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**OCT 10 2003**

**PUBLIC SERVICE  
COMMISSION**

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

matter of:

REVIEW OF FEDERAL COMMUNICATIONS )  
COMMISSION'S TRIENNIAL REVIEW ORDER ) CASE NO.  
REGARDING UNBUNDLING REQUIREMENTS ) 2003-00379  
FOR INDIVIDUAL NETWORK ELEMENTS )

**BELLSOUTH TELECOMMUNICATIONS, INC.'S**  
**FIRST SET OF INTERROGATORIES**

BellSouth Telecommunications, Inc. ("BellSouth"), pursuant to the Commission's October 2, 2003, Order in this case, hereby serves its First Set of Interrogatories to all persons on the Commission's service list in this proceeding.

**DEFINITIONS**

1. "BellSouth" means BellSouth Telecommunications, Inc., and its subsidiaries, their present and former officers, employees, agents, representatives, directors, and all other persons acting or purporting to act on behalf of BellSouth Telecommunications, Inc.
2. The terms "you" and "your" refer to individual companies that are a party to this proceeding.
3. "Company" means the company served in this proceeding, and its subsidiaries, their present and former officers, employees, agents, directors, and all other persons acting or purporting to act on behalf of Company.
4. The term "person" means any natural person, corporation, corporate division, partnership, other unincorporated association, trust, government agency, or entity.

5. The term "document" shall have the broadest possible meaning under applicable law. "Document" means every writing or record of every type and description that is in the possession, custody or control of the Company, including, but not limited to, correspondence, memoranda, drafts, work papers, summaries, stenographic or handwritten notes, studies, publications, books, pamphlets, reports, surveys, minutes or statistical compilations, computer and other electronic records or tapes or printouts, including, but not limited to, electronic mail files; and copies of such writings or records containing any commentary or notation whatsoever that does not appear in the original. The term "document" further includes, by way of illustration and not limitation, schedules, progress schedules, time logs, drawings, computer disks, charts, projections, time tables, summaries of other documents, minutes, surveys, work sheets, drawings, comparisons, evaluations, laboratory and testing reports, telephone call records, personal diaries, calendars, personal notebooks, personal reading files, transcripts, witness statements and indices.

6. The term "communication" means any oral, graphic, demonstrative, telephonic, verbal, electronic, written or other conveyance of information, including, but not limited to, conversations, telecommunications and documents.

7. The term "referring or relating to" means consisting of, containing, mentioning, suggesting, reflecting, concerning, regarding, summarizing, analyzing, discussing, involving, dealing with, emanating from, directed at, pertaining to in any way, or in any way logically or factually connected or associated with the matter discussed.

8. "And" and "or" as used herein shall be construed both conjunctively and disjunctively and each shall include the other whenever such construction will serve to bring within the scope of these discovery requests any information that would otherwise not be brought within their scope.

9. The singular as used herein shall include the plural, and vice versa, and the masculine gender shall include the feminine and the neuter.

10. "Identify" or "identifying" or "identification" when used in reference to a natural person means to state:

- a) the full legal name of the person;
- b) the name, title and employer of the person at the time in question;
- c) the present or last known employer of such person;
- d) the present or last known home and business addresses of the person; and
- e) the present home address.

11. "Identify" or "identifying" or "identification" when used in reference to a person other than a natural person means to state:

- a) the full name of the person and any names under which it conducts business;
- b) the present or last known address of the person; and
- c) the present or last known telephone number of the person.

12. "Identify" or "identifying" or "identification" when used in reference to a document means to provide with respect to each document requested to be identified by these discovery requests a description of the document that is sufficient for purposes of a request to produce or a subpoena duces tecum, including the following:

- a) the type of document (e.g., letter, memorandum, etc.);
- b) the date of the document;
- c) the title or label of the document;

- d) the Bates number or other identifier used to number the document for use in litigation;
- e) the identity of the originator;
- f) the identity of each person to whom it was sent;
- g) the identity of each person to whom a copy or copies were sent;
- h) a summary of the contents of the document;
- i) the name and last known address of each person who presently has possession, custody or control of the document; and
- j) if any such document was, but is no longer, in your possession, custody or control or is no longer in existence, state whether it: (1) is missing or lost; (2) has been destroyed; or (3) has been transferred voluntarily or involuntarily, and, if so, state the circumstances surrounding the authorization for each such disposition and the date of such disposition.

