE DATA										
78												
79	Acct	Description	% if applicable	Annual Expenses	TBO	Subject to SAF	Net Expense					
80												
81												
82	6112 admin	Motor Vehicles - Administrative	See notes 10	See notes 13	See note 14	Col. G	Col. Q					
83	6112 plant	Motor Vehicles - Plant Specific	Col. D & E	Col. G	Col. G	Col. G	Col. Q					
84	6112	Motor Vehicles	10.01%	\$ 3,240,662	\$ 0	\$ 1	\$ 3,240,662					
85	6114	Tools and Other Work Equipment	89.99%	\$ 29,133,583	\$ 0	\$ 1	\$ 29,133,583					
86	6121 1-O	Land & Bldg - Owned - Administration	100.00%	\$ 32,374,245	\$ 0	\$ 0	\$ 0					
87	6121 2-O	Land & Bldg - Owned - Network		\$ 4,486,331	\$ 0	\$ 1	\$ 4,486,331					
88	6121 3-O	Land & Bldg - Owned - Network Support	27.94%	\$ 44,131,387	\$ 0	\$ 0	\$ 0					
89	6121 O	Total Land & Buildings - Owned	63.12%	\$ 99,598,395	\$ 0	\$ 0	\$ 0					
90	6121 1	Land & Bldg - Leased - Administration	8.94%	\$ 14,120,780	\$ 0	\$ 0	\$ 0					
91	6121 51	Land & Bldg - Leased - Network	100.00%	\$ 157,950,563	\$ 0	\$ 0	\$ 0					
92	6121 51	Land & Bldg - Leased - Network Support	43.74%	\$ 15,198,408	\$ 0	\$ 0	\$ 0					
93	6121 L	Total Land & Buildings - Leased	5.09%	\$ 1,768,830	\$ 0	\$ 0	\$ 0					
94	6121 admin	Land & Bldg - Total - Administration	51.17%	\$ 17,780,122	\$ 0	\$ 0	\$ 0					
95	6121 plant	Land & Bldg - Total - Network	100.00%	\$ 34,747,160	\$ 0	\$ 0	\$ 0					
96	6121 support	Land & Bldg - Total - Network Support		\$ 59,329,795	\$ 0	\$ 0	\$ 59,329,795					
97	6121	Total Land & Buildings		\$ 101,467,026	\$ 0	\$ 0	\$ 0					
98	6122	Furniture & Artwork		\$ 31,900,902	\$ 0	\$ 1	\$ 31,900,902					
99	6123	Office Equipment		\$ 192,697,723	\$ 0	\$ 0	\$ 0					
100	6124 MF	GPC - Mainframe and Midrange		\$ 2,106,422	\$ 0	\$ 1	\$ 2,106,422					
101	6124 PC	GPC - AI Excluding MF/MR	85.11%	\$ 99,058,796	\$ 0	\$ 1	\$ 99,058,796					
102	6124	Total General Purpose Computers (GPC)	14.89%	\$ 369,058,583	\$ 0	\$ 0	\$ 0					
103	6563	Amortization - Tangible		\$ 64,566,819	\$ 0	\$ 1	\$ 64,566,819					
104	Total			\$ 433,625,383	\$ 0	\$ 1	\$ 433,625,383					
105				\$ 4,489,297	\$ 0	\$ 1	\$ 4,489,297					
106				\$ 298,312,607	\$ 0	\$ 0	\$ 298,312,607					
107												
108												
109												
110												
111	(V)	Inputs for Ad Valorem Tax Factor										

Notes:

- Investment Data

1 Land distribution is assumed as the same as Owned Buildings

2 Building distribution data is from File AIT 2002 Building Distribution.xls

3 Motor Vehicle Distribution data is from File AIT 2002 Fleet Distribution summary.xls

4 Computer distribution data is from File AIT 2002 Computer Distribution.xls

5 Office Equipment distribution data is calculated as the sub account investment among the main account

6 Investment data from File AIT 2002 SA accounts Investment.xls

Adjustment, where applicable, is from File AIT 2002 AHMIS Overlay.xls

7 TBO from File N/A

8 CC/B/C Ratio from File AIT 2002 CC, BC for SA account.xls

9 Capital Cost Factor from Tab results, Col. O

Col. I 50: Capital Cost Factor for Amort equals that for land, both including only the cost of capital and income tax, but not depreciation

13 Annual Expenses data from File AIT 2002 SA accounts Expenses.xls

14 TBO data from File N/A

Notes:

- Expense Data Source

10 Motor Vehicle Distribution data is from File AIT 2002 Fleet Distribution.xls

11 Building distribution data is from File AIT 2002 Building Distribution.xls

12 Computer distribution data is from File AIT 2002 Computer Distribution.xls

Notes:

- 1 Land distribution is assumed as the same as Owned Buildings
- 2 Building distribution data is from File AIT 2002 Building Distribution.xls
- 3 Motor Vehicle Distribution data is from File AIT 2002 Fleet Distribution summary.xls
- 4 Computer distribution data is from File AIT 2002 Computer Distribution.xls
- 5 Office Equipment distribution data is calculated as the sub account investment among the main account

6 Investment data from File AIT 2002 SA accounts Investment.xls

7 TBO from File N/A

8 CC/BC Ratio from File AIT 2002 CC/BC for SA account.xls

9 Capital Cost Factor from Tab results, Col. O

Cell 150, Capital Cost Factor for Anwork equals that for land, both including only the cost of capital and income tax, but not depreciation

Notes:

- 10 Motor Vehicle Distribution data is from File AIT 2002 Fleet Distribution.xls
- 11 Building distribution data is from File AIT 2002 Building Distribution.xls
- 12 Computer distribution data is from File AIT 2002 Computer Distribution.xls
- 13 Annual Expenses data from File AIT 2002 SA accounts Expenses.xls
- 14 TBO data from File N/A

	A	B	C	D	E	F	G	H	I	J	K	L
1	<b>Support Asset Factors - Inputs Sheet</b>											
112	Account	AIT										
113	7240	OPERATING OTHER TAXES										
114	7240.1	PROPERTY										
115	7240.11	REAL PROPERTY										
116	7240.12	PERSONAL PROPERTY										
117	7240.2	GROSS RECEIPTS										
118	7240.3	CAPITAL STOCK										
119	7240.9	OTHER TAXES										
120	7240.91	PUBLIC UTILITY COMMISSION										
121	7240.92	SALES AND USE TAXES										
122	7240.93	FEDERAL SUPERFUND										
123	7240.94	SINGLE BUSINESS TAX										
124	7240.99	OTHER										
125	Total											
126												
127												
128												
129	<b>Book Investment</b>											
130	Account	Account Name										
131	2001	Beginning Balance Investment										
132	2001	Ending Balance Investment										
133		Average Balance										
134												
135	<b>Ad Valorem Tax Factor</b>											
136												
137												
138												

Notes
Source of data in Column D
1 = subject to Ad Valorem Tax
0 = not subject to Ad Valorem Tax


## Support Asset Factor - Result

Binder Tab : 1

Capital Cost - All excluding TBO & Small Value Items			Expenses	
Source:			Tab Inputs SAF, Col. G	
Destination:			Col. D row 26 to 37	
Account	Description	Capital Cost	Account	Net Expense
2111 admin	Land Admin	\$ 3,652,245		
2111 support	Land Network Support	\$ 1,168,614		
2112 admin	Motor Vehicles - Admin	\$ 5,283,395	6112.admin	Motor Vehicles - Administrative \$ 3,240,662
2112 plant	Motor Vehicles - Plant Specific	\$ 47,497,770	6112.plant	Motor Vehicles - Plant Specific \$ 29,133,583
2114.1	Tools and Other Work Equipment	\$ 58,617,729	6114	Tools and Other Work Equipment \$ 4,486,331
2121.1	Buildings - Administration	\$ 234,307,028	6121.admin	Land & Bldg. - Total - Administration \$ 59,329,795
2121.3	Buildings - Network Support	\$ 74,971,540	6121.support	Land & Bldg. - Total - Network Support \$ 31,900,902
2122.1	Furniture	\$ 2,127,299	6122	Furniture & Artwork \$ 2,106,422
2122.2	Artwork	\$ 93,505		
2123.1	Office Equipment - Office Support	\$ 4,748,287	6123	Office Equipment \$ 99,058,796
2123.2	Office Equipment - Communications	\$ 1,370,082		
2124 PC	GPC-All Excluding MF/MR & Small Value Items	\$ 2,569,798	6124 PC	GPC - All Excluding MF/MR \$ 64,566,819
2690 PC	Capitalized Software - PC part	\$ 0	6563	Amortization - Tangible \$ 4,489,297
TOTAL subject to Support Asset Factor		\$ 436,407,291		\$ 298,312,607

Support Asset		Employee Group	Plant Employees	Operators	Service Rep	Marketing & Corporate	Total Supporting Base	SA Factor Per Supported Salary Dollar
		Acct	62xx-65xx	6621& 6622	6.623	661x & 67xx	See Note 1	= Col. D / Col. I
Land Admin	\$ 3,652,245	Cost ?	1	1	1	1	\$ 1,763,784,411	\$ 0.0021
Land Network Support	\$ 1,168,614		1	0	0	0	\$ 1,261,629,969	\$ 0.0009
Building Admin	\$ 293,636,823		1	1	1	1	\$ 1,763,784,411	\$ 0.1665
Building Network Support	\$ 106,872,442		1	0	0	0	\$ 1,261,629,969	\$ 0.0847
Motor Vehicles Admin	\$ 8,524,056		1	0	0	0	\$ 1,309,093,031	\$ 0.0065
Motor Vehicles Plant	\$ 76,631,353		1	0	0	0	\$ 1,261,629,969	\$ 0.0607
Tools and Work Equipment	\$ 63,104,060		1	0	0	0	\$ 1,261,629,969	\$ 0.0500
Furniture and Artwork	\$ 4,327,226		1	1	1	1	\$ 1,763,784,411	\$ 0.0025
Office Equipment	\$ 105,177,165		1	1	1	1	\$ 1,763,784,411	\$ 0.0596
GPC - PC and other plant direct	\$ 67,136,617		1	0	1	1	\$ 1,662,016,876	\$ 0.0404
Capitalized Software - PC part	\$ 0		1	0	1	1	\$ 1,662,016,876	\$ 0.0000
Depreciation - Tangible	\$ 4,489,297		1	1	1	1	\$ 1,763,784,411	\$ 0.0025

Support Asset Factor (see note 2) 0.4765 0.2332 0.2736 0.2801

	B	C	D	E	F	G	H	I	J	K	L																																								
2	 <b>SBC Communications, Inc.</b> <b>Capital Cost Model - CAPCS</b>																																																		
3	<b>AIT</b> <b>Based on 2002 Data</b>																																																		
5	<b>Issue Date: 10/30/2003</b>																																																		
6	<b>Study Type: Standard</b>																																																		
7	<b>Create 5 state CAPCS</b>																																																		
8																																																			
9																																																			
10																																																			
11																																																			
12	<b>(1) Inputs for Capital Cost Factors</b>																																																		
13	<table border="1"> <thead> <tr> <th colspan="2">Vintage Placement Year:</th> <th>2002</th> </tr> </thead> <tbody> <tr> <td colspan="2">EOY Demand Units:</td> <td>10000</td> </tr> <tr> <td colspan="2">Cost of Capital:</td> <td>7.53%</td> </tr> <tr> <td colspan="2">Composite Tax Rate:</td> <td>40.14%</td> </tr> <tr> <td colspan="2">Debt Ratio:</td> <td>32.84%</td> </tr> <tr> <td colspan="2">Annual Interest Rate:</td> <td>4.15%</td> </tr> </tbody> </table>											Vintage Placement Year:		2002	EOY Demand Units:		10000	Cost of Capital:		7.53%	Composite Tax Rate:		40.14%	Debt Ratio:		32.84%	Annual Interest Rate:		4.15%																						
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14	<table border="1"> <thead> <tr> <th colspan="2">State</th> <th>Illinois</th> <th>Indiana</th> <th>Michigan</th> <th>Ohio</th> <th>Wisconsin</th> <th>AIT</th> </tr> </thead> <tbody> <tr> <td colspan="2">Cost of Capital:</td> <td>7.53%</td> <td>7.53%</td> <td>7.53%</td> <td>7.53%</td> <td>7.53%</td> <td>7.53%</td> </tr> <tr> <td colspan="2">Composite Tax Rate:</td> <td>39.75%</td> <td>37.93%</td> <td>35.81%</td> <td>35.00%</td> <td>40.14%</td> <td>37.62%</td> </tr> <tr> <td colspan="2">Debt Ratio:</td> <td>32.84%</td> <td>32.84%</td> <td>32.84%</td> <td>32.84%</td> <td>32.84%</td> <td>32.84%</td> </tr> <tr> <td colspan="2">Annual Interest Rate:</td> <td>4.15%</td> <td>4.15%</td> <td>4.15%</td> <td>4.15%</td> <td>4.15%</td> <td>4.15%</td> </tr> </tbody> </table>											State		Illinois	Indiana	Michigan	Ohio	Wisconsin	AIT	Cost of Capital:		7.53%	7.53%	7.53%	7.53%	7.53%	7.53%	Composite Tax Rate:		39.75%	37.93%	35.81%	35.00%	40.14%	37.62%	Debt Ratio:		32.84%	32.84%	32.84%	32.84%	32.84%	32.84%	Annual Interest Rate:		4.15%	4.15%	4.15%	4.15%	4.15%	4.15%
State		Illinois	Indiana	Michigan	Ohio	Wisconsin	AIT																																												
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Annual Interest Rate:		4.15%	4.15%	4.15%	4.15%	4.15%	4.15%																																												
15																																																			
16																																																			
17																																																			
18																																																			
21	Account Number	Description	Average Life	Retirement Method	Plant Asset Service Life (Years)	Net Future Cost of Removal	Tax Life																																												
22																																																			
23	2111	Total Land	1	ND	1																																														
24	2112	Total Motor Vehicles	8.5	SL	9	14.0%	5																																												
25	2114	Tools and Other Work Equipment	12.0	SL	12	0.0%	5																																												
26	2121.1	Buildings - Administrative	44.0	SL	44	8.0%	39																																												
27	2121.2	Buildings - Network	44.0	SL	44	8.0%	39																																												
28	2121.3	Buildings - Network Support	44.0	SL	44	8.0%	39																																												
29	2122	Furniture	23.0	SL	23	5.0%	7																																												
30	2123.1	Office Equipment - Office Support	10.0	SL	10	0.0%	5																																												
31	2123.2	Office Equipment - Office Communication	7.0	SL	7	0.0%	5																																												
32	2124	General Purpose Computers	7.0	SL	7	5.0%	5																																												
33	2690	Intangible Assets	6	SL	6	0.0%	3																																												
34																																																			
35																																																			
36	<b>Sources:</b> Cost of Capital, Debt Ratio and Annual Interest Rate from William E. Averis Testimony, ACF Binder Tab 3E Composite Tax Rate from File: TX 2002 Income Tax Rate.xls, ACF Binder Tab 3F. Provided by SBC Tax Department Plant Service Life and Net Future Cost of Removal values are from File: SWBT Plant Asset Lives & FNS 2002.xls provided by SBC Finance Operations Department, ACF Binder Tab 3D Sub-account labeling for buildings is not in the official SBC Accounts Manual. They are used in this file only for ease of identification. 1 = Administration, 2 = Network, 3 = Network Support.																																																		
37																																																			
38																																																			
39																																																			

**SBC Communications**  
**Capital Cost System PC Version 1.0**  
**Results**

**AIT**  
**2002**

Cost of Capital :  
 Composite Tax Rate:  
 Debt Ratio:  
 Annual Interest Rate:

Account Number	Account Name	Book Depreciation	Cost of Money	Income Tax Expense	Total Capital Costs
2111	Total Land	0.0%	7.2%	4.0%	11.2%
2112	Total Motor Vehicles	10.8%	3.4%	1.9%	16.1%
2114	Tools and Other Work Equipment	8.3%	3.1%	1.7%	13.1%
2121.1	Buildings - Administrative	2.1%	5.1%	2.8%	10.0%
2121.2	Buildings - Network	2.1%	5.1%	2.8%	10.0%
2121.3	Buildings - Network Support	2.1%	5.1%	2.8%	10.0%
2122	Furniture	6.3%	3.4%	1.8%	11.6%
2123.1	Office Equipment - Office Support	10.0%	3.1%	1.7%	14.8%
2123.2	Office Equipment - Office Communication	14.3%	3.2%	1.8%	19.3%
2124	General Purpose Computers	15.7%	3.4%	1.9%	21.0%
2690	Intangible Assets	33.3%	3.2%	1.8%	38.3%

Illinois	Indiana	Michigan	Ohio	Wisconsin	AIT Straight Average
7.53%	7.53%	7.53%	7.53%	7.53%	
39.75%	37.93%	35.81%	35.00%	40.14%	
32.84%	32.84%	32.84%	32.84%	32.84%	
4.15%	4.15%	4.15%	4.15%	4.15%	

Account Number	Total Capital Costs	Total Capital Costs	Total Capital Costs	Total Capital Costs	Total Capital Costs
2111	11.11%	10.82%	10.51%	10.40%	11.17%
2112	16.05%	15.98%	15.90%	15.88%	16.06%
2114	13.08%	13.03%	12.98%	12.96%	13.09%
2121.1	9.96%	9.78%	9.59%	9.51%	10.00%
2121.2	9.96%	9.78%	9.59%	9.51%	10.00%
2121.3	9.96%	9.78%	9.59%	9.51%	10.00%
2122	11.54%	11.47%	11.41%	11.38%	11.55%
2123.1	14.78%	14.72%	14.66%	14.64%	14.79%
2123.2	19.24%	19.16%	19.08%	19.04%	19.26%
2124	20.94%	20.85%	20.75%	20.71%	20.96%
2690	38.30%	38.20%	38.10%	38.07%	38.32%
					38.20%



STATE OF MICHIGAN  
BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO

In the matter of the Review of SBC Ohio's	)	
TELRIC Costs for Unbundled Network	)	Case No. 02-1280-TP-UNC
Elements	)	
	)	

TESTIMONY OF  
MICHAEL STARKEY

**EXHIBIT \_\_\_\_ (MS-12)**

**Inflation and Productivity Analysis**

**This Exhibit is Considered Confidential Pursuant to the Protective  
Order in Case No. 02-1280-TP-UNC – Filed Under Seal. It is Available  
Only in the Confidential Version of this Filing**

	A	B	C	D	E	F	G	H	I	J	K
1					STATE OHIO						
2					OPERATING EXPENSE INFLATION						
3					PLANNING PERIOD 2004 to 2007						
4					BASE YEAR 2002						
5					MID-POINT PLANNING PERIOD 2005						
6											
7					AS FILED BY SBC OHIO						
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Factors and Labor Rates Group TPI Actuals and Forecasts Values issued 7/18/2003 CPI-W Actuals obtained from  
www.bls.gov CPI-W Forecasts obtained from www.economy.com. Obtained 26-FEB-03

Proprietary - Not to be Disclosed  
outside SBC and/or Affiliate Company except Under Written Agreement.

Joint CLEC Inflation / Productivity Factor posted from sheet Inflation & Productivity, cell V26



	A	B	C	D	E	F	G	H	I	J	K
1											
2	FCC Report 43-02, the ARMIS USOA Report										
3	Table I-1, Income Statement Accounts										
4											
5											
6	Report	Company	Row	Row Title	Y1991	Y1992	Y1993	Y1994	Y1995	Y1996	Y1997
7	Number				Total	Total	Total	Total	Total	Total	Total
8					(b)	(b)	(b)	(b)	(b)	(b)	(b)
9	4303	Ohio Bell	720	Total Operating Expenses	1,428,039,000	1,444,902,000	1,461,266,000	1,662,610,000	1,530,797,000	1,539,229,000	1,590,113,000
10				TOTAL OPERATING EXPENSES (in dollars)	1,428,039,000	1,444,902,000	1,461,266,000	1,662,610,000	1,530,797,000	1,539,229,000	1,590,113,000
11				Bureau of Labor Statistics PPI - Total Manufacturing Industries (Series ID: PUCOMFG01, Base Date December 1984)	115.9	117.4	119.1	120.7	124.2	127.1	127.5
12				INFLATION ADJUSTMENT TO BRING NOMINAL EXPENSES TO 2003 REAL DOLLARS USING PPI (2003 PPI / PPI for that year)	1.183	1.168	1.151	1.136	1.104	1.079	1.075
13				OPERATING EXPENSES IN 2003 DOLLARS	\$ 1,689,250,820	\$ 1,687,360,002	\$ 1,682,135,270	\$ 1,911,233,065	\$ 1,689,792,824	\$ 1,660,332,777	\$ 1,709,839,155
14											
15				SPECIAL (1991 - 2003 from ARMIS 43-08, Table III SWITCHED (1991 - 1998 from ARMIS 43-08, Table III; 1999 - 2003 from Form 477) 1	129,539	143,949	143,949	663,908	777,380	807,946	809,240
16					3,274,086	3,339,811	3,440,039	3,526,950	3,676,722	3,801,803	3,931,718
17				TOTAL ACCESS LINES	3,403,625	3,483,560	3,583,988	4,210,858	4,454,102	4,609,751	4,740,958
18	1999-2003 because SBC excludes stand alone UNE loops and UNE-P lines from its ARMIS 43-08 reports. See SBC response to AT&T Data Request No. MS-4										
19											
20											
21											
22					1991	1992	1993	1994	1995	1996	1997
23				INFLATION-ADJUSTED EXPENSES / ADJUSTED LINES	\$ 406.31	\$ 484.38	\$ 469.35	\$ 453.88	\$ 379.38	\$ 360.18	\$ 360.85
24					2.40%	3.10%	3.10%	3.30%	16.41%	5.06%	-0.13%
25				COMPOUNDED PRODUCTIVITY CHANGE 2002 - 2005							
26											
27											
28											
29											
30					1991	1992	1993	1994	1995	1996	1997
31				TOTAL ADJUSTED LINES / INFLATION-ADJUSTED EXPENSES	0.002015	0.002065	0.002131	0.002203	0.002638	0.002776	0.002773
32					2.46%	3.20%	3.41%	3.41%	19.64%	5.33%	-0.13%
33				COMPOUNDED PRODUCTIVITY CHANGE 2002 - 2005							
34											
35	Bureau of Labor Statistics: Industry Labor Productivity And Related Data Tables-NAICS, Output per Hour, Annual Rates of Change, 1987 Forward (Industry Code 3171 - Wired Telecommunications Carriers)										
36											
37				ANNUAL PERCENT CHANGE IN OUTPUT PER HOUR (1990 - 2001)	1991	1992	1993	1994	1995	1996	1997
38				% PRODUCTIVITY INCREASE	8.70%	8.20%	6.40%	5.10%	5.50%	7.80%	2.80%
39											
40	COMPOSITE PRODUCTIVITY CHANGE FROM BASE YEAR 2003 TO 2005 USING TREND OF ACTUAL % CHANGE. (1 + Change in Year 1)/(1 + Change in Year 2).....1										
41											

	A	B	C	D	L	M	N	O	P	Q	R	S	T
1													
2	FCC Report 43-02, the ARMIS USOA Report												
3	Table I-1, Income Statement Accounts												
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Date Run Date: 05/16/2004

FCC Report 43-08, the ARMIS Operating Data Report  
 Table III. Access Lines in Service by Customer

Report Number	COSA	Company	Row Title	Row	Y2003 Special Access Lines (Non-Switched): Analog (ft)	Y2002 Special Access Lines (Non-Switched): Analog (ft)	Y2001 Special Access Lines (Non-Switched): Analog (ft)	Y2000 Special Access Lines (Non-Switched): Analog (ft)	Y1999 Special Access Lines (Non-Switched): Analog (ft)	Y1998 Special Access Lines (Non-Switched): Analog (ft)	Y1997 Special Access Lines (Non-Switched): Analog (ft)	Y1996 Special Access Lines (Non-Switched): Analog (ft)	Y1995 Special Access Lines (Non-Switched): Analog (ft)	Y1994 Special Access Lines (Non-Switched): Analog (ft)	Y1993 Special Access Lines (Non-Switched): Analog (ft)	Y1992 Special Access Lines (Non-Switched): Analog (ft)	Y1991 Special Access Lines (Non-Switched): Analog (ft)
4308	QBOH	Ohio Bell		460 Ohio	8,034	6,915	29,521	32,194	34,490	62,572	62,264	151,625	39,273	39,273	28,852	20,806	23,500
Report Number	COSA	Company	Row Title	Row	Y2003 Special Access Lines (Non-Switched): Digital (ft)	Y2002 Special Access Lines (Non-Switched): Digital (ft)	Y2001 Special Access Lines (Non-Switched): Digital (ft)	Y2000 Special Access Lines (Non-Switched): Digital (ft)	Y1999 Special Access Lines (Non-Switched): Digital (ft)	Y1998 Special Access Lines (Non-Switched): Digital (ft)	Y1997 Special Access Lines (Non-Switched): Digital (ft)	Y1996 Special Access Lines (Non-Switched): Digital (ft)	Y1995 Special Access Lines (Non-Switched): Digital (ft)	Y1994 Special Access Lines (Non-Switched): Digital (ft)	Y1993 Special Access Lines (Non-Switched): Digital (ft)	Y1992 Special Access Lines (Non-Switched): Digital (ft)	Y1991 Special Access Lines (Non-Switched): Digital (ft)
4308	QBOH	Ohio Bell		460 Ohio	2,555,590	2,467,178	2,540,146	2,241,819	1,675,340	993,444	748,976	656,323	738,107	644,635	458,367	323,143	106,039

Data Run Date 05/19/2004

# FCC Report 43-08, the ARMIS Operating Data Report Table III. Access Lines in Service by Customer

Report Number	COSA	Compan y	Row Title	Y1998 Total Switched Access Lines (fi)	Y1997 Total Switched Access Lines (fi)	Y1996 Total Switched Access Lines (fi)	Y1995 Total Switched Access Lines (fi)	Y1994 Total Switched Access Lines (fi)	Y1993 Total Switched Access Lines (fi)	Y1992 Total Switched Access Lines (fi)	Y1991 Total Switched Access Lines (fi)
4308	OBOH	Ohio Bell	460 Ohio	4,013,943	3,931,718	3,801,803	3,676,722	3,526,950	3,440,039	3,339,611	3,274,086



Selected Form 477 Data as of June 30, 2003

Holding Company	State	Total lines and channels provided to end users				Lines and channels that are provided under a Total Service Resale arrangement				Lines and channels that are provided under other resale arrangements, such as resold centres			
		% used for residential & small business users	% provided over own facilities	% provided over UNE loops	% in ILEC COLO switching centers	% used for residential & small business users	% provided over own facilities	% provided over UNE loops	% in ILEC COLO switching centers	% used for residential & small business users	% provided over own facilities	% provided over UNE loops	% in ILEC COLO switching centers
SBC Communications, Inc	Ohio	74%	100%	0%	86%	73%	100%	0%	92%	0%	0%	0%	0%
		Total	3,320,078			Total	19,779			Total	0		

Note: A blank entry in a column headed "Total" indicates that the filer left the relevant cell of the spreadsheet blank. An entry of zero in a column headed "% used for residential & small business users" may merely indicate that the filer bills unaffiliated WH indicates data withheld because filer asserts it is privileged and confidential

SOURCE: FCC Wireline Competition Bureau's Industry Analysis and Technology Division, Statistical Reports, Local Telephone Competition and Broadband Deployment, Form 477's <http://www.fcc.gov/wcb/td/comp.html>

Selected Form 477 Data as of June 30, 2003

Holding Company	State	Lines and channels that are provided under a UNE loop arrangement, where switching is not provided				Lines and channels that are provided under a UNE loop arrangement, where switching is also provided				TOTAL SWITCHED
		% used for residential & small business users	% in ILEC COLO switching centers	Total	% used for residential & small business users	% in ILEC COLO switching centers	Total	%		
SBC Communications, Inc.	Ohio	66%	99%	124,555	100%	81%	569,193	81%	4,033,605	

Note: A blank entry in a column headed "Total" indicates that the filer left the relevant cell of the spreadsheet blank. An entry of zero in a column headed "% used for residential & small business users" may merely indicate that the filer bills unaffiliated WH indicates data withheld because filer asserts it is privileged and confidential

SOURCE: FCC Wireline Competition Bureau's Industry Analysis  
<http://www.fcc.gov/wcb/iaid/comp.html>

Selected Form 477 Data as of June 30, 2003

Total lines and channels provided to end users				Lines and channels that are provided under a Total Service Resale arrangement				Lines and channels that are provided under other resale arrangements, such as resold centers			
	% used for residential & small business users	% provided over own facilities	% provided over UNE loops	% in ILEC COLO switching centers	% used for residential & small business users	% provided over own facilities	% provided over UNE loops	% in ILEC COLO switching centers	% used for residential & small business users	% provided over own facilities	% provided over UNE loops
Total	75%	100%	0%	86%	79%	100%	0%	91%	Total		
3,548,307				26,003							

Note: A blank entry in a column headed "Total" indicates that the filer left the relevant cell of the spreadsheet blank. An entry of zero in a column headed "% used for residential & small business users" may merely indicate that the filer bills unaffiliated telecommunications carriers for the reported lines (or wireless channels) and considers all such carriers to be large businesses. For purposes of FCC Form 477, "residential & small business" is intended to indicate a separate end-user customer billing address to which fewer than four voice-grade equivalent local telephone lines are in service.

SOURCE: FCC Wireline Competition Bureau's Industry Analysis and Technology Division, Statistical Reports, Local Telephone Competition and Broadband Deployment, Form 477's  
<http://www.fcc.gov/wcb/td/comp.html>

Selected Form 477 Data as of June 30, 2003

Holding Company	State	Lines and channels that are provided under a UNE loop arrangement, where switching is not provided				Lines and channels that are provided under a UNE loop arrangement, where switching is also provided				TOTAL SWITCHED
		Total	% used for residential & small business users	% in ILEC residential & COLO switching centers		Total	% used for residential & small business users	% in ILEC residential & COLO switching centers		
SBC Communications, Inc.	Ohio	131,014	65%	99%		399,639	100%	82%		4,104,983

Note: A blank entry in a column headed "Total" indicates that the filer left the relevant cell of the spreadsheet blank. An entry of zero in a column headed "% used for residential & small business users" may merely indicate that the filer bills unaffiliated telecommunications carriers for the reported lines (or wireless channels) and considers all such carriers to be large businesses. For purposes of FCC Form 477, "residential & small business" is intended to indicate a separate end-user customer billing address to which fewer than four voice-grade equivalent local telephone lines are in service.

SOURCE: FCC Wireline Competition Bureau's Industry Analysis  
<http://www.fcc.gov/wcb/latd/comp.html>

Selected Form 477 Data as of June 30, 2003

PUCO Case No. 02-1282-TP-UNC  
 Testimony of Michael Starkey  
 Exhibit MS-12  
 Page 11 of 18

Holding Company	State	Total lines and channels provided to end users					Lines and channels that are provided under a Total Service Resale arrangement					Lines and channels that are provided under other resale arrangements, such as resold centers				
		Total	% used for residential & small business users	% provided over own facilities	% provided over UNE loops	% in ILEC COLO switching centers	Total	% used for residential & small business users	% provided over own facilities	% in ILEC COLO switching centers	Total	% used for residential & small business users	% provided over own facilities	% in ILEC COLO switching centers	% provided over UNE loops	% in ILEC COLO switching centers
SBC Communications, Inc.	Ohio	4,066,949	76%	100%	0%	86%	55,932	66%	100%	92%	0	0%	0%	0%	0%	0%

SOURCE: FCC Wireline Competition Bureau's Industry Analysis and Technology Division, Statistical Reports, Local Telephone Competition and Broadband Deployment, Form 477's  
<http://www.fcc.gov/wcb/lat/comp.html>

Selected Form 477 Data as of June 30, 2003

Holding Company	State	Lines and channels that are provided under a UNE loop arrangement, where switching is not provided		Lines and channels that are provided under a UNE loop arrangement, where switching is also provided		TOTAL SWITCHED
		% used for residential & small business users	% in ILEC COLO switching centers	% used for residential & small business users	% in ILEC COLO switching centers	
SBC Communications, Inc.	Ohio	121,137	65%	100%	49,048	93%
						4,293,066

SOURCE: FCC Wireline Competition Bureau's Industry An  
<http://www.fcc.gov/wcb/latd/comp.html>

Selected Form 477 Data as of June 30, 2003

PUCO Case No. 02-1282-TP-UNC  
Testimony of Michael Starkey  
Exhibit MS-12  
Page 13 of 18

Holding Company	State	Total lines and channels provided to end users						Lines and channels that are provided under a Total Service Resale arrangement						Lines and channels that are provided under other resale arrangements, such as resold centres							
		% used for residential & small business users			% provided over UNE facilities			% used for residential & small business users			% provided over own facilities			% used for residential & small business users			% provided over own facilities				
		Total	% in ILEC COLO switching centers	% provided over UNE loops	% provided over own facilities	% used for residential & small business users	Total	% in ILEC COLO switching centers	% provided over own facilities	% used for residential & small business users	Total	% in ILEC COLO switching centers	% provided over own facilities	% used for residential & small business users	Total	% in ILEC COLO switching centers	% provided over own facilities	% used for residential & small business users	Total	% in ILEC COLO switching centers	% provided over own facilities
SBC Communications, Inc.	Ohio	3,992,496	80%	0%	100%	72%	100,347	91%	0%	72%	100%	97%	100%	10%	13,866	100%	0%	100%	100%	100%	100%

SOURCE: FCC Wireline Competition Bureau's Industry Analysis and Technology Division, Statistical Reports, Local Telephone Competition and Broadband Deployment, Form 477s  
<http://www.fcc.gov/web/latd/comp.html>



Selected Form 477 Data as of June 30, 2003

Holding Company	State	Lines and channels that are provided under a UNE loop arrangement, where switching is not provided			Lines and channels that are provided under a UNE loop arrangement, where switching is also provided			TOTAL SWITCHED
		% used for residential & small business users	% in ILEC COLO switching centers	Total	% used for residential & small business users	% in ILEC COLO switching centers	Total	
SBC Communications, Inc.	Ohio	85,110	61%	93%	0	0%	0%	4,177,953

SOURCE: FCC Wireline Competition Bureau's Industry Analysis  
<http://www.fcc.gov/wcb/latd/comp.html>

Selected Form 477 Data as of June 30, 2003

Holding Company	State	Total lines and channels provided to end users					Lines and channels that are provided under a Total Service Resale arrangement					Lines and channels that are provided under other resale arrangements, such as resold centres				
		% used for residential & small business users	% provided over own facilities	% provided over UNE loops	% in ILEC COLO switching centers	% used for residential & small business users + Total	% provided over own facilities	% provided over own facilities	% in ILEC COLO switching centers	% used for residential & small business users	Total	% provided over own facilities	% provided over own facilities	% in ILEC COLO switching centers	% provided over own facilities	% in ILEC COLO switching centers
SBC Communications, Inc.	Ohio	79%	100%	0%	70%	91,785	62%	100%	74%	25,972	10%	100%	0%	0%	0%	0%

SOURCE: FCC Wireline Competition Bureau's Industry Analysis and Technology Division, Statistical Reports, Local Telephone Competition and Broadband Deployment, Form 477s  
<http://www.fcc.gov/wcb/iaad/comp.html>

Selected Form 477 Data as of June 30, 2003

Holding Company	State	Lines and channels that are provided under a UNE loop arrangement, where switching is not provided		Lines and channels that are provided under a UNE loop arrangement, where switching is also provided		TOTAL SWITCHED
		% used for residential & small business users	% in ILEC COLO switching centers	% used for residential & small business users	% in ILEC COLO switching centers	
SBC Communications, Inc.	Ohio	47,008	48%	0	0%	4,159,255

SOURCE: FCC Wireline Competition Bureau's Industry Analysis  
<http://www.fcc.gov/wcb/indcomp.html>

	A	B	C	D	E	F	G	H	I
1	Series Id:	PCUOMFG# (N)							
2	Industry:	Total manufacturing industries							
3	Product:	Total manufacturing industries							
4	Base Date:	8412							
5									
6	Year	Annual							
7	1989	109.6							
8	1990	114.5							
9	1991	115.9							
10	1992	117.4							
11	1993	119.1							
12	1994	120.7							
13	1995	124.2							
14	1996	127.1							
15	1997	127.5							
16	1998	126.2							
17	1999	128.3							
18	2000	133.5							
19	2001	134.6							
20	2002	133.7							
21	2003	137.1							
22									
23	SOURCE: <a href="http://data.bls.gov/servlet/SurveyOutputServlet?jrnsessionid=108493712472332082">http://data.bls.gov/servlet/SurveyOutputServlet?jrnsessionid=108493712472332082</a>								

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	U.S. Department of Labor, Bureau of Labor Statistics															
2	Office of Productivity and Technology															
3	Industry Labor Productivity And Related Data Tables-NAICS															
4	Output per Hour, Annual Rates of Change, All Published Industries															
5	<a href="http://www.bls.gov/lpc/lprdata1.htm">http://www.bls.gov/lpc/lprdata1.htm</a>															
6	Selected from All Industries															
7																
8	% Change in Output per hour															
9																
10	Industry Code	Title														
11																
12	5171	Wired Telecommunication Carriers	6.0	4.4	1.5	6.7	8.2	6.4	5.1	5.5	7.6	2.6	6.9	7.2	6.7	1.6

**BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO**

<b>In the matter of the Review of SBC Ohio's</b>	)	
<b>TELRIC Costs for Unbundled Network</b>	)	<b>Case No. 02-1280-TP-UNC</b>
<b>Elements</b>	)	
	)	

**TESTIMONY OF  
MICHAEL STARKEY**

**EXHIBIT \_\_\_\_ (MS-13)**

**Final Transcript of SBC Communications  
Analyst Meeting**

02-1280

# FINAL TRANSCRIPT

**CCBNStreetEvents™**



## Event Transcript

### SBC - SBC Communications Analyst Meeting

Event Date/Time: Nov. 13. 2003 / 1:30PM ET

**CCBNStreetEvents™**

streetevents@ccbn.com

617.603.7900

www.streetevents.com





# FINAL TRANSCRIPT

## SBC - SBC Communications Analyst Meeting

### CORPORATE PARTICIPANTS

**Mike Coffee (ph)**

*Managing Director of Investor Relations - SBC Communications Inc.*

**Edward Whitacre**

*Chairman and CEO - SBC Communications Inc.*

**Rayford Wilkins**

*Group President - Marketing and Sales - SBC Communications Inc.*

**Stan Sigmun**

*President and CEO - Cingular Wireless*

**Randall Stephenson**

*CFO - SBC Communications*

**Bill Daley**

*President - SBC Communications*

### CONFERENCE CALL PARTICIPANTS

**John Atterbury III**

*Group President -- Operations - SBC*

**Unidentified Participant**

### PRESENTATION

**Mike Coffee** - *Managing Director of Investor Relations - SBC Communications Inc.*

Good afternoon, everyone. I'm Mike Coffey (ph), Managing Director of Investor Relations for SBC. On behalf of our management team and everybody at SBC, welcome. It's great to see such a good turnout today. I'm delighted all of you could attend.

We have a very fast-paced agenda this afternoon with presentations focused on our execution and the key opportunity areas ahead for SBC. And of course at the end, we'll have time for your questions.

Before we get started, let me cover a couple of items. First, we have support people here in the room as well as back there in the lobby. If you need assistance with anything - phones, messages, et cetera, please ask and we'll be happy to help you out.

Second, let me cover our Safe Harbor statement. Information set forth in this presentation contains financial estimates and other forward-looking statements that are subject to risks and uncertainties. A discussion of factors that may affect future results are available with the Securities and Exchange Commission in SBC's filings. SBC disclaims any obligation to update and revise

statements included in this presentation based on new information or otherwise.

At this point, it's my pleasure and my honor to turn the podium over to SBC's Chairman and Chief Executive Officer, Ed Whitacre. Ed?

**Edward Whitacre** - *Chairman and CEO - SBC Communications Inc.*

Thanks, Mike (ph), and good afternoon, everyone and thanks for coming today. We really appreciate it, and we appreciate your interest in our company.

I think most of you got an umbrella from SBC. My advice is don't open it because it's probably going to collapse, right? That's a subdued and late laugh.

We do have a lot of good information to cover today with you and we do have two hours to do it in, so let's get right to business. For the first time in a long time, the light at the end of the tunnel is looking to SBC more like daylight than an oncoming train. That's the best analogy we could see is an oncoming train. We obviously have some challenges, but we do have a lot of pieces of our business coming together. We're executing well and we have substantial opportunities ahead of us including opportunities on the cost side. The executives with us today will tell that story, and they will tell it in a convincing manner. It is a good story.

Ray Wilkins, who heads up Marketing and Sales, is going to cover our revenue initiatives and the consumer and business markets including the progress we're making in the enterprise space. Ray, stand up and let everybody see who you are. John Atterbury heads up our Wireline Operations - he's going to update you on cost and service initiatives. And Stan Sigmun who heads up Cingular Wireless is going to cover the outstanding progress we've made in wireless this year, and he's going to give you a look at Cingular's game plan going forward.

We also have our other top management folks here today, and I'd like to introduce them and let them briefly stand so you can visit with them if you have an opportunity. The President of SBC, Bill Daley; our Chief Financial Officer, Randall Stephenson; Jim Ellis, our General Counsel; John Stankey, our Chief Information Officer who heads up our IT Operations; Karen Jennings, who's in charge of Corporate Communications and Human Resources; Forrest Miller, who runs Corporate Planning; and Mike Viola (ph), the Treasurer of SBC. All

## FINAL TRANSCRIPT

### SBC - SBC Communications Analyst Meeting

of us will be available if you want to talk at the end of the meeting.

I think it's important to consider that tunnel I just mentioned. The last two or three years have been the most challenging years in our company's history. As you certainly know, competition has increased dramatically, and that's put a lot of pressure on our margins. Our long-distance arm was tied behind our back, and that certainly hurt our ability to compete. We have some regulatory policies that have really rocked the industry because of lack of clarity or slowness or just plain old irrational. The soft economy has hurt demand across the board for SBC. And we've had to deal with increased pension and medical cost, and they put a lot of pressure on earnings.

Well, if that was the tunnel, I said there's some daylight ahead. And here's the daylight we see. We just launched long distance in our last five states, and that covers nearly 20 million access lines. It's a key element - long distance is - in improving our access line trends as the results in our other states show. Completing our long distance approvals also opens the doors for us to expand in the enterprise space and we're making good progress on that front, and there's more to come on that front. Cingular Wireless just turned in its best net add quarter in more than two years, and they are ahead on conversions of the network. We're also on track with our DISH alliance. It should give our customer bundle another big boost, and we're going to be ready to launch in the first quarter of 2004.

So with that information as a backdrop, I'd like to make just a few basic points. First, SBC does have a clear and focused strategy, and that strategy is working. We've built a market strategy based on bundling, and it is generating positive results. We've aggressively ramped up growth in long distance and DSL, and those are key components in the bundle. We've made a commitment to do more in terms of wireline/wireless integration. And we're determined to develop a truly integrated video component at SBC for our customers. To drive growth in bundles and strengthen our competitive position long-term, we said we needed to be more aggressive on pricing. At the same time, we took steps to move Cingular to a strong, sustainable growth track.

What you've seen in our results is that we've made good progress in every one of these areas every quarter this year. We lead the growth - we lead the group in growth of long distance. More than five million lines added in the first three quarters this year. We lead the group in DSL growth. In our long distance states, our access line results have improved dramatically with three straight quarters of significant improvement. Bundled penetration

with our key products has doubled this year. Whatever measure you want to look at - growth, momentum, network, spectrum, competitive profile, Cingular is in a much stronger position than it was at the beginning of this year. And our sequential revenue growth has improved three quarters in a row.

The second point I want to make is that SBC's execution level is very high, and we certainly intend to keep it there. In DSL, we have now delivered seven straight quarters of accelerated growth. Every long distance quarter we've delivered this year has been the best of any RBOC. At Cingular, we've delivered three straight quarters with substantial improvement in high-quality net adds. And where we have long distance, we've moved the needle on access lines three quarters in a row.

Third, I want to emphasize that we have substantial areas of opportunity ahead of us. At the top of that list is the Midwest long distance. We launched in Michigan, our first Midwest state, about six weeks ago. And I'm pleased to report that LD sales in Michigan are ahead of what we achieved over the same early weeks in California. Initial access line results over this period are also on track with our early results in California. We launched our last four Midwest states about three weeks ago. Initial sales are extremely positive there, as well.

So, as an early status report, initial results following our LD launches in the Midwest are encouraging. I expect to have good news when we report results in January, and I'm confident we can look forward to solid progress in the Midwest over the next several quarters.

In addition to our mass market opportunity, long distance coverage completion also opens the door for us in terms of national data and enterprise business, and we are making a lot of progress in this area. Our IP backbone and our outer-region networks are up and running. We've built a national sales organization, and they've already completed a number of major contracts. And we have a host of internal initiatives underway to add products and customer-care capabilities to support growth in this high-end market.

We also have big opportunities in broadband. We're really just getting started in this business, and we will expand our broadband footprint to about 80% coverage in the first quarter. We're on track to launch our SBC DISH video service in the first quarter, and that certainly is going to further strengthen our bundle. Cingular Wireless is ahead of schedule on their GSM conversion, and they've taken the initiative to significantly improve their spectrum position. Both moves have built a solid foundation for sustained growth.

