Sprint.

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April 10, 2001

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RE: Docket No. 00-00544, Generic Docket to establish UNE prices for line sharing per FCC 99-355, and riser cable and terminating wire as ordered in TRA docket 98-00123.

Dear Mr. Waddell:

Pursuant to the Authority's Order in this case, enclosed for filing are an original and thirteen copies of United Telephone-Southeast, Inc.'s proposed terms and conditions for riser cable and network terminating wire, including a supporting cost study.

Please note that United considers the cost study to be proprietary and asks that it be handled in accordance with the protective order entered in this case.

Please contact me or Laura Sykora at 919-554-7323 with any questions.

Sincerely,

James B Wright

James B. Wright

Enclosure
cc: Dennis Wagner
Laura Sykora
Kaye Odum
Tom Sokol
Parties of Record (w/enclosure)

CERTIFICATE OF SERVICE
Line Sharing UNE (Docket No. 00-00544)

The undersigned certifies that on April 10, 2001, the foregoing letter and attachments were served upon the following parties of record by hand- delivery, by fax or by placing a copy of the same in the United States Mail postage prepaid and addressed as follows:

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TERMS

1. SUBLOOP – INSIDE WIRE

1.1. To the extent Sprint owns inside wire and related maintenance for itself and its customers, Sprint will provide CLEC existing inside wire, including intrabuilding and interbuilding cable, at any accessible point, where technically feasible. Where available, inside wire is offered separate from the UNE loop, and the rates for inside wire are distinct from the loop rates.

1.1.1. Inside wire is the wire, owned by Sprint, and located on the customer's side of the network interface (NI), as defined in §51.319(a)(2)(*i*). Inside wire also includes interbuilding and intrabuilding cable. Interbuilding cable means the cable between buildings in a campus setting (i.e. between multiple buildings at a customer location).

1.1.1.1. Intrabuilding cable means the cable running vertically and horizontally within a building.

1.1.1.2. Intrabuilding cable includes riser cable and plenum cable.

1.1.2. Sprint will not provide or maintain inside wire in situations where it determines there are health or safety concerns in doing so.

1.2. The application of prices for inside wire will be matched to the specific facilities located at the site where it is being sold. The prices for inside wire are reflected in the standardized price list for the components for inside wire, including interbuilding cable, intrabuilding cable, SAI, riser cable and plenum cable. Non-recurring interconnection costs and charges will be determined on a site-specific basis and are dependent upon the facilities present at the location. The purchase of inside wire may necessitate the purchase of other facilities, including but not limited to, loop, network interface devices (NIDs), building terminals, and/or serving area interfaces (SAIs).

INSIDE WIRE COST STUDY – METHODS

United Telephone-Southeast, Inc.

Docket Number 00-00544

April 10, 2001

INSIDE WIRE COST STUDY
Table of Contents

A. Purpose

The purpose of this cost study is to determine the total element long run incremental cost (TELRIC) of the Inside Wire unbundled network element, as defined at 47 C.F.R. §51.319(a)(2)(*i*), which consists of interbuilding and intrabuilding cable. Costs for interbuilding cable account for cable between buildings in a campus setting. Costs for intrabuilding cable account for riser and plenum cabling running vertically and horizontally within a building. Inside wire locations can vary from a large campus type setting to a high rise office complex. Because of the variability between locations where United Telephone – Southeast, Inc. (Sprint) owns inside wire, the monthly recurring costs defined in this cost study will be used on a site by site basis to determine the costs for the inside wire UNE.

B. Scope

The cost results were developed specifically for the Sprint's serving area and apply only to the inside wire that Sprint owns.

C. Introduction

Section 251(c)(3) of the Telecommunications Act of 1996 (Act) requires an ILEC to provide to any requesting carrier non-discriminatory access to network elements:

- On an unbundled basis
- At any technically feasible point
- At rates and terms that are just, reasonable and non-discriminatory
- In accordance with the interconnection agreement
- In a manner that allows the requesting carrier to combine network elements to provide its telecommunications service.

The FCC's Third Report & Order (FCC 99-238), regarding Unbundled Network Elements (UNEs), defines sub-loops as "portions of the loop, at any accessible point." The FCC also expands upon the definition of loops to include "inside wire owned by the incumbent LEC". Section 51.319(a)(2)(*i*) states,

> *Inside Wire.* Inside wire is defined as all loop plant owned by the incumbent LEC on the end-user customer premises as far as the point of demarcation as defined in §68.3, including the loop plant near the end-user customer premises. Carriers may access the inside wire subloop at any technically feasible point including but not limited to, the network interface device, the minimum point of entry, the single point of interconnection, the pedestal, or the pole.