13. "Identify," "identifying" or "identity" when used in reference to a communication means to state the date of the communication, whether the communication was written or oral, the identity of all parties and witnesses to the communication, the substance of what was said and/or transpired and, if written, the identity of the document(s) containing or referring to the communication.

14. "Hot cut" refers to the entire process necessary to physically transfer from one carrier to another a working voice grade line or working voice grade loop that remains working after the transfer.

15. "Batch Hot Cut" should be defined consistent with the FCC's use of that term, unless the Interrogatory provides another definition.

16. "Individual Hot Cut" refers to all hot cuts that are not batch hot cuts.

17. "Business case" refers to any undertaking that analyzes or evaluates, among other things, the business value to be realized, the tangible and intangible benefits, the effect on business processes and people's jobs, the financials, the technology to be applied, and the risks, potential problems and rewards of a particular course of action. It is the process that would be undertaken prior to going into a particular business, or before undertaking a particular course of action in order to determine whether the actions taken would provide a positive business benefit, when balanced against the potential problems that might be incurred.

18. "Line" refers to a transmission path between user terminal equipment and a switching center that is used to provide local exchange service.

19. "ILEC" refers to Incumbent Local Exchange Carrier.

20. "Coordinated cut over" refers to coordination of the loop migration from the ILEC switch to the CLEC switch.

21. "Coordinated time-specific cut over" refers to coordination of the loop migration from the ILEC switch to the CLEC switch at a time specified by the CLEC and agreed to by the ILEC.

22. "Loop" should be defined consistent with the FCC's use of that term, unless the Interrogatory provides another definition.

23. "DSO" refers to Digital Signal, level zero.

24. "DS1" refers to Digital Signal, level 1.

25. "FCC" refers to the Federal Communications Commission.

26. "UNE" refers to Unbundled Network Element.

27. "UNE-L" refers to Unbundled Network Element-Loop.

28. “UNE-P” refers to Unbundled Network Element –Platform.

29. “MSA” refers to Metropolitan Statistical Area.

30. “Voice-grade equivalent lines” should be defined consistent with the FCC’s use of the term, unless the Interrogatory provides another definition.

31. “Churn” refers to the average monthly outward movement of end user customers expressed as a percentage of total end user customers in service.

32. A “qualifying service” is a service as defined in 47 C.F.R. §51.5, as that rule is currently set forth in connection with the FCC’s Triennial Review Order (TRO).

33. A “non-qualifying service” is a service as defined in 47 C.F.R. §51.5, as that rule is currently set forth in connection with the FCC’s Triennial Review Order (TRO).

### **GENERAL INSTRUCTIONS**

1. If you contend that any response to any Interrogatory may be withheld under the attorney-client privilege, the attorney work product doctrine or any other privilege or basis, please state the following with respect to each such response in order to explain the basis for the claim of privilege and to permit adjudication of the propriety of that claim:

- a) the privilege asserted and its basis;
- b) the nature of the information withheld; and
- c) the subject matter of the document, except to the extent that you claim it is privileged.

2. These discovery requests are to be answered with reference to all information in your possession, custody or control or reasonably available to you. These discovery requests are intended to include requests for information, which is physically within your possession, custody or control as well as in the possession, custody or control of your agents, attorneys, or other third parties from which such documents may be obtained.

3. If any Interrogatory cannot be answered in full, answer to the extent possible and specify the reasons for your inability to answer fully.

4. These interrogatories are continuing in nature and require supplemental responses should information unknown to you at the time you serve your responses to these interrogatories subsequently become known.

5. For each Interrogatory, provide the name of the company witness(es) or employee(s) responsible for compiling and providing the information contained in each answer.

6. To the extent Company has previously provided a response to any Interrogatory, which prior response is responsive to any of the following Interrogatories, in Kentucky or any other state in proceedings in which BellSouth and Company are parties, Company need not respond to such Interrogatory again, but rather may respond to such Interrogatory by identifying the prior response to such Interrogatory by state, proceeding, docket number, date of response, and the number of such response. If such prior response does not respond to the Interrogatory contained below in its entirety, you should provide all additional information necessary to make your answers to these Interrogatories complete.