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So I would like to stress that we have a lot of opportunity at SBC in long distance, DSL, DISH, Cingular, and in the enterprise market, and we are moving forward in all these areas.

Let me add an important point. We also have substantial opportunity on the cost side of our business, and we have a number of initiatives underway to change our cost structure while further enhancing customer service. We have a good, solid record on cost management. Last year, operating expenses in our wireline businesses were down more than \$1.2 billion. And through the first three quarters of this year, our wireline expenses are down again. And that's in the face of marketing initiatives and a huge hurdle from pension and retiree benefit accounting changes.

We have a number of cost projects underway throughout our operations that can have a major impact on SBC long-term. You can expect our focus and our execution on the cost side to be every bit as intense as it is on the revenue side.

The final point I'd like to make is that while we execute the key initiatives that will shape our future, our cash flow is solid and we're committed to returning value to our owners. We have taken cost out of the business. Our debt ratio is the best in the group. Since the last - since the start of last year - excuse me - since the start of last year, we've cut net debt or debt net of cash - excuse me - nearly in half to just over \$13 billion. And this year, we have returned more value to shareowners through dividends. We had a five-cent increase in the regular dividend. On top of that, over the past three quarters, we've declared 25 more cents in additional dividends. Our cash flow provides ample room, and next month our Board will evaluate our policy of returning value to the shareowners including the share repurchase program and the dividend.

So if you'll let me sum it up, I am more optimistic about the environment we're in than I've been in a long time, and I'm more confident in our ability to execute on behalf of our owners.

With that, let me turn it over to Ray Wilkins, our Group President for Marketing and Sales. I think you will be impressed with what he has to say. Ray?

**Rayford Wilkins** - Group President - Marketing and Sales - SBC Communications Inc.

Thank you, Ed. Good afternoon, everyone.

As Ed pointed out earlier, at SBC we're executing a clear and focused strategy - one that really focuses on customer relationships - keeping them, regaining them, and expanding them. Inherent in this strategy is positioning SBC for the future by placing emphasis on our growth products from broadband to IP products to long-distance data, wireless, Wi-Fi, and entertainment. And whether it's consumer or business, it's all about creating opportunities for relationships. And I'll expand on that as we go through.

To begin our strategy overview, let's take a quick look at the sequential trends of our wireline revenue streams. Our retail revenue stream is evenly distributed between consumer and business, which represents 74% of our total wireline revenues. Wholesale represents about 26% of the total.

Looking at the last 12 months, we've placed a lot of emphasis on improving our revenue streams. And when we look at the sequential revenue this year, we see significant improvement in consumer and more importantly in business. This has driven positive growth for two of the last three quarters. During the same period, our wholesale revenues have remained basically flat. This really shows that our overall strategies are beginning to drive the right type of momentum, which allows us to begin to grow revenues in the future.

I'm going to start today by reviewing our consumer strategies, and then we're going to spend more time on the business marketplace where there are huge opportunity for us and where we're going to be very successful going forward.

As you know, we've experienced a highly competitive environment over the past few years. In analyzing this environment, we found that 72% of our customers who left us were doing so for what they believed was a better offer. Therefore, we really needed to execute a strategy that gave us a better position in the marketplace. We knew we had to capture the customer's attention with compelling offers that really put us on par with the competition.

This approach really reflects a conscious decision to reduce prices today in order to retain our customers, and then build on those relationships over their in-service life by implementing a bundling strategy that positions us for the future rather than just for today. At the same time, we increased our advertising and developed expanded sales channels. All the while, we also focused on delivering superior service to our customers.

Our results are proving right on track and particularly with access lines and our growth (ph) products. And as a result, we're

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seeing steadily and steady improvement in our revenue streams. In the two regions where we've had long distance, we're seeing significant improvement as a result of our overall strategy. Access line losses have improved for three straight quarters, and from the second to the third quarter, our consumer line losses were 32% lower in the Southwest and 39% lower in the West where we've been in long distance for only nine months.

This gives us a lot of optimism as we look to the Midwest. The Midwest represented 64% of all of our wireline access line loss in the third quarter largely because we couldn't offer long distance as part of our bundle. Consistent with the reduction in retail access line losses has been a significant reduction in resale and UNEP lines in the West and Southwest. In fact, Southwest has been negative on UNEP growth for two consecutive quarters.

During the same period, our trends in the Midwest have remained basically the same; however, as I'm going to point out in just a minute, it represents a key opportunity as we really enter long distance here. But first let's take a look at how we're doing in consumer long distance.

We've added 4.1 million consumer lines in the first three quarters of 2003 compared to 900,000 in all of 2002. In fact, every quarter this year, we've delivered the best combined consumer and business long distance numbers of any RBOC, and our second quarter was the best ever by a regional Bell.

As you look at our penetration rates, we've achieved 32% in the consumer market in California in just nine months and 54% in Southwest in just over three years. We believe that that same kind of success can be repeated and even surpassed in the Midwest. Here's a look at the LD adoption rates in the five Southwest states and in California. And as you see, we do extremely well in the first few months after launch. And we're not slowing down right now on the adoption rates in any of our states.

Our trends continue to be very strong, and we're seeing very good upward momentum across the board. That's why we're being very aggressive in our Midwest launch, and I'm pleased to tell you, as Ed pointed out earlier, that in Michigan where we've been selling long distance since September 21, we're off to a faster start than California or any of our Southwest states. The future is looking really, really bright there.

Our success in long distance has also driven increased average revenue per user. In fact, in our long distance regions, we've increased ARPU by 6.2%. And the Midwest really has remained

flat. As we enter long distance in the Midwest, we have a tremendous opportunity to increase ARPU and to win back the customers we've lost. Here's the opportunity we see.

If we reduce the current 22% UNEP number in the Midwest to 13% where we currently are in our other regions, we have an opportunity to generate \$550-\$650 million in incremental revenue as a result of increased access line win-back and increased ARPU. Our job now is to execute on that strategy, and as I said earlier, we're doing just that in the Midwest.

Another key position for SBC is to become the broadband leader. As you know, we've put a lot of emphasis on becoming the country's broadband leader. And while we are clearly the largest DSL provider, we believe that within our footprint, we are at parity with cable modem. Our numbers tell the story. We've had seven consecutive quarters of accelerated growth resulting in 10% penetration of locations passed (ph) overall, and California is at 13% penetration. And we're continuing to increase availability, moving to 80% of homes and businesses broadband capable by the first quarter of 2004.

But there's more to the story because broadband has multiple impacts. First, DSL is highly retentive. It lowers access line churn and increases ARPU. It positions us to compete in voice-over IP as that technology develops, and it gives us the opportunity to leverage our relationship with Yahoo! to drive increased ARPU through premium services like gaming and personal communication portals.

At the same time, our approach positions us to continue to broaden our relationships with our customers while meeting their technology needs of today and positioning ourselves for the future. Today our users typically get download speeds of about 1.5 megabits per second, which accommodates almost all of the download speeds of current applications and servers.

But we also have the ability to offer four to six megabits to about 50% of the locations passed (ph) today. The bottom line is that we have the ability to meet future requirements for applications at increased speed when the need arises. So let's look at how we bring all of this together.

The key, of course, to our strategy is to bundle. And we adopted the mantra, "Nobody beats our bundles." These charts tell the story - 68% of all of our customers held some form of a bundle. At the same time, we've increased the percentage of customers who haven't bundled that include a key growth driver such as DSL or long distance from 19% in the fourth quarter of 2002 to 36% in the third quarter of this year. These bundles also



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include Cingular Wireless, and as Stan Sigman is going to point out a little bit later, it's a key differentiator, and we are now one of Cingular's largest channels. In fact, we're secondly - second only to Cingular stores.

But we're not through yet. Our next step is to add entertainment. Our plan is to integrate video in the first quarter of 2004 as we add SBC DISH. Our agreement gives us pricing flexibility, and more importantly, we'll manage the customer relationship. We'll also gain additional market advantage by enabling interactivity through a joint DSL video set-top box.

Let me quickly update you on our progress. We've set the price, our sales plans are in place, billing and ordering requirements are complete, projects with due dates over the next 60-90 days are on schedule, and we're set to launch in the first quarter of next year.

Finally, one question I always get asked about bundles is, "Does it really pay off?" Well, the answer is, "Absolutely." As you add additional products to the bundle, the impact on retention is enormous. Long distance alone reduces the rate of churn by 9%, DSL lowers the churn by 61%, and put the two together and you've cut churn by 73%.

This is the future of telecom. And we believe that we're positioned with the broadest portfolio in the marketplace, and we've planned to be a significant player in the future. Let me wrap up the consumer initiatives by reminding you that our approach really reflects a conscious decision to take some margin concession today in order to retain our customers and then build on those relationships over their in-service life.

Now let's take a look at business. The business marketplace really represents a key opportunity to SBC for a variety of reasons. First, the total opportunity here is \$140 billion of which our share is only about 10%. But our current market share has been greatly influenced by our inability to fully compete due to regulatory restrictions. Now that we are no longer constrained, our strategy is to compete aggressively in every business segment.

So let's look at how we plan to execute on this strategy. First, small business - small business is an \$11 billion opportunity, and we currently have about 32% market share. I've broken that revenue down by product, and as you can see, the biggest opportunities are in wireless and long distance. But I really believe the most significant item on this chart is our 68% market share of local voice because it really points to existing customer relationships which is a tremendous market advantage for us as we go after long distance voice and data.

Our strategy is to build on existing relationships by offering a wide variety of services and products that can easily be customized into bundles according to the customers' needs. We've tailored many of our products to small business like our new Yahoo! Business Edition Portal and Business Unlimited which provides unlimited local and LD calling for under \$60 a month. We also provide integrated access service which allows small and medium business customers to put all of their services on a converged network. And we're stimulating the market with ads really directed at small businesses to ensure they understand that we have the best offers in the marketplace.

We're also expanding our sales coverage by assigning sales reps to more than half-a-million small business customers, giving us more frequent contact and giving them a single inroad into SBC for all of their needs. And that includes face-to-face consultative sales if appropriate. The result of all of this is a 50% increase in long distance penetration rates from the first quarter of this year to the third quarter. DSL sales have climbed every single quarter and win-back rates in the small business segment have increased from 44% in the first quarter to 57% in the third quarter.

Now let's take a quick look at medium business. Again, our existing relationships give us an advantage. We have a dominant share of local voice, but the upside in long distance, wireless, and in the medium business market particularly, managed services. We're doing a lot of capture that opportunity. Our approach here is a three-pronged approach. First, compelling offers on strategically significant products, which give us a strong foothold with the customer, and then we add advanced services that give us a point of differentiation.

Finally, we are matching our portfolio with increased sales coverage. We're using comprehensive customer segmentation studies to approach each customer with recommendations specific to their industry. As for results, our growth rates in medium business far exceed the market norms in important areas like frame relay and dedicated Internet access. And our orders on managed services are up 21% from the first quarter to the third quarter of this year.

Now let's take a quick look at several key vertical markets. The key vertical markets for SBC are government, education, and medical because they are basically regional in nature. These segments have a tendency to outsource to equipment manufacturers and systems integrators for their network integration and CPE (ph) needs. However, we see this as a key growth opportunity for SBC especially as we aggressively go after managed services because of our existing local voice relationships.

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Our strategy here is to deliver customized and specialized solutions, many of which are driven by current events such as the need for improved security due to the threats on their network. One example of our recent success in the GEM space is a \$210 million six-year contract that we signed with the State of Michigan to manage all of the State's telecommunications network. And earlier this year, we were recognized by the industry analysts, Frost & Sullivan, for our innovative solutions to healthcare issues.

Now let's talk about enterprise. The fact is, when it comes to opportunity, large business is the most exciting segment to SBC. Here you see our end-of-the-year share for several key service areas compared with the total U.S. market. We have a dominant share in local voice, and that means that for years we've had a long-term relationship with many of these businesses. In fact, 244 of the Fortune 500 are headquartered in our footprint.

We have strong local relationships, and we really know how to treat the nation's top-tier companies. Our inability to offer long distance has really prevented us from serving these customers beyond their local needs. But with the regulatory relief and the capabilities that we've built in recent years, we can now grow these relationships and pursue additional enterprise business.

Now let's take a quick look at the portion of this business that we're really going after. We believe the \$34 billion opportunity on this slide is a realistic target for SBC to pursue. It represents the opportunity with only those companies that have a majority of their locations within our footprint or within the 30 cities where we are implementing our out-of-region strategy.

Now that's not to say that we won't be pursuing other opportunities. But it does say that this is really a sweet spot for SBC and reflects our capabilities and infrastructure today. Because of the many existing relationships we have with large businesses, we understand what drives their telecom spending decisions. First, they're doing more with less, so there is the profitability driver. Next, they have to be prepared for the worse, so business continuity, disaster recovery, and security are key drivers. And finally, improving communication capabilities with partners, suppliers, and customers - the relationship driver is huge.

At the same time, there are important industry trends that are driving the marketplace. One of the most significant is conversions. When you talk to CIOs of major companies today, one of the first things they mention would be IP services and their need to really converge their voice and data networks. Convergence is ideal for several reasons, primarily because it

allows enterprise businesses to put their long distance voice on a data network and reduce their overall cost. SBC is in a great position because we have every incentive to help customers make the leap. And what's more, we're once again expanding on existing relationships.

Other trends in the market include an ever-increasing need for bandwidth, new and efficient tools, and the need for quality and reliability. At the same time, resources are stretched, both human and capital resources, so these companies are looking to minimize upfront costs and are increasingly turning to comps like SBC to deliver advanced services on a management basis. The good news is, managed services really fits one of our key stresses: the experience and expertise of our people. We have the most talented and prudential team of professionals anywhere. We have 4,300 holding advance data certification. We also have industry leading partners like Cisco, IBM, EDS, and HP and we support all of this with the industry's most accomplished and respected applied research organization, SBC Labs. At the same time, we've also expanded our global accounts org from 400 to 2,000 accounts. We've added sales people and support personnel to deliver the level of service enterprise customers require, but we don't stop there. We have in place today, a powerful data and IT backbone that work to connect our in-region to our out-of-region facility. Our ATM and frame-relay backbone and our Layer-3 IT network are now operational and they are carrying customer traffic as we speak. We have a national presence.

Now let's take a look at what we're delivering over those networks. Here's a quick look at our portfolio. Keep in mind that from a service delivery standpoint, we believe that long-distance is really the easiest part. The tough part is providing powerful and reliable service at the local level, and that's been our stress for a number of years. Our transport options go from DS1 all the way to multi-service optical networks online (ph) which can scale up to 160 gigabits/second and more. And we now provide any and all of our services on a managed basis.

Here's a short list of what we provide today. I will emphasize that we're delivering a wide range of IP service options, including the hosted IP communications services that's on demonstration outside. We have powerful, reliable webhosting solutions. We have off-site storage area networks, and we can deliver almost any service through our state-of-the-art internet data centers. Also, this portfolio stacks up well with anyone in the industry today. Our final area focus as we evolve to the best, to serve enterprise customers, is to make it easier for customers to do business with us. As you know, enterprise customers

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absolutely require things like billing flexibility, single contracts, customer service, and a single-minimum annual revenue commitment. They won't outsource a single piece of their business to a company that can't deliver all the things you see here. And SBC can deliver them all. And we deliver them today. The bottom line in enterprise is, we have what it takes and we're here to stay.

Let me wrap up with a couple of recent examples of how we're delivering national products, including voice and data services in and out of region, to customers with national needs today. These examples include major financial, industrial, and retail companies. First, we recently closed a \$350 million, 5 year contract for a nationwide frame-relay network that encompasses 4,000 sites and 11,000 routers. Another example: a \$9 million, 3 year contract, with a company headquartered out-of-region but with a significant presence in-region. It requires a 580 site frame relay network. Two more: a \$10 million, 3 year contract with a company with 6 locations in 6 states, 5 of those states though are out of our region. The contract includes a 221 sites frame-relay network plus we consolidated 100 individual agreements into a single contract. And finally, we closed a \$10 million contract which includes a 104 site frame-relay network with VS3 (ph) connectivity. In addition, we signed w/ this company a separate \$18 mil contract for voice services. As I said, we're moving aggressively up-market, and you can expect to see more successes like these in the months ahead.

I know we're about out of time, but I want to summarize by reminding you that in consumer, our strategy is the right one. It's customer value and relationships that deliver increased long-term revenue. We have momentum and it will continue.

In business, we have up-side opportunity in every business segment. And we're leveraging our existing relationships and recent regulatory freedoms to win in all segments, particularly up-market. And we intend to be a major player in every business segment for a long time to come. SBC's future is very bright, no one's momentum is stronger and in the coming quarters and years, you're going to see the momentum that we talked about today translate into growing revenue and earnings.

Now I'd like to introduce John Atterbury, who will discuss our key cost initiatives and some of the great things that we're doing to better serve our customers. So John?

### John Atterbury III - Group President -- Operations - SBC

Thank you, Ray. Good afternoon. I'd like to spend the next few minutes talking about how SBC is delivering great service to our customers and at the same time, reducing our cost. You just heard Ray cover all the exciting initiatives we have on the ready in our sales and marketing groups. Once Ray's group sells a product, it's up to the wide line (ph) organization to deliver them. And we take that job very seriously because exceeding our customer expectations is key to retention and growth. And we're doing very well. We have solid customer service metrics that continue to get even better.

Today, we consistently meet or exceed our due date commitments for new voice-line installations and our repair times are declining, and that's a good thing. The same holds true for our installations only data site. Our big data pipes are virtually always installed on time, and the rare cases when these lines are down, we cut our repair intervals by 30%. DSL is another area where we make really significant progress. Now, virtually all of our customers are getting their DSL installed on time, in five business days, down from ten business days in 2001. And that's especially strong when you realize that daily, order volumes have doubled over the same time period and our repair times have been cut in half.

While our internal metrics are strong, what really matters of course is what the customer thinks. The top line on this chart in blue shows the grades they give us continue to trend upward, and we plan on maintaining that momentum. Along with a cost initiative that I will talk about later, we've launched an important company wide service initiative to make our service even better. It covers everything from service rep training, to important billing enhancements to better communication on no fieldwork orders.

The really good news here is we are improving service and productivity at the same time. For example, the orange line shows the average number of successful jobs completed by our field technicians in an 8 hour shift. You can see that we have steady progress. Now that's a brief look at our service, let me just re-emphasize that we are focused on delivering excellent customer service. We've invested time, talent, and sufficient resources in taking care of our customers. That's our heritage, that's our commitment, and it continues today.

Now let's talk about cost. Since most of our costs are in the wide line (ph) business, that's where we focused most of our energies, and that's where I will focus my remarks. Year to date, cash operating expenses have totaled \$24 billion for SBC, 75%



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of those are in the wireline. As Ed mentioned, SBC has a very solid track record when it comes to driving costs out of the business. It's been a constant focus for us, ever since the P a c - T e l (ph) merger. Last year, the top line began to change quickly. The economy was weak, the competition was intensifying, and we were affected by the bankruptcies that were mounting across the industry. As a result, we focused our attention on driving out more costs of the business.

We developed basically a two part strategy. First we focused on off-setting the immediate pressure on the top line; we became very aggressive on our short term cost reduction project. We call this "the low hanging fruit." Second, we continued to attack the longer term cost structure and we focused our attention on reinventing and rebuilding our processes, our business functions and our technology platforms.

First, let's look at what we did to offset revenue pressures in the short term. Over the last year, we've taken nearly \$1 billion out of operations and support cost. We accomplished this while we were still investing in the business. For example, advertising in the wireline business has grown 77% year-over-year and we beefed up both of our market and sales forces. These efforts have focused on aggressively penetrating services, like LD and DSL. Which though they require less capital expenditure, the have lower margins than our traditional voice services. We've offset a lot of this initial expense by reducing our operations and support groups. In fact, we've reduced the wireline force by 28,000 employees over the last two years by aggressively matching force and load and productivity improvements. Going forward, forced reductions will accelerate from recent levels primarily through attrition. We've also seen reductions in bad debt; it's down 41% with a large percent of it being driven by the WorldCom bankruptcy earlier in 2002.

Finally, we've attacked the non-wage related expense and you can see some of these results on the next slide. We reduced consultant and contractor services by nearly \$250 million over the last year. We were able to save nearly another \$190 million by reducing travel, laptops, cell phones, right-to-use fees, and energy costs. We've been almost fanatical about these short-term initiatives. Even a seemingly minor change like using recycled toner cartridges and printers rather than new have saved us a lot of money. Our employees have done a super job of being resourceful and contributing in both big ways and small ways.

The short term efforts are important, but obviously, we need to dig a lot deeper. We must have a cost structure that yields far more operating efficiency. So across the entire wireline organization, we're standardizing technology to simplify

operations. We're consolidating centers; we're eliminating regional barriers and migrating to standards OS platforms across the nation. We're also developing new functionalities and enhancing tools to become more productive and efficient. We're automating and mechanizing processes to optimize workflows and we're shedding costs to I V R (ph) and to the web.

We're working on literally hundreds of projects, and the next few minutes, I want to cover a handful of them with you. First, our call centers. We told you we were pursuing call center efficiency and now that it's starting to really kick in. Our call centers are a big opportunity for us for two reasons. First, their sheer size present real scale opportunities. Second, call centers represent a key customer touch point. In fact, our centers handle more than 200 million customer calls annually, and that's both inbound and outbound. So fine-tuning our processes can deliver big service quality and cost benefits.

Here's what we're doing. We're moving to state-of-the-art systems company-wide. For example, we're developing a fully integrated desktop that will improve our customer rest efficiency by giving them every piece of customer information they need in one database. We're also standardizing technologies and processes in turn, reducing training time and support costs and will improve by automating functions. For example, we begin to incorporate cutting edge speech recognition technology. This will help direct calls to the rep who can best handle the customer. Finally we will consolidate. Right now, we have 200 centers spread across the country, they vary greatly in size and there's a lot of duplication. So we will be eliminating nearly 1/3 of these locations. And this will reduce the amount of new technology we have to invest. The payoff of these efforts is significant. It will shed millions of calls, make customers happy, improve efficiency and also generate additional revenue. The first state primarily involves our consumer calls centers but some of our business and credit and collections.

In addition to the sales calls centers, we're also focused on our network service operation centers. Our network service operations consolidation project is our biggest single project. Right now, we have about 500 network centers, down from 600 about 18 months ago. And these are the centers that dispatch our installation and repair techs as well as handle the design, construction, and surveillance of our network. We have these centers across our 13 states, they vary in size from 10 people to hundreds of people, and currently, they are not uniform. That's what we're changing. Our goal is to make all of our centers consistent, to look and operated the same way regardless of location. At the same time, we want to get rid of overlap and redundancies. One critical part of this involves transitioning

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over to a single suite of operational support systems. Ultimately, we'll be able to substantially reduce the number of centers even more than we have today.

So let's look at a few examples of center consolidation. First our customer service bureaus. These are the centers that handle our consumer and small and medium business repair and maintenance calls. These centers are still organized regionally, with each region using their own legacy systems and processes. The regional approach has worked well in the past, but now it makes sense to migrate to a national platform. So we're establishing nationwide network customer service bureaus. This will allow us to standardize operations, reduce the number of customer service sites, save millions of dollars and improve customer service. We've already reduced the number of sites by 40% since 2002 and we'll connect the nine remaining centers by implementing one common trouble entry system and implementing a standards customer interface. This will give us the capability to share workloads across time zones and geographies in instances where we need to manage peak time calls and weather-related volumes. And we'll have the redundancy we need in the event a center becomes inoperable due to a disaster or even a power failure. The national service bureau will be in place next year. By the way, we are approaching this project real carefully. Our goal was to avoid building new buildings while minimizing severance costs and we are accomplishing that.

Now, let's look at our electronic switching administration centers (or ESACs). These facilities are responsible for the highest level of technical support within our regions. They perform emergency recovery and outage restoration, handle the testing and analysis when there's been a critical service interruption and they ensure the integrity of the network software. Until now, each of our regions has managed by using their own technical expertise to maintain every regional system. So here, we're also moving to a national platform. We're eliminating the overlapping regional expertise and we will share the knowledge across the enterprise. We are also reducing our reliance on vendors and transferring this knowledge in house. By managing this nationally, using our own employees, we can tap into the very best technical expertise across the enterprise. We expect this to both improve reliability and reduce costs. I've given you three examples of what we're doing in our centers. Now let's take a look at some of the things we're doing with our new efficiency tools and technologies.

Our outside plan engineering team needs ready access to thousands of pole maps (ph), cable records, cable and pair information, distribution area maps and conduit records. As you

might guess, this is a very time-consuming process with a high risk of error.

So we're converting all our outside plant records from paper to PC. When designing circuits, for example, engineers used to have to calculate cable footage and determine resistance loss for each segment of the cable. Now, they simply enter the cable and pair information and the system provides the data.

Also, manually updating cable records used to take three to four hours. Now, it takes three to four minutes because one simple entry ripples through the system updating all our records. This system provides efficiencies and reduces errors and that improves service by shortening intervals and saves us money.

We're also employing new software and technology that will leverage our existing GPS technology so we can better manage our field technician dispatches. Our current dispatch system assigns technicians as they become available to the next priority job in a large service area but it looks at a service area. It doesn't, for example, look at which technician is closest to the job based on the current location, travel route and traffic patterns and it doesn't take into account the skill sets of that employee.

This new system creates the most efficient dispatches possible by analyzing all these factors. This will enable us to refer the highest priority work to the closest technician who is best qualified. This will reduce travel time, particularly in large cities like L.A., San Francisco, Chicago and Dallas and boost productivity because it makes sure that we're using the best talent we have to handle those jobs. Annually, this equates to 30 million miles and 750,000 hours saved. Our first office application is in the southwest region. This month and we'll implement this system fully in all our enterprise next year.

The next project I want to show you involves enhancing the tools we use to manage our 3200 central offices across the country. This management dashboard you see provides a single source for our managers to obtain key information regarding workload, force, alarms and a lot of other data.

It is a quantum leap, trust me, from what we had before. A manager can now look at this chart and see the workload for a specific workgroup or an individual whether it's a DS3 circuit that needs to be installed, provide basic dial-tone provision on a DSL order or perform routine central office maintenance and the other good thing is all levels of management have access to this data which improves accountability.

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It's also presented in a user-friendly web format. And before a central office technician repairs, tests or installs a piece of equipment, he can pull up a detailed - he or she can pull up detailed instructions on what they need to exactly do. So whether it's performing maintenance on a SS7 unit or installing a card in a . This may seem pretty basic to you but we believe this is going to be a major timesaver.

It will help manage our force a lot more efficiently. It will allow us to increase our spans of controls within our central offices and our network operations centers and it will improve job accuracy and improve quality of service.

All these projects are about driving efficiency every way we can. It's about saving money and making it easier for customers to do business with us. It's about driving world-class excellence across our enterprise.

Internally we talk about this in terms of best in class. The idea is to recognize each wireline group that achieves the best metric in any given area then we hold that metric up as the new standard that all the other work groups have got to meet. Once they rise to that level, they we raise the bar. So we have continuous improvement across the enterprise.

Even a modest improvement in these metrics leads to tremendous expense savings. For example, a 3% improvement in our POTS productivity can save us \$40 million annually and I guarantee you we're planning to drive it up a lot more than 3%.

All this helps the programs that I previously talked about. We see \$550 million in cost savings opportunity through our best in class approach. Collectively, these longer term productivity improvements will save us more than \$1.3 billion in annual capital and expense by 2006. I want to emphasize that these numbers reflect our productivity savings only, not any additional savings we'd realize by matching force to load if load continues to drop.

Of course, we have our sights set on even more savings in the years to come. And that's because cost control for us is not a one-shot deal but it's a continuous process from here on out. We have made good progress so far but it's not nearly enough and we know that and there's going to be more to come. All of the new growth opportunities Ray described require limited cap ex but they will drive up expense. So we have to do everything we can to drive down those costs to help preserve our margins and compete in this marketplace. It's especially important for our DSL and LD products.

So that's a brief look at what we're doing to manage expense at SPC. We've done a lot so far but in many ways, we're just getting started. I've just hit a few of the highlights today but, trust me, the scope of this is broad and deep. It's no exaggeration to say that we're essentially reinventing our company around the new reality of our industry.

We're throwing out old assumptions, old paradigms and old ways of doing business. We're asking ourselves, what kind of cost structure are we going to need to compete in the years ahead. We know we don't have that cost structure yet but we're well on our way and we are going to get there and the exciting part is, is that the pay off is huge.

Thank you very much. Now, I would like to introduce our good friend Stan Sigmun who'll update you on Cingular.

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#### Stan Sigmun - President and CEO - Cingular Wireless

Thank you, John and good afternoon to all of you, again.

I'm pleased to be here to speak about Cingular, about its operations and about its opportunities. I hope most of you know by now, I'm encouraged by the traction we're getting with operations and I'm very optimistic about the opportunities in front of us.

We have the assets, the scale, the financial strength plus the advantage of our bloodline back to SBC and Bell South, all of this is an opportunity that many companies don't enjoy. We have made progress in most aspects of our business over the last year. We turned Cingular into a good business. We're still not right. I know that; but I guarantee you that we will execute relentlessly until we get there and we will.

At Cingular, we're focusing on four key objectives. First, maximizing long-term growth and profit. We are delivering in the market today while positioning Cingular for the future. Second, our GSM conversion. This bring new opportunities, efficiencies and benefits so we're moving quickly and we're moving well.

Third, our integration with wireline. We can't overstate the importance of integration of Cingular, SBC and Bell South. This is an opportunity we will pursue aggressively and fourth, another opportunity. Yes, wireless number portability. I'm sure you want to know our expectations around this, our plans and wonder whether we can sustain our growth going forward with this issue in front of us.

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Well, let's briefly review what has been accomplished before we talk about where Cingular's going. When I arrived at Cingular about a year ago now, I saw more promise than performance. My priority has been to get the company growing again, quickly and profitably.

The first step we took was to put leadership focus back in the local markets. To let those that were closest to the customers and the customers' issues make the customer impacting decisions. We put sales, marketing and P&L responsibility and accountability back in the local markets and the results were pretty impressive and immediate.

Our second focus was improve our marketing message. We needed something our customers could get their arms around, that goes to our "Cingular fits you best". A tag line that matches our intense focus on the needs of each customer.

The third change was to capitalize on our relationship with SBC and Bell South. Initially, there was no brand association with trust, stability and service quality that's inherent with the wireline brand. Cingular added this tie in to its advertising and as you've seen in our numbers, it is making a difference.

Gross adds have grown for the fourth consecutive quarter and reached nearly 2.7 million last quarter, our best quarter ever. Up 21% from the second quarter. Looking at gross adds share over the last four quarters, Cingular's results are clearly from solid market performance not just riding industry growth.

Our 21% flow share of gross adds during the quarter represents three quarters of continued improvements. Moving Cingular from a distant fifth to a solid second place in less than a year. We have reestablished Cingular in the marketplace. We have solid momentum and we are moving towards best in class.

Our winning in the marketplace is partly driven by our extensive retail distribution, 86,000 strong. These channels are performing well but another channel, the wireline channel, gives us a long-term competitive advantage. A key - a big key to our recent subscriber growth has been the wireline distribution channel mostly from SBC.

The massive wireline sales channel are second only to Cingular's own direct channels and their ability to sell and the acquisition cost associated to this channel are among the very best. Third quarter gross sales by this channel, the wireline, totaled 295,000 or 14% of total Cingular sales and most of these sales were bundled with wireline services on a single bill.

Our regained focus shows in the numbers. The 745,000 net adds for the third quarter was the highest since the first quarter of '01 and 92% of our net adds were contract services, post-paid; that's 687,000 contract customers, a Cingular best.

We've done all of this despite the fact that we were deeply involved in a GSM overlay. Revenues of \$4 billion in the quarter were up 4.4% sequentially but as you saw and know, our margins were under pressure and customer churn is too high. The current margins and churn rates are unacceptable. We know that.

We know what is causing this and we know what we need to do. It won't be fixed overnight, but it will be fixed. Customers basically their service subscribers based on network performance, customer service or price. Cingular is working aggressively to reduce the churn and improve the margins. We're committed to break out of the pack and close the gap on the best in class for growth, churn and margins.

To move these metrics, we have to improve the customer experience. We recently identified 14 key initiatives that are impacting opportunities for us at Cingular. These initiatives are designed to improve our customer experience from the day the customer begins thinking about buying wireless until the day they are a long-term customer for Cingular.

It is simplifying processes to drive long-term benefits for both the customer and for Cingular. The results will be more satisfied customers with fewer reasons to call us about issues, fewer issues to address around service, billing, payment and so forth.

Cingular will benefit from this with lower churn, lower costs and higher margins. We have short sayings at Cingular. One is, "what gets measures gets managed and what gets focused gets fixed". This issue is being focused on and it will be fixed.

To succeed in a competitive filed like we're in, we must have a fundamental strong foundation to build from. Our network footprint is that foundation. It is extensive with 263 million POTS and 23 million subscribers. To further enhance our network, Cingular's agreed to acquire spectrum from Next Wave covering over 83 million POTS for \$1.4 billion and should close in early '04.

This spectrum is heavily weighted in major markets where Cingular already operates, this expands the depth and reach of our networks and our average spectrum in the top 100 markets increases from 30 to over 34 MHz. We will see some immediate benefits from this spectrum that'll serve us better in long-term growth.



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Additionally, we've been actively acquiring and swapping spectrum from other carriers. Recent deals include locations in Texas, Florida, Maryland, Louisiana and Arkansas. Achieving a nationwide GSM footprint is essential for our future. GSM provides us with the most advanced application, handsets, economies of scales, data voice capacity, a quick path to higher data speeds and enhanced international roaming.

These are two - there are two parts of our GSM effort. The first is to transition our own network to GSM. Cingular's GSM overlay is ahead of schedule as Mr. Whitacre mentioned. We've converted 92% of our covered POTS, including all of our major markets and the remaining areas to be converted, shown here in the blue, will be done next year.

This transition is complex but our overlay approach has been smart. We know GSM, we understand the technology and we know what it takes to do it right. Feedback from these customers that we've converted has been good. With GSM we're now beginning to enjoy the unprecedented new products, the efficiencies and the customer experience we expected.

The second part of the GSM conversion is an effort to ensure nationwide GSM coverage either through our network, joint ventures, or through roaming partners. We have been working aggressively with other carriers to get this done. 30 new U.S. GSM roaming agreements have been signed since the 1st of the year. Even more impressive is that these agreements allow us to roam at half the rate of the traditional TDMA rates.

By the end of the year, the GSM networks of Cingular and our roaming partners will cover nearly 90% of the entire U.S. population and increasing to almost 94% by the end of '04. Most importantly is that we provide roaming - or network services where our customers use their minutes. By the end of this year, we'll have GSM service available where 93% of our customers use their minutes today and increasing that to 99% by the end of next year.

When you add all of this together, you're looking at a national carrier with a strong local focus. Combining Cingular's extensive network with the footprint of the wireline assets creates a far-reaching asset base to launch new integrated services.

80% of Cingular's 23 million subscribers reside where SBC or Bell South offer wireline services and the vast majority of their 79 million access lines are within Cingular's service area. This represents significant opportunity particularly when you look to number portability.

And we're ready for number portability. We have been retaining our best customers, increasing our customers under contract to over 70% with the majority on two-year contracts. Handset upgrades have been instrumental in attracting many customers to new contracts with 9% of our base upgrading to GSM handsets in the last quarter.

And, as we have said, we are nearly complete with our GSM overlay. The GSM handsets are driving customers into our stores. Store traffic is up 40% in some of our most recently converted markets. The benefits to Cingular with this is more than just getting customers on new contracts but it helps migrate our customers to our new network. We now have 40% subscribers on GSM handsets, up from 35% just six weeks ago.

We have signed portability agreements with all other major carriers. Operationally, we have upgraded our systems to port customers and our portability call center is ready to go. And, as Ray mentioned, we are under-penetrated in the business market which represents less than 10% of our customers.

This is an opportunity we plan to exploit with number portability. The really big opportunity will come with products and services that give the customers the benefit of both wireless and wireline. The mobility of wireless and the security, convenience and reliability of wireline.

Customers want both and we believe we have the companies - we believe that we are the company that gets this basic point and we can give the customers the benefit of a single number and we already are doing that with our fast forward service and we can win with this in a big way; that's where we're focused.

Most of the early conventional wisdom seems to think about number portability that it's an either or term but the fact is, from the customer's point of view, it's not a technology decision. It's about value and benefits. We believe the customer will move beyond either or to a both and concept where they get the value of integrated wireless and wireline with a unified set of features. They get extra reliability, they also get access to DSL.

We've already taken huge steps in this direction and we have a lot of potential in front of us. It won't be long before the customers not only have the ability to integrate wireline and wireless products, but they'll expect it and with the largest wireless wireline overlap, Cingular, along with SBC and Bell South, bring a value proposition that it'll be difficult if not impossible for most to meet.

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We started this integration process with the single bill. Then we added your combined wireline, wireless voice mailbox. Recently we added the PC to wireless messaging capability. We just broadly launched our fast forward product and sales are approach a thousand a day. In the near future, SBC will be launching unified communications which allows for integrated messaging, e-mail, wireless and wireline voicemail.

We are also working on the integrated Wi-Fi solution allowing customers to enjoy a seamless broadband experience between home or office. SBC's freedom link Wi-Fi hot spots and Cingular edge network. We believe these kind of efforts are a competitive advantage and we intend to exploit them on an accelerated basis. And the integrated product portfolio that positions us to win in near term opportunity, wireless number portability is an opportunity.

Cingular is a much - is in a much different place than it was 12 months ago. We have made progress. The intensity and speed in which management has grasped this is gratifying and, as you can see from all this progress, Cingular is a much more productive asset for its owners. A much more valuable asset. It is stronger operationally and it is better positioned for the future.

Going forward, we will continue to invest in our networks. We continue to improve the customer experience. We will exploit new products and market opportunities and will differentiate through integration with wireline.

At Cingular, we know our strengths, our opportunities and our customers and we will execute with a driven focus. I thank you again and now turn it back to Ed for closing comments.

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**Edward Whitacre** - *Chairman and CEO - SBC Communications Inc.*

Well, thank you very much, Stan. I know you have a lot of questions, so I won't take much time here but let me quickly recap some important points.

We do have a clear, focused plan at SBC and we're beginning to deliver good results. We do have a proven record of execution in DSL, long-distance, wireless. And in cost management, we're executing at a high level at SBC and you can rest assured we will keep that intensity high.

Third, SBC has substantial opportunities ahead. Long-distance in the Midwest, the large business space, SBC dish, Cingular and in DSL where we think we've just scratched the surface.

There is a lot of opportunity ahead for SBC. Plus, at SBC, we have a strong balance sheet and we have the financial strength to execute our major initiatives and return value to our owners. I have a lot of confidence in our ability to get that done.

Looking ahead to 2004, you can expect two things from SBC. Strong effective marketplace execution and disciplined cost management. We are confident as we move forward, we will see revenue trends stabilize leading to positive year-over-year growth by the end of next year; that includes the results from Cingular.

We expect DSL net adds to continue to ramp. We expect consumer retail long-distance penetration of more than 40% companywide by next year and we expect Midwest access lines to trend with what we've seen in other regions.

Our marketing initiatives - our marketing initiatives are going to continue to have an impact in margins in the near term. With progress on access lines and revenue and with continuous improvement on the cost side of our business, by the end of next year we know margins will stabilize.

You can expect us to be very disciplined on cap ex. 2004 is now targeted at \$5 billion. And you can expect that we will put a premium on returning value to our shareowners. Again, we have good opportunities ahead at SBC. We're executing at a high level and I'm very confident in our ability to deliver to our shareowners.

With that, I'd like to ask, not only our presenters, but the rest of the senior management team at SBC to come on up, Randall, all of you come on up. This is not in the script but since we're going to answer any question about SBC, you should see the senior management team and we do have the best management team.

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## QUESTIONS AND ANSWERS

**Stan Sigmund** - *President and CEO - Cingular Wireless*

All of us are available for Q&A and so, we're ready for the first question.

Yes.

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### Unidentified Participant

This is a question for Ray and, I guess, also to an extent Randall. Ray, you did a good job of segmenting the business market for us and clearly the biggest dollar opportunity for you is the large business segment and that's even just looking at the business who are largely based or up to 50% based in region in terms of where their footprint is or where their premises are.

I wonder if you could talk a bit to your ability to be cost-competitive, because on the one hand for large business, clearly you have an advantage in region from a cost of goods sold point of view. You have ubiquitous last mile access but as you go out of region there's something of a disadvantage as you have to buy last mile access from others?

And also, I wonder how the cost equation works, particularly in terms of service and support competing against the who've got very big in the scale in the large business market? And, I guess, the bottom line is, if we look at the I X C. (ph) 's you know, they're achieving what - you know, by SBC standards, would not be particularly good margins at the 15 to 25% level roughly on an EBITDA basis.

You know, can you compete and, if anything, get above that margin level which, I guess, again from Randall's point of view, isn't the sort of figure ideally you'd be aiming for?

**Rayford Wilkins** - Group President - Marketing and Sales - SBC Communications Inc.

Well, I think you almost answered your own question. When you look at it overall, the last mile or the presence at the local level really determines a lot of the cost factors. When you start looking at the long haul network, the incremental cost is very, very small.

One of the reasons we're focusing on those customers that have a lot of their locations in our territory is because as you look at a combined network, both in region and out of region, we believe that we have a cost advantage over AT&T, MCI and others because they buy a lot of their local access from us and or the other regional Bell companies.

As a result, we are having a focused approach towards the enterprise marketplace. Once again, that doesn't mean that we won't go after other opportunities and we'll be selective as we do that but we know that, on those, we have a cost advantage.

On the long haul network, our costs really compare pretty favorably with the carriers. We have to, of course, become very effective and efficient in acquiring local access out of region but remember, we have switches right now in 30 regions outside of our network.

So we believe, all in, we can be very price competitive and, in fact, on a lot of the bids that I'm looking at right now and I see a lot of them that go across all of the different regions, we are being very cost competitive.

### Unidentified Participant

OK.

### Unidentified Participant

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Long question, long answer. Yes, sir.

### Unidentified Participant

Thanks, actually a question for Bill, I think. As you look at the S V C. (ph) 's review, what do you think the timing is of some type of final decision from them? Then what do you think the process is going to be to actually - if you hypothetically say that they do improve the methodology by which t e l r e c. (ph) is calculated, to actually turning that into a positive impact on wholesale prices?

**Bill Daley** - President - SBC Communications

Our best guess is probably somewhere around nine months. So we're talking late Spring of '04 and then we would expect an aggressive program at the State level to get the States to then respond and come up with some rates that are realistic considering the changes they'll make.

We do have some States moving forward right now on u n i. (ph) prices and we expect there to be some success on a few of those. But I think nine months is probably a realistic date and then after that within six months we should see some State action released.



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### Unidentified Participant

Fair enough.

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Yes, sir.

### Unidentified Participant

Thanks. One for Ray and one for Randall. Ray, can you talk a little bit about the video strategy? How aggressive you plan on being on marketing and, kind of, what your target might be a couple of years from now in terms of subscribers?

And, Randall, Ed was kind enough to give us the, kind of, hurdle that revenues will start to grow again by the end of next year. Can you talk a little bit about earnings, when you think that might be able to start growing again?

**Rayford Wilkins** - Group President - Marketing and Sales - SBC Communications Inc.

Well, in terms of -

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

He can't talk about that. But he'll talk about it. Go ahead, Randall.

**Randall Stephenson** - CFO - SBC Communications

He'll talk about the other one, I won't talk about it. In terms of SBC dish, we're rolling it out through all of our States initially. We think that we're going to be very, very successful. I'm not going to release actual targeted numbers. I have them. In fact, Ed and I have talked quite a bit about them and he said the bigger the better is what he told me.

But I really believe that we're going to be very successful with SBC dish but I'm not releasing any targeted numbers right now in terms of overall growth.

**Rayford Wilkins** - Group President - Marketing and Sales - SBC Communications Inc.

In terms of earnings guidance or earnings forecasts, obviously we don't give earnings forecasts at all. We have some of the best and brightest analysts in the country in here and I think based on the historical trends of what we've given you, somebody as smart as you, Tim, would probably do a good job at that.

But we do expect margins to stabilize though towards next year. You know, the preponderance of our margin pressure is not pricing. Our margins pressures are coming from access line losses and the lion's share of the access line losses are Midwest and you've seen what you ought to be able to expect as we penetrate long-distance in the Midwest. So as you slow down access line losses, margins should stabilize towards the end of year, next year.

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Yes. Up there. Yeah.

**Mike Coffee** - Managing Director of Investor Relations - SBC Communications Inc.

OK. We have a question in the balcony.

### Unidentified Participant

Ray, I'm going to question on DSL. You indicated that about 50% of your lines - or over 50% of your lines can achieve 4 to 6 megs, and a couple of questions in that respect.

First of all, are they concentrated enough so that you can actually target market to those customers or are they scattered because of distance from the CO difficult?

Second, when will that kind of speed be relevant, really, to a business plan? And, third, what are you expecting as it relates to cable companies cutting price and when this will, sort of, come into play. What's embedded in your business plan in that respect?

