

Quantifiable Corrections to Embarq's Cost Study: Intrastate Switched Access Direct Cost per Minute

A	B	C	D	E	F	G
2007 Intrastate Quantity	Embarq's Proposed Cost	Remove Line Allocation	Remove Processor & Software Costs	Remove Other Volume- Insensiive Costs	Remove Common Costs	Correcting Cost of Capital

Source :

Rate Elements

- 1 Local Access Line Allocation
- 2 Local Transport Termination
- 3 Local Transport Facility
- 4 Tandem Switching
- 5 Common Multiplexing
- 6 Local Switching
- 7 Common Trunk Port
- 8 DS1 Dedicated Trunk Port
- 9 DS0 Dedicated Trunk Port
- 10 **Weighted Average**
- 11 Difference
- 12 % Change

Quantifiable Corrections to Embarq's Cost Study: Intrastate Switched Access Direct Cost per Minute

H	I	J	K
Correct Switch Equipment Prices	Correct Copper Cable Prices	Make Partial Adjustment to Maintenance	Correct Certain Fill Factors

Source

Rate Elements

- 1 Local Access Line Allocation
- 2 Local Transport Termination
- 3 Local Transport Facility
- 4 Tandem Switching
- 5 Common Multiplexing
- 6 Local Switching
- 7 Common Trunk Port
- 8 DS1 Dedicated Trunk Port
- 9 DS0 Dedicated Trunk Port
- 10 **Weighted Average**
- 11 Difference
- 12 % Change

Response to ATT 4-111

Per LERG					Modeled	
Name	Switch / CLI	Type	Host	Remote	Type	Host/Remote

Docket No. UT-081393
United's Response to Staff Data Request No. 2
Date 5/14/2009
Preparer: Henry Roth – Director Economic Costing

UTC STAFF DATA REQUEST NO. 2:

Please provide workpapers supporting (or identify the source of):

- a) the calculation reported in Exhibit No. ____ (HJR-2HC), page 1, column F, line 27.
- b) the values reported in Exhibit No. ____ (HJR-2HC), page 2, column C, lines 20-22.

RESPONSE:

- a) See Highly Confidential Attachment Staff-2.
- b) The values reported on lines 20-22, as referenced above, represent the Average Monthly Loop Cost per line. This cost is the sum of the Weighted Average Loop Monthly Cost plus the per line monthly cost for Customer Operations. The per line monthly cost for Customer Operations is **BEGIN HIGHLY CONFIDENTIAL** **END HIGHLY CONFIDENTIAL** /line and is derived from the sum Customer Operations expenses lines 118-183 and 188-243 as found on pages 168-170 of the Inputs Module (HJR-4HC) divided by Total Access Lines (cell D23). The Weighted Average Loop Monthly Cost can be found on the Loop Retail Cost tab (cells D5, E5 and F5) of the Results file as provided in the executable version of the model.

Docket No. UT-081393

United's Response to AT&T Data Request No. 121

Date 5/27/2009

Preparer: Henry Roth – Director Economic Costing

AT&T 4-121 Regarding the switching portion of Embarq's cost model provided in conjunction with Mr. Roth's testimony, please provide the following:

- (a) Identify which of the switch investment(s) or costs included in the Embarq cost studies would not vary with respect to lines or trunks, i.e. the amount of investment or cost would be the same regardless of the number of lines or trunks installed.
- (b) Of the total investment or costs identified in (a) above, please explain what proportion has been assigned or allocated on the basis of minutes of use, i.e. assigned to the minutes of use element of Embarq's switch rate.
- (c) Identify where in the model or cost studies the allocation has been made and explain in detail how the allocation has been done, showing all calculations with formulas and providing all supporting worksheets.
- (d) A detailed step-by-step explanation how this algorithm can be changed if one chooses to perform or test the sensitivity of this algorithm or input.

RESPONSE:



PEQB-Att-79
P.01-Att-79
Research Triangle Park
North Carolina 27709-3010
(919) 992-5000

April 4, 2003

Sincerely,

NORTEL NETWORKS

Paul Leffert
Senior Sales Executive

PL/ccl

NORTEL NETWORKS CONFIDENTIAL
EMBARQ HIGHLY CONFIDENTIAL

Highly Confidential per Protective Order in UTC Docket UT 081393