### **INTERROGATORIES**

1. Identify each switch owned by Company that Company uses to provide a qualifying service anywhere in Kentucky, irrespective of whether the switch itself is located in the State and regardless of the type of switch (e.g., circuit switch, packet switch, soft switch, host switch, remote switch).

### **Response:**

2. For each switch identified in response to Interrogatory No. 1, please:
- (a) provide the Common Language Location Identifier (“CLLI”) code of the switch;
  - (b) provide the street address, including the city and state in which the switch is located;
  - (c) identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
  - (d) state the total capacity of the switch by providing the maximum number of voice-grade equivalent lines the switch is capable of serving, based on the switch’s existing configuration and component parts;
  - (e) state the number of voice-grade equivalent lines the switch is currently serving based on the switch’s existing configuration and component parts;  
and
  - (f) provide information relating to the switch as contained in Telcordia’s Local Exchange Routing Guide (“LERG”); or, state if the switch is not identified in the LERG.

**Response:**



3. Identify any other switch not previously identified in Interrogatory No. 1 that Company uses to provide a qualifying service anywhere in Kentucky, irrespective of whether the switch itself is located in the State and regardless of the type of switch (e.g., circuit switch, packet switch, soft switch, host switch, remote switch). In answering this Interrogatory, do not include ILEC switches used by Company either on an unbundled or resale basis.

**Response:**

4. For each switch identified in response to Interrogatory No. 3, please:
- (a) identify the person that owns the switch;
  - (b) provide the Common Language Location Identifier (“CLLI”) code of the switch;
  - (c) provide the street address, including the city and state in which the switch is located;
  - (d) identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
  - (e) describe in detail the arrangement by which you are making use of the switch, including stating whether you are leasing the switch or switching capacity on the switch;
  - (f) identify all documents referring or relating to the rates, terms, and conditions of Company’s use of the switch; and

- (g) provide information relating to the switch as contained in Telcordia's Local Exchange Routing Guide ("LERG"); or, state if the switch is not identified in the LERG.

**Response:**

5. Identify by name, address, and CLLI code, each ILEC wire center area, e.g., (Louisville, 526 Armory Place, LSVLKYAP), in which you provide qualifying service to any end user customers in Kentucky utilizing any of the switches identified in response to Interrogatory No. 1. If you assert that you cannot identify or do not know how to ascertain the boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user customer is located.

**Response:**

6. For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area) identify the total number of voice-grade equivalent lines you are providing to end user customers in that wire center area from the switches identified in response to Interrogatory 1.

**Response:**

7. With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 6, separate the lines by end user and end user location in the following manner:
- (a) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
  - (b) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
  - (c) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
  - (d) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;
  - (e) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
  - (f) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;
  - (g) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;
  - (h) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
  - (i) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;

- (j) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;
- (k) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;
- (l) The number of end user customers to whom you provide twelve (12) voice-grade equivalent lines; and
- (m) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

**Response:**

8. Identify by name, address, and CLLI code, each ILEC wire center area, e.g., (Louisville, 526 Armory Place, LSVLKYAP), in which you provide qualifying service to any end user customers in Kentucky utilizing any of the switches identified in response to Interrogatory No. 3. If you assert that you cannot identify or do not know how to ascertain the boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user is located.

**Response:**

9. For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area) identify the total number of voice-grade equivalent lines you are providing to end user customers in that wire center area from the switches identified in response to Interrogatory No. 3.

**Response:**

10. With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 9, separate the lines by end user and end user location in the following manner:
- (a) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
  - (b) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
  - (c) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
  - (d) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;
  - (e) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
  - (f) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;

- (g) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;
- (h) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (i) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;
- (j) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;
- (k) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;
- (l) The number of end user customers to whom you provide twelve (12) voice-grade equivalent lines; and
- (m) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

**Response:**

11. Identify by name, address, and CLLI code each ILEC wire center area, i.e., the territory served by the wire center, in which you provide qualifying service to any end user customers in Kentucky using an ILEC's switch either on an unbundled or resale

basis. If you assert that you cannot identify or do not know how to ascertain the boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user customer is located.

**Response:**

12. For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area) identify the total number of voice-grade equivalent lines you are providing to end user customers in that wire center area using an ILEC's switch either on an unbundled or resale basis.