**Rayford Wilkins** - Group President - Marketing and Sales - SBC Communications Inc.

OK. Let me begin with your first question. They are concentrated enough. They're all under eight k i l o f e e t (ph)

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from the Central Office. We know where they are. We have demographics associated with those. Also, there is the ability to go at the RT and really begin to deliver even higher speeds even past the RT. So we have roughly 50% of our customers right now who can get that four to six megabits and it really becomes relevant when applications really drive the need for increased speed.

We do sell a lot of speed tiers right now, as we call them, particularly in the business segment where you have applications that really require that type of bandwidth. But down market in the consumer and mass market areas, those applications really don't exist right now.

Most applications and or servers are at about one and a half megs. So, we are ready and poised as those applications develop. And if you go and look at some of the European areas and if you look at the Asian community, they have some applications now that are beginning to require those speeds.

So we are poised and ready to deliver those when those applications develop. What was his other question? Oh, price compression from cable company.

Right now, we're not seeing much movement other than Comcast. They've got a couple of small switching offers at lower speed levels, 768 kilobits and below. We believe that the value proposition we've put in the marketplace at \$26.95, 1.5 megs for our package - packages right now is a much better value and right now we're not seeing any trail off at all in our sales.

So we feel very optimistic that we can compete with the cable companies. But if and when the need arises, we will compete and we will be the broadband leader.

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**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

In the interests of making that maybe more clear, the engineering strategy in the Midwest and California call for more central offices and less distribution plan. So, in those cases, in those two companies, it's more concentrated and we're able to coral a little better than Southwest which tends to have longer loops. But the answer to your question is exactly what Ray said and that is, we do have a handle on it and can reach it with those kind of speeds.

Yes.

### Unidentified Participant

Randall, a couple of questions. John had talked about achieving cost reductions of about 1.3 billion annually by the end of 2006, can you comment on what costs would need to be incurred to get at those kind of savings or, alternatively, what kind of payback you'd be looking at.

And, secondly, on pensions, that would obviously be embedded within your margin trend comment, can you give us an idea of what assumptions you're looking at?

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**Randall Stephenson** - CFO - SBC Communications

Yeah. The first one, in terms of what kind of investment's going to be required to get the 1.3 billion, there are going to be some capital costs incurred. They're more in John Stenky's organization. It's IT type development to make most of that happen. Some severance, although not significant amounts of severance. We think we'll be able to do most of this with attrition.

And so, bottom line, you know, we're looking at spending 5 billion this year, 5 billion next year, inherent in those capital numbers are the costs required to do these initiatives. So it's not significant enough that it's going to move our capital forecasting by much.

In terms of the pension and retiree medical costs for next year, we're not looking at significant pressure going into next year. I'm not going to give assumptions in terms of what's behind those but, at this stage, given what we've got behind us this year, it doesn't look like we're going to have significant pressure from those lines going into next year.

### Unidentified Participant

OK.

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**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Any other questions? Yes. It's hard to see who that is; is that you, Richard?

### Unidentified Participant

Yes, you've got it.

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**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

OK

#### Unidentified Participant

I understand what you were saying about the opportunity for linking up wireline and wireless but I was wondering if you could touch, or anyone on the stage really, could touch on the issue - kind of some expectation on how much you see wireless substitution accelerating going into next year assuming wireline to wireless number portability expands?

I don't know if there's any easy answer to that.

#### Unidentified Participant

There isn't an easy answer and I probably can talk about that as well as anybody. It's going to continue to accelerate. There will be substitution of wireline for wireless. We don't know. It's probably 7% or 8% now. It's hard to know. How much higher it goes, I don't know but, you know, wireline's not going away. I personally think it's not going as high as you might be led to believe by reading.

I do think there are tremendous opportunities, as Stan explained, between the wireline and the wireless companies but I don't know what the percent goes to next year. I don't know how quickly that goes. Fast forward certainly helps. Other things help but we're convinced it'll continue to grow. We don't know what that number is.

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Yes.

**Mike Coffee** - Managing Director of Investor Relations - SBC Communications Inc.

Mr. Whitacre, we have a question in the back of the room.

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

OK.

#### Unidentified Participant

Thanks, Ed. We touched a little bit on cable telephony but just to dig a little bit further into it, obviously Cox has proven they can take share with the circuit switch offer it has now and, you know, they've talked about voice over IP, maybe that being an impact for you maybe in '05.

I'm just curious, you know, you're looking for lines - trends to improve late next year, how big a threat do you view that right now and how aggressive do you need to be today in response to that anticipation of it?

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Well, I think we need to be vigilant. I think we know we're going to lose lines to other technologies but we're also very aggressively looking at voiceover IP, utilizing it. What we're after, I'm sure it's no secret to you, is market share and attractive prices. Things that enhance our services to our customers.

But we have to be very vigilant about that. We have to be prepared to meet them in the marketplace. Are they going to take some share? You bet. Are we going to take some? Yeah, we're going to take some back from them too.

So we just have to be all over that and we are. Forest Miller (ph) is spending a great deal of time on that effort and so all I can say is we're on top of that. We know - as you know, there are a lot of regulatory questions, maybe even legislative questions around some of these technologies. But given the past track record, you can't rely on that so we have to be ready to go and we're trying to get ourselves in that position. It's - it's who gets the consumer or who gets the customer and that's what we're focused on with bundles, with prices, with all that kind of stuff. Yes.

#### Unidentified Participant

Two quick questions for Mr. Whitacre on the video product. There's been some discussion about your price point for the triple play being \$100 for voice video and data; does that seem reasonable? And then, second, in terms of prioritizing markets with the video product, is the idea to go after areas where you've suffered the most losses like in San Diego or is it really a blanket strategy across your entire footprint? You know, kind of inoculate yourself from the next round of competition.

# FINAL TRANSCRIPT

## SBC - SBC Communications Analyst Meeting

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

I think both of those make sense, but Ray wants to add to it. Ray.

**Rayford Wilkins** - Group President - Marketing and Sales - SBC Communications Inc.

Well, right now because I want to hit the marketplace pretty hard but let me assure you, we're going to be pretty aggressive when we roll out the SBC dish product. Yes, we will go into San Diego very hard but we'll go other places as well. It won't be just a total blanket strategy but it will be one really targeted towards picking up as much market share as we can in the shortest amount of time frame. We really plan to hit the market pretty hard with overall SBC dish.

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Yes.

### Unidentified Participant

Thanks. First a question for Ray. I was wondering if you could talk about the methodology that you used to calculate the improvement in churn on the different bundles? And can you talk about the potential risk to the analysis since the bundling is still so young for a lot of your customers that the denominator is growing really fast but the numerator, which is the disconnects, haven't had a chance to catch up.

And then secondly, for John on cost cutting, it sounds like you're pretty far out of the gate in starting this process and I'm wondering if you could talk about how much of the savings will flow through the P&L over the next couple of years before you get to the finish line which is the 1.3 billion?

**Rayford Wilkins** - Group President - Marketing and Sales - SBC Communications Inc.

OK. If you look at the in service life expectancy, we've been tracking that for a number of years. We know what our initial bundles are, we know what they are in long distance. We've had long distance in Southwest for three years and we've had DSL for over three years.

But while they are new, really churn has been analyzed and looked at with in service life for at least a three year period. So it's not quite as short as you might expect. What we do know is that as we add additional items to the bundle, that churn goes down and we can measure it very scientifically.

So we know exactly what the in service life is from one product to the next product and with multiple bundles.

**John Atterbury III** - Group President -- Operations - SBC

The average payback period on the majority of our projects is between two, two and a half years. And we started a lot of these projects in the latter part of 2002 and, for example, in 2003 we saved about as much of expense in 2003 as we spent on the projects. But we won't get the full benefit until 2006 for the most part. Two and a half years on these projects.

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

OK. Over here.

### Unidentified Participant

Hi. Number one, would you take a look at MCI at the right price once it comes out of bankruptcy? Had to ask that, sorry. Number two is, the guys outside are saying that you're going to offer a voiceover IP product out of region, won't that anger your Cingular joint venture partner in the Southeast?

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Well, for your first question about MCI, we're focused on growing our business. We think we have a good strategy and we are going to focus organically or what we told you about today. We're going to grow our company organically.

Secondly, I've forgotten what it was. Something about Cingular; what was it?

### Unidentified Participant

Apparently you're going to be offering a voice over IP product out of region; won't that anger perhaps Bell South and -

# FINAL TRANSCRIPT

## SBC - SBC Communications Analyst Meeting

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Well, absolutely it will. And just like if they come in it's going to anger us. Of course, the answer to that is, yes, but it's a non-issue since we have a good partnership and it's not happening. Impossible to speculate on things that don't happen. It's kind of a curt answer wasn't it but I don't know how to answer that any differently.

Yes, Bill.

### Unidentified Participant

I have a question for Stan that's somewhat similar. You've made a powerful case as to how you combine wireline and wireless in each of the territories for residential wireless customers; how do you see approaching the business customers and linking that with the various parent wireline?

**Stan Sigmun** - President and CEO - Cingular Wireless

First of all, thanks. I'm glad you asked me that question.

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Give him the microphone.

**Stan Sigmun** - President and CEO - Cingular Wireless

I'm glad you asked that question because I would hoping you'd ask a question; that's the first time I've ever seen you out of a bow-tie. As I tried to mention in the slide, the B-to-B channel or the B-to-B market, small business all the way up to the enterprise, there's a tremendous opportunity for Cingular because we don't have a presence there.

We're basically, by and large, and Ray showed it on his graph in the total revenue opportunity where Cingular is, we're a consumer market. And we haven't gotten traction in the business market because we've been guilty of trying to force business and enterprise into consumer distribution channels, consumer rate plans, consumer operational support systems. We get it. We're fixing that.

We're aligning ourselves with a relationship with Ray and his distribution channel has with those accounts and number

portability brings opportunity for us in that regard because the number is really important to those customers.

And to give up that number and come over to another carrier, we had to create the reasons. So, we've got to create the systems and the price points and the products and operations. And we've got to leverage off the relationship that Ray and his channel already had. Does that answer your question, Bill? No?

**Bill Daley** - President - SBC Communications

### Unidentified Participant

Bill, let me take a stab at that ...

### Unidentified Participant

Get the microphone.

### Unidentified Participant

One of the things that we're looking at right now as we approach the large business segment is to really take the lead in terms of bringing Cingular in more than we have in the past.

There are a couple of key things that are going on in the business marketplace right now I talked about a little bit earlier, convergence. As you put all of those features on a converged network and as the demonstration shows out there — you can do things like follow-me type services that allows a single number for that particular individual in that enterprise to go anywhere they are and they can actually be followed based on the voice-over IP technology.

The next thing that we'll do is we'll have what we call the single mark. A single, minimum annual revenue commitment that will also include Cingular spin as part of that overall discount that that enterprise could have by doing business with SPC versus some other company. So, there are several different ways we can link it up.

### Unidentified Participant

We're going to try to be very close with Cingular and our sales force, Bill, in the business enterprise arena.



## FINAL TRANSCRIPT

### SBC - SBC Communications Analyst Meeting

**Mike Coffee** - Managing Director of Investor Relations - SBC Communications Inc.

Mr. Whitacre?

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Yes?

**Mike Coffee** - Managing Director of Investor Relations - SBC Communications Inc.

Mr. Whitacre, we have a question in the balcony.

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

OK.

#### Unidentified Participant

Thank you. I wanted to ask you a question about fiber to the home. I wanted to get your thoughts on whether you're a proponent of an overlay versus a new build? Whether you plan to roll out fiber to the homes -- to either the home or to the neighborhood?

And then, what would be the applications you have in mind to justify the cost of building out the fiber?

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Well, that's a multi-part question and I'll try and then people can chime in. We don't see the economics of putting fiber all the way to the home at this point in time. But we clearly are extending fiber in our network.

We don't want to tear up everybody's driveway, street, alley and there are still some regulatory uncertainties. For example, as you know, broadband in a green field situation is supposed to be unregulated.

But there is a question -- Jim, correct me if I'm wrong -- under the 271 portion whether we have to provide a path to the house or not. So, even under 251 it's not required. It's a question of

under 271, we may still have to provide those who want a provide a competitor to the house.

So, we don't know the answer to that question. That being uncertain, that certainly would deter you from making any further investment. The services -- so, we're putting fiber further out, much further out. The justification of that, of course, is higher speed DSL type services, broadband, video -- be it switched or broadcast -- all those types of services would be the justification for that.

#### Unidentified Participant

In a flat capital spending environment, could you let us know what your priorities are going to be for outside plant versus Legacy systems versus next generation IP systems?

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Well, Mr. Stanky over there who runs IP is going to get a big chunk of it as we consolidate centers and try to have common suites of systems to give our customers better service. In our core business we're going to maintain essentially what we have. And those needs are about like they've been in the past, right?

#### Unidentified Participant

About that, yes.

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Not significantly different than maintaining our core network. And the remainder is scattered over voice over IP projects, those sorts of things.

Yes?

#### Unidentified Participant

A question for Stan and perhaps Randall. To what extent or what chance is there that LNP would be disruptive enough so that you can actually see some of the consolidation that we've all been talking about for the last four or five years? Thanks.

# FINAL TRANSCRIPT

## SBC - SBC Communications Analyst Meeting

**Stan Sigmun** - *President and CEO - Cingular Wireless*

Well, I cannot gauge (ph) it. LNP is not going to be good for the industry. It's not going to be good for any carrier in the industry short term. As all of you all know, there's not a carrier in the industry that's earning its cost to capital. Cingular is best in class in that.

And so, this is going to be taking cash and giving it to the consumers. It's a good thing for the consumers, but it's not good for the industry and it just makes a weak industry weaker. There's no doubt about it.

**Unidentified Participant**

This question is ...

**Edward Whitacre** - *Chairman and CEO - SBC Communications Inc.*

He's had his hand up a long time.

**Unidentified Participant**

And it's an easy question.

**Edward Whitacre** - *Chairman and CEO - SBC Communications Inc.*

Oh, good.

**Unidentified Participant**

For John — because it's a math question. John, I was looking at the 1.3 billion you had built up in savings for 2003 or by 2006. And I was kind of flipping back at what the components were and I had — I just want to make sure I've got this right.

I've got 550 million of that coming from productivity. Mainly from service tax and central offices and so forth. And then there was another 417 in non-wage it looked like. When I added up all those little pieces you had in your chart.

And then that leaves like about 333 million or so of something else. Could you let me know if I've got that right first, one? And then two, is there another 333 of something that I need to know?

**John Atterbury III** - *Group President -- Operations - SBC*

Well, you're not exactly right, OK? First of all, the 1.3 was both expense and capital. Clearly, the majority is expense. The 550 is in the 1.3, but I didn't talk about all the other things.

I mean, the call center consolidation can fit into part of that 550 as well, OK? Because some of those metrics measure call centers. Those best in class metrics. So, I didn't talk about the, you know, like five or six cases out of maybe 100. But when you add up all that 100, that's what the 1.3 billion is. But the 550 is in the 1.3.

The 417? That's short term. No. No, no, no.

**Unidentified Participant**

**John Atterbury III** - *Group President -- Operations - SBC*

Yes, yes, yes. I'm sorry.

**Unidentified Participant**

OK. Yes, sir? He didn't want you to have the Mic. There.

**Unidentified Participant**

This is a question for Stan. Stan, if I remember correctly from your Monday presentation, you said that churn among your GSM customers is higher than the T D M A (ph). And I'm just kind of curious if that is — it's not true? Oh, OK.

**Stan Sigmun** - *President and CEO - Cingular Wireless*

I don't recall saying that and if I said that, that would be — I don't know where I would have said that from. I don't recall saying that.

Churn from our GSM customers is higher than our T D M A (ph) customers? I don't think that's true. Yes?

**Unidentified Participant**

OK.



# FINAL TRANSCRIPT

## SBC - SBC Communications Analyst Meeting

### Unidentified Participant

This question is for Mr. Sigmun. I was wondering if you could tell me, what is the average length of time remaining on your wireless customer's contracts? If you can't be specific, could you at least say whether it's more or less than a year?

### Stan Sigmun - President and CEO - Cingular Wireless

It's more than a year. As I mentioned it in my presentation, we have 70% of our subscribers under contract. Most of them are on a two year contract. I can't be more specific than that right now.

### Unidentified Participant

Yes?

### Unidentified Participant

Yes, this question is for Ray. I'm trying to get a handle on the consumer market. You know, you talked about your own churn there. Do you have any intelligence on what your competitor churn is? Particularly AT&T and MCI?

And I guess, secondarily, can you talk about gross losses or gross losses going down in addition to net losses? Thanks.

### Rayford Wilkins - Group President - Marketing and Sales - SBC Communications Inc.

Sure. If you look, first of all, at our competitors churn I don't have their actual statistics. I'm trying to drive it up higher than it is right now. And I can tell you that our win back rates have increased substantially, particularly in the Southwest and West.

Let's take the West, for example. In the first quarter our win back rates there were 38%. We're now hitting at 66% win back rates. That means they've got to be going up substantially. Southwest went from about 66% in the first quarter to 86% in the third quarter.

So, I don't know what their churn rates are, but whatever they are, they're going up. And my job is to make them go up faster.

### Unidentified Participant

That's a good answer. That's a good answer!

### Rayford Wilkins - Group President - Marketing and Sales - SBC Communications Inc.

Now, what was the second -- you had another question?

### Unidentified Participant

### Rayford Wilkins - Group President - Marketing and Sales - SBC Communications Inc.

Oh, gross competitive losses are going down. We do measure that and that's one of the ways we look at our win backs. I don't have the percentages. We only release the net, because that's usually what everybody looks at. But I can tell you, they have dropped substantially.

As we enter into long distance in every one of the space, you can see a precipitous drop immediately in those particular losses. Now, that doesn't mean we still don't have losses, but that's one of the ways we really drive up the win back rates. In other words, we're more effective on the win back and we're losing fewer lines.

### Unidentified Participant

Thank you. You mentioned that you expect margin stability by the end of next year. And what I'm curious about is, since there's been compression of, you know, 4% or 5% over those past few quarters, once you get to the end of next year, what lines of your business, then, do you expect might be able to add incremental margins to bring you back up into the upper 30's? Or are we just relegated to seeing mid-30's, low 30's EBITDA margins?

And then second question, with wire line or 100% wire line porting now coming into play, can you give us an idea of how to look at the expense or incremental cost of that and whether that's imbedded in your 2004 expenses as of yet?

# FINAL TRANSCRIPT

## SBC - SBC Communications Analyst Meeting

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Randall, do you want to try?

**Randall Stephenson** - CFO - SBC Communications

In terms of the margins, I mean, you've seen the margins gradually work their way down. The objective is to stabilize access line losses. And you saw Ray's chart about what the opportunity is in the Midwest. The one thing that would cause margins to expand would be if you actually started taking lines back. We'll see.

I mean, we'll have to see if we can actually expand, you know, or increase penetration on access lines and cause margins to expand. The new services we're going into -- very specifically the high end business and medium end business -- those are just inherently lower margin business than we've traditionally been in.

The difference is, they're very low capital intensity businesses. So, the lower margins are, you know, actually, I'm good with that. They require less capital, slightly lower margins. That will probably keep margins, you know, at a stable range. Not necessarily expanding as we get into next year, but stabilizing. And it's just lower capital intensity business.

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

I might add to that. We've been hit harder than the other companies on these U n i - P (ph) rates. And we thoroughly believe there's some upward opportunity on those u n i - r a t e s (ph) in the next few months because we've had lower rates than any other company. So, we've probably lost more due to that, but we have more opportunity coming back to gain those, right? And have some expansion -- multiple expansion -- margin expansion.

**Unidentified Participant**

In terms of the wireless LNP impact, I think, Stan, you're spending pretty hot right now trying to basically prepare for wireless number portability. You're not going to see those costs probably come down in Q4, but I'd say they're probably embedded in there for the next couple quarters.

**Unidentified Participant**

**Stan Sigmun** - President and CEO - Cingular Wireless

Wire line portability?

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Wire line to ..

**Stan Sigmun** - President and CEO - Cingular Wireless

There are no significant incremental costs associated with wire line number portability. I mean, we've been porting numbers on the wire line side for a few years. And it's no inherently different to do it wireless than it is wire line.

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Right.

**Stan Sigmun** - President and CEO - Cingular Wireless

Is that your question?

**Unidentified Participant**

Yes.

**Mike Coffee** - Managing Director of Investor Relations - SBC Communications Inc.

Mr. Whitacre, we have time for one more question.

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

OK.

**Unidentified Participant**

I didn't want to steal the last one with a second question, but I guess. Randall, if your revenue trends and margin trends -- it

# FINAL TRANSCRIPT

## SBC - SBC Communications Analyst Meeting

sounds like not just for 2004, but for long term — is so dependent on access lines, your showing 4% line declines over the past several quarters as has the rest of the industry.

Where do you expect that to trend long term? Can you get that back and flatten it out over time?

---

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

You saw a chart on that earlier, didn't you? How it's trending back to zero? I know you were watching that! Boy, I sure was. Go ahead, Randall.

---

**Randall Stephenson** - CFO - SBC Communications

To me I would not — I would argue the main driver of revenues going forward is not necessarily access line. It's a big driver, but the main driver over the next couple of years are going to be these business initiatives that you heard Ray talk about today. Those are big revenue opportunities. And those will be the areas that have the biggest lift on revenue — as well as DSL.

So, you know, access lines. Will they continue to trend down at 4%? I don't think so. A lot of that is economic driven right now and if you get into a vibrant economy, housing starts, et cetera, I do expect access line trends to stabilize to something better than down 4%.

---

**Unidentified Participant**

OK.

---

**Edward Whitacre** - Chairman and CEO - SBC Communications Inc.

Thank you for coming. We appreciate it. We'll stick around here a little bit if you have more questions. Thanks again.

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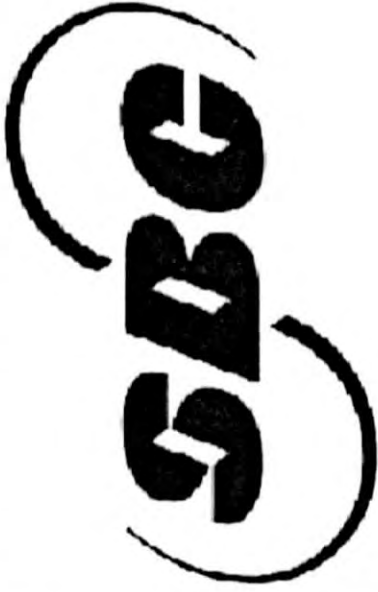
BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO

In the matter of the Review of SBC Ohio's TELRIC Costs for Unbundled Network Elements	) ) ) )	Case No. 02-1280-TP-UNC
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TESTIMONY OF  
MICHAEL STARKEY

**EXHIBIT \_\_\_\_ (MS-14)**

**SBC's Productivity Initiatives**



## Analyst Conference

**OPPORTUNITY LEADERSHIP EXECUTION**

# Service and Operations Initiatives

John Atterbury  
*Group President-Operations*

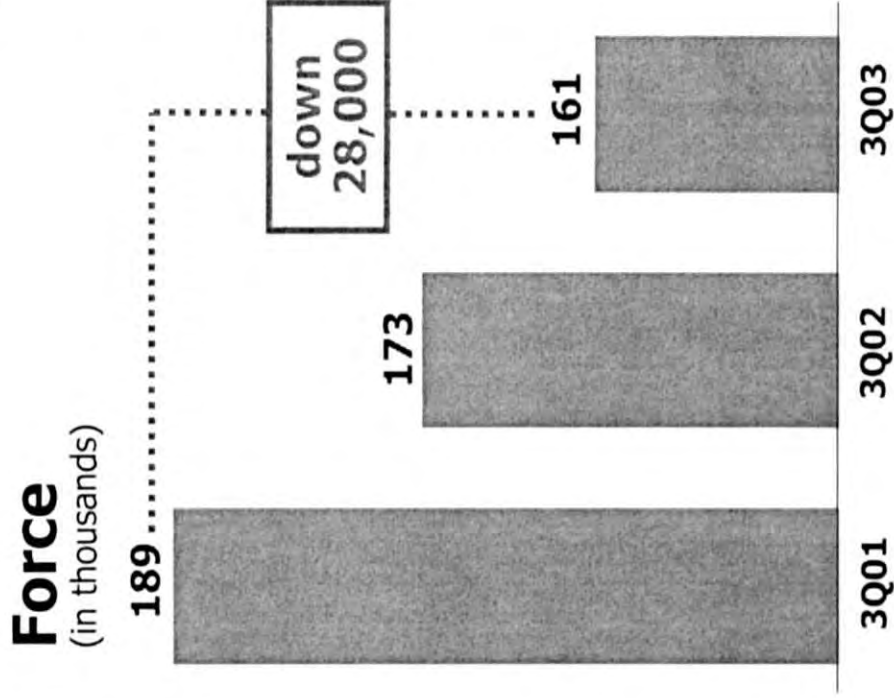
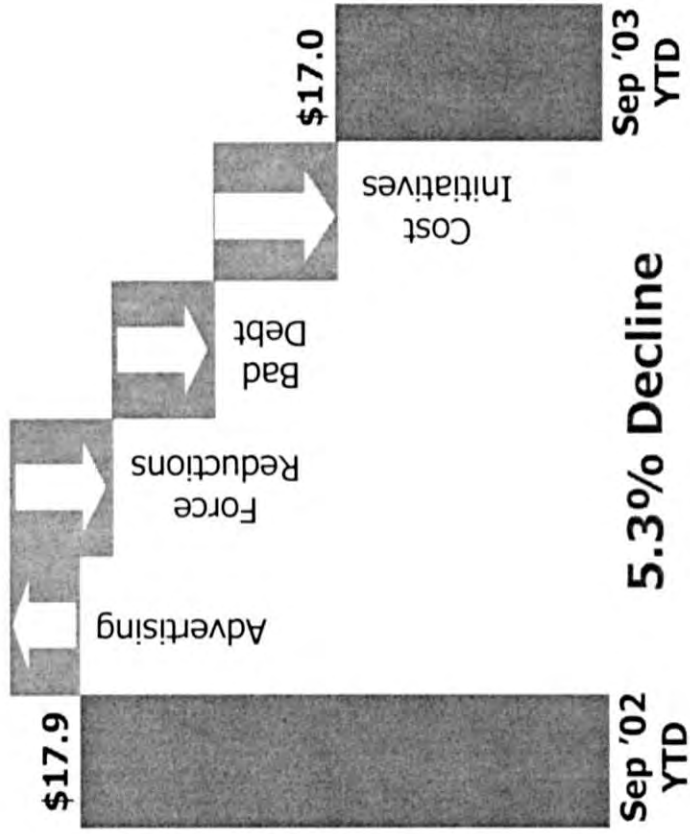


# A fundamental transformation of SBC operations



# Wireline Trends

## Operations and Support Expense <sup>(1)</sup>

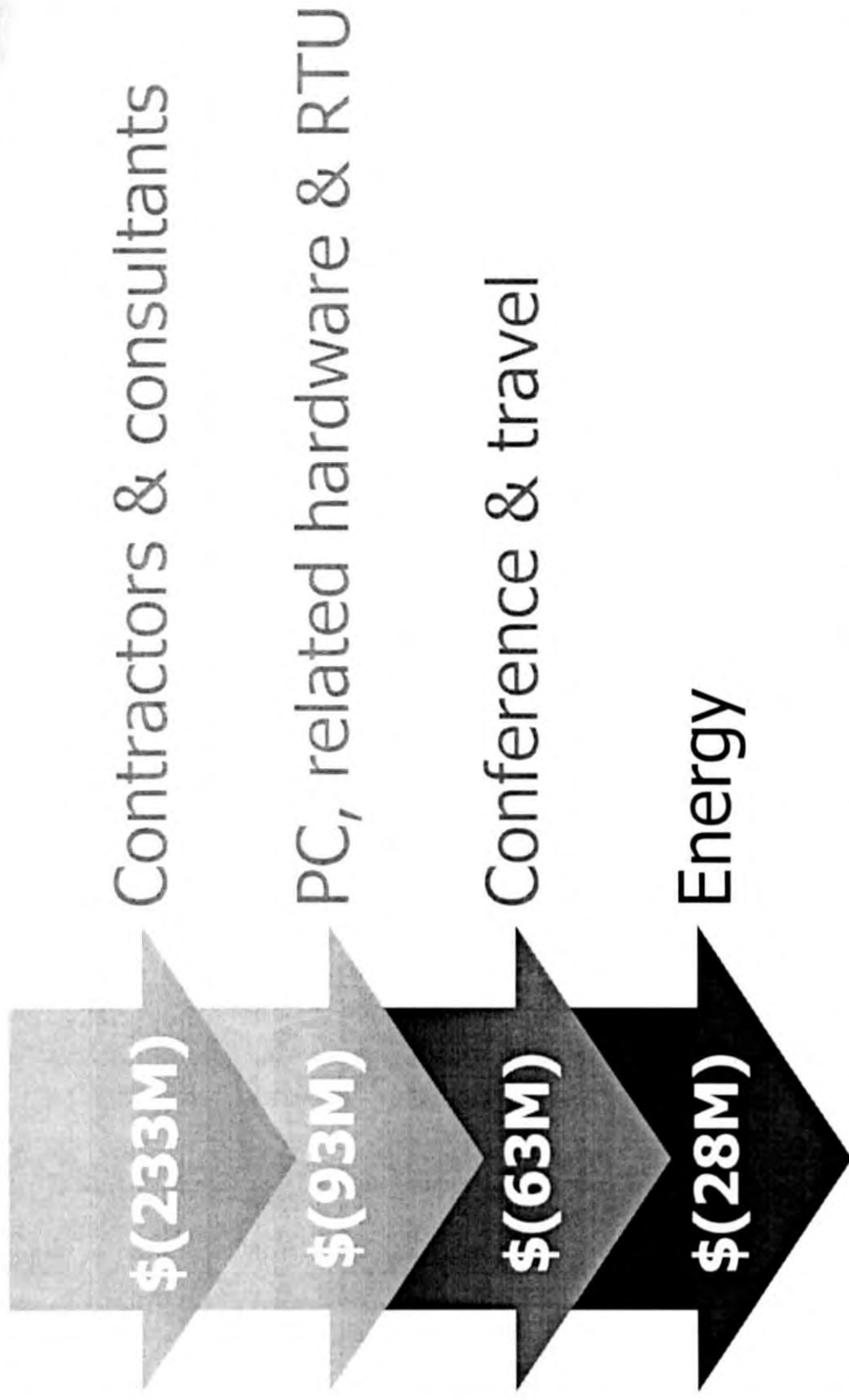


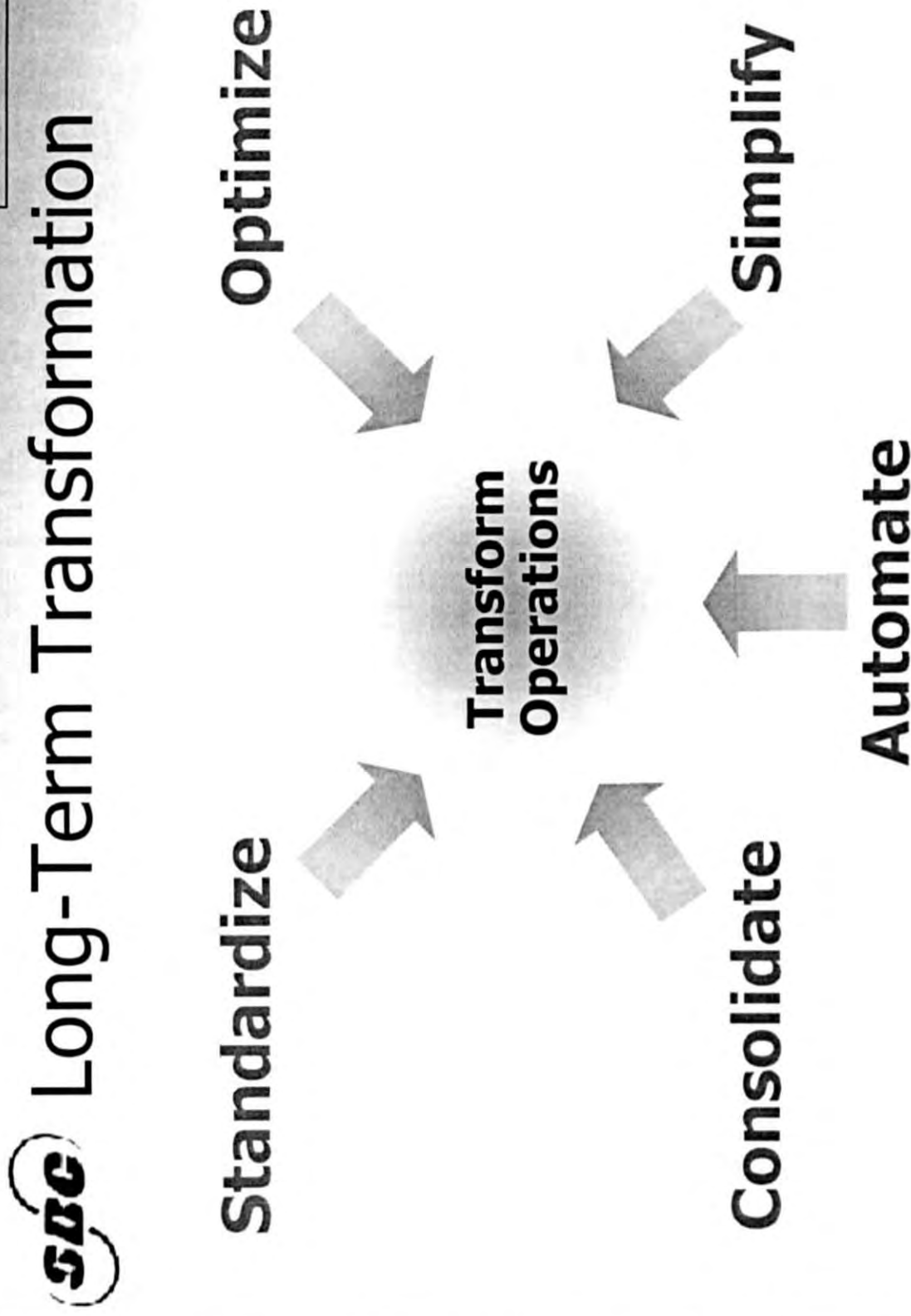
<sup>(1)</sup> Operations and support expense is total operating expense less depreciation and amortization. Excludes FAS 87 and FAS 106 costs net of 10% capitalization and excludes FAS 143 accounting change impacts.





## Non-Wage Short-Term Initiatives







# Call Center Transformation Project

- **200** separate centers located across SBC regions
- Handling **200M** calls annually
- **Differing** processes and technologies, significant **duplication**

---

## Objectives

- Enhance customer service, generate **sales opportunities**
- Reduce cost, increase **productivity**

# Call Center Transformation

Move to  
State-of-the-Art  
Systems  
Companywide

Standardize  
Technologies/  
Processes

Improve  
Service  
Options

Consolidate

Shorten  
call lengths

Reduce  
transfers

Improve  
sales rate

Reduce  
training time

Reduce  
maintenance  
and support  
costs

Automate  
outbound calling

Customer self-  
service options  
via the Web and  
enhanced IVR

Reduce number  
of centers by  
nearly a third



# Network Center Transformation

- **600** centers located across SBC regions

**Opportunity** • Range in size from **10 to hundreds** of people

- **Lack of uniformity** region to region

- **Standardize** to drive efficiencies, strengthen service

## Objectives

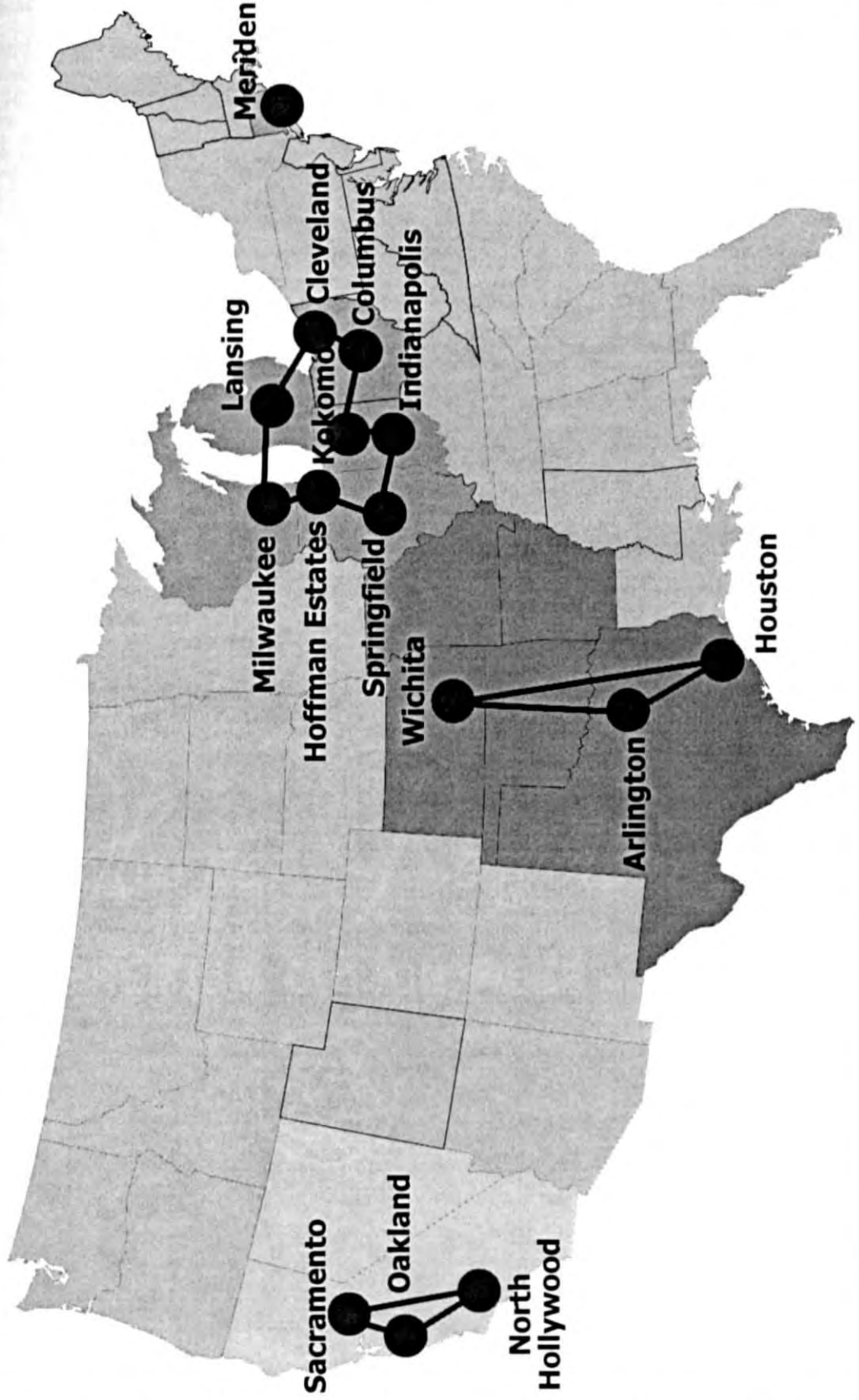
- Eliminate **overlaps**

- Opportunity to substantially **reduce centers**





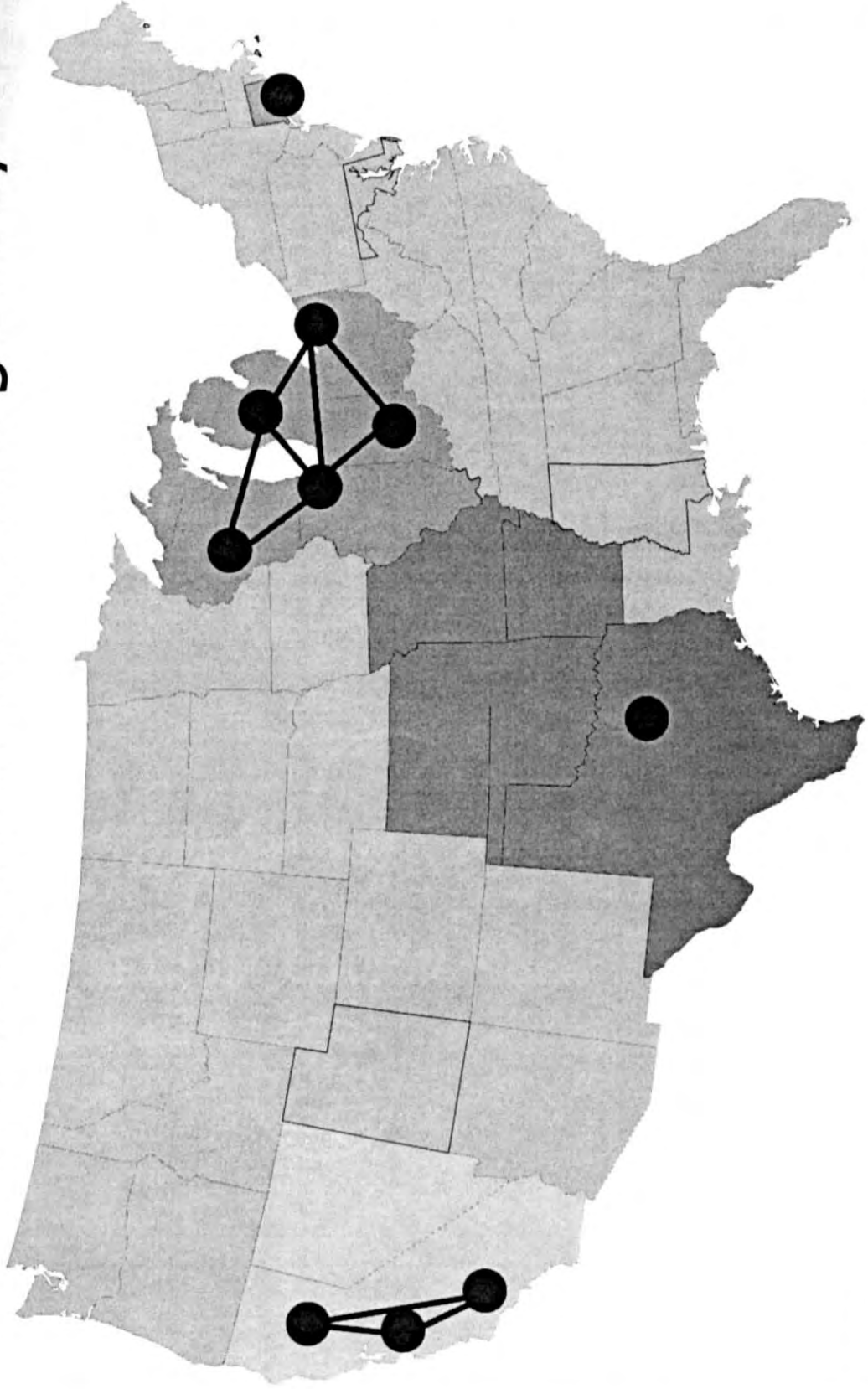
# Regional Service Bureaus





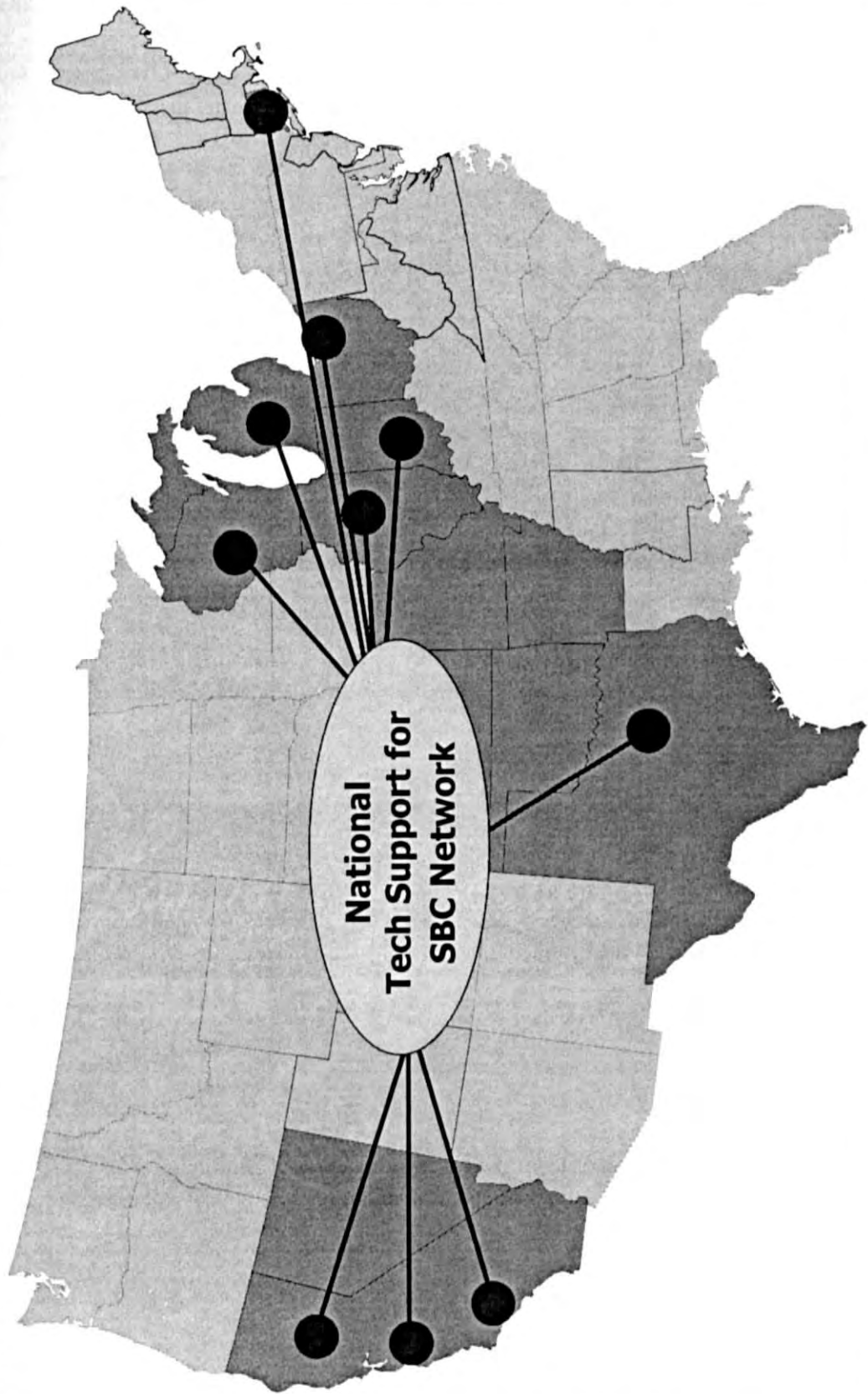


# Technical Support for SBC Network Is Handled Regionally





# Goal: Nationwide Tech Support





# Outside Plant Records Conversion

- **Thousands** of pole maps, cable records, cable and pair information, distribution area maps and conduit records – still mostly on **paper**

