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REC'D TN
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August 1, 2000
EXECUTIVE SECRETARY

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VIA HAND DELIVERY

David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

97-01262

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of the non-proprietary portions of BellSouth Telecommunications, Inc.'s responses to the Staff Data Request of July 10, 2000. The proprietary portions of this response are being provided under separate cover. Copies of the enclosed are being provided to counsel of record for all parties.

Very truly yours,

Guy M. Hicks

GMH:ch
Enclosure

proprietary
portion
on file

POSTED
8-1-00

REQUEST: A list of all inputs with each party's input values as presented in their cost studies for each input and compared to input values used in the FCC's Hybrid Cost Proxy Model.

RESPONSE: Because of the differences between BellSouth's cost studies and the FCC's Hybrid Cost Proxy Model ("HCPM"), the "inputs" used are not always directly comparable. In addition, there are certain inputs used in developing the "hypothetical" network embodied in the HCPM approach that are not reflected as "inputs" to BellSouth's cost studies. Nevertheless, for those inputs that are the primary cost drivers and that were the subject of adjustments by the TRA, please see attachment to Item No. 1 for the requested comparison.

BellSouth Telecommunications, Inc.
TRA Docket No. 97-01262
July 10, 2000
Item No. 1
Pages 1-3

ATTACHMENT

COMPARISON OF INPUT VALUES IN FCC'S HYBRID PROXY MODEL TO BELLSOUTH'S UNE STUDY INPUTS

HCPM FCC INPUT VALUES:

Utilization factors for feeder and distribution plant:

Density	Feeder	Distr
0	70.0%	50.0%
5	77.5%	55.0%
100	80.0%	55.0%
200	82.5%	60.0%
650	82.5%	70.0%
850	82.5%	75.0%
2550	82.5%	75.0%
5000	82.5%	75.0%
10000	82.5%	75.0%
1.00	FiberFillFactor	

Structure Sharing

Density	UG	Buried	Aerial
0	100.00%	100.00%	50.00%
5	100.00%	100.00%	50.00%
100	85.00%	85.00%	50.00%
200	65.00%	65.00%	50.00%
650	65.00%	65.00%	50.00%
850	65.00%	65.00%	50.00%
2550	55.00%	55.00%	35.00%
5000	55.00%	55.00%	35.00%
10000	55.00%	55.00%	35.00%

(Percentage of underground, buried and aerial structure used by telco)

Capital Structure

Cost of Debt	0.088
Debt Fraction	0.442
Cost of Equity	0.132
Tax Rate	0.393
Corporate Overhead Factor	-
Other Taxes Factor	0.050
Forward-looking Network Operations Factor	0.500
Carrier to Carrier Customer Service, per line per year	1.69
NID Expense per line per year	1.00

Depreciation Lives

	Years
Motor Vehicles - Economic Life	8.24
Garage Work Equipment - Economic Life	12.22
Other Work Equipment - Economic Life	13.04
Buildings - Economic Life	46.93
Furniture - Economic Life	15.92
Office Support Equipment - Economic Life	10.78
Company Comm. Equipment - Economic Life	7.40
General Purpose Computer - Economic Life	6.12

BELLSOUTH UNE STUDY INPUT VALUES

Utilization factors for feeder and distribution plant:

Distribution Fill Factor (ordered)	50.2%
Copper Feeder Fill Factor (ordered)	65.1%

Fiber Feeder Fill Factor (ordered)

74.0%

Structure Sharing

Poles (ordered)

25%assigned to BellSouth

Capital Structure

Cost of Debt	0.071
Debt Fraction	0.400
Cost of Equity	0.118
Tax Rate	0.387
(Capital structure ordered by TRA)	

Depreciation Lives

	Years
Motor Vehicles - Economic Life	8
Garage Work Equipment - Economic Life	23
Other Work Equipment - Economic Life	23
Buildings - Economic Life	43
Furniture - Economic Life	18
Office Support Equipment - Economic Life	12
Company Comm. Equipment - Economic Life	6
General Purpose Computer - Economic Life	7

COMPARISON OF INPUT VALUES IN FCC'S HYBRID PROXY MODEL TO BELL SOUTH'S UNE STUDY INPUTS

HCCPM FCC INPUT VALUES:

Digital Electronic Switching - Economic Life	16.17
Operator Systems - Economic Life	9.41
Digital Circuit Equipment - Economic Life	10.24
Public Telephone Terminal Equipment - Economic Life	7.60
Poles - Economic Life	30.25
Aerial Cable - metallic - Economic Life	20.61
Aerial Cable - non metallic - Economic Life	26.14
Underground Cable - metallic - Economic Life	25.00
Underground Cable - non metallic - Economic Life	26.45
Buried - metallic - Economic Life	21.57
Buried - non metallic - Economic Life	25.91
Intrabuilding Cable - metallic - Economic Life	18.18
Intrabuilding Cable - non metallic - Economic Life	26.11
Conduit Systems - Economic Life	56.19

Salvage Values

Motor Vehicles - Net Salvage %	0.1038
Garage Work Equipment - Net Salvage %	-0.0558
Other Work Equipment - Net Salvage %	0.0169
Buildings - Net Salvage %	0.0164
Furniture - Net Salvage %	0.0402
Office Support Equipment - Net Salvage %	0.0412
Company Comm. Equipment - Net Salvage %	0.0252
General Purpose Computer - Net Salvage %	0.0229
Digital Electronic Switching - Net Salvage %	0.0157
Operator Systems - Net Salvage %	-0.0041
Digital Circuit Equipment - Net Salvage %	-0.0062
Public Telephone Terminal Equipment - Net Salvage %	0.0512
Poles - Net Salvage %	-0.8988
Aerial Cable - metallic - Net Salvage %	-0.2303
Aerial Cable - non metallic - Net Salvage %	-0.1753
Underground Cable - metallic - Net Salvage %	-0.1797
Underground Cable - non metallic - Net Salvage %	-0.1458
Buried - metallic - Net Salvage %	-0.0839
Buried - non metallic - Net Salvage %	-0.0691
Intrabuilding Cable - metallic - Net Salvage %	-0.1569
Intrabuilding Cable - non metallic - Net Salvage %	-0.1043
Conduit Systems - Net Salvage %	-0.0995