Strictly defined, Inside Wire is all telephone wire that is inside a telephone company customer's premise and is located on the customer's side of the Network Interface (NI). Sprint, however, owns intrabuilding cable connecting separate floors of multi-story buildings, and also connecting multi-tenant buildings in areas such as business parks. The diagrams below depict the two primary configurations of inside wire:

Diagram 1. Interbuilding Configuration - Building Addition or Campus Scenario

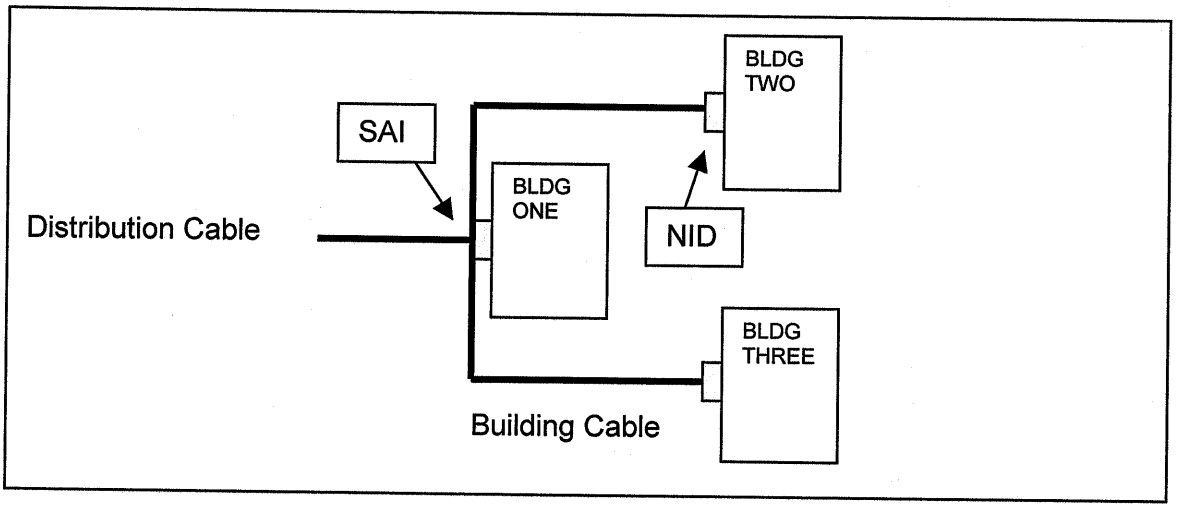
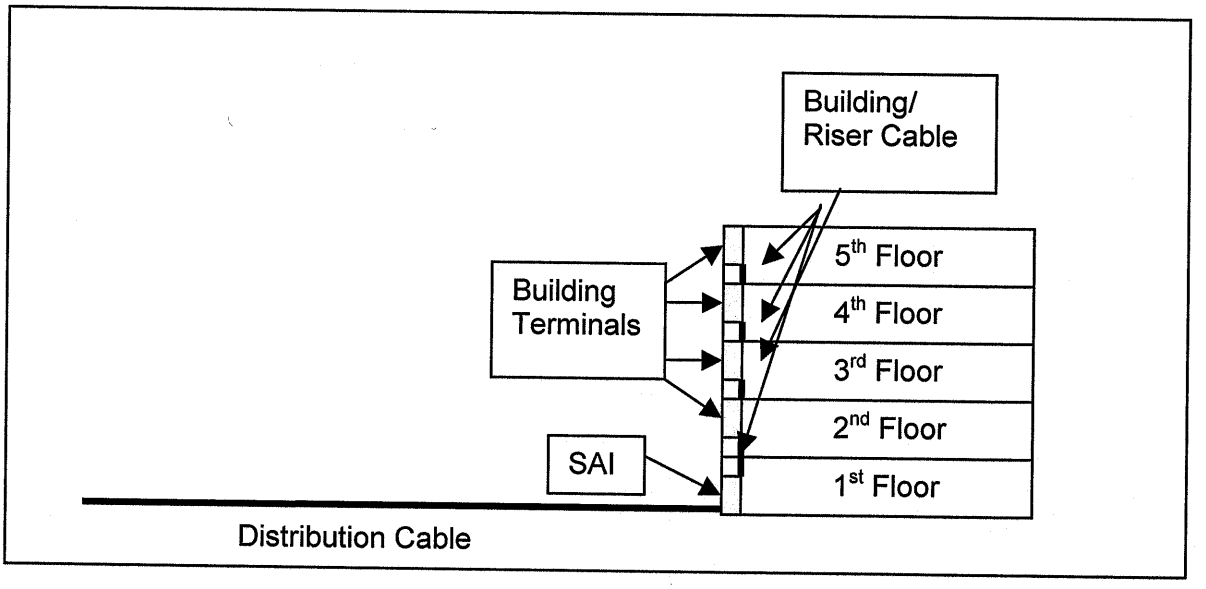