## Opportunity

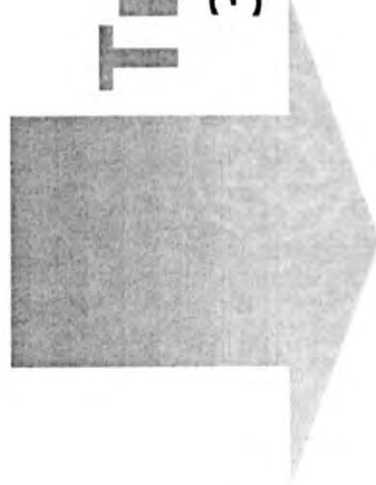
- Move from **paper to PC**

## Objectives

- **Reduce** job times
- **Reduce** service intervals
- Improve **accuracy**



# Efficient Technician Routing



## Travel Time


30M miles saved annually



## Productivity


750,000 hours saved annually

**SBC** Central Office Manager Dashboard




### 5 State Callout Program

- User Guide




### Webnotify

- Send a Web Notify Alpha Page
- Send a Shuttle Alpha Page




### Collocation Incident Reporting

- Make a Report




### Payment.net

- Payment.net Help




### Craft Access Remote Testing

- User Guide
- Tier 1 Support




### C.O. List

- Contact List for Updates




### Employee Referral Service

- Online Referral Form
- Co-Ops ERS
- Results by Cost Center




### NP&E Central Office Contacts

- User Guide




### LFO-In Viewer

- WFA/DI Job Aids
- WFA/C Job Aids



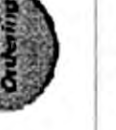
### Network Access Line Lookup

- NAL Lookup



### Network Optical Warehouse

- User Guide



### Supply Ordering

- APROMS
- eCommerce
- Project SAVE





# Southwest Central Office Operations

## WFA Provisioning Pending for LFO Organization

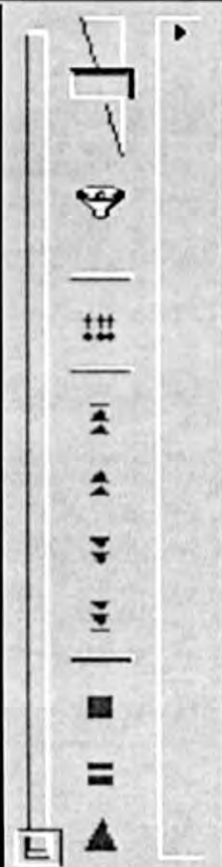
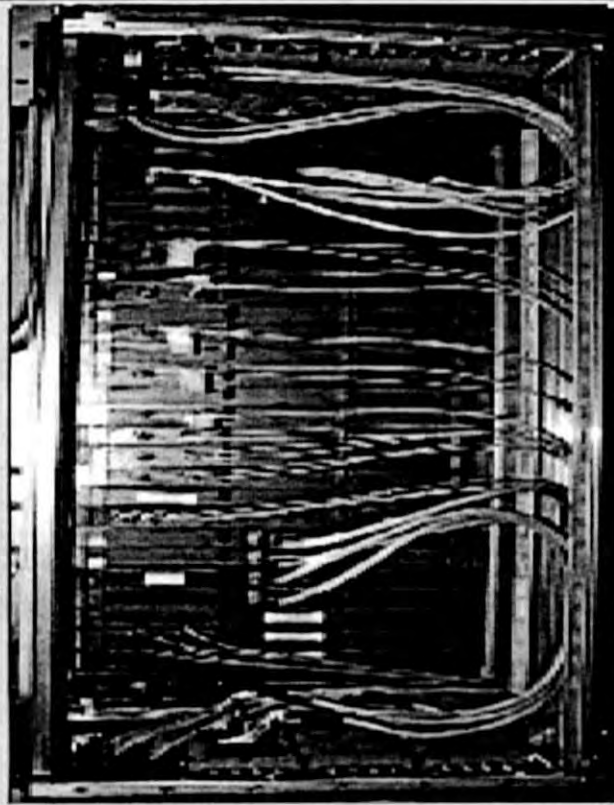
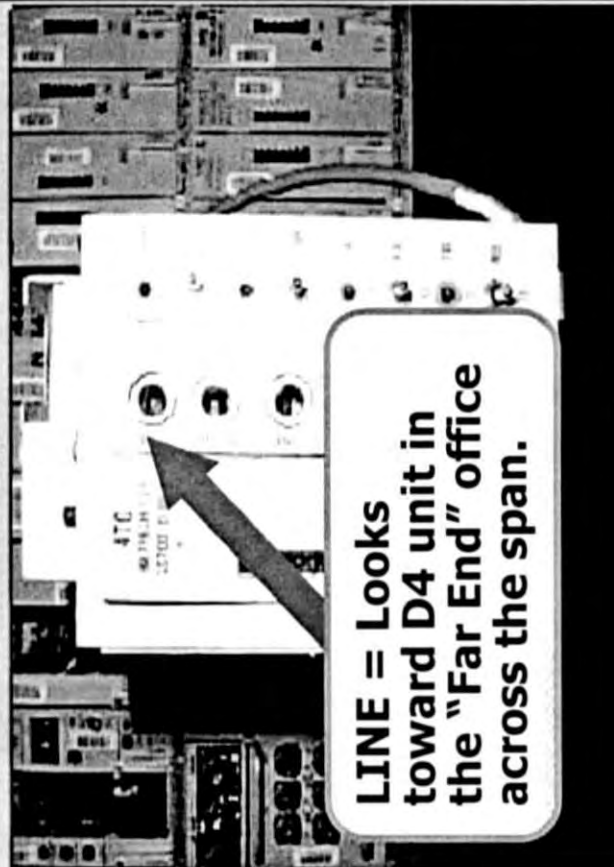
### Grid Overview

Circuit Type	Due Today	Due Tomorrow	Due Today +2	Due Today +3	Due Today +4	Due Today >4
CXR	480	480	589	652	720	5,384
HICAP	486	492	591	402	239	3,798
SONET	—	—	—	—	—	1
MSG	—	12	26	—	—	443
SPCL	292	831	296	382	98	1,166
FILE STEPS	134	114	83	49	8	291

# Laptop Training Aids



LINE = Looks  
toward D4 unit in  
the "Far End" office  
across the span.







# Productivity Improvements Drive Excellence

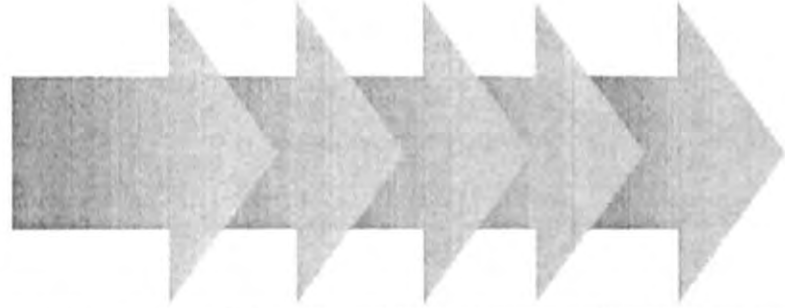
<b>POTS</b>	<b>Good Jobs in 8; Expense per 100 Lines</b>
<b>Central Office</b>	<b>Expense per Unit; Units per Person</b>
<b>Special Services</b>	<b>Total Expense per 100 Circuits</b>
<b>Construction and Engineering</b>	<b>Total Productive Hour Performance</b>

**\$550M**

**Best-in-Class Annual Opportunity**



# Productivity Opportunity



**Builds to ...**

**\$1.3B**

annual cost reduction

**... by 2006**

BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO

In the matter of the Review of SBC Ohio's	)	
TELRIC Costs for Unbundled Network	)	Case No. 02-1280-TP-UNC
Elements	)	
	)	

TESTIMONY OF  
MICHAEL STARKEY

EXHIBIT \_\_\_\_ (MS-15)

**Excerpt From FCC's *Trends in Telephone Service – August 2003* on Productivity**

# *Trends in Telephone Service*

*Industry Analysis and Technology Division  
Wireline Competition Bureau*

*August 2003*

This report is available for reference in the FCC's Information Center at 445 12th Street, S.W., Courtyard Level. Copies may be purchased by calling Qualex International, Portals II, 445 12th Street S.W., Room CY-B402, Washington DC 20554 at (202) 863-2893, facimile (202) 863-2898, or via e-mail [qualexint@aol.com](mailto:qualexint@aol.com). The report can also be downloaded from the **FCC-State Link** Internet site at [www.fcc.gov/wcb/stats](http://www.fcc.gov/wcb/stats).

## 5 Employment and Labor Productivity

The Bureau of Labor Statistics (BLS) publishes monthly data regarding the total number of employed workers in the communications industry. Specifically, BLS compiles employment statistics for the entire telephone communications industry using the Standard Industrial Classification (SIC) 481 and for a subset of this industry, telephone communications minus radiotelephone (SIC 4813). The difference between these two figures yields the number of employees in the radiotelephone industry (SIC 4812).

SIC 4813 includes establishments primarily engaged in furnishing telephone voice and data communications, except radiotelephone and telephone answering services. SIC 4812 includes establishments primarily engaged in providing two-way radiotelephone communication services, such as cellular telephone service. It also includes telephone paging and beeper services. Neither of these categories includes employees from establishments primarily engaged in furnishing telephone answering services, manufacturing equipment, or engineering and research services.

Table 5.1 and the associated graph show the annual average employment figures in the telephone communications industry separately for SIC 4812 and SIC 4813 from 1951 to 2003. Since 1990, employment in the telephone communications industry has grown modestly. Most of the growth in employment over this period is the result of substantial increases in the radiotelephone industry, which grew from 38,000 in 1990 to 206,000 in 2003.

BLS also calculates an annual telecommunications industry labor productivity index. The BLS index of labor productivity relates output to the employee hours expended in producing that output. This index, presented in Table 5.2, is available for the period 1951 to 2000. During this time period output per hour rose an average 6.0% per year. Data for the period 1987 to 2000 are particularly helpful for providing context for productivity growth in the telecommunications industry (SIC 481). Comparable data are available for 184 industries at the 3-digit level for these years. At 5.5%, the rate of growth in output per hour in the telecommunications industry exceeded that of 89% of the industries listed. This higher than average annual growth rate may be the result of telephone companies utilizing more efficient, advanced technology and increases in human capital. Table 5.2 and the associated graph illustrate the rising trend in telecommunications labor productivity since 1951.

Table 5.3 presents estimates of the number of telecommunications service providers that are small businesses as defined by the Small Business Administration's Office of Size Standards (i.e., 1,500 or fewer employees, including all affiliates).

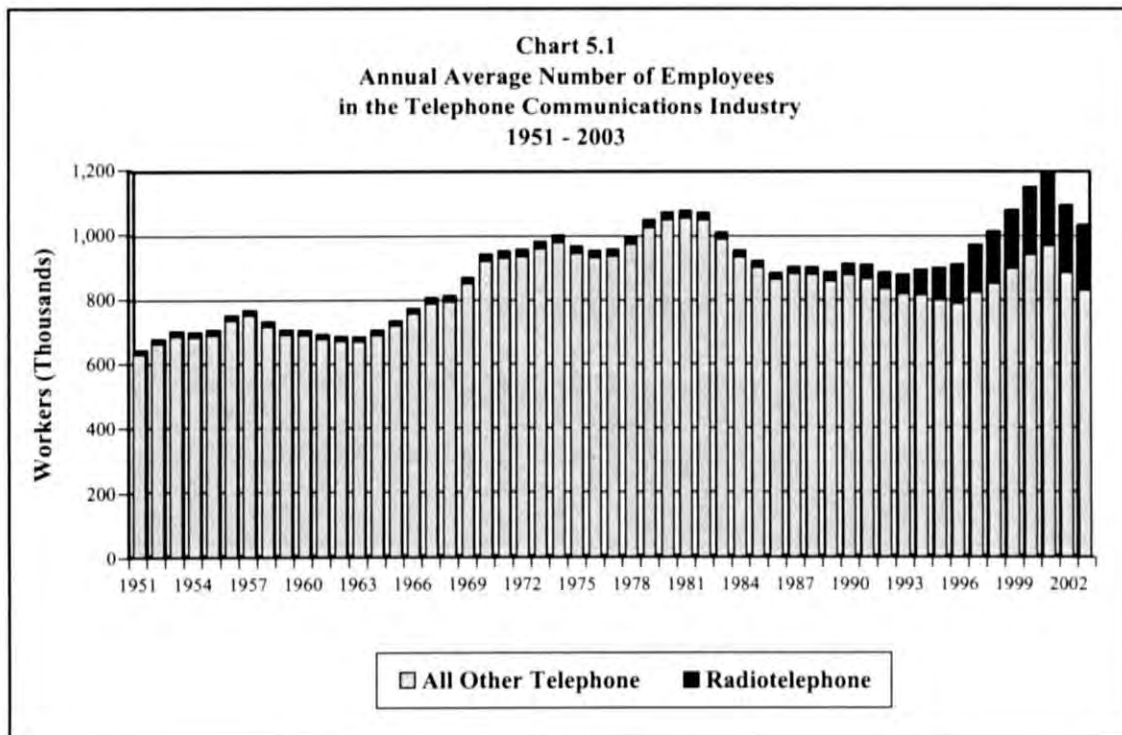
**Table 5.1**  
**Annual Average Number of Employees**  
**In the Telephone Communications Industry**  
**(In Thousands)**

Year	Radiotelephone	All Other Telephone	Year	Radiotelephone	All Other Telephone	Year	Radiotelephone	All Other Telephone
1951	15.2	628.8	1969	20.5	849.5	1987	21.1	880.8
1952	16.0	662.4	1970	22.2	919.9	1988	23.2	877.9
1953	16.6	685.6	1971	22.4	929.2	1989 <sup>1</sup>	29.9	856.0
1954	16.5	682.3	1972	22.5	933.6	1990	38.2	874.8
1955	16.6	690.1	1973	23.2	958.0	1991	45.6	863.6
1956	17.7	733.5	1974	23.6	977.2	1992	53.1	832.1
1957	18.1	750.1	1975	22.8	943.8	1993	63.1	815.9
1958	17.2	714.9	1976	22.5	930.7	1994	81.0	812.4
1959	16.7	690.4	1977	22.6	934.7	1995	102.5	797.2
1960	16.6	689.4	1978	23.4	971.4	1996	124.9	786.1
1961	16.3	677.0	1979	24.8	1,023.4	1997	150.7	820.3
1962	16.2	671.3	1980	25.3	1,046.9	1998	164.3	848.5
1963	16.2	669.3	1981	25.3	1,052.0	1999	182.7	896.0
1964	16.6	689.5	1982	25.3	1,046.5	2000	212.1	938.1
1965	17.3	717.9	1983 <sup>1</sup>	23.8	986.5	2001	228.0	966.0
1966	18.3	755.1	1984	22.4	931.0	2002	210.8	882.9
1967	19.0	787.5	1985	21.6	899.1	2003 <sup>p</sup>	205.7	826.3
1968	19.2	793.2	1986 <sup>1</sup>	20.7	862.7			

p - preliminary data for March 2003.

<sup>1</sup> Due to Bell operating company employee strikes in 1983, 1986, and 1989, which lasted one month each, the reported annual average number of workers for those particular years is an average of the eleven months in which workers did not strike.

Source: Bureau of Labor Statistics.

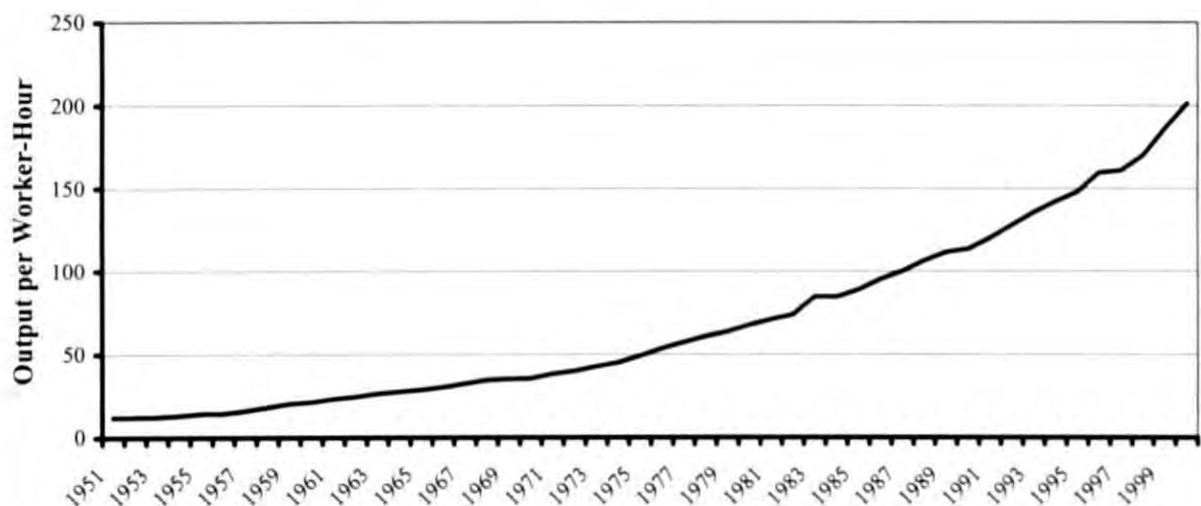


**Table 5.2**  
**Labor Productivity Index for the Telephone Communications**  
**Industry Measured in Output per Hour (OPH)**  
**(Base Year 1987=100)**

Year	OPH Index	Year	OPH Index	Year	OPH Index
1951	12.0	1968	34.7	1985	88.9
1952	12.4	1969	35.3	1986	95.0
1953	12.6	1970	35.6	1987	100.0
1954	13.2	1971	38.3	1988	106.2
1955	14.3	1972	40.1	1989	111.6
1956	14.6	1973	42.7	1990	113.3
1957	16.1	1974	45.0	1991	119.8
1958	18.2	1975	49.3	1992	127.7
1959	20.3	1976	53.6	1993	135.5
1960	21.4	1977	57.3	1994	142.2
1961	23.3	1978	60.6	1995	148.1
1962	24.8	1979	63.5	1996	159.5
1963	26.6	1980	67.6	1997	160.9
1964	27.8	1981	71.1	1998	170.1
1965	28.9	1982	73.8	1999	186.3
1966	30.3	1983	84.6	2000	201.3
1967	32.6	1984	84.5		

Source: Bureau of Labor Statistics.

**Chart 5.2**  
**Telephone Communications Industry**  
**(SIC 481) Labor Productivity Index**





BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO

In the matter of the Review of SBC Ohio's	)	
TELRIC Costs for Unbundled Network	)	Case No. 02-1280-TP-UNC
Elements	)	
	)	

TESTIMONY OF  
MICHAEL STARKEY

**EXHIBIT \_\_\_\_ (MS-16)**

**SBC's Fill Study Adjusted for  
Inefficiencies**

**This Exhibit is Considered Confidential Pursuant to the Protective  
Order in Case No. 02-1280-TP-UNC – Filed Under Seal It is Available  
Only in the Confidential Version of this Filing**

SBC Proposal		Fills Adjusted for Inefficiencies
		CLECs' Proposal Option 3
Zone B		
Current Fill		
Copper Feeder	0.4874	0.6222
DLC Chassis	0.3110	0.5026
DLC Plug-in	0.4639	0.6823
Distribution	0.3185	0.4912
Zone C		
Current Fill		
Copper Feeder	0.6051	0.7725
DLC Chassis	0.3843	0.6209
DLC Plug-in	0.4773	0.7020
Distribution	0.3863	0.5958
Zone D		
Current Fill		
Copper Feeder	0.6328	0.8079
DLC Chassis	0.4356	0.7039
DLC Plug-in	0.5518	0.8116
Distribution	0.4085	0.6300
Statewide		
Current Fill		
Copper Feeder	0.5940	0.7584
DLC Chassis	0.4022	0.6498
DLC Plug-in	0.5121	0.7533
Distribution	0.3893	0.6004

SBC Proposal		Statewide Fills Adjusted for Inefficiencies	Efficiency Adjustment as a Multiplier	Zone Fills Adjusted for Inefficiencies
			Ratio: State Adj Fills / SBC fills	
			To be applied to zone fills	
<b>Zone B</b>				
	<b>Current Fill</b>			
Copper Feeder	0.4874			0.6222
DLC Chassis	0.3110			0.5026
DLC Plug-in	0.4639			0.6823
Distribution	0.3185			0.4912
<b>Zone C</b>				
	<b>Current Fill</b>			
Copper Feeder	0.6051			0.7725
DLC Chassis	0.3843			0.6209
DLC Plug-in	0.4773			0.7020
Distribution	0.3863			0.5958
<b>Zone D</b>				
	<b>Current Fill</b>			
Copper Feeder	0.6328			0.8079
DLC Chassis	0.4356			0.7039
DLC Plug-in	0.5518			0.8116
Distribution	0.4085			0.6300
<b>Statewide</b>				
	<b>Current Fill</b>			
Copper Feeder	0.5940	0.7584	1.2767	
DLC Chassis	0.4022	0.6498	1.6159	
DLC Plug-in	0.5121	0.7533	1.4708	
Distribution	0.3893	0.6004	1.5424	



RAW DATA (from SBC's file study OnCurrentFileData2004 /Jan04).xls														
Zone	WC	CLL1	F1 Copper		F1 Copper		F1 Copper		F1 Derived		F1 Derived		F1 Derived	
			Available	Working	Def	Uncommitted	Available	Working	Def	Uncommitted	Available	Working	Def	Uncommitted
Zone COUNT														
B	12		1,112,636	481,793	124,071	228,887	8%	58,628	37,173	1,137,389	262,178	314,238		
C	48		2,383,437	1,298,808	295,540	1,202,083	44%	343,303	398,286	5,283,463	1,340,304	1,813,586		
D	100		2,387,153	1,336,153	284,894	1,471,786	46%	438,254	472,886	6,273,483	1,483,213	2,686,391		
STATE														
	290		5,883,223	3,116,815	688,514	2,893,358	1,636,686	838,185	908,128	12,884,345	1,987,695	4,814,164		
D Reich001			18,325	10,978	2,388	8,790	5,418	3,782	2,713	98,375	12,441	2,586	25,586	
D Reich004			2,000	788	37	1,232	622	588	16	4,402	144	2,838	415	
D Reich006			43,788	26,417	4,719	17,621	10,177	4,421	1	108,227	305	152	38,296	
D Reich042			28,364	15,142	3,141	22,296	9,827	4,473	387	80,748	34,680	4,444	22,850	
D Reich047			22,812	14,868	1,906	8,206	4,281	2,898	192	51,482	18,264	4,290	16,518	
D Reich043			15,125	8,828	1,447	5,178	2,704	1,768	16	32,750	8,424	1,851	11,262	
D Reich048			15,164	8,918	883	18,844	8,816	8,068	638	39,425	15,253	2,189	23,760	
D Reich065			1,200	528	44	710				800	198	15	475	
D Reich044			12,966	6,119	363	8,183	4,806	3,345	80	22,225	7,645	770	9,329	
D Reich069			10,438	5,108	886	5,865	5,873	3,181	236	35,800	6,419	1,213	16,319	
D Reich025			2,450	1,341	143	478	287	148	13	4,100	889	58	2,335	
D Reich067			30,544	14,866	2,466	5,211	26,815	14,151	1,191	117,147	27,198	4,280	84,531	
D Reich093			858	417	40	716	716	407	8	3,000	531	41	1,628	
D Reich002			10,270	6,817	875	970	872	510	16	16,075	5,089	866	4,660	
D Reich039			11,400	7,028	960	786	5,340	2,178	94	2,833	33,325	7,987	865	
D Reich011			32,438	17,966	3,791	21,110	12,426	5,720	1,223	15,438	27,021	7,762	30,022	
D Reich067			26,668	14,960	2,169	3,006	68,796	45,914	23,206	18,883	175,111	38,666	3,939	
D Reich087			4,720	2,731	806	337	5,462	2,712	1,486	177	2,632	3,440	877	
D Reich002			10,258	6,819	880	590	1,306	230	75	3,948	21,460	6,001	1,290	
D Reich053			16,850	10,368	1,888	828	5,809	5,568	112	308	46,808	12,783	1,343	
D Reich042			2,400	1,862	140	2,364	862	283	7	3,500	3,075	524	68	
D Reich067			3,800	1,802	363	433	2,362	1,578	979	59	8,800	1,546	334	
D Reich067			43,112	17,253	3,790	7,743	33,565	14,414	7,221	13,796	82,829	18,388	3,253	
D Reich025			5,400	3,818	347	2,234	1,366	478	41	1,398	17,290	3,828	268	
D Reich049			23,202	11,427	3,138	4,110	38,586	25,512	8,818	898	13,794	19,248	3,345	
D Reich053			2,945	1,407	282	1,964	360	312	88	4	136	3,402	152	
D Reich065			37,467	21,770	2,803	4,285	18,114	13,183	8,257	404	84,778	20,121	3,351	
D Reich066			1,250	684	103	1,057	107	8		1,650	710	128	564	
D Reich085			13,948	5,265	889	9,631	7,833	4,186	153	45,358	6,484	834	25,944	
D Reich075			23,485	14,403	2,384	1,886	7,342	2,837	1,229	2,038	51,801	12,865	3,363	
D Reich042			7,965	4,272	587	3,638	1,838	1,238	101	148	12,375	3,188	924	
D Reich067			11,300	8,014	831	514	2,564	478	277	1,883	26,825	6,542	835	
D Reich002			3,850	1,752	242	588	780	460	189	4	3,606	966	119	
D Reich056			1,454	468	44	423	332	312	165	8	1,680	331	30	
D Reich025			2,883	1,237	138	1,290	688	58	10	1,070	6,800	1,310	277	
D Reich011			15,850	10,988	735	487	7,384	4,872	1,868	654	48,833	11,917	4,301	
D Reich025			2,908	1,181	186	1,022	2,105	1,066	938	42	534	1,571	108	
D Reich042			50,123	24,378	4,313	8,814	36,364	17,815	8,612	12,887	133,350	30,735	7,372	
D Reich064			1,150	431	72	232	862	718	518	12	2,100	681	40	
D Reich064			4,835	2,447	684	680	1,141	783	497	70	8,000	2,728	943	
D Reich062			10,550	6,086	1,202	1,106	3,534	2,028	1,044	124	16,750	4,302	783	
D Reich066			4,840	2,677	385	400	3,525	1,754	76	1,864	11,800	2,488	473	
D Reich066			36,584	20,211	2,832	2,564	8,884	4,887	334	3,811	87,880	20,128	4,968	
D Reich066			7,788	3,327	911	2,404	3,108	1,362	80	880	13,110	3,886	584	
D Reich053			2,342	1,038	277	491	44	5	361	4,200	18,465	36	2,440	
D Reich025			23,147	14,398	1,881	1,401	10,878	5,712	1,381	2,187	6,850	18,252	2,208	
D Reich064			4,280	2,102	488	1,111	3,200	1,444	45	1,104	8,895	3,621	870	
D Reich025			12,800	8,033	885	2,618	2,352	1,006	98	1,808	28,400	4,642	878	
D Reich063			1,800	1,274	188	754	1,814	1,264	83	800	33,880	8,882	1,818	
D Reich063										4,300	1,251	236	1,958	

RAW DATA from SBC's fill study OHCurrentFillData2004 (Jan04).xls																		
Zone	WC	CLLI	F1			F1			F1			F1			F1			
			Available	Working	Def	Uncommitted	Available	Working	Def	Uncommitted	Available	Working	Def	Uncommitted	Available	Working	Def	Uncommitted
Zone COUNT			12	1,115,838	481,793	124,871	228,887	4%	58,628	37,173	1,137,368	382,178	314,228					
A			46	2,381,431	1,294,859	280,346	1,292,683	44%	343,303	386,288	5,283,483	1,545,304	1,813,586					
B			109	2,387,153	1,338,813	284,854	1,471,768	45%	435,254	472,686	6,271,643	1,688,213	2,688,381					
C																		
D																		
E																		
F																		
G																		
H																		
I																		
J																		
K																		
L																		
M																		
N																		
O																		
P																		
Q																		
R																		
S																		
T																		
U																		
V																		
W																		
X																		
Y																		
Z																		

Excluded MS-16 small "Analysis Best WC"





Zone COUNT

B12

C49

D189

STATE

206

Zone

WC\_CELL

USABLE CAPACITY

F1F1Fn

CopperDerivedCopper

B

19%

9%

10%

C

41%

43%

44%

D

40%

40%

40%

ANALYSIS

ANALYSIS OF DEFECTIVE

% DEFECTIVE

F1F1Fn

CopperDerivedCopper

# of Best Defective Percentages to Select # of Best WC Selected

101021

102110

Average % Def in Best WC

3.39%

0.45%

2.48%

RANK OF % DEFECTIVE

F1F1Fn

CopperDerivedCopper

Total # of WC Under Review of Selected

250235243

240225235

EFFICIENT DEFECTIVE COUNT

F1F1Fn

CopperDerivedCopper

F1CopperF1DerivedFnCopper

54120

92827

82424

F1CopperF1DerivedFnCopper

495

107

148

F1CopperF1DerivedFnCopper

93080

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148

F1CopperF1DerivedFnCopper

93080

1154

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ANALYSIS

ANALYSIS OF DEFECTIVE

% DEFECTIVE

F1F1Fn

CopperDerivedCopper

# of Best Defective Percentages to Select # of Best WC Selected

101021

102110

Average % Def in Best WC

3.39%

0.45%

2.48%

RANK OF % DEFECTIVE

F1F1Fn

CopperDerivedCopper

Total # of WC Under Review of Selected

250235243

240225235

EFFICIENT DEFECTIVE COUNT

F1F1Fn

CopperDerivedCopper

F1CopperF1DerivedFnCopper

54120

92827

82424

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ANALYSIS

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% DEFECTIVE

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# of Best Defective Percentages to Select # of Best WC Selected

101021

102110

Average % Def in Best WC

3.3

ANALYSIS									
ANALYSIS OF DEFECTIVE									
USABLE CAPACITY				% DEFECTIVE				RANK OF % DEFECTIVE	
F1	F1	F1	F1	F1	F1	F1	F1	F1	F1
Copper	Derived	Copper	Copper	Copper	Derived	Copper	Copper	Derived	Copper
# of Best Defective (Percentages to Selected)				# of Best WC (Percentages to Selected)				Total # of WC Lowest rank of Selected	
Average % Def in Best WC				Average % Def in Best WC				Average % Def in Best WC	
F1				F1				F1	
Copper				Copper				Copper	
Derived				Derived				Derived	
Copper				Copper				Copper	
Derived				Derived				Derived	
Copper				Copper				Copper	
Derived				Derived				Derived	
Copper				Copper				Copper	
Derived				Derived				Derived	
Copper				Copper				Copper	
Derived				Derived				Derived	
Copper				Derived				Derived	
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[illegible]



ANALYSIS																	
ANALYSIS OF DEFECTIVE																	
USABLE CAPACITY				% DEFECTIVE				RANK OF % DEFECTIVE				EFFICIENT DEFECTIVE COUNT					
		F1	F1	F1	F1	F1	F1	F1	F1	F1	F1	F1	F1	F1	F1		
		Copper	Derived	Copper	Copper	Derived	Copper	Copper	Derived	Copper	Copper	Derived	Copper	Copper	Derived		

[illegible]





ANALYSIS									
ADJUSTMENT OF FILLS FOR DEFECTIVE					FINAL SELECTION CRITERION: FILLS WITHIN ZONES				
FILLS WITH EFFICIENT DEFECTIVE					RANK OF WIRE CENTERS BY FILLS WITHIN ZONES				
Copper Feeder	DLC Chassis	DLC Plug In	Copper Distribution		Copper Feeder	DLC Chassis	DLC Plug In	Copper Distribution	
<div> <div>Zone COUNT</div> <div> <div>B</div> <div>C</div> <div>D</div> </div> <div> <div>12</div> <div>49</div> <div>189</div> </div> </div>									
ADJUSTMENT FOR SHORT-TERM FLUCTUATIONS					ADJUSTMENT FOR SHORT-TERM FLUCTUATIONS				
Copper Feeder	DLC Chassis	DLC Plug In	Copper Distribution		Copper Feeder	DLC Chassis	DLC Plug In	Copper Distribution	
State	76%	64.98%	65.21%	51.99%	State	no data	no data	75.33%	60.04%
B	71.74%	57.96%	75.33%	48.65%					
C	74.45%	50.84%	57.08%	48.87%					
D	79.18%	78.98%	70.76%	57.71%					

ADJUSTMENT OF FILLS FOR DEFECTIVE				ANALYSIS				STRATIFIED SELECTION OF BEST WIRE CENTERS				FILLS OF BEST WIRE CENTERS			
FILLS WITH EFFICIENT DEFECTIVE				RANK OF WIRE CENTERS BY FILLS WITHIN ZONES				Total WCs Selected				Copper Feeder			
Copper Feeder	DLC Chassis	DLC Plug In	Copper Distribution	Copper Feeder	DLC Chassis	DLC Plug In	Copper Distribution	B	C	D	25	Copper Feeder	DLC Chassis	DLC Plug In	Copper Distribution
Zone COUNT	12														
B	49														
C	49														
D	189														
STATE	296														
Zone	WC	CLL		F1 Copper	F1 Defunct	F1 Defunct	F1 Copper	F1 Copper	F1 Defunct	F1 Defunct	F1 Defunct	Copper Feeder	DLC Chassis	DLC Plug In	Copper Distribution
D	12000009			67.7%	48.8%	55.0%	41.0%	106	103	122	153				
D	12000017			55.3%	50.0%	50.0%	51.2%	178	93	1	43				
D	12000074			74.0%	86.7%	54.1%	64.9%	34	1	8	91				
D	12000082			66.9%	79.8%	54.1%	64.9%	114	8	1	3				
D	12000023			70.1%	43.3%	59.5%	44.7%	81	130	66	116				
D	12000038			72.7%	81.1%	66.2%	58.8%	47	5	5	10				
D	12000074			71.9%	56.2%	68.4%	50.4%	83	59	20	17				
D	12000062			72.0%	87.6%	73.8%	48.0%	58	25	8	72				
D	12000024			59.2%	28.0%	43.8%	38.2%	189	175	135	166				
D	12000032			86.1%	40.4%	52.6%	42.0%	123	141	101	146				
D	12000039			87.9%	29.7%	48.0%	46.3%	105	112	120	82				
D	12000037			86.7%	72.3%	47.7%	42.4%	115	15	12	131				
D	12000066			71.9%	64.7%	47.0%	50.6%	48	32	142	43				
D	12000088			81.5%	49.3%	61.0%	45.0%	109	115	186	109				
D	12000062			72.7%	32.6%	50.7%	42.2%	46	86	119	60				
D	12000066			73.4%	58.8%	59.0%	48.2%	41	56	143	143				
D	12000024			68.1%	59.8%	74.2%	54.8%	121	50	5	20				
D	12000063			71.5%	44.7%	50.5%	47.9%	69	121	120	96				
D	12000063			73.6%	56.1%	52.5%	47.0%	39	71	102	73				
D	12000068			87.7%	42.4%	26.9%	46.4%	107	133	172	91				
D	12000082			84.9%	59.0%	85.5%	46.4%	129	54	37	1				
D	12000069			74.4%	26.6%	70.6%	43.5%	82	72	9	126				
D	12000038			87.9%	64.1%	81.9%	45.0%	31	178	171	108				
D	12000033			76.3%	28.1%	30.3%	57.8%	104	34	59	93				
D	12000037			69.5%	39.9%	52.9%	43.4%	12	174	164	14				
D	12000087			78.2%	43.9%	67.5%	46.8%	89	144	38	129				
D	12000054			54.3%	51.5%	45.5%	43.5%	13	126	25	86				
D	12000053			73.9%	66.3%	66.0%	43.5%	181	87	132	162				
D	12000053			69.0%	55.5%	63.9%	52.7%	36	29	34	127				
D	12000069			68.1%	62.0%	82.5%	51.5%	122	44	44	15				
D	12000047			88.2%	56.1%	45.0%	51.9%	102	70	134	32				
D	12000037			69.7%	32.6%	52.4%	42.4%	85	166	104	138				
D	12000076			87.4%	54.3%	57.3%	44.9%	110	80	74	112				
D	12000079			72.2%	38.3%	56.0%	45.2%	56	150	83	106				
D	12000042			81.2%	44.4%	52.1%	41.2%	161	122	105	150				
D	12000045			82.0%	54.9%	70.1%	48.7%	156	78	10	59				
C	12000072			71.2%	46.7%	42.2%	42.0%	7	8	34	24				
C	12000078			56.0%	33.7%	44.1%	44.4%	44	31	27	10				
C	12000088			69.2%	39.8%	43.5%	45.4%	17	19	30	7				
C	12000046			56.8%	38.5%	44.3%	42.7%	43	23	25	19				
C	12000023			60.5%	39.0%	41.6%	41.6%	39	21	4	26				
C	12000026			59.1%	31.2%	48.8%	43.5%	41	37	19	13				
C	12000087			14.2%				49							
C	12000025			20.1%		27.7%	43.3%								
C	12000053			69.9%	45.9%	41.2%	41.2%	14	9	24	30				
C	12000064			63.6%	20.2%	23.7%	35.7%	34	46	46	45				
C	12000074			66.2%	33.0%	43.9%	43.3%	26	32	28	14				
C	12000023			65.2%	32.6%	38.9%	38.9%	28	34	43	39				
C	12000025			62.4%	41.6%	37.3%	37.9%	37	17	40	40				

"1" if Selected.