Expenses:

6510 Other Property, Plant and Eqpt	\$	(0.05)
6530 Network Operations	\$	1.48
6610 Marketing	\$	0.09
6620 Service/Expense/Customer Operations	\$	3.62
6700 Executive, Planning, Gen'l and Admin.	\$	2.18
Total Common Support Svcs Expenses / Line / Mo	\$	7.32

BELL SOUTH UNE STUDY INPUT VALUES

Digital Electronic Switching - Economic Life	17
Operator Systems - Economic Life	14
Digital Circuit Equipment - Economic Life	11
Public Telephone Terminal Equipment - Economic Life	NA
Poles - Economic Life	37
Aerial Cable - metallic - Economic Life	20
Aerial Cable - non metallic - Economic Life	30
Underground Cable - metallic - Economic Life	25
Underground Cable - non metallic - Economic Life	30
Buried - metallic - Economic Life	21
Buried - non metallic - Economic Life	30
Intrabuilding Cable - metallic - Economic Life	22
Intrabuilding Cable - non metallic - Economic Life	22
Conduit Systems - Economic Life	65

Salvage Values

Motor Vehicles - Net Salvage %	0.1600
Garage Work Equipment - Net Salvage %	-0.0001
Other Work Equipment - Net Salvage %	-0.0001
Buildings - Net Salvage %	0.0100
Furniture - Net Salvage %	0.0900
Office Support Equipment - Net Salvage %	0.2800
Company Comm. Equipment - Net Salvage %	0.2800
General Purpose Computer - Net Salvage %	0.0200
Digital Electronic Switching - Net Salvage %	0.0400
Operator Systems - Net Salvage %	0.0500
Digital Circuit Equipment - Net Salvage %	0.0000
Public Telephone Terminal Equipment - Net Salvage %	NA
Poles - Net Salvage %	-0.0048
Aerial Cable - metallic - Net Salvage %	-0.0015
Aerial Cable - non metallic - Net Salvage %	-0.0020
Underground Cable - metallic - Net Salvage %	-0.0008
Underground Cable - non metallic - Net Salvage %	-0.0020
Buried - metallic - Net Salvage %	-0.0005
Buried - non metallic - Net Salvage %	-0.0009
Intrabuilding Cable - metallic - Net Salvage %	-0.0010
Intrabuilding Cable - non metallic - Net Salvage %	-0.0010
Conduit Systems - Net Salvage %	-0.0005
(Depreciation lives and salvage values ordered by TRA)	

Expenses:

Shared and Common Expenses of Loop: \$1.87 (Common cost included in June filing for UNE A.1.1)
(Note: Common cost based on 15% Common Factor ordered by TRA)

COMPARISON OF INPUT VALUES IN FCC'S HYBRID PROXY MODEL TO BELL SOUTH'S UNE STUDY INPUTS

HCPM FCC INPUT VALUES:

Plant-Specific Expenses

	Account	Expense to Invest Ratios
Network Support Investment	6110	0.0276
General Support Investment	6120	0.0906
COE (Digital)	6212	0.0558
Circuit - DDS	6232	0.0156
Circuit - other than DDS	6232	0.0200
Poles	6411	0.0219
Aerial Cable - metallic	6421	0.0669
Aerial Cable - fiber	6421	0.0073
Underground Cable - metallic	6422	0.0210
Underground Cable - fiber	6422	0.0084
Buried Cable - metallic	6423	0.0446
Buried Cable - fiber	6423	0.0061
Conduit Systems	6441	0.0058

BELL SOUTH UNE STUDY INPUT VALUES

Plant-Specific Expenses

	Expense to Invest Ratios
COE (Digital)	0.0371
Circuit - DDS	0.0137
Circuit - Digital Pair Gain	0.0164
Circuit - digital other	0.0159
Poles	0.0251
Aerial Cable - metallic	0.0383
Aerial Cable - fiber	0.0041
Underground Cable - metallic	0.0176
Underground Cable - fiber	0.0101
Buried Cable - metallic	0.0237
Buried Cable - fiber	0.0003
Conduit Systems	0.001

BellSouth Telecommunications, Inc.
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July 10, 2000
Item No. 2
Page 1 of 1

REQUEST: Where the input value is not available for an element, explain the reason.

RESPONSE: See BellSouth's response to Item No. 1.

CERTIFICATE OF SERVICE

I hereby certify that on August 1, 2000, a copy of the foregoing document was served on the parties of record as indicated:

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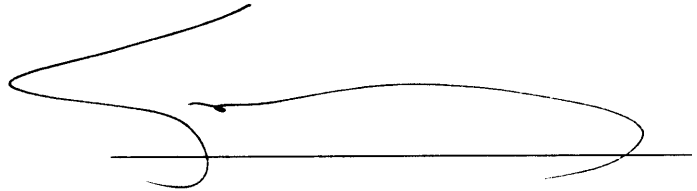
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A handwritten signature in black ink, appearing to read "James P. Lamoureux", written over a horizontal line.