**Response:**

13. With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 12, separate the lines by end user and end user location in the following manner:
  - (a) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
  - (b) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
  - (c) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;

- (d) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;
- (e) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
- (f) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;
- (g) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;
- (h) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (i) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;
- (j) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;
- (k) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;
- (l) The number of end user customers to whom you provide twelve (12) voice-grade equivalent lines; and
- (m) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

**Response:**



14. Do you offer to provide or do you provide switching capacity to another local exchange carrier for its use in providing qualifying service anywhere in the nine states in the BellSouth region. If the answer to this Interrogatory is in the affirmative, for each switch that you use to offer or provide such switching capacity, please:
- (a) Provide the Common Language Location Identifier (“CLLI”) code of the switch;
  - (b) Provide the street address, including the city and state in which the switch is located;
  - (c) Identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
  - (d) State the total capacity of the switch by providing the maximum number of voice-grade equivalent lines the switch is capable of serving, based on the switch’s existing configuration and component parts;
  - (e) State the number of voice-grade equivalent lines the switch is currently serving based on the switch’s existing configuration and component parts;  
and
  - (f) Identify all documents referring or relating to the rates, terms, and conditions of Company’s provision of switching capability.

**Response:**

15. Identify every business case in your possession, custody or control that evaluates, discusses, analyzes or otherwise refers or relates to the offering of a qualifying service using: (1) the Unbundled Network Element Platform (UNE-P), (2) self-provisioned switching, (3) switching obtained from a third party provider other than an ILEC, or (4) any combination of these items.

**Response:**

16. Identify any documents that you have provided to any of your employees or agents, or to any financial analyst, bank or other financial institution, shareholder or any other person that describes, presents, evaluates or otherwise discusses in whole or part, how you intend to offer or provide local exchange service, including but not limited to such things as the markets in which you either do participate or intend to participate, the costs of providing such service, the market share you anticipate obtaining in each market, the time horizon over which you anticipate obtaining such market share, and the average revenues you expect per customer.

**Response:**

17. If not identified in response to a prior Interrogatory, identify every document in your possession, custody, or control referring or relating to the financial viability of self-provisioning switching in your providing qualifying services to end user customers.

**Response:**

18. Do you have switches that are technically capable of providing, but are not presently being used to provide, a qualifying service in Kentucky? If the answer to this Interrogatory is in the affirmative, please:
- (a) provide the Common Language Location Identifier (“CLLI”) code of the switch;
  - (b) provide the street address, including the city and state in which the switch is located;
  - (c) identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
  - (d) state the total capacity of the switch by providing the maximum number of voice-grade equivalent lines the switch is capable of serving, based on the switch’s existing configuration and component parts;
  - (e) state the number of voice-grade equivalent lines the switch is currently serving based on the switch’s existing configuration and component parts;
- and

- (f) identify any documents in your possession, custody or control that discuss, evaluate, analyze or otherwise refer or relate to whether those switches could be used to provide a qualifying service in Kentucky.

**Response:**

19. Identify each MSA in Kentucky where you are currently offering a qualifying service without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

**Response:**

20. If you offer a qualifying service outside of the MSAs identified in response to Interrogatory 19, identify those geographic areas either by describing those areas in words or by providing maps depicting the geographic areas in which you offer such service, without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

**Response:**

21. Describe with particularity the qualifying services that you offer in the geographic areas described in response to Interrogatories 19 and 20, including the rates, terms, and conditions under which such services are offered. If the qualifying services you

offer in those areas vary by area, provide a separate statement of services offered and the rates, terms, and conditions for such services in each area. If this information is contained on a publicly available web site that clearly identifies the relevant geographic areas and identifies the relevant rates, terms and conditions for such areas, it will be a sufficient answer to identify that web site. It will not be a sufficient response if the web site requires the provision of a telephone number or series of telephone numbers in order to identify the geographic area in which you provide such service, or the rates, terms and conditions upon which service is provided.

**Response:**

22. Identify each MSA in Kentucky where you are currently offering a non-qualifying service without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

**Response:**

23. If you offer a non-qualifying service outside of the MSAs identified in response to Interrogatory 22, identify those geographic areas either by describing those areas in words or by providing maps depicting the geographic areas in which you offer such service, without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

**Response:**

24. Describe with particularity the non-qualifying services that you offer in the geographic areas described in response to Interrogatories 22 and 23, including the rates, terms, and conditions under which such services are offered. If the non-qualifying services you offer in those areas vary by area, provide a separate statement of services offered and the rates, terms, and conditions for such services in each area. If this information is contained on a publicly available web site that clearly identifies the relevant geographic areas and identifies the relevant rates, terms and conditions for such areas, it will be a sufficient answer to identify that web site. It will not be a sufficient response if the web site requires the provision of a telephone number or series of telephone numbers in order to identify the geographic area in which you provide such service, or the rates, terms and conditions upon which service is provided.