ADJUSTMENT FOR SHORT-TERM FLUCTUATIONS			
Copper Feeder	DLC Chassis	DLC Plug In	Copper Distribution
State	no data	no data	75.33%
			80.94%

FILLS OF BEST WIRE CENTERS					
	Copper Feeder	DLC	DLC Chassis In	DLC Plug In	Copper Distribution
State	76%	64.98%	65.21%		51.99%
B	71.74%	57.96%	75.33%		48.65%
C	74.45%	50.84%	57.08%		46.87%
O	79.16%	78.98%	70.76%		57.71%

STRATIFIED SELECTION OF BEST WIRE CENTERS	
Total WCs Selected	25
B	1
C	5
D	19

ADJUSTMENT FOR SHORT-TERM FLUCTUATIONS			
	Copper Feeder	DLC Chassis	Copper Plug Distribution
State	no data	no data	75.33% 60.04%

[illegible]

**FINAL SELECTION CRITERION: FILLS WITHIN ZONES**

FINAL SELECTION CRITERION: FILLS WITHIN ZONES			
RANK OF WIRE CENTERS BY FILLS WITHIN ZONES			
Copper Feeder	DLC Chassis	DLC Plug In	Copper Distribution

Fr. Copeage	Fr. Decease	Fr. Decease	Fr. Copeage
21	36	37	21
42	45	7	42
16	45	45	16
36	36	45	36
12	15	15	12
32	15	15	32
36	11	3	36
33	5	10	33
8	22	13	8
45	6	12	45
29	42	12	29
42	41	1	42
18	26	17	18
3	20	18	3
47	44	36	47
1	29	14	1
11	35	32	11
6	12	16	6
9	36	21	9
18	14	8	18
2	27	28	2
4	2	26	4
19	38	8	19
22	24	9	22
36	43	47	36
10	33	22	10
30	30	33	30
30	3	2	30
23	10	35	23
24	25	38	24
31	13	11	31
13	7	5	13
40	16	23	40
15	18	29	15
48	48	31	48
27	43	48	27
7	6	9	7
5	2	1	5
8	12	7	8
4	10	12	4
12	9	6	12
6	5	5	6
3	3	3	3
9	8	10	9
11	11	11	11
3	7	4	3
1	7	6	1
47	1	2	47

**FINAL SELECTION CRITERION: FILLS WITHIN ZONES**

FINAL SELECTION CRITERION: FILLS WITHIN ZONES			
RANK OF WIRE CENTERS BY FILLS WITHIN ZONES			
Copper Feeder	DLC Chassis	DLC Plug In	Copper Distribution

P1 Complete	P1 Demand	P1 Demand	P1 Demand	P1 Complete
68.4%	31.5%	39.6%	42.2%	
66.5%	33.5%	34.6%	34.6%	
65.7%	34.3%	31.7%	31.7%	
70.2%	29.8%	43.5%	43.5%	
63.8%	43.1%	50.2%	37.8%	
62.9%	45.1%	56.9%	36.6%	
63.7%	49.4%	52.5%	42.9%	
70.9%	36.6%	50.5%	45.2%	
55.7%	47.8%	50.7%	34.2%	
85.1%	26.2%	33.5%	42.9%	
59.1%	66.6%	64.2%	41.4%	
68.4%	28.0%	47.7%	39.0%	
68.9%	36.4%	49.1%	42.0%	
73.8%	39.1%	49.0%	45.6%	
49.6%	24.5%	40.0%	37.6%	
76.3%	35.7%	50.3%	47.0%	
70.5%	32.8%	43.3%	43.1%	
71.7%	44.8%	49.5%	44.1%	
70.8%	30.0%	47.6%	46.7%	
69.5%	43.7%	55.1%	48.7%	
75.3%	35.9%	54.4%	47.5%	
73.5%	36.0%	44.3%	45.0%	
68.9%	36.9%	39.3%	41.5%	
68.1%	37.0%	33.0%	39.4%	
69.1%	31.6%	22.5%	35.7%	
70.6%	35.6%	41.3%	45.7%	
81.3%	34.2%	42.4%	42.6%	
65.0%	56.2%	57.6%	44.2%	
68.0%	45.1%	40.3%	41.0%	
66.7%	36.5%	37.3%	40.1%	
64.6%	43.8%	50.8%	40.1%	
70.2%	47.8%	56.4%	42.3%	
59.4%	42.7%	45.0%	37.5%	
69.7%	40.1%	43.7%	41.0%	
44.1%	14.6%	43.3%	28.0%	
85.8%	25.7%	21.2%	30.9%	
55.9%	32.6%	42.2%	28.1%	
63.9%	55.1%	75.3%	31.4%	
51.3%	19.8%	42.8%	27.9%	
64.6%	24.4%	32.4%	32.3%	
40.2%	26.6%	45.5%	32.9%	
61.6%	35.1%	50.7%	36.4%	
71.5%	50.0%	55.0%	48.7%	
49.6%	29.0%	41.7%	22.0%	
40.5%	24.2%	34.2%	27.6%	
66.0%	42.4%	51.1%	45.8%	
71.7%	53.0%	65.3%	50.7%	

Change  
 between  
 1998 and  
 2003,  
 Multiplier

SBC Measure: Feeder: with Uncommitted Feeder: with Uncommitted Feeder: with Uncommitted Feeder: with Uncommitted Feeder w/o Uncommitted Feeder w/o Uncommitted

Comment

### MS-83 Ohio Fill Rate History

	1997*	1998*	1999*	2000*	2001	2002	2003
<b>Area B</b>	Current Fill	Current Fill	Current Fill	Current Fill	Current Fill	Current Fill	Current Fill
Copper Feeder	54.00%	53.50%	54.35%	52.65%	55.34%	51.55%	48.74%
DLC Chassis	36.48%	34.85%	33.55%	33.95%	34.59%	33.61%	31.10%
DLC Plug-in	56.34%	54.79%	52.48%	52.62%	51.38%	49.07%	46.39%
Distribution		37.61%	37.70%	37.35%	35.95%	33.56%	31.85%
<b>Area C</b>	Current Fill	Current Fill	Current Fill	Current Fill	Current Fill	Current Fill	Current Fill
Copper Feeder	66.51%	66.09%	68.22%	67.31%	68.18%	64.10%	60.51%
DLC Chassis	44.66%	43.42%	41.80%	42.82%	43.86%	40.69%	38.43%
DLC Plug-in	61.06%	59.07%	56.82%	59.68%	55.73%	50.54%	47.73%
Distribution		45.87%	45.62%	44.72%	43.00%	40.66%	38.63%
<b>Area D</b>	Current Fill	Current Fill	Current Fill	Current Fill	Current Fill	Current Fill	Current Fill
Copper Feeder	65.66%	65.56%	68.47%	67.64%	69.69%	66.01%	63.28%
DLC Chassis	44.62%	42.31%	40.98%	43.16%	47.31%	45.69%	43.56%
DLC Plug-in	62.04%	60.34%	58.03%	60.31%	59.85%	56.45%	55.18%
Distribution		45.93%	46.04%	45.46%	44.26%	42.43%	40.85%
<b>Statewide</b>	Current Fill	Current Fill	Current Fill	Current Fill	Current Fill	Current Fill	Current Fill
Copper Feeder	63.73%	63.44%	65.71%	64.57%	66.35%	62.50%	59.40%
DLC Chassis	43.83%	42.05%	40.60%	42.13%	44.59%	42.39%	40.22%
DLC Plug-in	61.09%	59.27%	58.03%	59.36%	57.34%	53.27%	51.21%
Distribution		44.95%	44.92%	44.25%	42.81%	40.71%	38.93%

no data for proper comparison  
 no data for proper comparison  
 to Adjustment for Short-Term Fluctuations  
 to Adjustment for Short-Term Fluctuations  
 0.85  
 0.85  
  
 no data for proper comparison  
 no data for proper comparison  
 to Adjustment for Short-Term Fluctuations  
 to Adjustment for Short-Term Fluctuations  
 0.81  
 0.84  
  
 no data for proper comparison  
 no data for proper comparison  
 to Adjustment for Short-Term Fluctuations  
 to Adjustment for Short-Term Fluctuations  
 0.91  
 0.89  
  
 no data for proper comparison  
 no data for proper comparison  
 to Adjustment for Short-Term Fluctuations  
 to Adjustment for Short-Term Fluctuations  
 0.86  
 0.87

**\*Notes:** Report used for Fill Information 1997 - 2000 was a standard Midwest LEIS report  
 Uncommitted facilities were not tracked and therefore not deducted from any Copper Feeder  
 Available pairs or DLC pairs. The F2 or Distribution report did track Uncommitted so  
 the available pairs were adjusted to subtract the uncommitted distribution pairs  
 2001- 2003 report data taken from LEIS WCStats program and calculated by the Cost Studies group  
 All numbers represent EOY data or January of next year (i.e. EOY 2003 vs Jan 2004)

Zone	WC, CCLI	ExtractDate	YearMonth	Type	5,903,223	Equipped	Assigned	3,115,015	Other	Def	Spare	659,514
					Available			Working				Uncommitted
D	abrdoh79	03-jan-2004	200312	ffcopper	1600	0	1067	1014	53	201	332	0
D	alncoh82	04-jan-2004	200312	ffcopper	30250	0	18128	17472	656	2901	9221	2886
D	araboh64	04-jan-2004	200312	ffcopper	2401	0	929	839	90	235	1237	954
D	atwroh94	03-jan-2004	200312	ffcopper	2860	0	2029	1980	49	296	535	276
D	bcvloh52	30-nov-2003	200312	ffcopper	32026	0	17631	17189	442	1913	12482	4616
D	bdfroh23	31-dec-2003	200312	ffcopper	30559	0	19685	19020	665	2381	8493	3373
D	bdmroh75	20-dec-2003	200312	ffcopper	28000	0	17195	16690	505	1684	9121	1854
D	bevloh92	31-dec-2003	200312	ffcopper	2256	0	1046	971	75	75	1135	444
D	blbkoh84	03-jan-2004	200312	ffcopper	6600	0	4503	4380	123	335	1762	571
D	blfsoh76	03-jan-2004	200312	ffcopper	800	0	491	469	22	52	257	9
D	bliroh67	31-dec-2003	200312	ffcopper	17422	0	7703	7308	395	1152	8567	4957
D	blngoh35	03-jan-2004	200312	ffcopper	1035	0	745	736	9	34	256	135
D	blproh42	31-dec-2003	200312	ffcopper	10100	0	5227	5052	175	779	4094	1577
D	bmbgoh43	31-dec-2003	200312	ffcopper	1607	0	856	820	36	144	607	57
D	brfdoh44	04-jan-2004	200312	ffcopper	6801	0	4118	3744	374	725	1958	1108
D	brtnoh74	14-dec-2003	200312	ffcopper	41025	0	23156	22278	878	4579	13290	7103
D	brtnoh82	14-dec-2003	200312	ffcopper	13221	0	8676	8314	362	1235	3310	1259
D	brtooh83	31-dec-2003	200312	ffcopper	5333	0	3408	3291	117	263	1662	725
D	brvloh42	04-jan-2004	200312	ffcopper	5459	0	3168	2993	175	225	2066	1027
D	bthsoh48	31-dec-2003	200312	ffcopper	3000	0	1744	1666	78	105	1151	390
D	bwrroh45	03-jan-2004	200312	ffcopper	800	0	513	501	12	34	253	103
D	catnoh45	31-dec-2003	200312	ffcopper	1500	0	853	834	19	144	503	50
D	cdvloh76	03-jan-2004	200312	ffcopper	3150	0	1545	1473	72	252	1353	212
D	chfloh24	31-dec-2003	200312	ffcopper	11200	0	8040	7721	319	639	2521	416
D	chsgoh36	31-dec-2003	200312	ffcopper	1850	0	1089	1038	51	128	633	177
D	clbnoh48	04-jan-2004	200312	ffcopper	8710	0	5184	4637	547	589	2937	1485
D	cnfdoh02	03-jan-2004	200312	ffcopper	12075	0	8421	7814	607	770	2884	872
D	cnfloh01	04-jan-2004	200312	ffcopper	8025	0	6586	6215	371	514	925	125
D	cnsvoh82	31-dec-2003	200312	ffcopper	1872	0	843	826	17	105	924	667
D	cnlnoh45	31-dec-2003	200312	ffcopper	92754	0	43864	41935	1929	9602	39288	14390
D	cnwioh83	31-dec-2003	200312	ffcopper	30924	0	13522	12655	867	2927	14475	7955
D	crbgoh85	02-jan-2004	200312	ffcopper	1200	0	902	878	24	150	148	0
D	cmgoh34	31-dec-2003	200312	ffcopper	1434	0	895	862	33	68	471	194
D	crrtoh75	31-dec-2003	200312	ffcopper	3234	3	1089	982	107	133	2012	1073
D	cstloh68	04-jan-2004	200312	ffcopper	4625	0	2621	2537	84	504	1500	1265
D	cstnoh62	31-dec-2003	200312	ffcopper	16526	0	10990	10532	458	1251	4285	1013
D	cvtloh02	06-dec-2003	200312	ffcopper	20391	0	9845	9432	413	2012	8534	2855
D	danhoh28	10-dec-2003	200312	ffcopper	1300	0	726	691	35	65	509	304
D	dflyoh48	07-dec-2003	200312	ffcopper	4575	0	1340	1309	31	260	2975	2301
D	dltloh82	03-jan-2004	200312	ffcopper	2300	0	1725	1619	106	85	490	51
D	dnlloh67	13-dec-2003	200312	ffcopper	3120	0	1584	1496	88	167	1369	806
D	dnlvoh88	10-dec-2003	200312	ffcopper	2150	0	1380	1344	36	172	598	250
D	drsdoh75	31-dec-2003	200312	ffcopper	4050	0	1953	1872	81	43	2054	824
D	dyltoh23	04-jan-2004	200312	ffcopper	36645	0	22416	21533	883	3193	11036	3697
D	dyltoh89	24-dec-2003	200312	ffcopper	29095	0	18744	17601	1143	3097	7254	2174
D	ectnoh48	31-dec-2003	200312	ffcopper	5374	0	3475	3409	66	611	1288	358
D	elvroh38	04-jan-2004	200312	ffcopper	22688	0	8547	8064	483	2082	12059	7217
D	enonoh86	10-dec-2003	200312	ffcopper	6300	0	3596	3465	131	374	2330	655
D	eploh42	03-jan-2004	200312	ffcopper	6220	0	3624	3443	181	519	2077	443
D	flkloh01	13-dec-2003	200312	ffcopper	18325	0	11585	10978	607	2046	4694	583
D	flhmoh84	07-dec-2003	200312	ffcopper	2000	0	804	788	16	37	1159	626
D	fltooh99	13-dec-2003	200312	ffcopper	1775	0	837	804	33	217	721	441
D	fnldoh42	14-dec-2003	200312	ffcopper	43080	0	27264	26113	1151	2967	12849	4219
D	frbnoh87	10-dec-2003	200312	ffcopper	26364	0	14339	13143	1196	2141	9884	3465
D	frmtoh33	14-dec-2003	200312	ffcopper	22612	0	16727	15998	729	1595	4290	1250
D	fstaoh43	14-dec-2003	200312	ffcopper	15125	0	9994	9628	366	1447	3684	807
D	fvpwoh88	14-dec-2003	200312	ffcopper	15164	0	9767	9618	149	883	4514	1486
D	glfroh65	17-dec-2003	200312	ffcopper	1200	0	654	638	16	44	502	210
D	glploh44	07-dec-2003	200312	ffcopper	12996	0	6372	6118	254	953	5671	2534
D	gnbgoh89	31-dec-2003	200312	ffcopper	10439	0	5455	5108	347	886	4098	1831
D	gndnoh25	07-dec-2003	200312	ffcopper	2450	0	1408	1341	67	143	899	407
D	gvcyoh87	07-dec-2003	200312	ffcopper	30544	0	15661	14898	763	2495	12388	5211
D	gyvloh93	07-dec-2003	200312	ffcopper	858	0	514	417	97	49	295	78
D	hbrdoh02	20-dec-2003	200312	ffcopper	10070	0	7046	6817	229	875	2149	502
D	hlbooh39	14-dec-2003	200312	ffcopper	11400	0	7417	7028	389	565	3418	785
D	hlldoh11	13-dec-2003	200312	ffcopper	32435	0	18762	17896	866	3761	9912	2110
D	hlrdoh87	10-dec-2003	200312	ffcopper	26666	0	14921	14080	841	2169	9576	3008
D	hrbgoh87	07-dec-2003	200312	ffcopper	4720	0	2856	2731	125	808	1056	337
D	htvloh02	31-dec-2003	200312	ffcopper	10258	1	7105	6919	186	880	2273	590
D	irtnoh53	10-dec-2003	200312	ffcopper	16850	0	11026	10369	657	1869	3955	828
D	jfvloh42	10-dec-2003	200312	ffcopper	2400	0	1166	1086	80	140	1094	451
D	jmtwoh67	13-dec-2003	200312	ffcopper	3900	0	1994	1882	112	363	1543	633
D	kentoh67	10-dec-2003	200312	ffcopper	43112	0	18589	17253	1336	3790	20733	7743
D	krldoh25	17-dec-2003	200312	ffcopper	5400	0	3918	3818	100	347	1135	223
D	lckboh49	10-dec-2003	200312	ffcopper	23202	0	11848	11407	441	3138	8216	4110
D	llvloh53	31-dec-2003	200312	ffcopper	2945	0	1923	1870	53	292	730	164
D	lncsoh65	10-dec-2003	200312	ffcopper	37467	0	22931	21770	1161	2503	12033	4285



Zone	WC	CLLI	ExtractDate	YearMonth	Type	Available	Equipped	Assigned	Working	Other	Def	Spare	Uncommitted
D	Indsoh	66	13-dec-2003	200312	f1copper	1200	0	701	684	17	103	396	225
D	londoh	85	10-dec-2003	200312	f1copper	13948	0	5949	5355	594	989	7010	2211
D	lrtpoh	75	31-dec-2003	200312	f1copper	23485	0	14985	14403	582	2384	6116	1698
D	lsbnoh	42	31-dec-2003	200312	f1copper	7905	0	4441	4272	169	567	2897	920
D	lsvloh	87	31-dec-2003	200312	f1copper	11300	0	8196	8014	182	931	2173	514
D	lfnaoh	02	31-dec-2003	200312	f1copper	3650	0	1813	1752	61	242	1595	588
D	lwlloh	56	10-dec-2003	200312	f1copper	1454	0	544	495	49	44	866	423
D	lytpoh	25	17-dec-2003	200312	f1copper	2883	0	1343	1327	16	136	1404	1200
D	maumoh	1117	17-dec-2003	200312	f1copper	15850	0	10433	10069	364	735	4682	467
D	mcvloh	25	07-dec-2003	200312	f1copper	2908	0	1322	1161	161	198	1388	1022
D	mdtwh	42	14-dec-2003	200312	f1copper	50123	0	25547	24378	1169	4313	20263	5874
D	mdvloh	94	10-dec-2003	200312	f1copper	1150	0	513	431	82	72	565	232
D	mewyoh	8417	17-dec-2003	200312	f1copper	4935	0	3101	2947	154	604	1230	680
D	mgdroh	62	06-dec-2003	200312	f1copper	10550	0	6353	6096	257	1202	2995	1106
D	mglnoh	86	06-dec-2003	200312	f1copper	4840	0	2933	2877	56	595	1312	400
D	mmbgoh	8617	17-dec-2003	200312	f1copper	36094	0	21250	20231	1019	2932	11912	2564
D	mncsoh	88	07-dec-2003	200312	f1copper	7789	0	3665	3527	138	901	3223	2435
D	mnljoh	53	10-dec-2003	200312	f1copper	2842	0	1585	1530	55	277	980	481
D	mnlroh	25	17-dec-2003	200312	f1copper	23147	0	14938	14398	540	1370	6839	1881
D	mnltoh	27	06-dec-2003	200312	f1copper	4200	0	2483	2353	130	498	1219	511
D	monroh	53	17-dec-2003	200312	f1copper	6460	0	3643	3532	111	611	2206	293
D	motloh	25	17-dec-2003	200312	f1copper	12600	0	9297	9033	264	926	2377	594
D	mrbooh	93	05-dec-2003	200312	f1copper	1600	0	1311	1274	37	189	100	0
D	mrfyoh	63	10-dec-2003	200312	f1copper	13846	0	9886	9522	364	935	3025	488
D	mrshoh	46	17-dec-2003	200312	f1copper	1350	0	831	788	43	102	417	138
D	mrtloh	37	14-dec-2003	200312	f1copper	28454	0	15013	14222	791	2062	11379	4954
D	mslnoh	02	07-dec-2003	200312	f1copper	46718	0	28637	27416	1221	4073	14008	4665
D	mycyoh	76	17-dec-2003	200312	f1copper	628	0	295	288	7	36	297	207
D	nctnoh	49	10-dec-2003	200312	f1copper	65994	0	39602	38087	1515	4354	22038	4658
D	nhlnoh	96	17-dec-2003	200312	f1copper	2650	0	1764	1694	70	451	435	100
D	nhldoh	49	12-dec-2003	200312	f1copper	1125	0	700	674	26	72	353	118
D	nlsoh	65	07-dec-2003	200312	f1copper	28180	0	18280	17426	854	2223	7677	1626
D	nindoh	48	31-dec-2003	200312	f1copper	8948	0	6512	6383	129	1192	1244	251
D	njsnoh	53	06-dec-2003	200312	f1copper	4827	0	2068	2004	64	326	2433	1727
D	nlmoh	54	10-dec-2003	200312	f1copper	5618	0	2709	2540	169	556	2353	1162
D	nlvloh	75	13-dec-2003	200312	f1copper	6099	0	3359	3090	269	416	2324	971
D	nrtnoh	23	06-dec-2003	200312	f1copper	21099	0	13673	12903	770	1303	6123	1554
D	nrvcooh	87	12-dec-2003	200312	f1copper	1450	0	850	766	84	46	554	160
D	nrvroh	87	10-dec-2003	200312	f1copper	3800	0	2484	2401	83	203	1113	461
D	nwaloh	85	13-dec-2003	200312	f1copper	10939	0	5112	4881	231	923	4904	2571
D	nwcnoh	4913	17-dec-2003	200312	f1copper	6210	0	4050	3822	228	398	1762	732
D	nwcroh	84	17-dec-2003	200312	f1copper	8607	0	5124	4858	266	757	2726	1328
D	nwlxoh	34	13-dec-2003	200312	f1copper	8328	0	4379	4124	255	280	3669	2016
D	nwmloh	54	10-dec-2003	200312	f1copper	4300	0	2346	2210	136	359	1595	670
D	nwmtoh	86	13-dec-2003	200312	f1copper	2131	0	1002	937	65	243	886	482
D	nwploh	47	13-dec-2003	200312	f1copper	1547	0	1071	982	89	123	353	59
D	nwrgh	59	17-dec-2003	200312	f1copper	1390	0	896	876	20	130	364	131
D	nwrnoh	66	04-jan-2004	200312	f1copper	26550	0	16466	15185	1281	2852	7232	2335
D	nwwtoh	45	10-dec-2003	200312	f1copper	2350	0	1355	1275	80	176	819	235
D	oifloh	23	20-dec-2003	200312	f1copper	10978	0	6014	5742	272	603	4361	1752
D	orgnoh	69	17-dec-2003	200312	f1copper	44025	0	27131	25734	1397	3870	13024	2867
D	patroh	37	24-dec-2003	200312	f1copper	1506	0	742	671	71	47	717	389
D	piquoh	77	17-dec-2003	200312	f1copper	18527	4	10858	10167	691	1437	6232	1488
D	pnvloh	35	17-dec-2003	200312	f1copper	43001	0	25004	23705	1299	3429	14568	4164
D	poldoh	75	20-dec-2003	200312	f1copper	10750	0	7764	7522	242	531	2455	566
D	prbgoh	14	17-dec-2003	200312	f1copper	17739	0	11815	11142	673	1242	4682	1408
D	prbgoh	66	24-dec-2003	200312	f1copper	17127	0	11312	10674	638	1975	3840	302
D	prghoh	47	31-dec-2003	200312	f1copper	21385	0	15871	15380	491	1813	3701	620
D	ptchoh	26	17-dec-2003	200312	f1copper	900	0	594	573	21	93	213	25
D	rgroh	22	10-dec-2003	200312	f1copper	2305	0	1372	1307	65	277	656	355
D	rigroh	24	13-dec-2003	200312	f1copper	3834	0	1310	1270	40	244	2280	332
D	rmbooh	36	17-dec-2003	200312	f1copper	1700	0	920	878	42	129	651	434
D	rplyoh	39	17-dec-2003	200312	f1copper	2820	0	1932	1843	89	116	772	233
D	rsvloh	69	13-dec-2003	200312	f1copper	2575	0	1317	1263	54	81	1177	545
D	rtwloh	32	10-dec-2003	200312	f1copper	7300	0	4189	3976	213	725	2386	612
D	ruvloh	53	13-dec-2003	200312	f1copper	1758	0	904	876	28	170	684	168
D	rvnoh	02	14-dec-2003	200312	f1copper	23300	0	15029	14382	647	1877	6394	2264
D	salmoh	33	14-dec-2003	200312	f1copper	18239	0	11691	11248	443	1031	5517	2074
D	savloh	67	13-dec-2003	200312	f1copper	2575	0	1190	1083	107	194	1191	690
D	sbngoh	93	13-dec-2003	200312	f1copper	5096	0	3641	3427	214	303	1152	625
D	sbvloh	26	17-dec-2003	200312	f1copper	16442	0	9933	9603	330	1136	5373	2150
D	sbvloh	28	04-jan-2004	200312	f1copper	28137	0	10814	10469	345	1829	15494	7946
D	scldoh	72	17-dec-2003	200312	f1copper	10909	0	7453	7253	200	517	2939	949
D	sctnoh	46	19-nov-2003	200311	f1copper	2320	0	1735	1673	62	252	333	0
D	scvloh	69	17-dec-2003	200312	f1copper	13700	0	7822	7586	236	740	5138	2146
D	sdlioh	87	17-dec-2003	200312	f1copper	953	0	381	374	7	32	540	268
D	sggvoh	74	17-dec-2003	200312	f1copper	2377	0	1419	1366	53	123	835	473
D	sgtroh	92	17-dec-2003	200312	f1copper	1200	0	675	653	22	105	420	154



Zone	WC	CLLI	ExtractDate	YearMonth	Type	Available	Equipped	Assigned	Working	Other	Def	Spare	Uncommitted
D	sgvlo	h23	21-dec-2003	200312	ffcopper	27807	0	18317	17507	810	1431	8059	2265
D	shwnoh	39	17-dec-2003	200312	ffcopper	2792	0	1100	1047	53	113	1579	1289
D	smrtoh	74	19-nov-2003	200311	ffcopper	2850	0	1898	1772	126	103	849	367
D	sndsoh	62	17-dec-2003	200312	ffcopper	31850	0	22136	20971	1165	2857	6857	927
D	solnoh	24	31-dec-2003	200312	ffcopper	32141	0	17733	16859	874	1897	12511	2759
D	spfdoh	32	17-dec-2003	200312	ffcopper	52381	0	31448	29603	1845	7395	13538	1883
D	spfdoh	39	17-dec-2003	200312	ffcopper	25140	0	14022	13486	536	2726	8392	3285
D	spntoh	37	13-dec-2003	200312	ffcopper	5025	0	2519	2352	167	413	2093	1213
D	spvyoh	86	23-dec-2003	200312	ffcopper	1500	0	1097	1058	39	58	345	20
D	ssino	h88	17-dec-2003	200312	ffcopper	450	0	243	231	12	66	141	55
D	stbooh	62	31-dec-2003	200312	ffcopper	8009	0	4875	4534	341	641	2493	811
D	svino	h56	17-dec-2003	200312	ffcopper	2300	0	1222	1185	37	302	776	431
D	tfnoh	44	24-dec-2003	200312	ffcopper	20629	0	14115	13451	664	1513	5001	1441
D	thvlo	h24	17-dec-2003	200312	ffcopper	6489	0	1928	1826	102	171	4390	3651
D	tlmdoh	63	06-dec-2003	200312	ffcopper	20966	0	13514	12945	569	2331	5121	1198
D	torooh	53	10-dec-2003	200312	ffcopper	7206	0	4050	3869	181	464	2692	1675
D	trcyoh	96	23-dec-2003	200312	ffcopper	1000	0	600	574	26	108	292	75
D	treno	h98	24-dec-2003	200312	ffcopper	6800	0	4379	4195	184	231	2190	328
D	uhvlo	h92	17-dec-2003	200312	ffcopper	9670	0	6538	6221	317	496	2636	832
D	untwo	h69	14-dec-2003	200312	ffcopper	10800	0	7094	6851	243	1327	2379	608
D	upsno	h29	24-dec-2003	200312	ffcopper	9243	0	5537	5237	300	454	3252	1344
D	vnino	h38	17-dec-2003	200312	ffcopper	3014	0	1483	1424	59	140	1391	1120
D	wachoh	33	21-dec-2003	200312	ffcopper	17267	0	10888	10351	537	1421	4958	1479
D	whshoh	87	24-dec-2003	200312	ffcopper	3632	0	2674	2572	102	317	641	146
D	wjsno	h87	21-dec-2003	200312	ffcopper	8215	0	2644	2506	138	441	5130	3327
D	wlfyoh	54	24-dec-2003	200312	ffcopper	4542	0	2898	2761	137	240	1404	698
D	wlvoh	53	20-dec-2003	200312	ffcopper	6410	0	3989	3811	178	858	1563	235
D	wncno	h69	24-dec-2003	200312	ffcopper	2450	0	1357	1302	55	130	963	418
D	woldoh	47	20-dec-2003	200312	ffcopper	3985	0	2598	2436	162	229	1158	310
D	xenio	h37	24-dec-2003	200312	ffcopper	25295	0	16092	15161	931	2426	6777	1913
D	yespo	h76	24-dec-2003	200312	ffcopper	6200	0	3465	3362	103	316	2419	1073
D	yntwo	h79	14-dec-2003	200312	ffcopper	42913	0	26537	25719	818	4182	12194	4415
D	zmmno	h42	24-dec-2003	200312	ffcopper	25866	0	14177	13481	696	1194	10495	3418
D	znvlo	h45	24-dec-2003	200312	ffcopper	44588	0	22553	21160	1393	2063	19972	9598
C	akmo	h72	10-dec-2003	200312	ffcopper	31026	0	17839	16816	1023	4017	9170	4309
C	akmo	h78	14-dec-2003	200312	ffcopper	50759	0	22428	21637	791	5394	22937	8163
C	akmo	h86	14-dec-2003	200312	ffcopper	48600	0	29683	28548	1135	4862	14055	3979
C	bcwdoh	46	31-dec-2003	200312	ffcopper	56185	0	23302	22652	650	4215	28668	13565
C	bereo	h23	28-dec-2003	200312	ffcopper	39647	0	23667	22041	1626	2865	13115	1623
C	bkpko	h26	30-nov-2003	200312	ffcopper	44723	0	23229	22701	528	3269	18225	4433
C	bkpko	h97	09-nov-2003	200312	ffcopper	3600	0	289	288	1	88	3223	1548
C	clevoh	25	30-nov-2003	200312	ffcopper	58025	0	34732	33240	1492	5886	17407	8270
C	clevoh	53	17-dec-2003	200312	ffcopper	60000	0	32383	31005	1378	7250	20367	10085
C	clevoh	64	28-dec-2003	200312	ffcopper	60255	0	33140	31433	1707	7753	19362	4949
C	clevoh	74	21-dec-2003	200312	ffcopper	72408	0	40087	38674	1413	5224	27097	10844
C	cimboh	23	30-nov-2003	200312	ffcopper	61163	0	35672	32642	3030	5967	19524	6964
C	cimboh	25	31-dec-2003	200312	ffcopper	46800	0	24055	21934	2121	5251	17494	7745
C	cimboh	26	04-jan-2004	200312	ffcopper	64630	0	39478	37038	2440	8151	17001	4336
C	cimboh	27	31-dec-2003	200312	ffcopper	59031	0	33736	31173	2563	6686	18609	7244
C	cimboh	29	04-jan-2004	200312	ffcopper	56924	0	26005	24516	1489	3636	27283	6600
C	cimboh	44	07-dec-2003	200312	ffcopper	33811	0	21002	19458	1544	4132	8677	3036
C	cimboh	47	07-dec-2003	200312	ffcopper	48936	0	28020	25985	2035	4157	16759	5513
C	cimboh	86	17-dec-2003	200312	ffcopper	75267	0	43283	40744	2539	6479	25505	6378
C	cntmo	h43	04-jan-2004	200312	ffcopper	60251	0	36471	35143	1328	3220	20560	3770
C	cyflo	h92	21-dec-2003	200312	ffcopper	51056	0	31561	30317	1244	5093	14402	4783
C	dbino	h89	31-dec-2003	200312	ffcopper	58260	0	27701	25484	2217	4164	26395	9971
C	dytnoh	25	10-dec-2003	200312	ffcopper	60058	0	32602	30932	1670	6580	20876	7728
C	dytnoh	26	10-dec-2003	200312	ffcopper	26500	0	12838	12072	766	4236	9426	2641
C	dytnoh	27	04-jan-2004	200312	ffcopper	57190	0	34081	32043	2038	8845	14264	3345
C	dytnoh	29	10-dec-2003	200312	ffcopper	62685	0	37884	36534	1350	5662	19139	5941
C	ecldoh	73	17-dec-2003	200312	ffcopper	64376	0	41318	39882	1436	7264	15794	5090
C	indpo	h52	27-dec-2003	200312	ffcopper	39875	0	16234	15831	403	3314	20327	5793
C	mphgo	h66	17-dec-2003	200312	ffcopper	55908	0	38304	37079	1225	5778	11826	3316
C	myhgo	h44	17-dec-2003	200312	ffcopper	53255	0	31128	30243	885	4989	17138	6953
C	noimo	h77	20-dec-2003	200312	ffcopper	35600	0	24519	23807	712	2103	8978	1460
C	parmoh	88	21-dec-2003	200312	ffcopper	78964	0	47847	46483	1364	7931	23186	7813
C	rkro	h33	29-nov-2003	200312	ffcopper	38866	0	25422	24424	998	3322	10122	1648
C	secloh	38	31-dec-2003	200312	ffcopper	37525	0	25809	24762	1047	3437	8279	2381
C	stowoh	68	10-dec-2003	200312	ffcopper	19455	0	12489	11801	688	1978	4988	2016
C	strho	h75	20-dec-2003	200312	ffcopper	18948	0	10761	10384	377	969	7218	3436
C	toldoh	38	17-dec-2003	200312	ffcopper	37038	0	23272	22134	1138	4019	9747	1735
C	toldoh	40	24-dec-2003	200312	ffcopper	28350	0	17311	16472	839	2037	9002	1058
C	toldoh	47	24-dec-2003	200312	ffcopper	52838	0	33495	31677	1818	5571	13772	4062
C	toldoh	53	17-dec-2003	200312	ffcopper	46019	0	24749	23480	1269	5648	15622	3484
C	toldoh	72	24-dec-2003	200312	ffcopper	26200	0	14595	13865	730	2652	8953	3008
C	uparoh	45	04-jan-2004	200312	ffcopper	46976	0	29445	27852	1593	3585	13946	3897
C	uparoh	48	10-dec-2003	200312	ffcopper	36988	0	21786	20458	1328	2548	12654	4843
C	wevloh	88	21-dec-2003	200312	ffcopper	70007	0	39865	37407	2458	5323	24819	9039

Zone	WC CLLI	ExtractDate	YearMonth	Type	Available	Equipped	Assigned	Working	Other	Def	Spare	Uncommitted
C	wlghoh94	24-dec-2003	200312	f1copper	46499	0	28496	27654	842	4798	13205	3750
C	wotnoh88	24-dec-2003	200312	f1copper	83770	0	42843	40804	2039	7319	33608	10284
C	wsikoh87	21-dec-2003	200312	f1copper	39166	0	26159	24883	1276	2394	10613	2327
C	yntwoh74	10-dec-2003	200312	f1copper	57246	0	23206	21917	1289	6063	27977	3358
C	yntwoh78	21-dec-2003	200312	f1copper	31772	0	19079	18260	819	3001	9692	2035
B	akmoh25	04-jan-2004	200312	f1copper	95040	0	43743	41468	2275	14013	37284	9754
B	clevoh42	31-dec-2003	200312	f1copper	89346	0	50942	49144	1798	9262	29142	6033
B	clevoh43	30-nov-2003	200312	f1copper	56909	0	22301	20958	1343	8818	25790	8860
B	clevoh45	31-dec-2003	200312	f1copper	62100	0	33143	30903	2240	10634	18323	5582
B	clevoh62	06-dec-2003	200312	f1copper	209320	0	70540	68906	1634	15022	123758	28997
B	clevoh63	07-dec-2003	200312	f1copper	51933	0	28428	26257	2171	3553	19952	7260
B	clhgoh32	31-dec-2003	200312	f1copper	41750	0	25776	24517	1259	2957	13017	5731
B	cimbh11	31-dec-2003	200312	f1copper	176376	0	73202	71897	1305	10978	92196	25522
B	dytnoh22	10-dec-2003	200312	f1copper	102136	0	35992	34499	1493	11471	54673	8630
B	lkwdoh52	30-nov-2003	200312	f1copper	52125	0	33482	31443	2039	3226	15417	2954
B	shhgoh92	24-dec-2003	200312	f1copper	75940	0	45803	43412	2391	9620	20517	8103
B	toldoh21	17-dec-2003	200312	f1copper	99664	0	40614	38389	2225	11916	47134	6645

Zone	WC, CLLI	ExtractDate	YearMonth	Type	2,993,358 Available	1,636,680 Equipped	Assigned	838,185 Working	Other	Def	Spare	909,125 Uncommitted
D	abrdoh79	03-jan-2004	200312	f1derived	314	314	133	119	14	9	172	88
D	aincoh82	04-jan-2004	200312	f1derived	8930	2832	1219	1162	57	48	7663	2931
D	araboh64	04-jan-2004	200312	f1derived	1357	1157	725	697	28	33	599	329
D	atwroh94	03-jan-2004	200312	f1derived	1524	538	212	207	5	29	1283	971
D	bavloh52	30-nov-2003	200312	f1derived	31214	12277	6844	6391	453	331	24039	13448
D	bdfroh23	31-dec-2003	200312	f1derived	9848	3773	1687	1541	146	193	7968	5046
D	bdmroh75	20-dec-2003	200312	f1derived	20498	10829	6002	5594	408	475	14021	6846
D	bevloh92	31-dec-2003	200312	f1derived	538	538	277	273	4	4	257	44
D	bibkoh84	03-jan-2004	200312	f1derived	3340	2289	1650	1540	110	130	1560	752
D	bllfroh76	03-jan-2004	200312	f1derived	342	302	213	204	9	12	117	36
D	blilroh67	31-dec-2003	200312	f1derived	3227	2814	1555	1509	46	75	1597	901
D	blingoh35	03-jan-2004	200312	f1derived	90	90	5	5	0	0	85	80
D	blprroh42	31-dec-2003	200312	f1derived	2559	1835	567	554	13	41	1951	210
D	bmbgoh43	31-dec-2003	200312	f1derived	592	204	0	0	0	2	590	92
D	brldoh44	04-jan-2004	200312	f1derived	2152	2013	1427	1330	97	156	569	408
D	brtnroh74	14-dec-2003	200312	f1derived	3811	2871	1594	1544	50	140	2077	604
D	brtnroh82	14-dec-2003	200312	f1derived	3202	2382	1259	1212	47	62	1881	1140
D	brttoh83	31-dec-2003	200312	f1derived	3568	2320	1116	1084	32	58	2394	1638
D	brvloh42	04-jan-2004	200312	f1derived	1843	1135	799	781	18	17	1027	515
D	bthsoh48	31-dec-2003	200312	f1derived	607	395	53	53	0	1	553	136
D	bwrroh45	03-jan-2004	200312	f1derived	44	44	14	12	2	1	29	28
D	catroh45	31-dec-2003	200312	f1derived	74	74	13	11	2	3	58	36
D	cdvloh76	03-jan-2004	200312	f1derived	120	120	69	65	4	5	46	6
D	chfloh24	31-dec-2003	200312	f1derived	3664	2074	950	807	143	45	2669	1469
D	chsgoh36	31-dec-2003	200312	f1derived	630	630	49	46	3	1	580	550
D	clbboh48	04-jan-2004	200312	f1derived	4412	1969	938	859	79	31	3443	1800
D	cnfboh02	03-jan-2004	200312	f1derived	9764	5754	3738	3506	232	242	5784	948
D	cnfloh01	04-jan-2004	200312	f1derived	1984	580	358	345	13	15	1611	942
D	cnsboh82	31-dec-2003	200312	f1derived	51	51	3	2	1	0	48	47
D	cntrroh45	31-dec-2003	200312	f1derived	28028	10047	4340	3669	671	289	23399	15329
D	cnwboh83	31-dec-2003	200312	f1derived	62474	28971	19649	18663	986	###	41270	17037
D	crbboh85	02-jan-2004	200312	f1derived	108	92	47	39	8	0	61	40
D	crngoh34	31-dec-2003	200312	f1derived	228	228	94	92	2	13	121	94
D	crnroh75	31-dec-2003	200312	f1derived	2715	1893	1204	1175	29	25	1486	114
D	castloh68	04-jan-2004	200312	f1derived	702	652	565	543	22	26	111	30
D	cstboh62	31-dec-2003	200312	f1derived	3962	2726	1547	1501	46	37	2378	757
D	cvtboh02	06-dec-2003	200312	f1derived	15362	7343	4033	3789	244	526	10803	6774
D	danhoh28	10-dec-2003	200312	f1derived	195	195	103	99	4	7	85	51
D	dffboh48	07-dec-2003	200312	f1derived	695	537	79	75	4	3	613	145
D	dltboh82	03-jan-2004	200312	f1derived	1300	524	220	198	22	19	1061	689
D	dnlboh67	13-dec-2003	200312	f1derived	1694	1221	1053	1017	36	11	630	48
D	dnvloh88	10-dec-2003	200312	f1derived	152	148	115	81	34	3	34	10
D	drsdoh75	31-dec-2003	200312	f1derived	896	485	334	324	10	9	553	33
D	dytnoh23	04-jan-2004	200312	f1derived	18049	10004	6127	5725	402	###	10880	5441
D	dytnoh89	24-dec-2003	200312	f1derived	17887	12646	6504	6077	427	732	10651	3425
D	ectboh48	31-dec-2003	200312	f1derived	712	166	101	94	7	4	607	480
D	elvroh38	04-jan-2004	200312	f1derived	9057	6109	4397	4228	169	279	4381	2356
D	enonoh86	10-dec-2003	200312	f1derived	1172	870	480	394	86	31	661	154
D	eploh42	03-jan-2004	200312	f1derived	894	894	225	207	18	11	658	548
D	flnboh01	13-dec-2003	200312	f1derived	9760	5419	3927	3782	145	389	5444	2713
D	flmboh84	07-dec-2003	200312	f1derived	1232	932	606	588	18	18	608	114
D	fltrcoh99	13-dec-2003	200312	f1derived	82	82	44	43	1	1	37	26
D	frdyoh42	14-dec-2003	200312	f1derived	17090	10177	7407	6990	417	389	9294	4644
D	frbnroh87	10-dec-2003	200312	f1derived	22206	9907	5537	4813	724	507	16162	10674
D	frmtoh33	14-dec-2003	200312	f1derived	6309	4281	3140	2899	241	150	3019	1836
D	fstaoh43	14-dec-2003	200312	f1derived	1376	768	481	395	86	19	876	732
D	fpwboh88	14-dec-2003	200312	f1derived	18844	9816	6248	6088	160	638	11958	7757
D	glfroh65	17-dec-2003	200312	f1derived	0	0	0	0	0	0	0	0
D	glploh44	07-dec-2003	200312	f1derived	6183	4909	3528	3345	183	85	2570	1238
D	gnbgoh89	31-dec-2003	200312	f1derived	9885	5873	3189	3051	138	236	6460	1933
D	gndboh25	07-dec-2003	200312	f1derived	478	281	151	148	3	13	314	224
D	gvcyoh87	07-dec-2003	200312	f1derived	54650	29815	15699	14151	1548	###	37760	17747
D	gyvloh93	07-dec-2003	200312	f1derived	716	716	415	407	8	9	292	44
D	hbrdoh02	20-dec-2003	200312	f1derived	970	872	536	510	26	16	418	218
D	hliboh39	14-dec-2003	200312	f1derived	6340	3436	2358	2178	180	84	3898	2003
D	hldoh11	13-dec-2003	200312	f1derived	42295	18867	11785	9720	2065	###	29287	15439
D	hlrdoh87	10-dec-2003	200312	f1derived	68796	45914	26364	23606	2758	###	40194	18693
D	hrbboh87	07-dec-2003	200312	f1derived	5492	2712	1529	1486	43	177	3786	2532
D	htvloh02	31-dec-2003	200312	f1derived	1136	230	79	75	4	3	1054	948
D	irfnoh53	10-dec-2003	200312	f1derived	5909	5068	3655	3530	125	112	2142	308
D	jlvlroh42	10-dec-2003	200312	f1derived	2004	682	290	283	7	7	1707	1350
D	jmtboh67	13-dec-2003	200312	f1derived	2362	1579	1049	979	70	59	1254	315
D	kentoh67	10-dec-2003	200312	f1derived	33565	14414	7713	7221	492	434	25418	13795
D	krldoh25	17-dec-2003	200312	f1derived	2324	1366	489	478	11	41	1794	1398
D	lckboh49	10-dec-2003	200312	f1derived	39586	20512	9497	8818	679	896	29193	13794
D	llvlroh53	31-dec-2003	200312	f1derived	360	312	95	88	7	4	261	138
D	lncboh65	10-dec-2003	200312	f1derived	19114	13183	8840	8357	483	404	9870	3177

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D	Indsoh66	13-dec-2003	200312	f1derived	107	107	14	8	6	0	93	93
D	londoh85	10-dec-2003	200312	f1derived	9631	7833	4319	4186	133	153	5159	1210
D	lrtpoh75	31-dec-2003	200312	f1derived	7342	2937	1382	1229	153	152	5808	2006
D	lsbnoh42	31-dec-2003	200312	f1derived	3638	1835	1294	1238	56	101	2243	748
D	lsvloh87	31-dec-2003	200312	f1derived	2564	478	294	277	17	11	2259	1683
D	ltnaoh02	31-dec-2003	200312	f1derived	780	460	186	169	17	4	590	306
D	lwlloh56	10-dec-2003	200312	f1derived	332	312	187	185	2	8	137	34
D	lytpoh25	17-dec-2003	200312	f1derived	988	58	10	10	0	1	977	970
D	maumoh11	17-dec-2003	200312	f1derived	7394	4672	2055	1868	187	347	4992	954
D	mcvloh25	07-dec-2003	200312	f1derived	2100	1996	976	938	38	42	1082	634
D	mdtwh42	14-dec-2003	200312	f1derived	36364	17815	10967	9731	1236	862	24535	12687
D	mdvloh94	10-dec-2003	200312	f1derived	862	719	532	519	13	12	318	188
D	mewyoh84	17-dec-2003	200312	f1derived	1141	793	565	497	68	75	501	437
D	mgdroh62	06-dec-2003	200312	f1derived	3834	2029	1069	1044	25	124	2641	964
D	mglnoh86	06-dec-2003	200312	f1derived	3520	1704	1235	1194	41	76	2209	1994
D	mmboh86	17-dec-2003	200312	f1derived	8864	4887	2141	1957	184	324	6399	3081
D	mncsoh88	07-dec-2003	200312	f1derived	3108	2244	1407	1362	45	80	1621	865
D	mnltoh53	10-dec-2003	200312	f1derived	44	44	5	5	0	0	39	32
D	mnltoh25	17-dec-2003	200312	f1derived	10676	5712	3693	3581	112	361	6622	2831
D	mnltoh27	06-dec-2003	200312	f1derived	2510	1900	1133	1090	43	45	1332	1014
D	monroh53	17-dec-2003	200312	f1derived	5602	2302	1649	1605	44	66	3887	1909
D	moltoh25	17-dec-2003	200312	f1derived	2816	1914	1299	1204	95	63	1454	900
D	mrboh93	05-dec-2003	200312	f1derived	704	88	10	9	1	0	694	686
D	mrfoh63	10-dec-2003	200312	f1derived	1415	1195	300	293	7	5	1110	364
D	mrshoh46	17-dec-2003	200312	f1derived	536	312	216	211	5	4	316	66
D	mrttoh37	14-dec-2003	200312	f1derived	11084	8990	5958	5718	240	406	4720	1146
D	mslnoh02	07-dec-2003	200312	f1derived	23426	12321	7035	6587	448	231	16160	8670
D	mycyoh76	17-dec-2003	200312	f1derived	0	0	0	0	0	0	0	0
D	nctroh49	10-dec-2003	200312	f1derived	56964	28137	16412	15092	1320	###	39407	16884
D	nhhnoh96	17-dec-2003	200312	f1derived	1056	524	293	270	23	17	746	74
D	nhldoh49	12-dec-2003	200312	f1derived	184	140	74	74	0	0	110	68
D	nlsoh65	07-dec-2003	200312	f1derived	10216	5618	3097	2864	233	273	6846	3869
D	nindoh48	31-dec-2003	200312	f1derived	3944	1418	845	795	50	83	3016	2097
D	njsnoh53	06-dec-2003	200312	f1derived	1550	1373	621	601	20	33	896	640
D	nlmoh54	10-dec-2003	200312	f1derived	4424	2270	1487	1450	37	87	2850	2540
D	nlvloh75	13-dec-2003	200312	f1derived	3214	2180	1521	1462	59	23	1670	56
D	nrttoh23	06-dec-2003	200312	f1derived	35042	14273	8643	8178	465	780	25619	15283
D	nrcwoh87	12-dec-2003	200312	f1derived	812	688	569	545	24	13	230	42
D	nvroh87	10-dec-2003	200312	f1derived	872	69	50	46	4	0	822	770
D	nwaloh85	13-dec-2003	200312	f1derived	35764	15149	10497	9665	832	575	24692	13977
D	nwcnoh49	13-dec-2003	200312	f1derived	3090	2334	1565	1506	59	40	1485	299
D	nwcroh84	17-dec-2003	200312	f1derived	3586	2156	1454	1393	61	116	2016	1102
D	nwltoh34	13-dec-2003	200312	f1derived	3874	1919	1279	1236	43	41	2554	372
D	nwmloh54	10-dec-2003	200312	f1derived	721	696	311	301	10	23	387	317
D	nwmtoh86	13-dec-2003	200312	f1derived	780	689	470	455	15	26	284	36
D	nwploh47	13-dec-2003	200312	f1derived	620	499	332	323	9	17	271	32
D	nwrtoh59	17-dec-2003	200312	f1derived	890	520	17	17	0	0	873	868
D	nwrtoh66	04-jan-2004	200312	f1derived	28335	21328	12855	11718	1137	921	14559	4647
D	nwtwoh45	10-dec-2003	200312	f1derived	1594	544	268	252	16	52	1274	1144
D	oifloh23	20-dec-2003	200312	f1derived	15904	8230	4810	4635	175	380	10714	5324
D	orgnoh69	17-dec-2003	200312	f1derived	6256	2998	1940	1772	168	159	4157	1776
D	patroh37	24-dec-2003	200312	f1derived	1317	1039	312	297	15	15	990	625
D	piquoh77	17-dec-2003	200312	f1derived	10174	6737	4182	3922	260	279	5713	1382
D	pnltoh35	17-dec-2003	200312	f1derived	38763	16581	10708	10299	409	698	27357	16247
D	poldoh75	20-dec-2003	200312	f1derived	3396	2450	1385	1313	72	34	1977	840
D	prbtoh14	17-dec-2003	200312	f1derived	14331	6369	4590	4401	189	444	9297	5946
D	prbtoh66	24-dec-2003	200312	f1derived	5125	3815	2421	2294	127	249	2455	688
D	prhtoh47	31-dec-2003	200312	f1derived	5182	1988	781	723	58	40	4361	1965
D	ptchtoh26	17-dec-2003	200312	f1derived	136	130	56	37	19	1	79	56
D	rgroth22	10-dec-2003	200312	f1derived	840	569	197	183	14	6	637	543
D	rgroth24	13-dec-2003	200312	f1derived	1459	1119	505	482	23	5	949	508
D	rmboh36	17-dec-2003	200312	f1derived	782	274	85	75	10	6	691	626
D	rplyoh39	17-dec-2003	200312	f1derived	418	244	114	105	9	0	304	76
D	rsvloh69	13-dec-2003	200312	f1derived	648	356	287	276	11	8	353	28
D	rtwtoh32	10-dec-2003	200312	f1derived	4258	2482	1023	989	34	93	3142	1017
D	ruvloh53	13-dec-2003	200312	f1derived	1133	751	527	517	10	6	600	139
D	rvnnoh02	14-dec-2003	200312	f1derived	7993	4655	2757	2656	101	173	5063	1430
D	salmoh33	14-dec-2003	200312	f1derived	6168	2317	1249	1141	108	66	4853	1417
D	savloh67	13-dec-2003	200312	f1derived	744	224	131	127	4	24	589	542
D	sbngoh93	13-dec-2003	200312	f1derived	1256	108	48	44	4	4	1204	1162
D	sbvloh26	17-dec-2003	200312	f1derived	3478	2383	1641	1562	79	41	1796	683
D	sbvloh28	04-jan-2004	200312	f1derived	4538	3402	2504	2470	34	41	1993	795
D	scldoh72	17-dec-2003	200312	f1derived	4741	2073	1424	1361	63	54	3263	1882
D	scnoh46	19-nov-2003	200311	f1derived	220	220	113	94	19	5	102	56
D	scvloh69	17-dec-2003	200312	f1derived	5731	4436	2537	2439	98	46	3148	714
D	sdlooh87	17-dec-2003	200312	f1derived	556	2	1	1	0	0	555	554
D	sggvoh74	17-dec-2003	200312	f1derived	550	548	359	351	8	1	190	145
D	sgtroh92	17-dec-2003	200312	f1derived	146	146	85	79	6	3	58	44