Diagram 2. Intrabuilding Configuration - Multi-business or High Rise Scenario



In the interbuilding configuration (Diagram 1), it is not uncommon for businesses to construct buildings in a staged fashion. An example scenario is a start-up company who builds Building One in the diagram above. The ILEC builds distribution cable to serve that demand. As business expands, the same company may add building two, then later building three in the same business park. Rather than build new distribution cables all the way back to a feeder cross-connect point, it is not uncommon to build branch cables coming out of a Serving Area Interface (SAI) at building one to NIDs at buildings two and three "owned" by the same customer.

For the interbuilding cable scenario, the elements will be the cable between buildings and associated structure costs, plus the NIDs at the secondary buildings. Cost recovery of the SAI at the first building will be recovered in regular loop UNE costs. In the event that CLECs

request access to this sub-loop cable in a stand alone fashion, it is appropriate that ILECs enjoy recovery on their investment.

For the intrabuilding configuration (Diagram 2), ILECs frequently deploy intrabuilding cable to multiple floors, typically from an Indoor SAI with protection located in a basement or utility room on the first floor to building terminals located on each floor. From each floor's building terminal, normally either the end customer or building tenant will own the inside wire connecting the customer premise telephone equipment such as PBX or Key Line phone systems to each floor's building terminal.

For the second scenario, the elements consist of the cable and building terminals. Riser cable is the cable running vertically from the SAI to building terminals and Plenum cable is the cable running from the terminals to individuals on each floor.

D. Assumptions

- Each location for where Sprint owns inside wire is unique.
- The major determinants of the cost are cable size, plant type, and cable length; SAI type results from the cable size and plant type.
- Due to the unpredictable nature of deployment for the Interbuilding and Intrabuilding scenarios, fixed and variable building-block costs (the variable being by costs per foot of cable) will be established. These are to be applied on a location specific basis to develop prices.
- Costs are identified for cable and NID/SAI for each scenario and each location separately
- Per foot Cable cost and Structure cost (Buried, Underground, and Aerial) developed for the Sprint Loop Cost Model (SLCM) will be utilized for the interbuilding scenarios.
- Terminal costs for SAI will be the same inputs as used in SLCM.
- Costs for all cabling will be the forward looking costs as if the cabling were installed today or in the near future.
- If fiber is present in the customer's premises, the costs for dark fiber sub-loop will apply.

E. Methodology – Global

Separate costs for cable and NID/SAI were separately identified for campus cable and for riser cable, due to the nature of the cabling used. The costs were based on an analysis of the type of cable used within Sprint's territory and current material and labor costs for the cable and installation. From the analysis, the type of cable that would be provisioned on a forward-looking basis was determined. Cost development is discussed below for each scenario.

F. Methodology – Interbuilding Cable

Campus cable or interbuilding cable consists of the cable used to connect multiple buildings at a customer location. To develop the costs of campus cable, the sizes of cable used within a campus were identified. Twenty-four (24) gauge copper wire is assumed to be used. The cabling used in the interbuilding scenario is the same type of cable used in the loop plant. Current material and installation costs were identified for each cable size that would appear in a campus setting. Installed costs for all of the cable were calculated; these installed costs are the same as the cable cost inputs for SLCM. Structure costs have been added to all of the cable types, which are the costs associated with cable installation above or below ground other than the costs of cable splicing, placing, and engineering. Factors for taxes, capital costs, and maintenance were applied to the investment per foot to determine annual cost recovery requirements. Monthly recurring costs were found and common costs were applied to determine prices.

Costs for NID/SAI by pair size were determined in the same fashion.

G. Methodology – Intrabuilding Cable

Intrabuilding cable consists of riser cable and plenum cable. Riser cable is the cable running vertically within a building, connecting different floors. Plenum cable is the cable that runs horizontally within a building and connects end users to the building terminals.

Cable types and sizes for intrabuilding cable were identified by researching recent purchases of inside wire. Costs for corresponding Sprint standard NIDs and SAIs were also identified. Current material costs and installation costs were identified to determine the investment per foot of each category of cable by pair size. The cost per foot to install, based on underground cable installation cost, was added to the material cost. Cost factors and taxes were then applied to the investment. An allocation of common cost was then applied to develop an annual investment, which was then converted to a monthly recurring rate.