**Response:**

25. Please state the total number of end users customers in the State of Kentucky to whom you only provide qualifying service.

**Response:**

26. For those end user customers to whom you only provide qualifying service in the State of Kentucky, please state the average monthly revenues you receive from each such end user customer.

**Response:**

27. For those end user customers to whom you only provide qualifying service in the State of Kentucky, please state the average number of lines that you provide each such end user customer.

**Response:**

28. Please state the total number of end users customers in the State of Kentucky to whom you only provide non-qualifying service.

**Response:**

29. For those end user customers to whom you only provide non-qualifying service in the State of Kentucky, please state the average monthly revenues you receive from each such end user customer.

**Response:**

30. Please state the total number of end users customers in the State of Kentucky to whom you provide both qualifying and non-qualifying service.

**Response:**

31. For those end user customers to whom you provide qualifying and non-qualifying service in the State of Kentucky, please state the average monthly revenues you receive from each such end user customer.

**Response:**

32. For those end user customers to whom you provide qualifying and non-qualifying service in the State of Kentucky, please state the average number of lines that you provide each such end user customer.

**Response:**

33. Please provide a breakdown of the total number of end user customers served by Company in Kentucky by class or type of end user customers (e.g., residential customers, small business customers, mass market customers, enterprise customers, or whatever type of classification that you use to classify your customers. For each such classification, and/or if you provide another type of classification, define and



describe with specificity the classification so that it can be determined what kinds of customers you have in each classification).

**Response:**

34. For each class or type of end user customer referenced in Interrogatory No. 33, please state the average acquisition cost for each such end user class or type. Please provide this information for each month from January 2000 to the present.

**Response:**

35. For each class or type of end user customer referenced in Interrogatory No. 33, please state the typical churn rate for each such end user class or type. Please provide this information for each month from January 2000 to the present.

**Response:**

36. For each class or type of end user customer referenced in Interrogatory No. 33, please state the share of the local exchange market you have obtained. Please provide this information for each month from January 2000 to the present.

**Response:**

37. Identify any documents in your possession, custody or control that evaluate, discuss or otherwise refer or relate to your cumulative market share of the local exchange market in Kentucky.

**Response:**

38. Identify any documents in your possession, custody or control that evaluate, discuss or otherwise refer or relate to any projections that you have made regarding your cumulative market share growth in the local exchange market in Kentucky.

**Response:**

39. Describe how the marketing organization that is responsible for marketing qualifying service in Kentucky is organized, including the organization's structure, size in terms of full time or equivalent employees including contract and temporary employees, and the physical work locations for such employees. In answering this Interrogatory, please state whether you utilize authorized sales representatives in your marketing efforts in Kentucky, and, if so, describe with particularity the nature, extent, and rates, terms, and conditions of such use.

**Response:**

40. How do you determine whether you will serve an individual customer's location with multiple DSOs or whether you are going to use a DS1 or larger transmission system? Provide a detailed description of the analysis you would undertake to resolve this issue, and identify the factors that you would consider in making this type of a decision.

**Response:**

41. Is there a typical or average number of DSOs at which you would chose to serve a particular customer with a DS1 or larger transmission system, all other things being equal? If so, please provide that typical or average number and explain how this number was derived.

**Response:**

42. What additional equipment, if any, would be required (on the customer's side of the demarcation point rather than on network side of the demarcation point) to provide service to a customer with a DS1 rather than multiple DSOs? For instance, if a customer had 10 DSOs, and you want to provide the customer with the same functionality using a DS1, would a D-4 channel bank, a digital PBX, or a digital Key System, be required in order to provide equivalent service to the end user that has 10 DSOs? If so, please provide the average cost of the equipment that would be required to provide that functional equivalency (that is, the channel bank, the PBX, or the Key

System, or whatever would typically be required should you decide to serve the customer with a DS1 rather than multiple DS0s.)