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D	sgvlo23	21-dec-2003	200312	f1derived	29440	14052	8730	8355	375	434	20276	9780
D	shwnoh39	17-dec-2003	200312	f1derived	278	278	190	184	6	6	82	46
D	smrtch74	19-nov-2003	200311	f1derived	1880	1310	914	896	18	16	950	278
D	sndsoh62	17-dec-2003	200312	f1derived	13155	9487	7363	7001	362	602	5190	2253
D	solnoh24	31-dec-2003	200312	f1derived	27552	11783	5576	5167	409	432	21544	8747
D	spfdoh32	17-dec-2003	200312	f1derived	32310	13775	7731	7244	487	867	23712	13575
D	spfdoh39	17-dec-2003	200312	f1derived	29835	9283	4776	4454	322	438	24621	14453
D	spntoh37	13-dec-2003	200312	f1derived	1104	1096	560	523	37	4	540	380
D	spvyoh86	23-dec-2003	200312	f1derived	128	128	66	55	11	3	59	40
D	sslnoh88	17-dec-2003	200312	f1derived	44	44	0	0	0	0	44	44
D	stboch62	31-dec-2003	200312	f1derived	6692	4139	2665	2549	116	139	3888	1402
D	svinoch56	17-dec-2003	200312	f1derived	820	426	220	216	4	15	585	145
D	tfnoh44	24-dec-2003	200312	f1derived	4508	3598	2265	2124	141	119	2124	791
D	thvlo24	17-dec-2003	200312	f1derived	2224	1226	923	910	13	15	1286	693
D	tlmdoh63	06-dec-2003	200312	f1derived	5468	3472	1809	1753	56	89	3570	1475
D	toroch53	10-dec-2003	200312	f1derived	812	786	428	413	15	43	341	36
D	trcyoh96	23-dec-2003	200312	f1derived	52	52	22	14	8	1	29	18
D	trenoh98	24-dec-2003	200312	f1derived	912	718	513	470	43	12	387	108
D	uhvlo92	17-dec-2003	200312	f1derived	2132	1646	1200	1162	38	27	905	26
D	untwoh69	14-dec-2003	200312	f1derived	3784	1944	550	525	25	61	3173	1762
D	upsnoh29	24-dec-2003	200312	f1derived	1932	1396	960	864	96	32	940	558
D	vmnoh38	17-dec-2003	200312	f1derived	1538	908	285	275	10	8	1245	554
D	wachoh33	21-dec-2003	200312	f1derived	4893	3193	1757	1688	69	87	3049	592
D	whfsoh87	24-dec-2003	200312	f1derived	1198	566	424	382	42	22	752	309
D	wjsnoh87	21-dec-2003	200312	f1derived	9116	4325	2009	1966	43	55	7052	5261
D	wlfyoh54	24-dec-2003	200312	f1derived	1111	1045	702	690	12	33	376	43
D	wlvlo53	20-dec-2003	200312	f1derived	1122	746	493	477	16	38	591	229
D	wnocho69	24-dec-2003	200312	f1derived	744	456	292	285	7	10	442	276
D	wofdoh47	20-dec-2003	200312	f1derived	1639	1372	639	618	21	19	981	524
D	xenoh37	24-dec-2003	200312	f1derived	16969	7097	3962	3720	242	280	12727	5318
D	yesoh76	24-dec-2003	200312	f1derived	1508	1185	734	679	55	37	737	226
D	yntwoh79	14-dec-2003	200312	f1derived	27583	12602	7551	7062	489	533	19499	8698
D	zmmnoh4224	dec-2003	200312	f1derived	51973	30222	17301	15748	1553	###	32406	14404
D	zrvlo45	24-dec-2003	200312	f1derived	26530	19554	14274	13710	564	242	12014	1437
C	akmoh72	10-dec-2003	200312	f1derived	3006	2270	1027	959	68	139	1840	823
C	akmoh78	14-dec-2003	200312	f1derived	11600	5060	2299	2230	69	189	9112	4828
C	akmoh86	14-dec-2003	200312	f1derived	21053	10566	5217	4592	625	659	15177	8905
C	bcdoh46	31-dec-2003	200312	f1derived	43838	26433	12273	11703	570	###	30265	12262
C	bereoh23	28-dec-2003	200312	f1derived	20832	10327	6322	5876	446	502	14008	5318
C	bkpoh26	30-nov-2003	200312	f1derived	22832	10295	5569	5024	545	315	16948	6503
C	bkpoh97	09-nov-2003	200312	f1derived	0	0	0	0	0	0	0	0
C	clevo25	30-nov-2003	200312	f1derived	6726	2711	914	750	164	67	5745	2946
C	clevo53	17-dec-2003	200312	f1derived	8643	7077	3222	3147	75	138	5283	1679
C	clevo64	28-dec-2003	200312	f1derived	6958	3036	793	721	72	58	6107	3338
C	clevo74	21-dec-2003	200312	f1derived	32758	14744	7390	6475	915	848	24520	12361
C	cmboh23	30-nov-2003	200312	f1derived	36527	18259	6539	5886	653	783	29205	17883
C	cmboh25	31-dec-2003	200312	f1derived	6234	4730	1859	1763	96	308	4067	1708
C	cmboh26	04-jan-2004	200312	f1derived	14935	8969	3752	3553	199	426	10757	3421
C	cmboh27	31-dec-2003	200312	f1derived	35775	24777	14663	13540	1123	###	19463	7177
C	cmboh29	04-jan-2004	200312	f1derived	8372	4315	1440	1180	260	387	6545	2539
C	cmboh44	07-dec-2003	200312	f1derived	3594	2246	807	757	50	124	2663	947
C	cmboh47	07-dec-2003	200312	f1derived	74752	41737	22518	20970	1548	###	50059	24159
C	cmboh86	17-dec-2003	200312	f1derived	123844	68276	42291	38853	3438	###	77092	33574
C	cmtoh43	04-jan-2004	200312	f1derived	53220	32410	19349	17021	2328	###	31036	16092
C	cyflo92	21-dec-2003	200312	f1derived	36238	17247	9855	8709	1146	###	25333	12737
C	dblnoh89	31-dec-2003	200312	f1derived	109508	69400	39331	35162	4169	###	67317	33387
C	dytnoh25	10-dec-2003	200312	f1derived	26873	14994	5942	5028	914	606	20325	7159
C	dytnoh26	10-dec-2003	200312	f1derived	5379	3540	2374	2272	102	309	2696	1674
C	dytnoh27	04-jan-2004	200312	f1derived	14927	6852	3624	3266	358	584	10719	2753
C	dytnoh29	10-dec-2003	200312	f1derived	24955	12376	6612	6079	533	613	17730	7726
C	ecldoh73	17-dec-2003	200312	f1derived	21415	9141	5156	4475	681	428	15831	9593
C	indpoh52	27-dec-2003	200312	f1derived	50484	22757	9580	9111	469	906	39998	12562
C	mphgoh66	17-dec-2003	200312	f1derived	10023	4819	2632	2423	209	257	7134	3016
C	myghoh44	17-dec-2003	200312	f1derived	28397	16203	7597	7009	588	585	20215	6510
C	noimoh77	20-dec-2003	200312	f1derived	10618	6184	3155	3064	91	189	7274	3617
C	parmoh88	21-dec-2003	200312	f1derived	34740	11899	6838	5666	1172	602	27300	15344
C	rkrvoh33	29-nov-2003	200312	f1derived	4394	1688	1027	930	97	37	3330	2237
C	sedoh38	31-dec-2003	200312	f1derived	8504	4686	2781	2547	234	153	5570	1293
C	stowoh68	10-dec-2003	200312	f1derived	9707	5552	2587	2458	129	265	6855	2652
C	strto75	20-dec-2003	200312	f1derived	1046	326	139	128	11	4	903	818
C	toldoh38	17-dec-2003	200312	f1derived	11868	3596	2076	1905	171	239	9553	6505
C	toldoh40	24-dec-2003	200312	f1derived	1869	981	277	221	56	10	1582	1189
C	toldoh47	24-dec-2003	200312	f1derived	13485	3989	2154	1891	263	310	11021	6864
C	toldoh53	17-dec-2003	200312	f1derived	26286	11086	5810	4705	1105	712	19764	11866
C	toldoh72	24-dec-2003	200312	f1derived	5254	3789	2341	2184	157	275	2638	1042
C	uparoh45	04-jan-2004	200312	f1derived	19319	13531	5855	5451	404	614	12850	6681
C	uparoh48	10-dec-2003	200312	f1derived	20724	15830	6581	5902	679	602	13541	4016
C	welvoh88	21-dec-2003	200312	f1derived	96686	60932	32871	30929	1942	###	60686	23311

Zone	WC CLLI	ExtractDate	YearMonth	Type	Available	Equipped	Assigned	Working	Other	Def	Spare	Uncommitted
C	wlghoh94	24-dec-2003	200312	f1derived	42342	19749	11943	11135	808	950	29449	18185
C	wotnoh88	24-dec-2003	200312	f1derived	84296	62291	31132	28056	3076	###	48898	14694
C	wsikoh87	21-dec-2003	200312	f1derived	30753	15633	7319	6835	484	605	22829	13168
C	yntwoh74	10-dec-2003	200312	f1derived	5886	1506	683	652	31	42	5161	1444
C	yntwoh78	21-dec-2003	200312	f1derived	1208	518	149	110	39	0	1059	780
B	akmoh25	04-jan-2004	200312	f1derived	23230	13528	5870	5710	160	396	16964	5401
B	clevoh42	31-dec-2003	200312	f1derived	14649	9158	7023	6899	124	113	7513	2064
B	clevoh43	30-nov-2003	200312	f1derived	10784	3790	1791	1621	170	102	8891	2539
B	clevoh45	31-dec-2003	200312	f1derived	2536	1362	562	441	121	37	1937	702
B	clevoh62	06-dec-2003	200312	f1derived	61672	30835	14605	14036	569	738	46329	8418
B	clevoh63	07-dec-2003	200312	f1derived	6039	2642	1484	1340	144	139	4416	2105
B	dhghoh32	31-dec-2003	200312	f1derived	4728	2832	1873	1559	314	117	2738	1505
B	dmboh11	31-dec-2003	200312	f1derived	68675	42250	18158	17616	542	###	49416	7104
B	dytnoh22	10-dec-2003	200312	f1derived	13211	7572	2864	2590	274	289	10058	2247
B	lkwdoh52	30-nov-2003	200312	f1derived	8664	5500	3208	2843	365	265	5191	1729
B	shghoh92	24-dec-2003	200312	f1derived	7068	4056	2070	1715	355	134	4864	1442
B	toldoh21	17-dec-2003	200312	f1derived	7631	5007	3489	3258	231	119	4023	1917



Zone	WC	CLL	ExtractDate	YearMonth	Type	Available	Equipped	Assigned	Working	Other	Def	Spare	Uncommitted
D	abrdoh	79	03-jan-2004	200312	fncopper	1200	0	534	511	23	101	565	135
D	aincoh	82	04-jan-2004	200312	fncopper	51476	0	13847	13366	481	2660	34969	18010
D	araboh	64	04-jan-2004	200312	fncopper	4541	0	1126	1094	32	167	3248	2580
D	atwroh	94	03-jan-2004	200312	fncopper	8526	0	2164	2115	49	383	5979	4169
D	bcvloh	52	30-nov-2003	200312	fncopper	90475	0	17849	16989	860	1537	71089	43559
D	bdfroh	23	31-dec-2003	200312	fncopper	75352	0	20600	19873	727	2791	51961	28943
D	bdmroh	7520	dec-2003	200312	fncopper	65160	0	19548	18971	577	3442	42170	20618
D	bevloh	92	31-dec-2003	200312	fncopper	4350	0	997	981	16	85	3268	2268
D	blbboh	84	03-jan-2004	200312	fncopper	23450	0	5699	5549	150	745	17006	10916
D	blfboh	76	03-jan-2004	200312	fncopper	1100	0	324	311	13	58	718	549
D	bltboh	67	31-dec-2003	200312	fncopper	19295	0	4506	4398	108	216	14573	10828
D	blingoh	35	03-jan-2004	200312	fncopper	2600	0	742	732	10	278	1580	793
D	blproh	42	31-dec-2003	200312	fncopper	20285	0	4111	3976	135	489	15685	10579
D	bmbboh	4331	dec-2003	200312	fncopper	4600	0	730	696	34	81	3789	3188
D	brfboh	44	04-jan-2004	200312	fncopper	10375	0	3258	3047	211	490	6627	3790
D	brtnoh	74	14-dec-2003	200312	fncopper	64425	0	17977	17357	620	4147	42301	20210
D	brtnoh	82	14-dec-2003	200312	fncopper	20851	0	6306	6121	185	1034	13511	6312
D	brtboh	83	31-dec-2003	200312	fncopper	19425	0	3927	3824	103	364	15134	11690
D	brvboh	42	04-jan-2004	200312	fncopper	2498	0	816	803	13	45	1637	731
D	bthboh	48	31-dec-2003	200312	fncopper	4396	0	705	680	25	36	3655	3035
D	bwrboh	45	03-jan-2004	200312	fncopper	0	0	0	0	0	0	0	0
D	catboh	45	31-dec-2003	200312	fncopper	950	0	281	276	5	59	610	250
D	cdvloh	76	03-jan-2004	200312	fncopper	3600	0	517	504	13	64	3019	1675
D	chfboh	24	31-dec-2003	200312	fncopper	24450	0	7846	7559	287	1130	15474	8593
D	chsgoh	36	31-dec-2003	200312	fncopper	1650	0	652	625	27	45	953	352
D	clbboh	48	04-jan-2004	200312	fncopper	13501	0	4016	3659	357	466	9019	5302
D	cnfboh	02	03-jan-2004	200312	fncopper	35819	0	10788	10165	623	1502	23529	14670
D	cnfboh	01	04-jan-2004	200312	fncopper	25665	0	6743	6401	342	949	17973	9952
D	cnsboh	82	31-dec-2003	200312	fncopper	1306	0	416	410	6	40	850	652
D	cntboh	45	31-dec-2003	200312	fncopper	134637	0	35166	33494	1672	9389	90082	39403
D	cnwboh	83	31-dec-2003	200312	fncopper	162000	0	31645	28948	2697	4027	1E+05	82763
D	crbboh	85	02-jan-2004	200312	fncopper	1150	0	366	363	3	113	671	281
D	crmboh	34	31-dec-2003	200312	fncopper	1756	0	346	337	9	17	1393	984
D	crrboh	75	31-dec-2003	200312	fncopper	11500	0	1600	1578	22	94	9806	7870
D	cstboh	68	04-jan-2004	200312	fncopper	8461	0	2974	2880	94	599	4888	2754
D	cstboh	62	31-dec-2003	200312	fncopper	35841	0	8551	8260	291	741	26549	17075
D	cvtboh	02	06-dec-2003	200312	fncopper	50025	0	12073	11691	382	2466	35486	22430
D	danhoh	28	10-dec-2003	200312	fncopper	3175	0	534	527	7	65	2576	2281
D	dfyboh	48	07-dec-2003	200312	fncopper	4452	0	917	898	19	75	3460	2268
D	dltboh	82	03-jan-2004	200312	fncopper	4825	0	1640	1539	101	221	2964	1607
D	dnfboh	67	13-dec-2003	200312	fncopper	7498	0	2046	1999	47	162	5290	3889
D	dnvboh	88	10-dec-2003	200312	fncopper	2150	0	609	589	20	77	1464	863
D	drsdoh	75	31-dec-2003	200312	fncopper	7730	0	1872	1817	55	89	5769	3711
D	dytboh	23	04-jan-2004	200312	fncopper	96900	0	26661	25683	978	9191	61048	32109
D	dytboh	89	24-dec-2003	200312	fncopper	90830	0	22120	21315	805	5495	63215	31937
D	ectboh	48	31-dec-2003	200312	fncopper	9300	0	2669	2606	63	397	6234	3240
D	elvboh	38	04-jan-2004	200312	fncopper	37854	0	9891	9450	441	2087	25876	12454
D	enonoh	86	10-dec-2003	200312	fncopper	10575	0	3526	3398	128	908	6141	2374
D	epfboh	42	03-jan-2004	200312	fncopper	6650	0	1934	1875	59	259	4457	1462
D	flkboh	01	13-dec-2003	200312	fncopper	55375	0	12935	12441	494	2660	39780	25596
D	flmboh	84	07-dec-2003	200312	fncopper	4400	0	870	844	26	39	3491	2608
D	fltboh	99	13-dec-2003	200312	fncopper	1250	0	365	355	10	152	733	415
D	fnfboh	42	14-dec-2003	200312	fncopper	108922	0	32101	30685	1416	6842	69979	38256
D	frbboh	87	10-dec-2003	200312	fncopper	60746	0	15722	14859	863	4444	40580	22805
D	frmtoh	33	14-dec-2003	200312	fncopper	51462	0	17664	16994	670	4250	29548	16516
D	fstaoh	43	14-dec-2003	200312	fncopper	32750	0	9785	9424	361	1851	21114	11282
D	fvpboh	88	14-dec-2003	200312	fncopper	58425	0	15544	15253	291	2189	40692	23755
D	glfboh	65	17-dec-2003	200312	fncopper	800	0	199	198	1	15	586	475
D	glpboh	44	07-dec-2003	200312	fncopper	23225	0	7243	7045	198	770	15212	9329
D	gnbboh	89	31-dec-2003	200312	fncopper	30800	0	6691	6419	272	1213	22896	16319
D	gndboh	25	07-dec-2003	200312	fncopper	4550	0	917	899	18	58	3575	2335
D	gvcboh	87	07-dec-2003	200312	fncopper	165669	0	29464	27199	2265	4280	1E+05	94631
D	gyvboh	93	07-dec-2003	200312	fncopper	3050	0	539	531	8	41	2470	1826
D	hbrboh	02	20-dec-2003	200312	fncopper	16075	0	5240	5089	151	866	9969	4660
D	hibboh	39	14-dec-2003	200312	fncopper	33325	0	8307	7987	320	885	24133	16343
D	hldboh	11	13-dec-2003	200312	fncopper	132350	0	28280	27021	1259	7762	96308	50022
D	hldboh	87	10-dec-2003	200312	fncopper	175111	0	40202	35666	4536	3939	1E+05	74499
D	hrbboh	87	07-dec-2003	200312	fncopper	15700	0	3524	3440	84	677	11499	5509
D	htvboh	02	31-dec-2003	200312	fncopper	21450	0	6147	6001	146	1290	14013	8143
D	irtboh	53	10-dec-2003	200312	fncopper	46908	0	13245	12783	462	1343	32320	20598
D	jfvboh	42	10-dec-2003	200312	fncopper	3675	0	535	524	11	68	3072	2029
D	jmtboh	67	13-dec-2003	200312	fncopper	8800	0	1590	1546	44	334	6876	5387
D	kentoh	67	10-dec-2003	200312	fncopper	82929	0	19304	18398	906	3293	60332	40569
D	krdboh	25	17-dec-2003	200312	fncopper	17250	0	3904	3828	76	268	13078	8503
D	lckboh	49	10-dec-2003	200312	fncopper	109491	0	20003	19048	955	3545	85943	54106
D	llvboh	53	31-dec-2003	200312	fncopper	3400	0	962	928	34	152	2286	1513
D	lncboh	65	10-dec-2003	200312	fncopper	94776	0	20877	20121	756	3551	70348	46017



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D	Indsoh66	13-dec-2003	200312	fncopper	1850	0	727	710	17	128	995	564
D	londoh85	10-dec-2003	200312	fncopper	45355	0	6742	6494	248	834	37779	25944
D	lrtpoh75	31-dec-2003	200312	fncopper	51901	0	13435	12965	470	3383	35083	17224
D	lsbnoh42	31-dec-2003	200312	fncopper	12375	0	3271	3188	83	624	8480	5990
D	lsvloh87	31-dec-2003	200312	fncopper	26825	0	6698	6542	156	835	19292	10922
D	ltnaoh02	31-dec-2003	200312	fncopper	3656	0	992	966	26	119	2545	1231
D	lwvloh56	10-dec-2003	200312	fncopper	1850	0	333	331	2	30	1487	1190
D	lytpoh25	17-dec-2003	200312	fncopper	6850	0	1325	1310	15	127	5398	4301
D	maumoh1117	17-dec-2003	200312	fncopper	48633	0	12294	11917	377	2904	33435	15459
D	mcvloh25	07-dec-2003	200312	fncopper	5757	0	1614	1571	43	109	4034	3000
D	mdtwh42	14-dec-2003	200312	fncopper	133350	0	32178	30755	1423	7372	93800	54104
D	mdvloh94	10-dec-2003	200312	fncopper	2100	0	669	661	8	49	1382	1006
D	mwvyoh8417	17-dec-2003	200312	fncopper	8000	0	2809	2726	83	943	4248	2300
D	mgdroh62	06-dec-2003	200312	fncopper	16750	0	4406	4302	104	781	11563	7296
D	mglnoh86	06-dec-2003	200312	fncopper	11950	0	3565	3489	76	473	7912	4926
D	mmbgoh867	17-dec-2003	200312	fncopper	87050	0	20980	20128	852	4968	61102	34468
D	mncsoh88	07-dec-2003	200312	fncopper	13510	0	3991	3866	125	594	8925	5354
D	mnjloh53	10-dec-2003	200312	fncopper	4200	0	873	849	24	56	3271	2440
D	mntroh25	17-dec-2003	200312	fncopper	61800	0	16555	16252	303	2206	43039	22819
D	mntloh27	06-dec-2003	200312	fncopper	8975	0	2740	2627	113	460	5775	3478
D	monroh53	17-dec-2003	200312	fncopper	29400	0	4761	4642	119	975	23664	17041
D	motloh25	17-dec-2003	200312	fncopper	33950	0	10168	9900	268	1919	21863	12147
D	mrbooh93	05-dec-2003	200312	fncopper	4300	0	1289	1251	38	236	2775	1958
D	mrlyoh63	10-dec-2003	200312	fncopper	26348	0	6240	6049	191	409	19699	13939
D	mrshoh46	17-dec-2003	200312	fncopper	4550	0	890	849	41	106	3554	2999
D	mrtloh37	14-dec-2003	200312	fncopper	80497	0	16485	15949	536	1363	62649	40745
D	mslnoh02	07-dec-2003	200312	fncopper	117443	0	31776	30487	1289	4993	80674	46416
D	mycyoh76	17-dec-2003	200312	fncopper	0	0	0	0	0	0	0	0
D	nctnloh49	10-dec-2003	200312	fncopper	213188	0	50862	48952	1910	7754	2E+05	85526
D	nhhnoh96	17-dec-2003	200312	fncopper	5025	0	1154	1117	37	294	3577	1629
D	nhldoh49	12-dec-2003	200312	fncopper	1000	0	178	177	1	13	809	495
D	nlsoh65	07-dec-2003	200312	fncopper	55850	0	14733	14162	571	3105	38012	20998
D	nindoh48	31-dec-2003	200312	fncopper	16725	0	5368	5243	125	797	10560	5115
D	njsnoh53	06-dec-2003	200312	fncopper	7151	0	1700	1667	33	281	5170	3414
D	nlmoh54	10-dec-2003	200312	fncopper	9950	0	3186	3073	113	475	6289	3646
D	nlvloh75	13-dec-2003	200312	fncopper	16512	0	4236	4040	196	434	11842	8425
D	nrtloh23	06-dec-2003	200312	fncopper	100850	0	20895	20032	863	1992	77963	53374
D	nrwcoh87	12-dec-2003	200312	fncopper	2190	0	566	548	18	40	1584	1134
D	nrroh87	10-dec-2003	200312	fncopper	4850	0	1492	1457	35	131	3227	1778
D	nwaloh85	13-dec-2003	200312	fncopper	85625	0	15968	13796	2172	1784	67873	43325
D	nwcnoh4913	13-dec-2003	200312	fncopper	22175	0	3988	3890	98	403	17784	13450
D	nwcroh84	17-dec-2003	200312	fncopper	20100	0	5290	5150	140	1101	13709	9527
D	nwlxoh34	13-dec-2003	200312	fncopper	14145	0	2809	2706	103	170	11166	8624
D	nwmloh54	10-dec-2003	200312	fncopper	5650	0	1626	1578	48	372	3652	2053
D	nwmloh86	13-dec-2003	200312	fncopper	5157	0	884	861	23	94	4179	3285
D	nwploh47	13-dec-2003	200312	fncopper	5231	0	1018	991	27	263	3950	2849
D	nwrgh59	17-dec-2003	200312	fncopper	3950	0	1025	1007	18	163	2762	1467
D	nwmoh66	04-jan-2004	200312	fncopper	118300	0	26283	23603	2680	4024	87993	51644
D	nwwtoh45	10-dec-2003	200312	fncopper	4050	0	1197	1137	60	245	2608	1513
D	offloh23	20-dec-2003	200312	fncopper	38150	0	9636	9347	289	826	27688	16921
D	orgnoh69	17-dec-2003	200312	fncopper	102084	0	24488	23202	1286	6827	70769	43006
D	patroh37	24-dec-2003	200312	fncopper	3230	0	669	631	38	38	2523	1986
D	piquoh77	17-dec-2003	200312	fncopper	53975	0	11764	11194	570	1846	40365	25589
D	pnvloh35	17-dec-2003	200312	fncopper	134481	0	32513	31543	970	4210	97758	57856
D	poldoh75	20-dec-2003	200312	fncopper	25000	0	8256	8056	200	1351	15393	7922
D	prbgo14	17-dec-2003	200312	fncopper	62552	0	16124	15045	1079	3700	42728	24605
D	prbgo66	24-dec-2003	200312	fncopper	43433	0	11337	10909	428	3538	28558	16929
D	prhgo47	31-dec-2003	200312	fncopper	60090	0	15120	14642	478	2505	42465	25797
D	ptchoh26	17-dec-2003	200312	fncopper	200	0	102	101	1	29	69	2
D	rgsoh22	10-dec-2003	200312	fncopper	3650	0	1046	1015	31	197	2407	1511
D	rigroh24	13-dec-2003	200312	fncopper	7876	0	1210	1167	43	193	6473	3830
D	rmbooh36	17-dec-2003	200312	fncopper	2300	0	610	582	28	139	1551	450
D	rplyoh39	17-dec-2003	200312	fncopper	6100	0	1540	1470	70	140	4420	3311
D	rsvloh69	13-dec-2003	200312	fncopper	3860	0	867	828	39	74	2919	1717
D	rtwloh32	10-dec-2003	200312	fncopper	18250	0	3572	3466	106	568	14110	10560
D	rvvloh53	13-dec-2003	200312	fncopper	3700	0	629	615	14	64	3007	2350
D	rvnloh02	14-dec-2003	200312	fncopper	45310	0	12639	12205	434	1944	30727	17985
D	salmoh33	14-dec-2003	200312	fncopper	29901	0	8257	7945	312	1055	20589	12829
D	savloh67	13-dec-2003	200312	fncopper	1761	0	512	489	23	90	1159	695
D	sbngoh93	13-dec-2003	200312	fncopper	9575	0	2981	2800	181	390	6204	2012
D	sbvloh26	17-dec-2003	200312	fncopper	34705	0	10805	10487	318	958	22942	12471
D	sbvloh28	04-jan-2004	200312	fncopper	41146	0	10188	9885	303	941	30017	14336
D	scldoh72	17-dec-2003	200312	fncopper	28815	0	7981	7851	130	860	19974	12792
D	sctnloh46	19-nov-2003	200311	fncopper	1900	0	636	618	18	173	1091	403
D	scvloh69	17-dec-2003	200312	fncopper	21775	0	5272	5120	152	403	16100	9203
D	sdlioh87	17-dec-2003	200312	fncopper	0	0	0	0	0	0	0	0
D	sggvoh74	17-dec-2003	200312	fncopper	4400	0	893	877	16	122	3385	2610
D	sgtroh92	17-dec-2003	200312	fncopper	900	0	185	179	6	31	684	600

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D	sgvlo23	21-dec-2003	200312	fnccopper	100900	0	24251	23494	757	3249	73400	46477
D	shwnoh39	17-dec-2003	200312	fnccopper	1950	0	578	547	31	62	1310	981
D	smrtoh74	19-nov-2003	200311	fnccopper	10419	0	2262	2201	61	104	8053	6053
D	sndsoh62	17-dec-2003	200312	fnccopper	84259	0	24907	23816	1091	7512	51840	28536
D	solnoh24	31-dec-2003	200312	fnccopper	96226	0	20139	19624	515	2542	73545	43578
D	spfdoh32	17-dec-2003	200312	fnccopper	133982	0	28742	27274	1468	7031	98209	63683
D	spfdoh39	17-dec-2003	200312	fnccopper	74400	0	17394	16769	625	3466	53540	35641
D	spntoh37	13-dec-2003	200312	fnccopper	8875	0	2767	2588	179	214	5894	2706
D	spvyoh86	23-dec-2003	200312	fnccopper	2175	0	707	681	26	110	1358	754
D	sslnoh88	17-dec-2003	200312	fnccopper	0	0	0	0	0	0	0	0
D	stbooh62	31-dec-2003	200312	fnccopper	24225	0	6754	6346	408	1006	16465	9475
D	svino56	17-dec-2003	200312	fnccopper	2950	0	736	712	24	210	2004	1100
D	tfnoh44	24-dec-2003	200312	fnccopper	45805	0	13860	13294	566	3698	28247	15304
D	thvlo24	17-dec-2003	200312	fnccopper	7381	0	1747	1719	28	139	5495	4184
D	tlmdoh63	06-dec-2003	200312	fnccopper	47850	0	12415	11941	474	2103	33332	20412
D	torooh53	10-dec-2003	200312	fnccopper	10587	0	3382	3273	109	253	6952	3672
D	trcyoh96	23-dec-2003	200312	fnccopper	500	0	266	254	12	52	182	105
D	trenoh98	24-dec-2003	200312	fnccopper	18375	0	4379	4213	166	723	13273	8799
D	uhvlo92	17-dec-2003	200312	fnccopper	31000	0	6350	6149	201	592	24058	16628
D	untwoh69	14-dec-2003	200312	fnccopper	25075	0	6414	5872	542	1323	17338	11050
D	upsnoh29	24-dec-2003	200312	fnccopper	17756	0	5474	5261	213	884	11398	5780
D	vntnoh38	17-dec-2003	200312	fnccopper	6330	0	1135	1096	39	89	5106	4392
D	wachoh33	21-dec-2003	200312	fnccopper	36996	0	8712	8306	406	747	27537	17583
D	whhsob87	24-dec-2003	200312	fnccopper	9371	0	2816	2720	96	600	5955	3113
D	wjsnoh87	21-dec-2003	200312	fnccopper	19975	0	3739	3656	83	309	15927	10583
D	wlfyoh54	24-dec-2003	200312	fnccopper	14300	0	2365	2316	49	205	11730	8898
D	wlvlo53	20-dec-2003	200312	fnccopper	7499	0	2408	2343	65	409	4682	2763
D	wnchoh69	24-dec-2003	200312	fnccopper	4000	0	967	957	10	101	2932	2278
D	wofdoh47	20-dec-2003	200312	fnccopper	4233	0	1314	1271	43	74	2845	1769
D	xenoh37	24-dec-2003	200312	fnccopper	63310	0	14017	13463	554	2612	46681	29735
D	yesph76	24-dec-2003	200312	fnccopper	15250	0	3323	3211	112	545	11382	7745
D	ynlwoh79	14-dec-2003	200312	fnccopper	96769	0	28791	27987	804	5004	62974	31511
D	zmmnoh4224	dec-2003	200312	fnccopper	137280	0	29574	28539	1035	6470	1E+05	63352
D	znvlo45	24-dec-2003	200312	fnccopper	106178	0	30436	29322	1114	2702	73040	44791
C	akmoh72	10-dec-2003	200312	fnccopper	55550	0	16418	15542	876	4553	34579	15026
C	akmoh78	14-dec-2003	200312	fnccopper	63375	0	17332	16801	531	3647	42396	22917
C	akmoh86	14-dec-2003	200312	fnccopper	98224	0	27850	27046	804	6390	63984	33864
C	bcwdoh46	31-dec-2003	200312	fnccopper	81947	0	23956	23319	637	3118	54873	25581
C	berco23	28-dec-2003	200312	fnccopper	87515	0	23271	22384	887	3229	61015	31846
C	bkpko26	30-nov-2003	200312	fnccopper	74800	0	18209	17806	403	2235	54356	32704
C	bkpko97	09-nov-2003	200312	fnccopper	0	0	0	0	0	0	0	0
C	clevoh25	30-nov-2003	200312	fnccopper	95825	0	30217	28902	1315	5758	59850	25000
C	clevoh53	17-dec-2003	200312	fnccopper	98286	0	25596	24494	1102	4388	68302	35968
C	clevoh64	28-dec-2003	200312	fnccopper	108375	0	30143	28477	1666	6210	72022	24539
C	clevoh74	21-dec-2003	200312	fnccopper	127440	0	39664	38317	1347	5713	82063	35419
C	clmboh23	30-nov-2003	200312	fnccopper	155651	0	35812	33242	2570	8790	1E+05	63587
C	clmboh25	31-dec-2003	200312	fnccopper	75351	0	17284	15507	1777	5538	52529	29961
C	clmboh26	04-jan-2004	200312	fnccopper	98476	0	28480	27024	1456	5167	64829	30909
C	clmboh27	31-dec-2003	200312	fnccopper	141757	0	37546	34592	2954	6757	97454	52161
C	clmboh29	04-jan-2004	200312	fnccopper	86325	0	21600	19849	1751	6716	58009	24765
C	clmboh44	07-dec-2003	200312	fnccopper	66575	0	17207	15728	1479	4396	44972	25323
C	clmboh47	07-dec-2003	200312	fnccopper	189460	0	46443	41596	4847	9397	1E+05	72857
C	clmboh86	17-dec-2003	200312	fnccopper	341408	0	74685	66988	7697	####	3E+05	148202
C	cnlmo43	04-jan-2004	200312	fnccopper	181175	0	52685	50936	1749	####	1E+05	54287
C	cyflo92	21-dec-2003	200312	fnccopper	137726	0	35829	34506	1323	8645	93252	54855
C	dblnoh89	31-dec-2003	200312	fnccopper	278204	0	61314	56519	4795	7046	2E+05	109829
C	dytnoh25	10-dec-2003	200312	fnccopper	101125	0	30474	28843	1631	7975	62676	27768
C	dytnoh26	10-dec-2003	200312	fnccopper	40250	0	9276	8774	502	3030	27944	16586
C	dytnoh27	04-jan-2004	200312	fnccopper	99853	0	25027	23615	1412	9298	65528	31715
C	dytnoh29	10-dec-2003	200312	fnccopper	130451	0	38032	36843	1189	8237	84182	36740
C	eclldh73	17-dec-2003	200312	fnccopper	117395	0	36508	35584	924	4774	76113	36643
C	indpoh52	27-dec-2003	200312	fnccopper	66975	0	14615	14438	177	1646	50714	27933
C	mphgh66	17-dec-2003	200312	fnccopper	109800	0	34918	33806	1112	6349	68533	33331
C	myghoh44	17-dec-2003	200312	fnccopper	123946	0	30514	29787	727	4296	89136	52226
C	nomoh77	20-dec-2003	200312	fnccopper	82415	0	22844	22224	620	3203	56368	30111
C	parmoh88	21-dec-2003	200312	fnccopper	146080	0	45966	44160	1806	7015	93079	46833
C	rkrovh33	29-nov-2003	200312	fnccopper	54475	0	18548	17863	685	2916	33011	15829
C	secloh38	31-dec-2003	200312	fnccopper	70400	0	23098	22296	802	2914	44388	21758
C	stowoh68	10-dec-2003	200312	fnccopper	47850	0	13226	12573	653	2846	31778	17816
C	stltoh75	20-dec-2003	200312	fnccopper	30225	0	9421	9186	235	2360	18444	6320
C	toldoh38	17-dec-2003	200312	fnccopper	90277	0	24110	22753	1357	6406	59761	27664
C	toldoh40	24-dec-2003	200312	fnccopper	55343	0	16141	15332	809	3977	55225	16372
C	toldoh47	24-dec-2003	200312	fnccopper	98551	0	32466	30971	1495	8600	57485	23956
C	toldoh53	17-dec-2003	200312	fnccopper	103855	0	27237	25937	1300	####	66275	34322
C	toldoh72	24-dec-2003	200312	fnccopper	51100	0	15238	14568	670	5112	30750	13951
C	uparoh45	04-jan-2004	200312	fnccopper	112460	0	30381	28712	1669	6654	75425	37673
C	uparoh48	10-dec-2003	200312	fnccopper	75450	0	20310	18953	1357	3387	51753	26324
C	wevlo88	21-dec-2003	200312	fnccopper	231517	0	60818	56950	3868	####	2E+05	82822

Zone	WC, CLLI	ExtractDate	YearMonth	Type	Available	Equipped	Assigned	Working	Other	Def	Spare	Uncommitted
C	wlghoh94	24-dec-2003	200312	fncopper	135055	0	37033	36139	894	4560	93462	47160
C	wotnoh88	24-dec-2003	200312	fncopper	243205	0	60975	57016	3959	####	2E+05	84263
C	wsikoh87	21-dec-2003	200312	fncopper	101369	0	27071	25982	1089	2867	71431	36751
C	yntwoh74	10-dec-2003	200312	fncopper	68841	0	13440	12537	903	4945	50456	20362
C	yntwoh78	21-dec-2003	200312	fncopper	51775	0	15577	14887	690	4678	31520	10766
B	akmoh25	04-jan-2004	200312	fncopper	124925	0	25912	23959	1953	9081	89932	32946
B	cleboh42	31-dec-2003	200312	fncopper	92704	0	21989	20563	1426	5250	65465	23602
B	cleboh43	30-nov-2003	200312	fncopper	85277	0	17834	16217	1617	5123	62320	23595
B	cleboh45	31-dec-2003	200312	fncopper	122850	0	28541	26522	2019	7837	86472	34957
B	cleboh62	06-dec-2003	200312	fncopper	69326	0	16747	15927	820	1603	50976	20558
B	cleboh63	07-dec-2003	200312	fncopper	91775	0	26990	24908	2082	4158	60627	20885
B	clhgh32	31-dec-2003	200312	fncopper	69460	0	24486	23350	1136	4110	40864	18608
B	clmboh11	31-dec-2003	200312	fncopper	100119	0	14573	13181	1392	5249	80297	36653
B	dytnoh22	10-dec-2003	200312	fncopper	75108	0	14195	13415	780	4588	56325	23205
B	lkwdoh52	30-nov-2003	200312	fncopper	75175	0	27297	25541	1756	5031	42847	15827
B	shghoh92	24-dec-2003	200312	fncopper	119100	0	39796	37770	2026	8353	70951	28676
B	toldoh21	17-dec-2003	200312	fncopper	111570	0	22453	20825	1628	8723	80394	34696

Zone	WC	CLLI	ExtractDate	YearMonth	Type	194 Available	158 Equipped	Assigned	22 Working	Other	Def	Spare	26 Uncommitted
D	abrdoh	79	03-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	alncoh	82	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	araboh	64	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	atwroh	94	03-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	bcvlo	52	30-nov-2003	200312	nderived	0	0	0	0	0	0	0	0
D	bdfroh	23	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	bdmnoh	75	20-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	bevlo	92	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	bibkoh	84	03-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	blfsoh	76	03-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	bltroh	67	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	blngoh	35	03-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	blproh	42	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	bmbgo	43	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	brfdoh	44	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	brfnoh	74	14-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	brtnoh	82	14-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	brtooh	83	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	brvlo	42	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	bthsoh	48	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	bwrvoh	45	03-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	catnoh	45	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	cdvlo	76	03-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	chflo	24	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	chsgoh	36	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	clbnoh	48	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	cnfdoh	02	03-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	cnflo	01	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	cnsvo	82	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	cntnoh	45	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	cnwio	83	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	crbgoh	85	02-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	crngoh	34	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	crrloh	75	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	cslloh	68	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	cslnoh	62	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	cvtph	02	06-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	danhoh	28	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	dflyoh	48	07-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	dltnoh	82	03-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	dnflo	67	13-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	dnvlo	88	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	drsdoh	75	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	dytnoh	23	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	dytnoh	89	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	ectnoh	48	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	elvroh	38	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	enonoh	86	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	eplo	42	03-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
D	fklnoh	01	13-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	flhmoh	84	07-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	flto	99	13-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	fn dyoh	42	14-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	frbnoh	87	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	frmtoh	33	14-dec-2003	200312	nderived	72	36	23	22	1	0	49	0
D	fstaoh	43	14-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	fvpwoh	88	14-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	glfro	65	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	glplo	44	07-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	gnbgoh	89	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	gndnoh	25	07-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	gvcyoh	87	07-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	gyvlo	93	07-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	hbrdoh	02	20-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	hibo	39	14-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	hildoh	11	13-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	hirdoh	87	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	hrbgoh	87	07-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	htvlo	02	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	irtnoh	53	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	jvlo	42	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	jmtwoh	67	13-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	kentoh	67	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	kridoh	25	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	lckboh	49	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	llvlo	53	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	lncsoh	65	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0

Zone	WC_CLLI	ExtractDate	YearMonth	Type	Available	Equipped	Assigned	Working	Other	Def	Spare	Uncommitted
D	Indsoh66	13-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	londoh85	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	lrtpoh75	31-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	lsbnoh42	31-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	lsvloh87	31-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	ltnaoh02	31-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	lwvloh56	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	lytpoh25	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	maumoh11	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mcvloh25	07-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mdtwoh42	14-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mdvloh94	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mewyoh84	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mgdroh82	06-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mgnloh86	06-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mmbgoh88	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mncsoh88	07-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mnltoh53	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mnrtoh25	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mntuoh27	06-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	monroh53	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	motloh25	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mrbooh93	05-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mrlyoh63	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mrshoh46	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mrttoh37	14-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mslnoh02	07-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	mycyoh76	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nctnoh49	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nhhnoh96	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nhldoh49	12-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nltsch65	07-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nindoh48	31-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	njsnoh53	06-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nlimoh54	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nlvloh75	13-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nrtnoh23	06-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nrwcoh87	12-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nrroh87	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nwaloh85	13-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nwcnoh49	13-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nwcroh84	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nwlxoh34	13-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nwrnloh54	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nwrntoh86	13-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nwrptoh47	13-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nwrgh59	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	nwrmooh66	04-jan-2004	200312	fnderived	0	0	0	0	0	0	0	0
D	nwwtoh45	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	offloh23	20-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	orgnoh69	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	patroh37	24-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	piquoh77	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	pnvloh35	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	poldoh75	20-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	prbgoh14	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	prbgoh66	24-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	prhgoh47	31-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	ptchoh26	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	rgrosh22	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	rigroh24	13-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	rmbooh36	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	rplyoh39	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	rsvloh69	13-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	rttwoh32	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	ruvloh53	13-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	rvnnoh02	14-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	salmoh33	14-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	savloh67	13-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	sbngoh93	13-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	sbvloh26	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	sbvloh28	04-jan-2004	200312	fnderived	0	0	0	0	0	0	0	0
D	scldoh72	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	sctnoh46	19-nov-2003	200311	fnderived	0	0	0	0	0	0	0	0
D	scvloh69	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	sdlioh87	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	sggvoh74	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
D	sgtroh92	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0