H. Inside Wire Non-recurring Charges

Because of the highly variable nature of inside wire from location to location, generic provisioning costs cannot be applied. Non-recurring charges for inside wire will be developed based on specific site needs including at a minimum the provisioning of facilities for interconnecting Sprint's network to the CLEC network, travel charges, and engineering charges.

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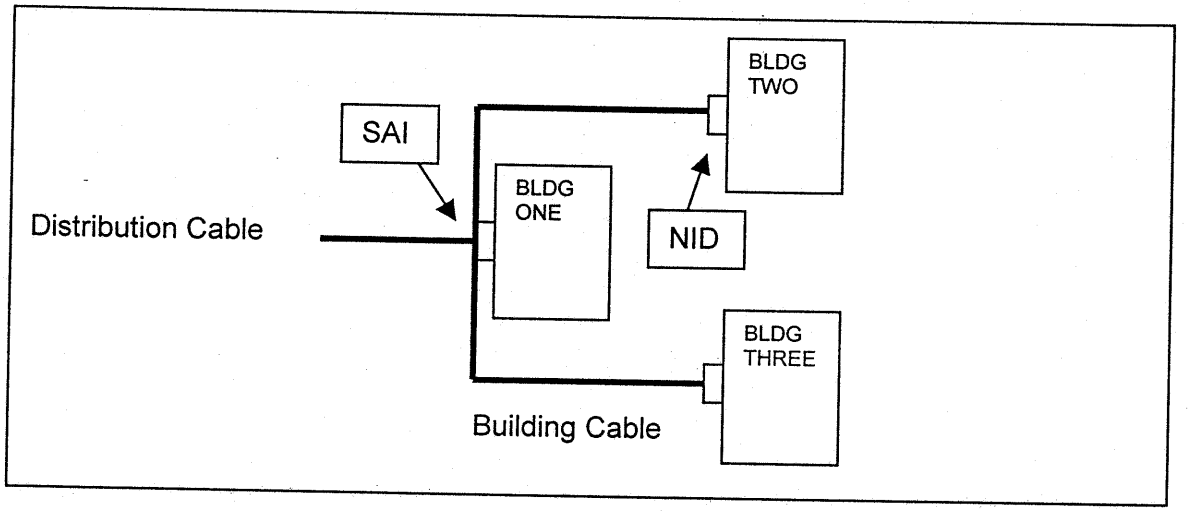

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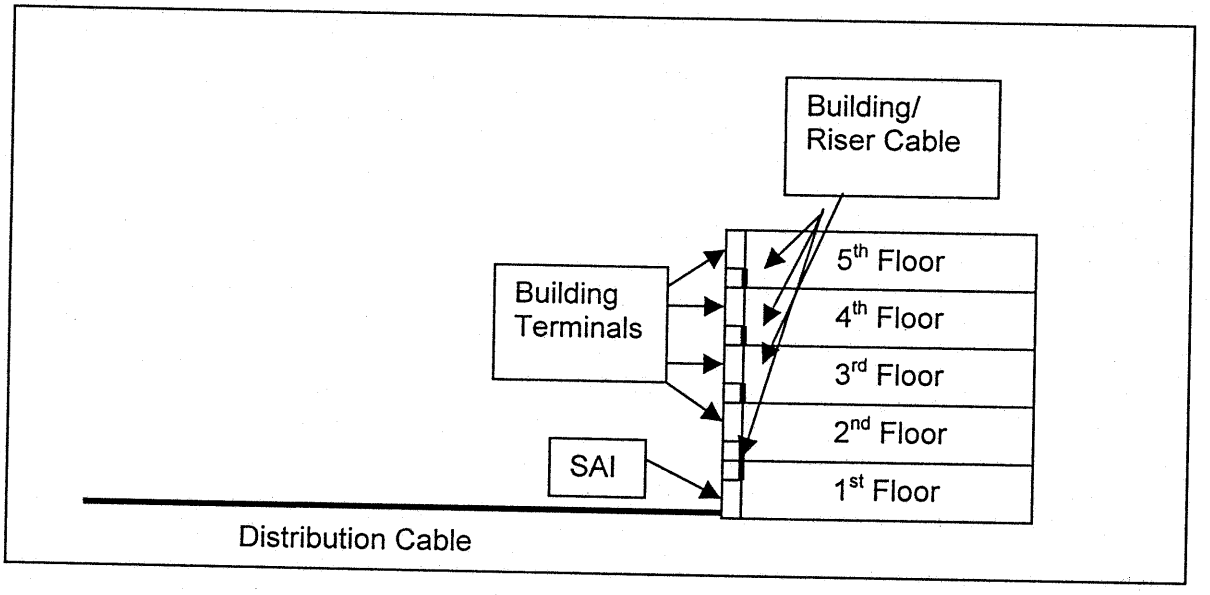

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