**Response:**

43. What cost of capital do you use in evaluating whether to offer a qualifying service in a particular geographic market and how is that cost of capital determined?

**Response:**

44. With regard to the cost of capital you use in evaluating whether to provide a qualifying service in a particular geographic market, what are the individual components of that cost of capital, such as the debt-equity ratio, the cost of debt and the cost of equity?

**Response:**

45. In determining whether to offer a qualifying service in a particular geographic market, what time period do you typically use to evaluate that offer? That is, do you use one year, five years, ten years or some other time horizon over which you evaluate the project?

**Response:**

46. Provide your definition of sales expense as that term is used in your business.

**Response:**

47. Based on the definition of sales expense in the foregoing Interrogatory, please state how you estimate sales expense when evaluating whether to offer a qualifying service in a particular geographic market?

**Response:**

48. Provide your definition of general and administrative (G&A) costs as you use those terms in your business.

**Response:**

49. Based on the definition of G&A costs in the foregoing Interrogatory, please state how you estimate G&A expenses when evaluating whether to offer a qualifying service in a particular geographic market?

**Response:**

50. For each day since January 1, 2000, identify the number of individual hot cuts that BellSouth has performed for Company in each state in BellSouth's region.

**Response:**

51. For each individual hot cut identified in response to Interrogatory No. 50, state:

- i. Whether the hot cut was coordinated or not;
- ii. If coordinated, whether the hot cut occurred as scheduled;
- iii. If the hot cut did not occur as scheduled, state whether this was due to a problem with BellSouth, Company, the end-user customer, or some third party, and describe with specificity the reason the hot cut did not occur as scheduled;
- iv. If there was a problem with the hot cut, state whether Company complained in writing to BellSouth or anyone else.

**Response:**

52. Does Company have a preferred process for performing batch hot cuts? If the answer to this Interrogatory is in the affirmative, please describe this process with

particularity and identify all documents that discuss, describe, or otherwise refer or relate to this preferred process.

**Response:**

53. Does Company have a preferred process for performing individual hot cuts? If the answer to this Interrogatory is in the affirmative, please describe this process with particularity and identify all documents that discuss, describe, or otherwise refer or relate to this preferred process.

**Response:**

54. If Company has a preferred process for individual hot cuts that differs from BellSouth's process, identify each specific step in Company's process that differs from BellSouth's process.

**Response:**

55. If Company has a preferred process for bulk hot cuts that differs from BellSouth's process, identify each specific step in Company's process that differs from BellSouth's process.

**Response:**

56. Does Company have any estimates of what a typical individual hot cut should cost? If the answer to this Interrogatory is in the affirmative, please provide that estimate, describe with particularity how that estimate was calculated, and identify all documents referring or relating to such estimates.

**Response:**

57. Does Company have any estimates of what a typical bulk hot cut should cost? If the answer to this Interrogatory is in the affirmative, please provide that estimate, describe with particularity how that estimate was calculated, and identify all documents referring or relating to such estimates.

**Response:**

58. What is the largest number of individual hot cuts that Company has requested in any individual central office in each of the nine BellSouth states on a single day? In answering this Interrogatory, identify the central office for which the request was made, and the number of hot cuts that were requested. State with specificity what the outcome was for each of the hot cuts in each of the central offices so described, if not provided in response to an earlier interrogatory.

**Response:**



59. Does any ILEC in the BellSouth region have a batch hot cut process that is acceptable to Company or that Company believes is superior to BellSouth's batch hot cut process? If so, identify the ILEC and describe with particularity the ILEC's batch hot cut process, specifying any differences between the ILEC's batch hot cut process and BellSouth's.

**Response:**

60. Does any ILEC in the BellSouth region have a cost for a batch hot cut process that is acceptable to Company? If so, name the ILEC and provide the rate and the source of the rate.

**Response:**

61. Does any ILEC in the BellSouth region have an individual hot cut process that is acceptable to Company or that Company believes is superior to BellSouth's individual hot cut process? If so, identify the ILEC and describe with particularity the ILEC's individual hot cut process, specifying any differences between the ILEC's individual hot cut process and BellSouth's.

**Response:**

62. Does any ILEC in the BellSouth region have a rate for an individual hot cut process that is acceptable to Company? If so, name the ILEC and provide the rate and the source of the rate.