Zone	WC_CLLI	ExtractDate	YearMonth	Type	Available	Equipped	Assigned	Working	Other	Def	Spare	Uncommitted
D	sgvlo23	21-dec-2003	200312	nderived	26	26	0	0	0	0	26	26
D	shwnoh39	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	smrtoh74	19-nov-2003	200311	nderived	0	0	0	0	0	0	0	0
D	sndsoh62	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	solnoh24	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	spfdoh32	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	spfdoh39	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	spntoh37	13-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	spvyoh86	23-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	ssino88	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	stbooh62	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	svino56	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	tfino44	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	thvlo24	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	tlmdoh63	06-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	torooh53	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	trcyoh96	23-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	trenoh98	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	uhvlo92	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	untwoh69	14-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	upsnoh29	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	vntnoh38	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	wachoh33	21-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	whhsoh87	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	wjsnoh87	21-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	wfyoh54	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	wlvoh53	20-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	wnoh69	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	wofdoh47	20-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	xenioh37	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	yespoh76	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	yntwoh79	14-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	zmmnoh42	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
D	znvlo45	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	akmoh72	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	akmoh78	14-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	akmoh86	14-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	bcwdoh46	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	bereoh23	28-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	bkpoh26	30-nov-2003	200312	nderived	0	0	0	0	0	0	0	0
C	bkpoh97	09-nov-2003	200312	nderived	0	0	0	0	0	0	0	0
C	clevoh25	30-nov-2003	200312	nderived	0	0	0	0	0	0	0	0
C	clevoh53	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	clevoh64	28-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	clevoh74	21-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	clmboh23	30-nov-2003	200312	nderived	0	0	0	0	0	0	0	0
C	clmboh25	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	clmboh26	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
C	clmboh27	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	clmboh29	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
C	clmboh44	07-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	clmboh47	07-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	clmboh86	17-dec-2003	200312	nderived	96	96	0	0	2	94	0	0
C	cmtmoh43	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
C	cyflo92	21-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	dblnoh89	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	dytnoh25	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	dytnoh26	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	dytnoh27	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
C	dytnoh29	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	ecldoh73	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	indpoh52	27-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	mphgoh66	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	myhgoh44	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	noimoh77	20-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	parmoh88	21-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	rkrvoh33	29-nov-2003	200312	nderived	0	0	0	0	0	0	0	0
C	secloh38	31-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	stowoh68	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	strtoh75	20-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	toldoh38	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	toldoh40	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	toldoh47	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	toldoh53	17-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	toldoh72	24-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	uparoh45	04-jan-2004	200312	nderived	0	0	0	0	0	0	0	0
C	uparoh48	10-dec-2003	200312	nderived	0	0	0	0	0	0	0	0
C	wavloh88	21-dec-2003	200312	nderived	0	0	0	0	0	0	0	0



Zone	WC CLLI	ExtractDate	YearMonth	Type	Available	Equipped	Assigned	Working	Other	Def	Spare	Uncommitted
C	wlghoh94	24-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
C	wotnoh88	24-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
C	wslkoh87	21-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
C	yntwoh74	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
C	yntwoh78	21-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
B	akmoh25	04-jan-2004	200312	fnderived	0	0	0	0	0	0	0	0
B	clevoh42	31-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
B	clevoh43	30-nov-2003	200312	fnderived	0	0	0	0	0	0	0	0
B	clevoh45	31-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
B	clevoh62	06-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
B	clevoh63	07-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
B	clhgoh32	31-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
B	clmboh11	31-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
B	dytnoh22	10-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
B	lkwdoh52	30-nov-2003	200312	fnderived	0	0	0	0	0	0	0	0
B	shhgoh92	24-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0
B	toldoh21	17-dec-2003	200312	fnderived	0	0	0	0	0	0	0	0



**BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO**

<b>In the matter of the Review of SBC Ohio's</b>	<b>)</b>	
<b>TELRIC Costs for Unbundled Network</b>	<b>)</b>	<b>Case No. 02-1280-TP-UNC</b>
<b>Elements</b>	<b>)</b>	
	<b>)</b>	

**TESTIMONY OF  
MICHAEL STARKEY**

**EXHIBIT \_\_\_\_ (MS-17)**

**SBC'S Confidential Responses To Data  
Requests**

**This Exhibit is Considered Confidential Pursuant to the Protective  
Order in Case No. 02-1280-TP-UNC – Filed Under Seal. It is Available  
Only in the Confidential Version of this Filing**

## EXHIBIT MS-17

### Index of Attached Discovery Responses

#### CONFIDENTIAL RESPONSES

Requesting Party	Response Notation	PUBLIC/CONF.	EXHIBIT PLACEMENT
AT&T	MS - 3	PUBLIC	Exhibit 18
AT&T	MS - 5	PUBLIC	Exhibit 18
<b>AT&amp;T</b>	<b>MS - 6</b>	<b>CONFIDENTIAL</b>	<b>Exhibit 17</b>
AT&T	MS - 9	PUBLIC	Exhibit 18
AT&T	MS - 17	PUBLIC	Exhibit 18
<b>AT&amp;T</b>	<b>MS - 23</b>	<b>CONFIDENTIAL</b>	<b>Exhibit 17</b>
AT&T	MS - 24	PUBLIC	Exhibit 18
AT&T	MS - 26	PUBLIC	Exhibit 18
AT&T	MS - 27	PUBLIC	Exhibit 18
AT&T	MS - 29	PUBLIC	Exhibit 18
AT&T	MS - 31	PUBLIC	Exhibit 18
AT&T	MS - 33	PUBLIC	Exhibit 18
AT&T	MS - 34	PUBLIC	Exhibit 18
AT&T	MS - 38	PUBLIC	Exhibit 18
AT&T	MS - 41	PUBLIC	Exhibit 18
AT&T	MS - 42	PUBLIC	Exhibit 18
AT&T	MS - 43	PUBLIC	Exhibit 18
AT&T	MS - 44	PUBLIC	Exhibit 18
AT&T	MS - 45	PUBLIC	Exhibit 18
AT&T	MS - 46	PUBLIC	Exhibit 18
AT&T	MS - 47	PUBLIC	Exhibit 18
AT&T	MS - 48	PUBLIC	Exhibit 18
AT&T	MS - 49	PUBLIC	Exhibit 18
AT&T	MS - 50	PUBLIC	Exhibit 18
<b>AT&amp;T</b>	<b>MS - 52</b>	<b>CONFIDENTIAL</b>	<b>Exhibit 17</b>
AT&T	MS - 53	PUBLIC	Exhibit 18
<b>AT&amp;T</b>	<b>MS - 54</b>	<b>CONFIDENTIAL</b>	<b>Exhibit 17</b>
<b>AT&amp;T</b>	<b>MS - 57</b>	<b>CONFIDENTIAL</b>	<b>Exhibit 17</b>
AT&T	MS - 58	PUBLIC	Exhibit 18
AT&T	MS - 63	PUBLIC	Exhibit 18
AT&T	MS - 64	PUBLIC	Exhibit 18
AT&T	MS - 69	PUBLIC	Exhibit 18
<b>AT&amp;T</b>	<b>MS - 70</b>	<b>CONFIDENTIAL</b>	<b>Exhibit 17</b>
AT&T	MS - 73	PUBLIC	Exhibit 18
<b>AT&amp;T</b>	<b>MS - 84</b>	<b>CONFIDENTIAL</b>	<b>Exhibit 17</b>
AT&T	MS - 86	PUBLIC	Exhibit 18
AT&T	MS - 88	PUBLIC	Exhibit 18
AT&T	BFP-46	PUBLIC	Exhibit 18
MCI	MCI02	PUBLIC	Exhibit 18

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-6:**

Please provide an electronic copy of the Southwestern Bell Telephone Activity Code Manual.

**Response:**

The following attached files (MS-6 (SBC Activity Code Manual.zip)) comprise the electronic version of the Southwestern Bell Activity Code Manual

"ac\_current\_list.xls"  
"narrative\_0XXX.pdf"  
"narrative\_1XXX.pdf"  
"narrative\_2XXX.pdf"  
"narrative\_3XXX.pdf"  
"narrative\_4XXX.pdf"  
"narrative\_general.pdf"  
"narrative\_other.pdf"  
"narrative\_activitycodelist.pdf"

SBC Ohio did **NOT** use this manual for the study period of 2000 to 2002.

**Responsible Person:** Timothy Dominak  
Director-Regulatory Accounting (AIT)  
2000 W. SBC Center DR Z1, Room 2F82  
Hoffman estates, IL 60196

**17XX EXTERNAL RELATIONS**

**6722**-This shall include costs incurred in maintaining relations with government, regulators, other companies and the general public. This includes reviewing existing or pending legislation, preparing and presenting information for regulatory purposes, including tariff and service cost filings, and obtaining radio licenses and construction permits, performing public relations and non-product-related corporate image advertising activities, administering relations, including negotiating contracts with telecommunications companies and other utilities, businesses and industries and administering investor relations.

**7370**-This shall include costs incurred in lobbying and charitable contributions.

Reportable Activity Code	Telco Account Number	Description	Work Rptg Req'd
<b>1700</b>	<b>6722.11</b>	<b>External Relations – Informational Advertising</b>	
<b>1710</b>	<b>6722.11</b>	<b>External Relations – Public Relations</b>	
<b>1711</b>	<b>6722.11</b>	<b>External Relations – Economic Development</b>	
<b>1731</b>	<b>7370.61</b>	<b>External Relations – Influencing Legislation – Federal &amp; State</b>	
<b>1732</b>	<b>7370.61</b>	<b>External Relations – Influencing Legislation – Local</b>	
<b>1740</b>	<b>6722.11</b>	<b>External Relations – Tariff Development</b>	
<b>1750</b>	<b>6722.11</b>	<b>External Relations – Cost Studies</b>	
<b>1770</b>	<b>6722.11</b>	<b>External Relations – Independent Exchange Carrier Relations</b>	
<b>1780</b>	<b>6722.11</b>	<b>External Relations – Contract Administration – Shared Facilities and Services</b>	

READ THE FOLLOWING NARRATIVES BEFORE SELECTING AN ACTIVITY CODE.

**PROPRIETARY INFORMATION**

Not for use or disclosure outside SBC Telco except under written agreement

**1700 EXTERNAL RELATIONS – INFORMATIONAL ADVERTISING**

This activity code is applicable to employees who perform the following activities:

- ◆ Create, produce and implement advertising in a variety of ways (e.g., newspapers, magazines, radio, television, special exhibits, booklets, pamphlets and bill inserts) to instruct customers in the use of telecommunication services or to provide information about the services to produce a company image
- ◆ Perform general office duties (e.g., secretarial and/or clerical activities) in support of AC 1700
- ◆ Perform administrative assistance functions (e.g., methods, planning, training) in support of AC 1700
- ◆ Supervise employees who perform AC 1700 functions

**PROPRIETARY INFORMATION**

Not for use or disclosure outside SBC Telco except under written agreement

### **1710 EXTERNAL RELATIONS – PUBLIC RELATIONS**

This activity code is applicable to employees who perform the following activities:

- ◆ Develop, interpret and provide administrative control of overall company community relations policies and programs (e.g., consumer issues which includes planning and coordinating the design format and content of Tele-Help Guide pages, pollution control and energy conservation programs)
- ◆ Develop and coordinate company educational policies to strengthen company relations with students and educators
- ◆ Develop company plans and policies concerning contributions, memberships and subscriptions
- ◆ Prepare publications for public information such as magazines, newspapers and bulletins
- ◆ Prepare informational material on company issues such as competition, financial aspects and regulatory decisions
- ◆ Create, prepare and distribute video and audio programs, films, still photos, slides, audio cassettes, etc., about company policies and practices for special or general public audiences
- ◆ Provide information about company policies and goals via public media (e.g., press, radio and television)
- ◆ Develop art and design material for programs such as publications posters, graphic symbols and logotypes; coordinate efforts with outside suppliers, designers, illustrators and typographers
- ◆ Develop and implement a corporate "common look", i.e., a uniform branded look for use for company vehicles, pay phones, bill logos, calling cards, etc.
- ◆ Represent the company public relations point of view in the process of developing new or proposed services
- ◆ Develop information plans and programs in support of service changes
- ◆ Develop long-range public relations plans to support business objectives
- ◆ Research and analyze customer attitudes to measure the public perceptions of the business
- ◆ Research and write informational papers such as:
  - ◆ Speeches for executives
  - ◆ Correspondence for executives
  - ◆ Presentations for government, professional, educational or public audiences or company organizations
- ◆ Handle customer service complaints (except those received from regulatory commissions) directed to senior executive officers through phone calls, written correspondence, employee action line, etc.
- ◆ Coordinate with all segments involved to ensure customer service problems are corrected
- ◆ Refer service problems identified during resolution of customers' complaints to appropriate employees for analyzing possible changes in methods, practices or procedures
- ◆ Perform general office duties (e.g., secretarial and/or clerical activities) in support of AC 1710
- ◆ Perform administrative assistance functions (e.g., methods, planning, training) in support of AC 1710
- ◆ Supervise employees who perform AC 1710 functions

#### **EXCLUSIONS:**

For handling the customers' complaints when performed as part of the employee's overall responsibility, see the normally assigned AC for the function performed.

For seminars and promotional aids and programs for the purpose of promoting the sale of products and services, see the AC 03XX series.

For centralized drafting and art services (e.g., maps, charts and forms), see the AC 16XX series.

For production of Tele-Help Guide pages, see the AC 251X series.

#### **PROPRIETARY INFORMATION**

Not for use or disclosure outside SBC Telco except under written agreement

**1711 EXTERNAL RELATIONS – ECONOMIC DEVELOPMENT**

This activity code is applicable to employees who perform the following activities:

- ◆ Develop and implement economic development programs that mobilize human, financial, capital, physical and natural resources to generate marketable goods and services, and expand job opportunities, the tax base and company revenue potential
- ◆ Organize employees for economic development activities and direct efforts
- ◆ Administer company economic development committees
- ◆ Record and direct company memberships in economic development organizations
- ◆ Set priorities for employee economic development activities
- ◆ Develop specific activities
- ◆ Represent company in economic development organizations
- ◆ Analyze company and area resources for economic development potential:
- ◆ Initiate and participate in community analysis and business surveys
- ◆ Identify company resources with economic development practicality
- ◆ Develop and write company economic development plans:
- ◆ Designate priorities for company economic development activities
- ◆ Develop programs to address priorities
- ◆ Initiate, direct or administer implementation of company economic development plans
- ◆ Evaluate company economic development activities and redirects as necessary
- ◆ Perform general office duties (e.g., secretarial and/or clerical activities) in support of AC 1711
- ◆ Perform administrative assistance functions (e.g., methods, planning, training) in support of AC 1711
- ◆ Supervise employees who perform AC 1711 functions

**PROPRIETARY INFORMATION**

Not for use or disclosure outside SBC Telco except under written agreement



**1731 EXTERNAL RELATIONS – INFLUENCING LEGISLATION – FEDERAL & STATE**

This activity code is applicable to employees who perform the following activities:

- ◆ Attempt to influence public opinion with respect to the election of public officials, referenda, legislation or ordinances or approval, modification or revocation of franchises
- ◆ Attempt to influence the decisions of public officials
- ◆ Directly communicate (written or oral) with any of the following executive branch officials in an attempt to influence the official actions or positions of such official:
  - ◆ The President,
  - ◆ The Vice President,
  - ◆ Any officer or employee of the Executive Office of the President (White House)
  - ◆ The two most senior level officers of each of the other agencies in such Executive Office
  - ◆ Cabinet members
  - ◆ Immediate deputies of cabinet members
- ◆ Participate in any of the following activities:
  - ◆ State Grassroots Action Program (GAP) meeting or events
  - ◆ Political rallies sponsored by the company in an effort to influence the general public on upcoming legislative issues or to initiate some legislative action.
- ◆ Attend pre-rally meetings/instructions
- ◆ Travel on company time to and from such rallies/meetings
- ◆ Letter writing while on company time
- ◆ Perform general office duties (e.g., secretarial and/or clerical activities) in support of AC 1731
- ◆ Supervise employees who perform AC 1731 functions

**1732 EXTERNAL RELATIONS – INFLUENCING LEGISLATION - LOCAL**

This activity code is applicable to employees who perform the following:

- ◆ Attempt to influence public opinion with respect to the election of local public officials, referenda, legislation or ordinances
- ◆ Attempt to influence the decisions of local public officials
- ◆ Directly communicate (written or oral) with local officials in an attempt to influence the official actions or positions of such official
- ◆ Participate in any of the following activities:
  - ◆ Local Grassroots Action Program (GAP) meeting or events
  - ◆ Political rallies sponsored by the company in an effort to influence the general public on upcoming local legislative issues or to initiate some local legislative action
- ◆ Attend pre-rally meetings/instructions
- ◆ Travel on company time to and from such rallies/meetings
- ◆ Letter writing while on company time
- ◆ Perform general office duties (e.g., secretarial and/or clerical activities) in support of AC 1732
- ◆ Supervise employees who perform AC 1732 functions

**PROPRIETARY INFORMATION**

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**1740 EXTERNAL RELATIONS – TARIFF DEVELOPMENT**

This activity code is applicable to employees who perform the following activities:

**BASIC EXCHANGE SERVICES**

- ◆ Analyze costs and revenues; interprets customer trends, business terms and conditions and the regulatory environment pertinent to basic exchange services offerings (e.g., residence and business service, local calling, coin, etc.); develop rates and prepare regulatory support documentation and testimony
- ◆ File new or revised tariffs involving basic exchange services
- ◆ Maintain the basic exchange services tariffs
- ◆ Act as a liaison on basic exchange services matters among other carriers and regulatory agencies
- ◆ Provide advice and interprets the basic exchange services tariffs

**INTRASTATE/INTERSTATE PRIVATE LINE SERVICES**

- ◆ Analyze costs and revenues; interprets customer trends, business terms and conditions and the regulatory environment pertinent to intrastate/interstate private line services offerings; develops rates and prepares regulatory support documentation and testimony
- ◆ File new or revised tariffs involving intrastate/interstate private line services
- ◆ Maintain the intrastate/interstate private line services tariffs
- ◆ Act as liaison on intrastate/interstate private line services matters among other carriers and regulatory agencies
- ◆ Provide advice and interprets the intrastate/interstate private line services tariffs

**INTRASTATE/INTERSTATE MTS/WATS SERVICES**

- ◆ Analyze costs and revenues; interprets customer trends, business terms and conditions and the regulatory environment pertinent to intrastate/interstate MTS/WATS service offerings; develops rates and prepares regulatory support documentation and testimony
- ◆ File new or revised tariffs involving intrastate/interstate MTS/WATS services
- ◆ Maintain the intrastate/interstate MTS/WATS services tariffs
- ◆ Act as liaison on intrastate/interstate MTS/WATS services tariff matters among other carriers and regulatory agencies
- ◆ Provide advice and interprets the intrastate/interstate MTS/WATS services tariffs

**VERTICAL EXCHANGE SERVICES**

- ◆ Analyze costs and revenues; interprets customer trends, business terms and conditions, and the regulatory environment pertinent to vertical exchange services offerings (e.g., services offered through company facilities which are optional or additional to basic exchange service); develops rates and prepares regulatory support documentation and testimony
- ◆ File new or revised tariffs involving vertical exchange services
- ◆ Maintain the vertical exchange services tariffs
- ◆ Act as a liaison on vertical exchange services tariff matters among other carriers and regulatory agencies
- ◆ Provide advice and interprets the vertical exchange services tariffs

**OTHER**

- ◆ Perform general office duties (e.g., secretarial and/or clerical activities) in support of AC 1740
- ◆ Perform administrative assistance functions (e.g., methods, planning, training) in support of AC 1740
- ◆ Supervise employees who perform AC 1740 functions

**PROPRIETARY INFORMATION**

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**1750 EXTERNAL RELATIONS – COST STUDIES**

This activity code is applicable to employees who perform the following activities:

- ◆ Make studies, compile data and prepare statements for hearings on specific dockets issued by federal, state, local, and other regulatory bodies
- ◆ Prepare and present material to support company positions relative to tariff filings before regulatory commission hearings conducted for purposes other than requests for general rate revision
- ◆ Prepare, review and file company applications in accordance with Section 214 of the Communication Act and related matters to secure radio licenses and construction permits
- ◆ Prepare, review and file reports to meet regulatory commission requirements
- ◆ Investigate and handle complaints received from regulatory commissions
- ◆ Contact regulatory commission personnel, legislators and other governmental agents for the primary purpose of representing the company

**NOTE:** The above functions are performed by employees other than company attorneys.

- ◆ Review pending or existing legislation to determine the effect on company operations
- ◆ Make studies and develop economic models to identify and analyze costs related to exchange services as required for pricing support or regulatory activities including:
  - ◆ Study residence, business, coin, local calling and similar services offered in an exchange area
  - ◆ Study directory assistance, intercept, directory listing services and other directory services
  - ◆ Study combinations of service offerings
  - ◆ Study economic theory and develop principles for application to service costs
- ◆ Make studies and develop economic models to identify and analyze costs related to intrastate interexchange services as required for pricing support or regulatory activities including:
  - ◆ Study intrastate private line switched and point-to-point services and local channels
  - ◆ Study intrastate message toll service, Wide Area Telecommunication Service (WATS) and similar services that extend beyond boundaries set for basic exchange services
  - ◆ Study combinations of service offerings
  - ◆ Study economic theory and develop principles for application to service costs
- ◆ Make studies and develop economic models to identify and analyze costs related to interstate services as required for pricing support or regulatory activities including:
  - ◆ Study interstate private line switched and point-to-point services
  - ◆ Study interstate message toll service which extend beyond boundaries set for intrastate interexchange services
  - ◆ Study combinations of service offerings
  - ◆ Study economic theory and develop principles for application to service costs
- ◆ Make studies and develop economic models to identify and analyze costs related to customer premises services as required for pricing support or regulatory activities including:
  - ◆ Study private branch exchange, key system telephone set and similar services that are optional or additional to the basic exchange services
  - ◆ Study combinations of service offerings
  - ◆ Study economic theory and develop principles for application to service costs
- ◆ Perform affiliate relations, monitor and report affiliate transactions
- ◆ Handle sales to affiliates
- ◆ Perform general office duties (e.g., secretarial and/or clerical activities) in support of AC 1750
- ◆ Perform administrative assistance functions (e.g., methods, planning, training) in support of AC 1750.
- ◆ Supervise employees who perform AC 1750 functions

**EXCLUSION:**

For work and cost associated with legislative advocacy, see AC 1731 and 1732.

**PROPRIETARY INFORMATION**

Not for use or disclosure outside SBC Telco except under written agreement

**1770 EXTERNAL RELATIONS – INDEPENDENT EXCHANGE CARRIER RELATIONS**

This activity code is applicable to employees who perform the following activities:

- ◆ Maintain relations and coordinate activities and plans of mutual interest with independent exchange carriers
- ◆ Maintain relations and coordinate activities and plans of mutual interest with telephone trade organizations such as United States Telephone Association (USTA), Organization for the Protection and Advancement of Small Telephone Companies (OPASTCO), National Telephone Cooperative Association (NTCA), etc.
- ◆ Coordinate the activities of the independent exchange carriers cost study review team with the independent exchange carriers
- ◆ Coordinate the forecasting of independent exchange carriers settlements
- ◆ Coordinate facilities requirements with independent exchange carriers
- ◆ Receive inquiries/orders/memorandums from SWBT service order units or independent exchange carrier companies pertaining to facility needs for customer service
- ◆ Review and log memorandums, inquiries and orders, and distributes to appropriate parties
- ◆ Interface with marketing (ISC), engineering and network organization entities to ensure integrity of committed service dates and facilities required
- ◆ Maintain and prepare records on tariff charges and settlements of amounts due
- ◆ Receive completion advices and various other data, e.g., facility layout records, jeopardy notes, etc.
- ◆ Perform general office duties (e.g., secretarial and/or clerical activities) in support of AC 1770
- ◆ Perform administrative assistance functions (e.g., methods, planning, training) in support of AC 1770
- ◆ Supervise employees who perform AC 1770 functions

**1780 EXTERNAL RELATIONS – CONTRACT ADMINISTRATION – SHARED FACILITIES & SERVICE**

This activity code is applicable to employees who perform the following activities:

- ◆ Negotiate and administer contracts with companies for the shared use of a company's equipment, facilities, services, etc.
- ◆ Develop and analyze information that is the basis for contract charges for shared facilities and services
- ◆ Contact departmental representatives who are developing estimates of usages and capacities of facilities, trunks, etc.
- ◆ Develop terms of contracts such as billed amount, supporting expenses and investments, performance criteria, duration, etc.
- ◆ Serve as the point of contact for reconciliation of bills
- ◆ Provide cost and revenue data requested by regulatory agencies
- ◆ Service contracts for shared facilities and shared services and renegotiates contracts as required
- ◆ Access and update manual or mechanized databases as required
- ◆ Perform general office duties (e.g., secretarial and/or clerical activities) in support of AC 1780
- ◆ Perform administrative assistance functions (e.g., methods, planning, training) in support of AC 1780
- ◆ Supervise employees who perform AC 1780 functions

**PROPRIETARY INFORMATION**

Not for use or disclosure outside SBC Telco except under written agreement

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**SHARED & COMMON COSTS**

**MS-23:**

Please identify the total payments recorded in SBC Ohio's 67XX accounts in 1999, 2000, 2001, 2002 and 2003 for outside counsel fees, expert witness and consultant fees, hearing fees, and all other litigation fees including fines and performance remedy payments.

- (a) Please segregate the amounts into categories representing litigation for (1) UNE and resale service issues; (2) all other wholesale issues; and (3) retail service issues.
- (b) Please identify amounts by primary account number and sub-account number with detailed descriptions of the account.

**Response:**

SBC Ohio objects to this request to the extent it is vague and ambiguous.. SBC Ohio further objects on the grounds that this request is overly broad and unduly burdensome particularly with respect to the request for data for multiple years that was not included in the cost study, and that would be very time consuming to retrieve. SBC Ohio further objects to the extent this request seeks data, analyses or calculations that SBC Ohio has not performed and objects to performing. SBC Ohio further object to the extent this request seeks data that SBC Ohio does not collect, maintain, or generate. The nature of the activities charged to 67XX accounts does not allow for the segregation of amounts into the categories requested in MS-23 (a). SBC Ohio further objects to this request on the grounds and to the extent it seeks information which is trade secret or other proprietary, confidential, and competitively sensitive business information of SBC Ohio, its parent or affiliates or third parties. SBC Ohio has made reasonable efforts to maintain the secrecy of this information. Such information has independent economic value and its disclosure would cause an identifiable significant harm to SBC Ohio, its parent or affiliates, or third parties. The responses are "trade secret" under Ohio law and entitled to protection against disclosure.

Subject to and without waiver its general and specific objections, SBC Ohio provides the following confidential information subject to the protective order entered in this proceeding and the nondisclosure agreements executed by the parties in this proceeding.

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

SBC Ohio records charges for outside counsel, litigation fees and other professional and consulting fees in account 6725.9000 for legal expenses generally common in nature. For example, SBC Ohio records in this account legal expenses relating to (1) the negotiation of interconnection agreements with CLECs; (2) legal issues associated with the implementation of FCC and state commission orders that affect wholesale products; (3) the review of wholesale tariffs; and (4) the resolution of disputes raised by CLECs.

SBC Ohio records remedy payments to CLECs (Tier-1 liquidated damages) in account 6728.9930. SBC Ohio records payments to state and federal governments regarding performance (Tier-2 and Tier-3) as Special Charges in account no. 7370.9000. Special Charges were not used by SBC Ohio in the cost studies in this proceeding.

**\*\*BEGIN CONFIDENTIAL\*\***

\$ in 000's

<b>Account</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Legal Fees 6725.9000	\$7,576	\$868	\$5,886	\$2,294	\$7,480
Tier 1 payments 6728.9930	\$0	\$0	\$1,363	\$895	\$488

**\*\*END CONFIDENTIAL\*\***

**Responsible Person:** Timothy Dominak  
Director-Regulatory Accounting (AIT)  
2000 W. SBC Center DR Z1, Room 2F82  
Hoffman estates, IL 60196



**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S THIRD SUPPLEMENTAL RESPONSE TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-52:**

(MI MS-52, IN Jt. CLEC MS-46) Please answer the following questions regarding SBC's Industry Markets organization. SBC Ohio's response to this request should be similar in format and scope to SBC Indiana's response to Joint CLEC Data Request MS-46 in IURC Cause No. 42393 and SBC Michigan's response to AT&T Data Request ATTSBC 80 in MPSC Case No. U-13531.

- (a) Provide a complete list of all products, or product groups for which SBC's Industry Markets organization is responsible. While it is not necessary to name every particular service (e.g., no need to state every UNE that Industry Markets is responsible for), provide information in as granular a level as possible. Your response should include detail indicating the extent to which SBC Industry Markets is responsible for:
- i. UNEs
  - ii. Collocation
  - iii. Interconnection
  - iv. Reciprocal compensation
  - v. Switched access
  - vi. Special access
  - vii. UNE combinations
  - viii. Billing services
  - ix. Pay telephone services
  - x. Wireless interconnection
  - xi. Wireless inter-carrier compensation
  - xii. Resale
  - xiii. Agency programs
  - xiv. Any other categories of services for which SBC's Industry Markets organization is responsible.

Please list each such group of products separately.

- (b) For each product group listed above, please provide the total revenue generated by SBC Ohio for the following time periods: 1998-2003.
- (c) For each product group identified above, and for which revenue information is provided, please indicate the U.S.O.A. sub-account(s) to which such revenue is booked.



**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

- (d) Please state the total amount of revenue booked by SBC in the years 1998-2003 specific to products for which SBC's Industry Markets organization is responsible. Provide the calculations used to arrive at this total revenue figure, including any sub-account data relied upon.

**Response:**

See attached document labeled "MS-52-OH-1998-2003\_Confidential.xls" for responses to MS-52a, b, c, and d.

**Responsible Person:** Timothy Dominak  
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**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-54:**

(MI MS-54, IN Jt. CLEC MS-48) SBC Ohio (or one of its affiliates) has in the past 3 years undertaken an advertising/promotional campaign(s) including newspaper ads, television ads and other medium, aimed at highlighting what it apparently sees as inequities in the current UNE-P paradigm and underlying UNE rates. Please identify the total amount spent on such initiatives each year for the following years: 2000, 2001, 2002 and 2003. Likewise, identify the U.S.O.A. numbers to which these types of expenditures are booked and the Activity Code(s) used to book these expenditures. If an example is required to identify the type of campaign described above, please see the following advertisement. However, please note that this is just an example and SBC should not limit its response to just this particular advertisement, but should include information specific to all such advertisements:

**Response:**

SBC Ohio's response to this request is confidential and, therefore, subject to the protective order entered in this proceeding and the nondisclosure agreements executed by the parties in this proceeding.

SBC Ohio recorded expenses associated with UNE-P advertising/promotional campaigns in account 6728 in 2002 and 6722 in 2003. SBC Ohio does not use activity codes to record these expenditures. SBC Ohio incurred no expenses of this nature in 2000 and 2001.

**\*\*BEGIN CONFIDENTIAL\*\***

(\$ in 000's)	
<b>2002</b>	<b>2003</b>
\$681	\$1,061

**\*\*END CONFIDENTIAL\*\***

**Responsible Person:** Timothy Dominak  
Director-Regulatory Accounting (AIT)

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-57:**

(MI MS-60, IN Jt. CLEC MS-54) (Rephrased) Please provide the pension settlement gains and losses recorded by SBC Ohio by year from 1991 through 2003.

- (a) In years where pension settlement gains or losses occurred, please describe the primary reason or event that caused the gain to occur.
- (b) In years where both a pension settlement gain and a loss occurred, please explain why there would be a gain or loss in the same year.

**Response:**

See confidential attachment labeled "Attachment to AT&T Third Set, Data Request MS-57" which shows the SBC Ohio pension settlement gains and (losses) by year from 1994 through 2002. Data prior to 1994 is not available. This confidential document may be found on the CD produced by SBC Ohio with these responses under the file name "MS-57 attachmt to response."

- (a) The SBC Ameritech pension plan allows for participants to elect to receive their pension benefits in the form of an annuity or a lump sum payment. When a pension plan makes a significant amount of lump sum pension payments to its participants, a settlement (or partial settlement) of the plan liability occurs. In other words the "settlement" is in effect the discharge of the pension obligation liability by making a cash lump sum pension payout in exchange for the employee's right to receive **future** pension benefits. If the total lump sum pension payments exceed a certain threshold in a given year, as defined by the Financial Accounting Standard (FAS) 88, a portion of the deferred actuarial gains and/or losses as well as a portion of the unamortized transition asset is recognized immediately. These settlement gains, although recognized on the books in the current period, relate to deferred pension plan gains (primarily investment gains) that occurred in prior periods but were being deferred in accordance with FAS 87 pension accounting rules. Pension accounting typically contains various cost components that are amortized over the average service life of the covered employees. The basis for this delayed recognition is that gains or losses occurring in one period would be offset by losses or gains in subsequent periods. SBC Ameritech had experienced a large amount of investment gains on its pension plan assets in the 1990s, when market returns were very high. When large

amounts of employees leave the business in a given year and elect a cash lump sum distribution of their pension, this triggers the accelerated recognition of the prior period gains since there is no longer a future liability to the company and no longer any employees related to the liability for which to continue a deferral of pension fund investment gains.

The pension settlement gains experienced by SBC Ohio were caused by a significant amount of lump-sum pension payments to employees leaving the business. For the years in which there were the very large pension settlement gains (i.e. 1994 to 1995, and 1999 through 2001) the company had various work force restructuring programs that also may have included certain benefit and pension enhancements to eligible employees leaving the work force. Since the pension settlement gains are triggered by the cash payment of the lump sum pensions, it is typical that an event would span consecutive years since employees leaving at year end would not receive the cash until the subsequent year.

- (b) Pension settlement losses are recognized for the same types of events as described in MS-57 (a) above. However this would typically occur due to investment market downturns (such as the recent 2002 to 2003 period). Deferred investment losses are recognized due to the triggering of FAS 88 recognition rules resulting from lump sum pension payouts.

Additionally, losses can occur when there is a pension plan curtailment or a special termination benefit. A curtailment is an event that significantly reduces the expected years of future service of present employees (in accordance with FAS 88). For example, in 2000, the termination of services earlier than actuarially expected generated curtailment losses. Both pension settlement gains and curtailment losses may occur separately or together.

**Responsible Person:** Tim Dominak

SBC Ohio Inc.  
Case No. 02-1280-TP-JNC  
AT&T 3rd Set

Attachment to Response to DR MS-57  
SBC Ohio's Schedule of Pension Settlement Gains/(Losses)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Pension settlement gains	81,839	154,201	7,580	3,934	3,567	128,624	132,406	99,108		
Pension settlement losses	(46,852)					(7,879)	(51,713)		(48)	
Net Pension Settlement Gains/ (Losses)	34,987	154,201	7,580	3,934	3,567	120,745	80,693	99,108	(48)	-

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**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SECOND SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-70:**

(MI MS-81, IN Jt. CLEC MS-76) (Rephrased) Please provide the revenue received from collocation services and activities paid by unaffiliated parties to the five SBC Ameritech companies (Illinois, Michigan, Michigan, Ohio and Wisconsin) by UNE rate element for the years 1997-2003. In responding to this request, identify the U.S.O.A. and sub-account(s) that this revenue is recorded to. Please note that this information is being requested of all SBC operating companies because SBC, in development of its support asset costs, develops a five-state pool of support asset costs. Likewise, to verify/analyze those figures, information relevant to each operating company is required.

**Response:** SBC Ohio objects to this request on the grounds and to the extent it seeks trade secrets or other proprietary, confidential and competitively sensitive business information of SBC Ohio, its parent or affiliates, or third parties. SBC Ohio has made every reasonable effort to maintain the secrecy of this information. Such information has independent economic value and disclosure of the requested information would cause an identifiable significant harm to SBC Ohio, its parent or affiliates, or third parties. The responses are "trade secret" under law and entitled to protection against disclosure.

Notwithstanding and without waiving its general and specific objections, SBC Ohio is providing the following SBC Confidential Information subject to the protective orders and confidentiality agreements executed by the parties in this proceeding.

See the confidential excel spreadsheet MS-70 Collocation by account 97-03 (Confidential).xls which displays the collocation revenues by state and year for the period 1997 through 2003.

**Responsible Person:** Timothy Dominak  
Director-Regulatory Accounting (AIT)  
2000 W. SBC Center DR Z1, Room 2F82  
Hoffman estates, IL 60196



SBC Ohio  
Case No. 02-1280-TP-UNC  
AT&T 3rd set, MS-70  
Collocation by Account 1997-2003

State	Main	Sub	1997	1998	1999	2000	2001	2002	2003
IL	5083	1100	2,544,503	6,327,714	10,144,455	28,299,659	26,198,069	(2,176,009)	6,205
IL	5083	2100			470				
IL	5083	3100	1,636,683	7,393,675	19,714,488	519,669	294,782	(562,063)	90
IL	5084	2991							(214)
IL	5084	3110	8,004	13,920	206,855	3,105,357	6,683,091	(70,023)	1,158
IL	5084	3120	147,829	4,436,580	1,373,194	3,128,762	14,031		
IL	5084	3210							
IL	5084	3310	982,229	1,542,348	1,474,103	13,288	7,249	(240,619)	
IL	5084	3320			1,106,372	11,047	301		
IL	5240	7100						(14,081)	(3,852)
IL	5240	9990						38,751,881	36,494,553
IL	5280	1140							(200)
IL	5280	8000	5,319,248	19,714,237	34,019,937	35,077,782	33,197,523	25	(85)
								35,689,110	36,497,655
IN	5082	7210	22,594	41,767	81,125	95,700	122,738	144,844	130,154
IN	5083	1100	342,536	876,821	2,375,181	7,126,277	8,430,781	(19,791)	5,818
IN	5083	2100							
IN	5083	3100	96,008	604,463	2,259,925	108,689	69,294	(463,008)	
IN	5084	2721	360	782	5,647	11,417	27,579	30,974	33,835
IN	5084	2991							528
IN	5084	3110				2,178,013	6,477,064	(144,976)	
IN	5084	3120			899,389	755,527			
IN	5084	3310			140,583		6,738	(121,070)	
IN	5084	3320		112,144	355,607	824		(16,852)	647
IN	5240	7100					8,119	13,452,202	9,928,607
IN	5240	9990	461,498	1,635,976	6,117,457	10,276,446	15,141,743	12,862,322	10,099,589
MI	5082	7210	17,434	23,476	33,724	73,621	128,018	130,891	131,188
MI	5082	9910	1,077	160				64	
MI	5083	1100	2,842,859	2,308,776	13,011,724	31,974,805	33,456,462	(4,284,873)	(2,984,520)
MI	5083	3100	(554,187)	1,269,937	7,281,157	186,978	125,686	(47,925)	90
MI	5084	2721	773	3,440	6,398	47,019	127,130	144,923	63,010
MI	5084	2722							
MI	5084	3110			685,655	5,017,129	14,067,698	(887,969)	379,268
MI	5084	3120	32,464	249,285	2,755,268	(3,004,363)			
MI	5084	3310	531		155,361	6,247	1,406	(40,049)	
MI	5084	3320	538,424	168,228	305,090	354	(2,129)	(66,445)	74
MI	5240	7100							
MI	5240	7600	22,694						
MI	5240	9990					14,196	37,739,388	34,892,313
MI	5280	1310					(71)		
MI	5280	1900					71		

Collocation by Account 1997-2003

State	Main	Sub	1997	1998	1999	2000	2001	2002	2003
MI	5280	8000							
			2,902,070	4,552,266	24,234,376	34,301,790	47,918,466	32,688,073	32,481,424
OH	5082	7210	13,320	59,968	126,224	200,096	272,290	223,504	166,797
OH	5083	1100	430,663	4,372,832	13,204,051	26,475,944	29,443,023	(456,389)	30,691
OH	5083	2100							
OH	5083	3100	697,547	3,250,116	10,479,348	348,165	245,825	(458,853)	-
OH	5084	2721	780	7,677	3,806	11,288	43,220	48,152	31,136
OH	5084	2722							
OH	5084	3110	5,378	7,183	235,183	9,841,098	21,155,423	(880,747)	3,804
OH	5084	3120		833,070	905,290	(2,006,740)	-		
OH	5084	3310			196,706	13,184	25,067	(342,675)	-
OH	5084	3320	273,348	704,427	57,276	-	-		
OH	5240	7100					(1,798)	(2,928)	-
OH	5240	9990					9,991	39,336,962	25,758,763
OH	5280	8000	1,421,038	9,235,273	25,207,884	34,883,034	51,193,038	37,467,116	25,991,190
WI	5001	1300							
WI	5083	1100	213,625	748,147	3,292,023	10,515,238	19,400,670	74,840	6,146
WI	5083	2100							
WI	5083	3100	445,780	917,097	4,358,746	197,341	111,206	(61,911)	-
WI	5084	3110		35	77,036	2,453,685	8,167,717	(93,752)	322,381
WI	5084	3120		1,142,554	2,127,959	3,099,992	21	19	19
WI	5084	3310			134,937	3,134	42,631	(52,880)	-
WI	5084	3320	390,568	588,450	734,608	22,531	-		
WI	5240	7100					(456)	(1,322)	-
WI	5240	9990	1,049,973	3,396,282	10,725,309	16,291,921	7,681	23,182,302	20,579,508
							27,729,469	23,047,296	20,908,054

Confidential

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 12th Set of Data Requests**

**MS-84:**

Referring to page 18 of Mr. Dominak's direct testimony, please provide the amount of wholesale revenue for the years 1997-2003 for SBC Ohio. Also provide the wholesale related bad debt write-offs recorded in Account 1181 and the wholesale bad debt expense recorded in account 5300 for the year 2003.

**Response:**

SBC Ohio objects to this request on the grounds and to the extent it seeks information already provided to ATT by SBC Ohio in this proceeding and is overbroad and unduly burdensome, particularly since the request seeks information for years outside of the year the cost study was filed.

Notwithstanding and without waiving its general and specific objections, SBC Ohio responds as follows:

- (1) Wholesale revenue for 1997 to 1999 is included in the table below. Wholesale Revenue for 2000 to 2003 was previously provided in the response to data request MS-61 in AT&T's 3<sup>rd</sup> set of discovery requests.
- (2) Wholesale related bad debt write offs recorded to account 1181 for 2003 is included in the table below.
- (3) Wholesale bad debt expenses recorded in account 5300 for 2003 were provided previously to ATT in SBC Ohio's response to data request MS-61 in AT&T's 3<sup>rd</sup> set of discovery requests.

The information provided by SBC Ohio in response to this request is confidential and subject to the terms of the protective order and proprietary agreement entered in this case.

