

EXECUTIVE SUMMARY

QWEST

ACCESS TO OPERATIONAL SUPPORT
SYSTEMS FOR
INTERCONNECTION -
Development & Enhancements

Cost Study: 6850

2002 COST STUDY

August 2002

**OPERATIONAL SUPPORT SYSTEMS
INTERCONNECTION
DEVELOPMENT & ENHANCEMENTS**

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A. PURPOSE, SCOPE, AND APPLICATION

The purpose of this study is to determine Operational Support Systems (OSS) development and enhancement (Startup) capital and expense dollars that will be incurred by QWEST to provide access to OSS for interconnection.

The costs calculated in this study can be used for developing pricing for customer requested items.

B. DESCRIPTION OF SERVICE

The OSS development and enhancement capital and expense dollars are the start up costs that will be incurred by QWEST to provide access to OSS for interconnection.

C. STUDY METHODOLOGY

The QWEST Windows Personal Computer Cost Calculator (WINPC3) was used to convert capital investments and expenses to 2002 costs by applying the appropriate Washington capital and expense factors. The costs displayed do not include any ongoing maintenance costs¹, product specific advertising expenses, and pre - sales expenses or sales compensation expenses. Actual total investments and expenses for 2000 and 2001 were used to determine cost.

The costs of providing access to OSS include not only the development of electronic interfaces but also the enhancement of existing operational support systems. Investments and expenses have been identified for the tasks summarized in each of the following categories:

Resale - Resale allows a competitive local exchange carrier (CLEC) to serve a customer with a finished service at a resale rate. The capacity of many systems has been increased to account for the increased activity level and the additional storage of data. Such systems include CRIS (billing), BOSS/CARS (customer service records), RSOLAR/SOLAR/SOPAD (service order processors), FACS (facilities availability), TIRKS (trunk inventory), LMOS/WFA (repair). Various other tasks must be performed on systems. Examples include recording and billing of CLEC ordered wholesale listings in LSS, and adding reseller ID and associated resale edits to SONAR and RSOLAR/SOLAR/SOPAD. **Resale Project costs have been excluded from this study and have been calculated in the Customer Transfer Charge.**

Unbundling - Unbundling allows a CLEC to obtain facilities from QWEST at an unbundled rate. Unbundled network elements include the unbundled loop, local

¹ Ongoing Maintenance costs are included in a separate cost study.

switching, transport elements and line ports. Capacity must be expanded to handle the additional data that identifies the unbundled elements and their features and to allow for their ordering, provisioning, repair and billing. Additionally, various tasks must be completed on systems. Such systems and tasks include adding Universal Service Order Codes and Master Customer Numbers, and associated edits to RSOLAR/SOLAR/SOPAD and SONAR and adding the ability to test unbundled loops to MLT.

Local Interconnect Services (LIS) - LIS trunks are the interoffice facilities supporting interconnection traffic. Capacity must be increased for TIRKS and WFA. For example, additional capacity is needed to support new data identifying traffic by a CLEC. Additionally, various tasks must be completed on systems. An example of these tasks is updating the routing tables in the repair systems so that those systems recognize the unique codes identifying each CLEC.

Collocation - Collocation permits a CLEC's equipment to reside in leased space within a QWEST central office. Specific examples of systems work include modifying the billing systems and the service order processors to mechanize the billing for collocation.

Systems Access - This term is used to describe the work and functions involved in the human-to-computer and computer-to-computer interfaces. These interfaces allow a CLEC to access QWEST's OSS to perform pre-ordering, ordering, provisioning, maintenance and repair, and billing functions. All of the software development tasks are included here. Examples include defining functional requirements, producing design specifications, coding modules, developing and executing test scripts, planning and building releases, and moving application code into production environments.

UNE Remand - The Unbundled Network Element (UNE) Remand projects are those involved in modifying the OSS to allow the new or revised UNEs to be handled as individual products. Capacity in various OSS had to be expanded to handle the additional data that identify UNEs and their features and to allow for their ordering, provisioning, repair and billing, as QWEST does not provides UNEs to itself.

D. STUDY ASSUMPTIONS

1. The study assumes cost recovery of 2000 through 2001 development and enhancement investments and expenses over a 6-year period beginning in 2002 and ending in 2007.
2. This study assumes CLEC demand for Access Service Requests and Local Service Requests based on actual volume. Product growth rates were then applied to actual volume to forecast future years.
3. QWEST has used prescribed rather than economic depreciation lives (and/or cost of money) in this cost study. QWEST does not advocate the prescribed depreciation lives (and/or cost of money) used in this cost study, nor does it

believe that they are appropriate inputs for its cost studies beyond the scope of this application.