**Response:**

63. Does any ILEC outside the BellSouth region have a batch hot cut process that is acceptable to Company or that Company believes is superior to BellSouth's batch hot cut process? If so, identify the ILEC and describe with particularity the ILEC's batch hot cut process, specifying any differences between the ILEC's batch hot cut process and BellSouth's.

**Response:**

64. Does any ILEC outside the BellSouth region have a rate for a batch hot cut process that is acceptable to Company? If so, name the ILEC and provide the rate and the source of the rate.

**Response:**

65. Does any ILEC outside the BellSouth region have an individual hot cut process that is acceptable to Company or that Company believes is superior to BellSouth's individual hot cut process? If so, identify the ILEC and describe with particularity

the ILEC's individual hot cut process, specifying any differences between the ILEC's individual hot cut process and BellSouth's.

**Response:**

66. Does any ILEC outside the BellSouth region have a rate for an individual hot cut process that is acceptable to Company? If so, name the ILEC and provide the rate and the source of the rate.

**Response:**

67. Does Company order coordinated or non-coordinated hot cuts?

**Response:**

68. Does Company use the CFA database?

**Response:**

69. Identify every issue related to BellSouth's hot cut process raised by Company since October 2001.

**Response:**

70. What is the appropriate volume of loops that you contend the Kentucky Public Service Commission should use in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

**Response:**

71. What is the appropriate process that you contend the Kentucky Public Service Commission should use in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

**Response:**

72. If Company disagrees with BellSouth's individual hot cut process, identify every step that Company contends is unnecessary and state with specificity why the step is unnecessary.

**Response:**

73. If Company disagrees with BellSouth's bulk hot cut process, identify every step that Company contends is unnecessary and state with specificity why the step is unnecessary.

**Response:**

74. Identify by date, author and recipient every written complaint Company has made to BellSouth regarding BellSouth's hot cut process since October 2001.

**Response:**

75. How many unbundled loops does Company contend BellSouth must provision per state per month to constitute sufficient volume to assess BellSouth's hot cut process?

**Response:**

76. What is the appropriate information that you contend the Kentucky Public Service Commission should consider in evaluating whether the ILEC is capable of migrating multiple lines served using unbundled local circuit switching to switches operated by a carrier other than the ILEC in a timely manner in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

**Response:**

77. What is the average completion interval metric for provision of high volumes of loops that you contend the Kentucky Public Service Commission should require in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

**Response:**

78. What are the rates that you contend the Kentucky Public Service Commission should adopt in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

**Response:**

79. What are the appropriate product market(s) that you contend the Kentucky Public Service Commission should use in implementing FCC Rule 51.319(d)(2)(i)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

**Response:**

80. What are the appropriate geographic market(s) that you contend the Kentucky Public Service Commission should use in implementing FCC Rule 51.319(d)(2)(i)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

**Response:**

81. Do you contend that there are operational barriers within the meaning of FCC Rule 51.319(d)(2)(iii)(B)(2) that would support a finding that requesting telecommunications carriers are impaired without access to local circuit switching on an unbundled basis in a particular market? If the answer to this Interrogatory is in the affirmative, describe with particularity each such operational barrier, and state all facts and identify all documents supporting your contention.

**Response:**

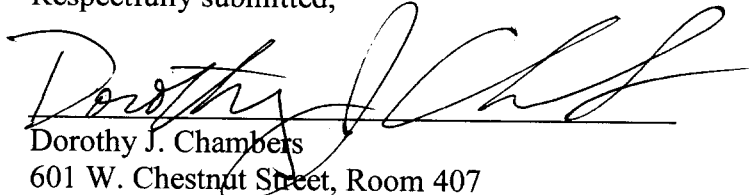
82. Do you contend that there are economic barriers within the meaning of FCC Rule 51.319(d)(2)(iii)(B)(3) that would support a finding that requesting telecommunications carriers are impaired without access to local circuit switching on an unbundled basis in a particular market? If the answer to this Interrogatory is in the affirmative, describe with particularity each such economic barrier, and state all facts and identify all documents supporting your contention.

**Response:**

83. What is the maximum number of DS0 loops for each geographic market that you contend requesting telecommunications carriers can serve through unbundled switching when serving multiline end users at a single location that the Kentucky Public Service Commission should consider in establishing a “cutoff” consistent with FCC Rule 51.319(d)(2)(iii)(B)(4)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

**Response:**

Respectfully submitted,



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