**\*\*BEGIN CONFIDENTIAL\*\***

(\$ in 000's)	1997	1998	1999
Wholesale Revenue	\$506,991	\$486,236	\$566,572

(\$ in 000's)	2003
Wholesale Write offs	\$10,642

**\*\*END CONFIDENTIAL\*\***

**Responsible Person:** Tim Dominak  
2000 West SBC Center Drive  
Hoffman Estates, Illinois 60196

**BEFORE THE  
PUBLIC UTILITY COMMISSION OF OHIO**

In the matter of the Review of SBC Ohio's	)	
TELRIC Costs for Unbundled Network	)	Case No. 02-1280-TP-UNC
Elements	)	
	)	

**TESTIMONY OF  
MICHAEL STARKEY**

**EXHIBIT \_\_\_\_ (MS-18)**

**SBC's Public Responses to Data Requests**

## EXHIBIT MS-18

### Index of Attached Discovery Responses

#### PUBLIC RESPONSES

Requesting Party	Response Notation	PUBLIC/CONF.	EXHIBIT PLACEMENT
AT&T	MS - 3	PUBLIC	Exhibit 18
AT&T	MS - 5	PUBLIC	Exhibit 18
AT&T	MS - 6	CONFIDENTIAL	Exhibit 17
AT&T	MS - 9	PUBLIC	Exhibit 18
AT&T	MS - 17	PUBLIC	Exhibit 18
AT&T	MS - 23	CONFIDENTIAL	Exhibit 17
AT&T	MS - 24	PUBLIC	Exhibit 18
AT&T	MS - 26	PUBLIC	Exhibit 18
AT&T	MS - 27	PUBLIC	Exhibit 18
AT&T	MS - 29	PUBLIC	Exhibit 18
AT&T	MS - 31	PUBLIC	Exhibit 18
AT&T	MS - 33	PUBLIC	Exhibit 18
AT&T	MS - 34	PUBLIC	Exhibit 18
AT&T	MS - 38	PUBLIC	Exhibit 18
AT&T	MS - 41	PUBLIC	Exhibit 18
AT&T	MS - 42	PUBLIC	Exhibit 18
AT&T	MS - 43	PUBLIC	Exhibit 18
AT&T	MS - 44	PUBLIC	Exhibit 18
AT&T	MS - 45	PUBLIC	Exhibit 18
AT&T	MS - 46	PUBLIC	Exhibit 18
AT&T	MS - 47	PUBLIC	Exhibit 18
AT&T	MS - 48	PUBLIC	Exhibit 18
AT&T	MS - 49	PUBLIC	Exhibit 18
AT&T	MS - 50	PUBLIC	Exhibit 18
AT&T	MS - 52	CONFIDENTIAL	Exhibit 17
AT&T	MS - 53	PUBLIC	Exhibit 18
AT&T	MS - 54	CONFIDENTIAL	Exhibit 17
AT&T	MS - 57	CONFIDENTIAL	Exhibit 17
AT&T	MS - 58	PUBLIC	Exhibit 18
AT&T	MS - 63	PUBLIC	Exhibit 18
AT&T	MS - 64	PUBLIC	Exhibit 18
AT&T	MS - 69	PUBLIC	Exhibit 18
AT&T	MS - 70	CONFIDENTIAL	Exhibit 17
AT&T	MS - 73	PUBLIC	Exhibit 18
AT&T	MS - 84	CONFIDENTIAL	Exhibit 17
AT&T	MS - 86	PUBLIC	Exhibit 18
AT&T	MS - 88	PUBLIC	Exhibit 18
AT&T	BFP-46	PUBLIC	Exhibit 18
MCI	MCI02	PUBLIC	Exhibit 18

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-3:**

Please provide a complete copy of the Ameritech Common Financial Language ("CFL") guide. This manual should be provided in electronic form if it is available electronically.

**Response:**

SBC Ohio objects to this request to the extent it is vague and ambiguous. Subject to and without waiving its general and specific objections, SBC Ohio states that the following attached files, labeled as group as MS-3 (CFL Guide.zip) and located on the confidential CD produce by SBC Ohio with these responses, comprise the electronic version of the Ameritech Common Financial Language guide. The information in these files is confidential and subject to the protective order entered in this proceeding and the nondisclosure agreements executed by the parties in this proceeding.

"AC\_0XXX.pdf"  
"AC\_1XXX.pdf"  
"AC\_2XXX.pdf"  
"AC\_3XXX.pdf"  
"AC\_4XXX.pdf"  
"AC\_Introduction.pdf"  
"Activity\_Code\_Index.pdf"  
"Affiliated\_Svcs\_3XX.pdf"  
"Amortizations\_and\_Deprec\_AXX.pdf"  
"Business\_Unit\_Dimension.pdf"  
"Capital\_Transactions\_GXX.pdf"  
"COA.xls"  
"Computer&Data\_6XX.pdf"  
"Contract\_Billing\_MXX.pdf"  
"Contract Services\_4XX.pdf"  
"Corporate\_Transactions\_CXX.pdf"  
"Employee\_Related\_Exp\_2XX.pdf"  
"Field\_Reporting\_Code.pdf"  
"geoloc\_id.pdf"  
"GLA\_ATT\_A\_SPFC.pdf"  
"GLA\_Overview.pdf"  
"Initiative\_Code.pdf"  
"Initiative\_Code\_Exhibit.pdf"



"Introduction.pdf"

"Labor&Engineering\_Dist\_BXX.pdf"

"Materials&Supplies\_5XX.pdf"

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-5:**

(MI MS-101) Please provide a mapping of the SBC Midwest activity codes to specific U.S.O.A. numbers. Alternatively, please state whether SBC Ohio will allow the Joint CLECs to use the Activity Code mapping provided in response to AT&T Data Request ATTSBC 902 in MPSC Case No. U-13531.

**Response:**

The Activity Code mapping provided in response to AT&T Data Request ATTSBC 902 (AT&T 12<sup>th</sup> set, MS-101) in MPSC Case No. U-13531 is applicable to SBC Ohio and accordingly can be used in this proceeding.

**Responsible Person:** Timothy Dominak  
Director-Regulatory Accounting (AIT)  
2000 W SBC Center DR Z1, Room 2F82  
Hoffman Estates, IL 60196

**Public Utilities Commission of Ohio**  
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**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-9:**

(IL MS-145) In ICC Docket No. 02-0864, SBC Illinois noted that stand alone UNE loops and UNE-P lines are excluded from its ARMIS 43-08 line counts for the years 1999 – 2002 for all five Ameritech operating companies. Please confirm that this information is still accurate and applies to SBC Ohio.

**Response:**

This confirms that UNE-L AND UNE-P lines are excluded from ARMIS 43-08 line counts for 1999 through 2002 in SBC Ohio.

**Responsible Person:** Mary B. Bender  
Senior Market Research Manager-Network Forecasting  
220 SE 6<sup>th</sup> Ave, Room 225-B  
Topeka, KS 66603

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SECOND SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-17**

(MI MS-18, IN Jt. CLEC MS-14) Based on the preceding request (MS-16), please confirm or deny that it is SBC Ohio's position that there is no range of incremental utilization for plant such as digital switches, circuit equipment and cable & wire where maintenance expenses would not increase.

**Response:**

Deny. SBC Ohio's cost models assume that the maintenance expense will not change whatever the utilization level is. For a detailed explanation, please refer to SBC Ohio's response to MS-16 in AT&T's 3<sup>rd</sup> Set.

**Responsible Person:** Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

**Public Utilities Commission of Ohio**  
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**SBC OHIO'S THIRD SUPPLEMENTAL RESPONSE TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-24:**

Please provide all Tier 1 and Tier 2 remedy payments made by SBC Ohio in 2002 and state whether such amounts were included in SBC Ohio's common cost calculation.

- (a) If SBC Ohio did include remedy plan payments in its common cost factor, please state whether SBC Ohio will remove remedy plan payments consistent with the Rebuttal Testimony of David Barch in ICC Docket No. 02-0864.
- (b) Please state which account(s) these payments are recorded in.

**Response:**

Tier 1 payments in Ohio for 2002 totaled \$895,407. These payments were booked to Account 6728, Other General & Administrative, and were included in SBC Ohio's common cost calculation.. Tier 2 payments for Ohio in 2002 totaled \$1,952,400 and were booked to Account 7370, Special Charges. Account 7370 is not included in SBC Ohio's common cost calculation.

- (a) SBC Ohio agrees to exclude any Tier 1 remedy plan payments in developing its compliance common cost factor.
- (b) See the response to MS-24(a).

**Responsible Persons:** Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114  
  
Timothy Dominak  
Director-Regulatory Accounting (AIT)  
2000 W. SBC Center DR Z1, Room 2F82  
Hoffman estates, IL 60196

**Public Utilities Commission of Ohio**  
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**SBC OHIO'S SECOND SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-26:**

(IL Staff Data Request MKP 1.03) Please state whether SBC Ohio records expenses for the Long Distance Compliance-OSS group in a 67XX account.

- (a) If the answer is yes, please identify the account and the amount recorded to that account in 2002.
- (b) Please state whether this amount was included in SBC Ohio's common cost factor calculation.

**Response:**

Yes. SBC Ohio records expenses for the Long-Distance Compliance-OSS group in Account 6722, External Relations.

- (a) SBC Ohio booked \$68,000 in 2002 to Account 6722, External Relations, for expenses related to the Long-Distance Compliance-OSS group.
- (b) Account 6722 expenses are reflected as part of the shared and common costs on line 4 of the common cost factor numerator on "Tab 1 - Results" of the shared and common study.

**Responsible Person:** Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

Timothy Dominak  
Director-Regulatory Accounting (AIT)  
2000 W. SBC Center DR Z1, Room 2F82  
Hoffman estates, IL 60196

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**SBC OHIO'S SUPPLEMENTAL RESPONSES TO**  
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**MS-27:**

SBC Ohio indicates on Tab 2 – Inputs of its shared and common cost study (OH\_2002\_SC\_2004-02-11.xls) that 2002 OSS testing expense is removed from Account 6728 and replaced with the average OSS testing expense from 2000-2003. Please state whether SBC Ohio will remove OSS testing expense from its common cost calculation consistent with the adjustment SBC Illinois agreed to make in the Rebuttal Testimony of David Barch in ICC Docket No. 02-0864.

**Response:**

SBC Ohio objects on the ground and to the extent this request seeks information that is not relevant to the issues in this proceeding, and is not reasonably calculated to lead to the discovery of admissible evidence.

Subject to and without waiving its general and specific objections, SBC Ohio states that it does not plan to remove the OSS Testing expenses from its Shared and Common cost study. The fact that SBC Illinois may have agreed to remove the OSS Testing expenses from its study does not mean that these costs should be removed from SBC Ohio's study; each state study contains state specific data.

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114



**Public Utilities Commission of Ohio**  
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**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-29:**

(MI MS-29, MI MS-51, IN Jt. CLEC MS-22, IN Jt. CLEC MS-45) (Rephrased) See SBC Ohio Shared and Common Cost study (Excel file: *OH\_2002\_SC\_2004-02-11.xls*), Tab: *Tab 2-Inputs*, cell: *D362*. In that file, SBC identifies dollars associated with "Ameritech Services, Inc." Admit or deny that this is the total amount of expense booked to SBC Ohio for "Ameritech Services, Inc." for 2002.

- (a) Unless your answer to the question above is anything other than an unequivocal "Admit," please provide the total amount of expense booked for "Ameritech Services, Inc." in 2002, and provide a detailed description of how the amount identified in the question above was derived from the total booked amount. Your complete response will include all calculations used to derive the amount identified in the question above from the total, including all rationale and underlying figures.
- (b) Please describe in detail what "Ameritech Services, Inc." is, including a detailed description of the functions it performs specific to SBC Ohio's retail service offerings, wholesale service offerings, and/or any other SBC Ohio offerings. The response should include references or citations to activity codes in SBC Ohio's Activity Code Manual. Please confirm or deny whether SBC Ohio's response to this request would be the same as SBC Indiana's response to Joint CLEC Data Request MS-22(b) in IURC Cause No. 42393 and SBC Michigan's response to AT&T Data Request ATTSBC 57 in MPSC Case No. U-13531.
- (c) Please provide the source documents, analyses or accounting records used to derive the amount charged by Ameritech Services, Inc. to SBC Ohio in 2002 in cell *D362*.

**Response:**

SBC Ohio admits that this is the amount billed by Ameritech Services, Inc. to SBC Ohio for 2002 classified to Account 6610, Marketing.

- (a) N/A.
- (b) SBC Ohio's response to Part (b) of this request is the same as SBC Indiana's response to Joint CLEC Data Request MS-22(b) in IURC Cause No. 42393 and

**Public Utilities Commission of Ohio**  
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**SBC OHIO'S RESPONSES TO**  
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SBC Michigan's response to AT&T Data Request ATTSBC 57 in MPSC Case No. U-13531.

Ameritech Services, Inc. is a regional service company that is wholly owned by the five SBC Midwest Operating Companies (Illinois Bell Telephone Company, Indiana Bell Telephone Company, Michigan Bell Telephone Company, The Ohio Bell Telephone Company, and Wisconsin Bell, Inc.). Ameritech Services, Inc. provides a wide range of support services to the SBC Midwest Operating Companies and SBC telecommunication subsidiaries, which are not obtained from other affiliates and can most efficiently be provided on a centralized, rather than an individual basis. This structure avoids each SBC Midwest Operating Company performing similar services for itself, at a far greater cost. Ameritech Services, Inc. provides operational support through the following functions:

**Procurement and Property Services:** provides strategic planning, administrative assistance, systems support, fleet management, warehousing, and distribution services to assure that the Ameritech Operating Companies have access to the highest value (quality/price) products and services to meet customer requirements at the lowest procurement cost.

**Industry Markets:** manages network access through: 1) account management – Industry Markets sales teams are responsible for promoting and selling SBC Ameritech wholesale access products and services to Interexchange Carriers (IXCs), Competitive Local Exchange Carriers (CLECS), Independent Local Exchange Carriers (ILECs), Wireless Carriers, and Payphone Service providers; 2) marketing – defining the overall marketing direction for Industry Markets and manage the Switched Access, Resale and Unbundled Network Element products; 3) access operations – provides efficient and effective billing and ordering services.

**Network Services:** provides the management services required to build and maintain a state-of the-art infrastructure the provides the Ameritech Operating Companies with the network capacity and services quality needed for long-term growth and profitability, while continuing improvements in cost performance. These services include operations and provisioning support, outside plant construction and engineering operational support, infrastructure maintenance support, installation and repair planning and support, special services provisioning and support, network planning and engineering, and network services staff support functions.

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**Corporate Information Services:** manages the information computer systems and supporting operational infrastructure for the Ameritech Operating Companies. This includes such areas as billing systems, procurement systems, human resources and payroll, front line network and customer services systems, and accounting systems.

**Consumer Services:** provides management support services to the Ameritech Operating Companies for consumer telecommunications solutions that range from basic local telephone service to complex voice and data services. These services include: sales and product management support, teleservices, customer services support, and consumer operations.

**Real Estate Services:** provides professional real estate management for all aspects of real estate related activities in all Ameritech facilities. This includes such support services as: property management including energy management, housekeeping, HVAC, trash removal, landscaping and fire and safety services; planning design and construction and planning and transition management such as space planning, rent payment, and landlord interface.

**Operator Services:** provides operator services managerial functions to the Ameritech Operating Companies that include: support of high quality customer service for Directory Assistance and Operator Assistance Services to the Ameritech Operating Companies' retail and wholesale customers; coaching and development of operators; force management; maintaining Operator Services facilities and equipment; and methods procedures and training.

**Pay Phone Services:** provides marketing functions, information system management, material management and overall operations, sales and service support for pay phone products and services.

**Corporate Support:** provides management support services for corporate functions of the Ameritech Operating Companies for such areas as: human resources, labor operations, workforce effectiveness, staffing and vendor services, compensation training, financial and accounting services, credit and collection, and supplier management.

Ameritech Services does not use activity codes in its accounting system and, therefore, SBC Ohio cannot make a reference to this as requested.

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- (c) See attached file labeled "MS-29(c) (ASI Attachment A)" which identifies the Ameritech Services, Inc. 2002 total Industry Markets expenses for accounts 6611 and 6612. For 2002, SBC Ohio received 20.16% of these charges in accordance with the Ameritech Services Stockholders Agreement. The information in this file is confidential and, thus, subject to the protective order entered in this proceeding and the nondisclosure agreements executed by the parties in this proceeding.

**Responsible Person:** Timothy Dominak  
Director-Regulatory Accounting (AIT)  
2000 W SBC Center DR Z1, Room 2F82  
Hoffman Estates, IL 60196

**Public Utilities Commission of Ohio**  
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**SBC OHIO'S SUPPLEMENTAL RESPONSES TO**  
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**MS-31:**

(MI MS-33, IN Jt. CLEC MS-26) See SBC Ohio Shared and Common Cost study (Excel file: *OH\_2002\_SC\_2004-02-11.xls*), Tab: *Tab 2-Inputs*, cell: *E387*. Admit or deny that SBC Ohio includes 100% of the uncollectible expense attributable to "ALDIS and Special Markets."

- (a) Unless your answer to the question above is anything other than an unequivocal "Admit," explain in detail what percentage of "ALDIS and Special Markets" uncollectible expenses are included in cell: *E387*, and explain in detail the process undertaken to calculate that percentage.

**Response:** Admitted.

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-33:**

(MI MS-35, IN Jt. CLEC MS-28) (Rephrased) Referring to the SBC Ohio Shared and Common Cost study, *OH\_2002\_SC\_2004-02-11.xls*, Tab: *Tab 2-Inputs*, please describe with specificity what the amounts in study column B, rows 151 – 154 (Excel rows 218-221) represent and please provide a description of the SWIFTS Database.

- (a) Please provide the source documentation from the SWIFTS Database used to produce line count counts as of December 2002;
- (b) Please provide the December 2002 line counts by wire center;
- (c) Please provide the source documentation used to derive the Total Working Loops in column D, rows 151 – 154 (Excel rows 218-221).

**Response:**

The SBC Wireline Integrated Forecasting and Tracking System (SWIFTS) is a software application that provides interactive access to historical and forecasted Access Services data within SBC. The amounts in spreadsheet cells D218 through D220 represent line counts for each access area.

- (a) Please refer to confidential attachment (ATT MS-33a) OH Line Counts Dec 2002 by WC by Zone Confidential.xls for the requested supporting documentation.
- (b) See the confidential attachment provided in response to request MS-33a.
- (c) Please refer to confidential attachment (ATT MS-33c) OH USF WORKING LOOPS AS OF 12-31-02 Confidential.xls for the source documentation used to derive the Total Working Loops in column D, rows 151 – 154 (Excel rows 218-221).

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

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**SBC OHIO'S RESPONSES TO**  
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**MS-38:**

Please confirm or deny that Ohio Bell Telephone Company immediately recognized the full amount of its Transition Benefit Obligation for financial reporting purposes effective January 1, 1992 in its Form 10-K filed with the Securities Exchange Commission.

**Response:**

Confirm.

For external (SEC) reporting **only**, Ohio Bell recognized the full amount of its Transitional Benefit Obligation (TBO) in its Form 10-K reflecting the adoption of FASB 106 effective January 1, 1992. The external financial reports serve a different need than regulatory reports. The recognition of the TBO post retirement liability fulfilled a significant need for information about the financial effects of the post retirement benefits and about the future claims to this liability when the future cash will be required to pay the benefit costs. This information is useful to present and potential investors, creditors and others in making rational investment, credit and similar decisions.

**Responsible Person:** Timothy Dominak  
Director-Regulatory Accounting (AIT)  
2000 W SBC Center DR Z1, Room 2F82  
Hoffman Estates, IL 60196



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**MS-41:**

(MI MS-40, IN Jt. CLEC MS-34) It is our understanding that SBC Ohio includes the entirety of expenses booked to account 6711 as "common costs" in the development of its common cost numerator within its shared and common cost study in this proceeding. Please admit or deny that this is correct.

- (a) If your answer is anything other than an unequivocal "Admit," explain in detail how the basis of your answer, and provide a complete description of how expenses within Account 6711 are attributed to either shared or common costs in SBC Ohio's shared and common cost model.
- (b) Explain with specificity any exercise undertaken by SBC Ohio to determine whether expenses included in Account 6711 might be attributed as direct costs to any given product/service offered by SBC Ohio or as shared costs allocable to some group of products or services. Your complete response will include any analysis undertaken in this respect, will produce any documentation relied upon in making this determination, and will explain the results of any such analysis.

**Response:**

Admitted

- (a) Not applicable.
- (b) SBC Ohio's common cost classification of a given account (*i.e.*, account number), is primarily a function of the descriptions of the relevant Uniform System of Accounts (USOA) determined by Part 32 rules.

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

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**MS-42:**

(MI MS-41, IN Jt. CLEC MS-35) It is our understanding that SBC Ohio includes the entirety of expenses booked to account 6712 as "common costs" in the development of its common cost numerator within its shared and common cost study in this proceeding. Please admit or deny that this understanding is correct.

- (a) If your answer is anything other than an unequivocal "Admit," please explain in detail the basis of your answer, and provide a complete description of how expenses within Account 6712 are attributed to either shared or common costs in SBC Ohio's shared and common cost model.
- (b) Please explain with specificity any exercise undertaken by SBC Ohio to determine whether expenses included in Account 6712 above might be attributed as direct costs to any given product/service offered by SBC Ohio or as shared costs allocable to some group of products or services. Your complete response will include any analysis undertaken in this respect, will produce any documentation relied upon in making this determination, and will explain the results of any such analysis.

**Response:**

Admitted.

- (a) Not applicable
- (b) See SBC Ohio's response to request MS-41(b).

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-43:**

(MI MS-42, IN Jt. CLEC MS-36) It is our understanding that SBC Ohio includes the entirety of expenses booked to account 6721 as "common costs" in the development of its common cost numerator within its shared and common cost study in this proceeding. Please admit or deny that this is correct.

- (a) If your answer is anything other than an unequivocal "Admit," explain in detail the basis of your answer, and provide a complete description of how expenses within Account 6721 are attributed to either shared or common costs in SBC Ohio's shared and common cost model.
- (b) Please explain with specificity any exercise undertaken by SBC Ohio to determine whether expenses included in Account 6721 above might be attributed as direct costs to any given product/service offered by SBC Ohio or as shared costs allocable to some group of products or services. Your complete response will include any analysis undertaken in this respect, will produce any documentation relied upon in making this determination, and will explain the results of any such analysis.

**Response:**

Admitted.

- (a) Not applicable
- (b) *See* SBC Ohio's response to request MS-41(b).

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-44:**

(MI MS-43, IN Jt. CLEC MS-37) It is our understanding that SBC Ohio includes the entirety of expenses booked to account 6722 as "common costs" in the development of its common cost numerator within its shared and common cost study in this proceeding. Admit or deny that this is correct.

- (a) If your answer is anything other than an unequivocal "Admit," explain in detail the basis of your answer, and provide a complete description of how expenses within Account 6722 are attributed to either shared or common costs in SBC Ohio's shared and common cost model.
- (b) Explain with specificity any exercise undertaken by SBC Ohio to determine whether expenses included in Account 6722 above might be attributed as direct costs to any given product/service offered by SBC Ohio or as shared costs allocable to some group of products or services. Your complete response will include any analysis undertaken in this respect, will produce any documentation relied upon in making this determination, and will explain the results of any such analysis.

**Response:**

Admitted.

- (a) Not applicable
- (b) See SBC Ohio's response to request MS-41(b).

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-45:**

(MI MS-44, IN Jt. CLEC MS-38) It is our understanding that SBC Ohio includes the entirety of expenses booked to account 6723 as "common costs" in the development of its common cost numerator within its shared and common cost study in this proceeding. Admit or deny that this is correct.

- (a) If your answer is anything other than an unequivocal "Admit," explain in detail the basis of your answer, and provide a complete description of how expenses within Account 6723 are attributed to either shared or common costs in SBC Ohio's shared and common cost model.
- (b) Please explain with specificity any exercise undertaken by SBC Ohio to determine whether expenses included Account 6723 above might be attributed as direct costs to any given product/service offered by SBC Ohio or as shared costs allocable to some group of products or services. Your complete response will include any analysis undertaken in this respect, will produce any documentation relied upon in making this determination, and will explain the results of any such analysis.

**Response:**

Admitted

- (a) Not applicable
- (b) See SBC Ohio's response to request MS-41(b).

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-46:**

(MI MS-45, IN Jt. CLEC MS-39) It is our understanding that SBC Ohio includes the entirety of expenses booked to account 6724 as "common costs" in the development of its common cost numerator within its shared and common cost study in this proceeding. Please admit or deny that this is correct.

- (a) If your answer is anything other than an unequivocal "Admit," please explain the basis of your answer, and provide a complete description of how expenses within Account 6724 are attributed to either shared or common costs in SBC Ohio's shared and common cost model.
- (b) Please explain with specificity any exercise undertaken by SBC Ohio to determine whether expenses included in Account 6724 above might be attributed as direct costs to any given product/service offered by SBC Ohio or as shared costs allocable to some group of products or services. Your complete response will include any analysis undertaken in this respect, will produce any documentation relied upon in making this determination, and will explain the results of any such analysis.

**Response:**

Denied.

- (a) As SBC Ohio fully explained in its Shared and Common study at Excel Row 119 of the Inputs – Tab, SBC Ohio removed mainframe labor costs attributed to the Service Order Computer Processing Study from the Account #6724 ARMIS balance. This labor cost is a direct cost attributable to service orders.
- (b) See SBC Ohio's responses to requests MS-46a and MS-41(b).

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-47:**

(MI MS-46, IN Jt. CLEC MS-40) It is our understanding that SBC Ohio includes the entirety of expenses booked to account 6725 as "common costs" in the development of its common cost numerator within its shared and common cost study in this proceeding. Admit or deny that this is correct.

- (a) If your answer is anything other than an unequivocal "Admit," explain in detail the basis of your answer, and provide a complete description of how expenses within Account 6725 are attributed to either shared or common costs in SBC Ohio's shared and common cost model.
- (b) Explain with specificity any exercise undertaken by SBC Ohio to determine whether expenses included in Account 6725 above might be attributed as direct costs to any given product/service offered by SBC Ohio or as shared costs allocable to some group of products or services. Your complete response will include any analysis undertaken in this respect, will produce any documentation relied upon in making this determination, and will explain the results of any such analysis.

**Response:**

Admitted.

- (a) Not applicable
- (b) See SBC Ohio's response to request MS-41(b).

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114



**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-48:**

(MI MS-47, (IN Jt. CLEC MS-41) It is our understanding that SBC Ohio includes the entirety of expenses booked to account 6726 as "common costs" in the development of its common cost numerator within its shared and common cost study in this proceeding. Admit or deny that this is correct.

- (a) If your answer is anything other than an unequivocal "Admit," please explain in detail the basis of your answer, and provide a complete description of how expenses within Account 6726 are attributed to either shared or common costs in SBC Ohio's shared and common cost model.
- (b) Please explain with specificity any exercise undertaken by SBC Ohio to determine whether expenses included in Account 6726 above might be attributed as direct costs to any given product/service offered by SBC Ohio or as shared costs allocable to some group of products or services. Your complete response will include any analysis undertaken in this respect, will produce any documentation relied upon in making this determination, and will explain the results of any such analysis.

**Response:**

Admitted.

- (a) Not applicable
- (b) *See* SBC Ohio's response to request MS-41(b).

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-49:**

(MI MS-48, IN Jt. CLEC MS-42) It is our understanding that SBC Ohio includes the entirety of expenses booked to account 6727 as "common costs" in the development of its common cost numerator within its shared and common cost study in this proceeding. Admit or deny that this is correct.

- (a) If your answer is anything other than an unequivocal "Admit," please explain in detail the basis of your answer and how our understanding is incorrect, and provide a complete description of how expenses within Account 6727 are attributed to either shared or common costs in SBC Ohio's shared and common cost model.
- (b) Please explain with specificity any exercise undertaken by SBC Ohio to determine whether expenses included in Account 6727 above might be attributed as direct costs to any given product/service offered by SBC Ohio or as shared costs allocable to some group of products or services. Your complete response will include any analysis undertaken in this respect, will produce any documentation relied upon in making this determination, and will explain the results of any such analysis.

**Response:**

Admitted.

- (a) Not applicable.
- (b) See SBC Ohio's response to request MS-41(b).

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-50:**

(MI MS-49, IN Jt. CLEC MS-43) It is our understanding that SBC Ohio includes the entirety of expenses booked to account 6728 as "common costs" in the development of its common cost numerator within its shared and common cost study in this proceeding. Please admit or deny that this is correct.

- (a) If your answer is anything other than an unequivocal "Admit," please explain in detail the basis of your answer, and provide a complete description of how expenses within Account 6728 are attributed to either shared or common costs in SBC Ohio's shared and common cost model.
- (b) Please explain with specificity any exercise undertaken by SBC Ohio to determine whether expenses included in Account 6728 above might be attributed as direct costs to any given product/service offered by SBC Ohio or as shared costs allocable to some group of products or services. Your complete response will include any analysis undertaken in this respect, will produce any documentation relied upon in making this determination, and will explain the results of any such analysis.

**Response:**

Denied.

- (a) Please refer to excel rows 120 and 121 of the Inputs tab of SBC Ohio's Shared and Common Cost study for explanations of adjustments to account #6728 for OSS Testing expenses and pension settlement losses. SBC Ohio acknowledges that certain Pension Settlement gains and losses are not forward looking in nature and removes them accordingly. Additionally, SBC Ohio adjusts the OSS testing expenses by replacing 2002 amounts with the annual average amount for each year the company incurs these expenses.
- (b) See SBC Ohio's response to request MS-50a.

**Responsible Person:** Dr. Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-53:**

(MI MS-53, IN Jt. CLEC MS-47) Answer the following concerning the Product Advertising costs (Account 6613) included in the wholesale marketing costs used in SBC Ohio's Shared and Common cost study:

- (a) Please provide a detailed description of this account.
- (b) Please provide a breakdown of the activities associated with Product Advertising.
- (c) Please provide a description of each advertising activity associated with this account including the dollars spent on each product supported by advertising during the 2002 test year used in the Shared and Common cost study.
- (d) Please identify the wholesale costs associated with each of the activities identified in response to **MS-53(b)** above.
- (e) For each of the costs identified in response to **MS-53(c)**, please provide all evidence relied on by the Company to indicate these should be considered wholesale, rather than retail, costs.

**Response:**

SBC Ohio object to this request on the grounds that it is overly broad and unduly burdensome. SBC Ohio further object that this request is vague and ambiguous. SBC Ohio further objects to this request to the extent it requests data that SBC Ohio does not collect, track or maintain.

- (a) This account includes the costs incurred in developing and implementing promotional strategies to stimulate the purchase of products and services. This excludes nonproduct related advertising, such as corporate image, stock and bond issue and employment advertisements, which should be included in the appropriate functional accounts.
- (b) See response to AT&T 3<sup>rd</sup> Set, MS-53 (a).
- (c) SBC Ohio does not track the Account 6613 Product Advertising by campaign. Below is a list of products associated with advertising in Account 6613:

**Access Lines**

Collateral/Fulfillment  
Competitive Differentiation  
CPE  
DSL  
Fed Unv Svc Fund - Lifeline  
Creative Agency Work  
Local Toll  
Message Center/CallNotes  
National Directory  
Other Data Products  
Packages/Bundles  
Permission Marketing  
Privacy Manager  
Calling Card  
Vertical Services  
Winback  
Access Line Retention  
Telemarketing  
Directory Ads

(d) See response to AT&T 3<sup>rd</sup> Set, MS-53 (c)

(e) See response to AT&T 3<sup>rd</sup> Set, MS-53 (c).

**Responsible Person:** Timothy Dominak  
Director-Regulatory Accounting (AIT)  
2000 W SBC Center DR Z1, Room 2F82  
Hoffman Estates, IL 60196

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-58:**

(MI MS-103) Please provide the amount of deferred or unrecognized pension gains and losses that SBC Ohio (or SBC Midwest if applicable) and SBC Communications, Inc. had available to be amortized over future years as of December 31<sup>st</sup> for the years 1998, 1999, 2000, 2001, 2002 2003.

**Response:**

SBC Ohio objects to this request as being overly broad. SBC Ohio further objects on the ground this request seeks information that is not relevant to the issues in this proceeding and is not reasonably calculated to lead to the discovery of admissible evidence. The amount of deferred or unrecognized pension gains and losses for the entire corporate entity of SBC Communications, Inc. is not relevant to this proceeding.

Notwithstanding and without waiving the foregoing general and specific objections, SBC Ohio submits that the amount of unrecognized pension gains or losses for SBC Communications, Inc. between 1998 and 2003 can be found in SBC Ohio's publicly filed Annual Report.

Generally Accepted Accounting Principles (GAAP) require certain disclosures be made of components of net periodic pension cost for this period. GAAP further requires a reconciliation of the funded status of the plans with amounts reported in the balance sheets. The unrecognized pension gains and losses for the SBC Midwest plan as a whole are presented for years 1998 through 2003 on the attached document labeled "MS-58 Attachment." This confidential document maybe found on the CD produced by SBC Ohio with these responses under the file name "MS-58 Attachment." This information is not presented separately for SBC Ohio since the funded status of plan assets and obligations relates to the plans as a whole, which is sponsored by SBC.

SBC Ohio's response to this request is confidential and, therefore, subject to the protective order entered in this proceeding and the nondisclosure agreements executed by the parties in this proceeding.

**Responsible Person:** Timothy Dominak  
Director-Regulatory Accounting (AIT)  
2000 W SBC Center DR Z1, Room 2F82  
Hoffman Estates, IL 60196

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SECOND SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-63**

(MI MS-67, IN Jt. CLEC MS-59) Identify specific campaigns currently being conducted to foster, facilitate or otherwise enhance or improve the sale of SBC Ohio's UNE services.

**Response:**

SBC Ohio objects to this request as being irrelevant and unlikely to lead to the discovery of admissible evidence. SBC Wisconsin further objects to this request as being vague and ambiguous, in that there is no such thing as a "UNE service." All CLECs must be aware of the availability of UNEs, and the CLECs' ability to negotiate and arbitrate terms and conditions of interconnection agreements to obtain UNEs. SBC Ohio also posts standard terms and conditions offered for UNEs on its website, which is accessible by all CLECs.

**Responsible Person:** Bill Bockelman  
Director – ULS/Combinations  
350 New Orleans Room 371  
Chicago, Illinois 60654



**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SECOND SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-64**

(MI MS-68, IN Jt. CLEC MS-60) During 2001, 2002 and 2003, how many times did SBC Ohio, or an agent of SBC Ohio, initiate contact with an outside entity for the purpose of persuading the entity to purchase UNE service from SBC Ohio? Provide details of each such contact.

**Response:**

SBC Ohio objects to this request as being irrelevant and unlikely to lead to the discovery of admissible evidence. SBC Wisconsin further objects to this request as being vague and ambiguous, in that there is no such thing as a "UNE service." All CLECs must be aware of the availability of UNEs, and the CLECs' ability to negotiate and arbitrate terms and conditions of interconnection agreements to obtain UNEs. SBC Ohio also posts standard terms and conditions offered for UNEs on its website, which is accessible by all CLECs.

**Responsible Person:** Bill Bockelman  
Director – ULS/Combinations  
350 New Orleans Room 371  
Chicago, Illinois 60654

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**AFFILIATED / NON-AFFILIATED ENTITY TRANSACTIONS**

**MS-69:**

(MI MS-74, IN Jt. CLEC MS-68 and MS-130) Please provide the square footage and the percentage of building space and land owned and leased by SBC Ohio that is rented to all non-affiliated entities. In identifying these amounts, please provide the following:

- (a) State whether SBC Ohio has adjusted the investment balances for buildings and land included within its cost studies in this proceeding to exclude building and land rented to non-affiliated entities.
- (b) Breakdown the square footage and percentage of buildings and land rented by non-affiliated entities between the following SBC Ohio categories:
  - (i) Administration;
  - (ii) Network; and
  - (iii) Network Support.

**Response:**

SBC Ohio objects to this request on the grounds and to the extent that it seeks information that is not in SBC Ohio's possession, custody or control. SBC Ohio further objects to the extent this request seeks information that SBC Ohio does not collect, track or maintain.

Subject and without waiving to its general and specific objections, SBC Ohio states that the total square footage of building space and land owned and leased by SBC Ohio that is rented to all non-affiliated entities (including third party leases) is 268,239 sq. ft., or 3.8%.

- (a) SBC Ohio has not adjusted the investment balances for buildings and land included within its cost studies to exclude building and land rented to non-affiliated entities.
- (b) SBC Ohio does not track this information in the manner requested and, thus, a breakdown is not possible. The square footage rented to non-affiliated entities is a combination of Network and Administrative space.

**Public Utilities Commission of Ohio**  
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**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**Responsible Person:** Ruben Alvarez (CRE)  
Director-Planning D&C  
425 W. Randolph St., Room 9SE  
Chicago, IL 60606

Kent A. Currie (Cost)  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza  
Cleveland, OH 44114

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S SUPPLEMENTAL RESPONSES TO**  
**AT&T Communications of OH, Inc. 3rd Set of Data Requests**

**MS-73:**

(MI MS-3, MI MS-88, IN Jt. CLEC MS-112 and IL AT&T MS-81) Please provide the most current copies of following documents describing the planning process employed by SBC to determine when, where and how to deploy new facilities and/or to repair existing facilities.

- (a) Ameritech Modified Distribution Area Plan ("MDAP")
- (b) Transport Engineering and Construction Policy ("TECP")
- (c) Loop Deployment Policies and Guidelines ("LDPG")
- (d) Loop Infrastructure Deployment ("LID") Guidelines - Pronto
- (e) Loop Technology Planning ("LTP") (BR 916-100-017)
- (f) Bulk Defective Pair Recovery Process (AM-936-400-007)
- (g) Ameritech Defective Pair Recovery Order (DPRO) Process (SBC-002-341-015)
- (h) LEAD/FACS/PVI User Guide and Methods and Procedures
- (i) Consolidated Loop References
- (j) 2002 OSP Temporary Guidelines

**Response:**

SBC Ohio objects to this request on the ground and to the extent it is overly broad and unduly burdensome. SBC Ohio further objects to this request to the extent it is vague and ambiguous. SBC Ohio further objects on the grounds and to the extent this request seeks information or documents not relevant to the issues in this proceeding, and is not reasonably calculated to lead to the discovery of admissible evidence. SBC Ohio further objects to the extent it has already produced to AT&T the requested documents or information. Subject to and without waiving it general and specific objections, SBC Ohio states the following:

- (a) SBC Ohio is providing the requested "Modified Distribution Area Plan" (MDAP) as file "(MS-73a) Modified Distribution Area Plan" located on the Confidential CD produced by SBC Ohio with these responses. Please note that the MDAP is no longer the current guideline used by SBC Ohio.
- (b) The Transport Engineering and Construction Policy document has been superceded by the Consolidated Loop References. See SBC Ohio's response to subparagraph (i) below.

- (c) The Loop Deployment Policies and Guidelines have been superceded by the Consolidated Loop References. *See* SBC Ohio's response to subparagraph (i) below.
- (d) SBC Ohio objects to this request on the grounds that this request seeks information that is not relevant to the issues in this proceeding, and not reasonable calculated to lead to the discovery of admissible evidence. The SBC Loop Infrastructure Deployment ("LID") Guidelines – Pronto document is out of date. Project Pronto is no longer an active project, having ended in 2002. The guidelines were developed several years ago, are no longer up-to-date and no longer being implemented.
- (e) *See* attached document titled Loop Technology Planning ("LTP") (BR 916-100-017) located in the MS-73(e) folder on the Confidential CD produced by SBC Ohio in this proceeding.
- (f) *See* attached filed titled (MS-73(f)) Bulk Defective Pair Recovery Process (AM-936-400-007).
- (g) *See* attached filed titled (MS-73(f)) Ameritech Defective Pair Recovery Order (DPRO) Process (SBC-002-341-015).
- (h) *See* the LEAD/FACS/PVI User Guide and Methods and Procedures document already produced by SBC Ohio in response to OH 02-1280-TP-UNC AT&T 2<sup>nd</sup> Set – BFP-53.
- (i) *See* the Consolidated Loop References document already produced by SBC Ohio in response to OH 02-1280-TO-UNC AT&T 2<sup>nd</sup> Set – BFP-46.
- (j) *See* attached file titled (MS-73(j)) 2002 OSP Temporary Guidelines. SBC Ohio further states that this document is not the most current guideline used by SBC Ohio.

**Responsible Person:**     **Pat Hamrock**  
General Manager  
150 E. Gay Street, Room 13A  
Columbus, OH 43215

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 12th Set of Data Requests**

**MS-86:**

SBC's Shared and Common Study *OH\_2002\_SC\_2004-02-11.xls*, (Tab 2-Inputs, cells C337-G346) lists expenses of SBC's wholesale Industry Markets organization for all 13 SBC states. Following the May 4, 2004 hearing in Wisconsin Docket No. 6720-TI-187 on discovery issues, SBC stated that it developed these figures through expert review, analysis and use of its internal databases. Please provide a detailed, step-by-step description of the process that SBC Ohio used to extract from its systems the wholesale expense data included in Excel cells D331-D337 of the referenced worksheet.

**Response:**

SBC Ohio objects to this request on the grounds and to the extent it is overbroad and unduly burdensome. SBC Ohio further objects that this request is vague and ambiguous, and calls for speculation particularly with respect to the request to "provide a detailed, step-by-step description of the process that SBC Ohio used to extract from its systems the wholesale expense data included in Excel cells D331-D337 of the referenced worksheet."

Notwithstanding and without waiving its general and specific objections, SBC Ohio responds as follows:

No wholesale expense data are included in cells D331-D336. Assuming that the request was intended to refer to cells D337-D343, SBC Ohio provides the following description:

Industry Markets (the entity in SBC that performs all wholesale functions) expenses is identified at the total company level by VP organization. See cells D337 – D343. Industry Markets Finance extracted these data using responsibility codes (RCs) ensuring that only functions (and associated expenses) performed within Industry Markets are identified. The data system queried was MR2000.

See SBC Ohio's response to MS-87 for a more detailed description of the MR2000 system.

**Responsible Person:** Kent A. Currie  
Associate Director-Cost Analysis & Regulatory  
45 Erieview Plaza, Room 1545  
Cleveland OH, 44114

**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 12th Set of Data Requests**

**MS-88:**

Regarding SBC's response to MS-29 (b):

For each of the nine Ameritech Services organizations listed in this response, please indicate whether this organization supports only wholesale services, only retail services or both.

**Response:**

SBC Ohio objects to this request on the grounds and to the extent it is overbroad and unduly burdensome. SBC Ohio objects to this request as vague and ambiguous, specifically with respect to "this organization supports." SBC Ohio further objects on the grounds that this request seeks information that SBC Ohio does not track, collect, or maintain. SBC Ohio further objects to performing any analyses or calculations of its business functions that SBC Ohio has not performed.

Notwithstanding and without waiving its general and specific objections, SBC Ohio responds as follows:

SBC Ohio does not track the detailed business functions of Ameritech Services, Inc. in a manner that allows for a complete response to this interrogatory. The following are the functions listed in the response to data Request MS-29 (b) along with the predominant support categorization as wholesale, retail or both wholesale and retail services.

<b><u>MS-29 (b) Reported Function</u></b>	<b><u>Service Supported</u></b>
Procurement and Property Services	Both wholesale and retail
Industry Markets <sup>1</sup>	Wholesale services
Network Services	Both wholesale and retail
Corporate Information Services	Both wholesale and retail
Consumer Services	Retail Services
Real Estate Services	Both wholesale and retail
Operator Services	Both wholesale and retail
Pay Phone Services	Retail
Corporate Support	Both wholesale and retail

**Responsible Person:** Tim Dominak  
2000 West SBC Center Drive  
Hoffman Estates, Illinois 60196

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<sup>1</sup> Regulated Payphone service product management is included in Industry Markets



**Public Utilities Commission of Ohio**  
**Case No. 02-1280-TP-UNC**  
**SBC OHIO'S RESPONSES TO**  
**AT&T Communications of OH, Inc. 2nd Set of Data Requests**

**BFP-46:**

(MI BFP-26) Provide all documents, reference material, instructions and any other SBC documents used by SBC engineers related to decisions of using copper feeder facilities or fiber feeder facilities with DLC.

**Response:**

The decision to use copper feeder facilities or fiber feeder facilities with DLC is made by selecting the most economic alternative. For supporting documentation, see the following confidential files:

BFP-46 CLR - December 2003 (Confidential).doc; and  
BFP-46 OH 02-1280-TP-UNC - AT&T 2nd Set - (FATCAT) - Confidential.doc

SBC Ohio is also providing 3 videos referenced in the FATCAT documentation as a separate CD-ROM. The 3 files names are:

FatCatCostEntry.avi  
FatCatDownload.avi  
FatCatOpenload.avi

This is SBC Confidential material.

**Responsible Person:** Patrick Hamrock  
General Manager  
150 E. Gay Street, Room 13A  
Columbus, OH 43215

## DATA REQUESTS

### **MCISBC-02 (MICHIGAN: MCISBC-002)**

Please provide a complete copy of the most recent Ameritech Cost Analysis Resource, regardless of the extent to which SBC Ohio continues to maintain this document and/or whether SBC Ohio currently relies upon this document. Please also provide complete copies of the Ameritech Cost Analysis Resource that were used as the basis for all factors used in the existing cost studies supporting the current UNE loop and subloop rates. Verify that SBC's response to this request includes all data for all tabs within the ACAR documents.

### **SBC Ohio Supplemental Response (4/22/04)**

SBC Ohio objects to this request as being overbroad and unduly burdensome in seeking "all" data or documents. SBC Ohio also objects to the request as being irrelevant in seeking information on a document that SBC Ohio may not maintain or rely upon in this case, and as seeking copies of a document used or cost studies in a prior proceeding. Nevertheless, subject to and without waiver of the foregoing objections, SBC Ohio provides the following information.

See the attached files:

(MCI MCISBC-02) 01am1199.rtf  
(MCI MCISBC-02) 02am1199.rtf  
(MCI MCISBC-02) 03am1199.rtf  
(MCI MCISBC-02) 04am1199.rtf  
(MCI MCISBC-02) 04a-am1199.rtf  
(MCI MCISBC-02) 08am1199\_conf.rtf  
(MCI MCISBC-02) 11am1199\_conf.rtf  
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(MCI MCISBC-02) 28am1199.rtf  
(MCI MCISBC-02) ACAR 1999 aoe ovly une fcc\_conf.doc

**Witness**

Kent Currie

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

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**in**

**Case No(s). 02-1280-TP-UNC**

Summary: Confidential Release Document - Part 2- Direct Testimony of Michael Starkey  
originally filed 5/23/2004 electronically filed by Docketing Staff on behalf of Docketing