

920260-TL

Staff's 7th POD

Item 108 (e)

Non-Proprietary

Request for
Confidential
Classification

2 Redacted
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	A	B
1	<u>MOU (000)</u>	
2 Scenario 1	93	94
3 Dual Pic > 40		
4 Remaining toll		
5 Toll to access		
6 EKCA MOU	254,365	538,309
7 Stim EKCA (stim only)	143,541	346,654
8 Toll Original		

9 Scenario 2		
11 (Exit 1+ > 40)		
12 Remaining toll		
13 Toll to access		
14 EKCA MOU	254,365	538,309
15 Stim EKCA (stim only)	143,541	346,654

16 Scenario 3		
17 (Exit 1+ letawide)		
18 Remaining toll		
19 Toll to access		
20 EKCA MOU	254,365	538,309
21 Stim EKCA (stim only)	143,541	346,654

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	MOU (000)			
	A	B		
1				
2 Scenario 4	93	94	95	96
3 (Dual PIC latewide)				
4 Remaining toll				
5 Toll to access				
6 ELCA MOU	254,365	538,309		
7 Stim ELCA (stimuly)	143,541	346,654		

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(10XXX for over and less than 40 miles)

latest assumptions
 \$20 in 93
 \$89.2 in 94

This is an optional plan for residence and business customers. The plan is designed to be attractive for short haul toll users rather than the average local user. The designed plan is expected to yield the following results. (Note that these entire calculations are best estimates only.)

A Avg Mo Bill Per Line Res	RESIDENCE		D Avg Mo Bill Per Line Bus	BUSINESS	
	B Total UBP Penetration Utilized in Calculations	C Percent of Short Haul Toll MOU to ELCA		E Total UBP Penetration Utilized in Calculations	F Percent of Short Haul Toll MOU to ELCA
1993	\$8.87	6%	\$28.69		
1994	\$9.00	15%	\$28.96		
1995					
1996					

The UBP plan was assumed to phase-in over a two year period. Additional growth in UBP lines due to the rate change in 1995 were phased-in similarly.

Shown below are the revenue effects by year. These effects are the UBP and toll response to 10XXX minus a toll only response. A negative value indicates that this is a revenue short fall.

Total Revenue Effect (millions)	
1993	(\$9)
1994	(\$14)
1995	
1996	

Actual Average Monthly Local Rates Without Vertical Services

Residence	Business
\$9.74	\$30.26

UBP Local and Expanded Local Calling Schedules

	Residence Monthly Flat Rate			Estimated Effective Allowance	UBP Usage Rates Local		Business Monthly Flat Rate			Estimated Effective Allowance	UBP Usage Rates Local	
	UBP						UBP					
1993	\$9.74	\$7.05		\$3.80	\$0.013	\$30.26	\$23.65		\$3.81	\$0.020		
1994	\$9.74	\$7.05		\$3.80	\$0.013	\$30.26	\$23.65		\$3.81	\$0.020		
1995												
1996												

	Residence Cap	Business Cap	Usage cap, which applies to existing local area for UBP.
1993	\$7.00	\$13.00	
1994	\$7.00	\$13.00	
1995			
1996			

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3	JWB	c	d	e	f
4		Percentage of	Percentage of	Percentage of	Percentage of
5		Long & Short	Long Haul	Short Haul Toll	ELCA Lost to
6		Haul Loss for	Loss for	Lost to Toll	Toll Compt
7		Base Case	UBP Case	Compt, FR only	UBP only
8		(Res and Bus)	(Res and Bus)	(Res and Bus)	(Res and Bus)
11	1992	n/a	0.00%	0.00%	0.00%
12	1993	n/a			0.00%
13	1994	n/a			0.00%
14	1995				
15	1996				
16	1997				
17	1998				
18	1999				
19	2000				

20 Growth Due to Information Age and Advertising
RES & BUS RES

21		Info Age	IF Age Cum	Advertising	Inf+Adv Total
24	1992	1.0%	1.00%	2.16%	3.18%
25	1993	1.5%	2.51%	1.16%	3.70%
26	1994	2.0%	4.57%	1.18%	5.80%
27	1995				
28	1996				
29	1997				
30	1998				
31	1999				
32	2000				

35 1991 Estimated Local MOU per line
36 Residence Business
37 800 800
38 <-----used for BAU----->
39 and UBP cases

40 Average Rate
41 Per Sw Access
42 Conv Mou
43 (orig + term)

46	1993	\$0.1156
47	1994	\$0.0694
48	1995	
49	1996	

56 STIMULATION EQUATION FOR ELCA: $-(1 - ((1 + \text{GROSS REV REDUCTION}) ^ (1 + \text{ELASTICITY})))$
57 RESIDENCE ELCA ELASTICITY: -0.680
58 BUSINESS ELCA ELASTICITY: -0.737

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OUTPUTS

PRECOMPETITIVE VIEW TOTAL EFFECTS
(\$000)

	LONG & SHRT HAUL MTS		WATS,800, PUB & OCP	TOTAL
	Residence	Business		TOLL
1993				
1994				
1995				
1996				

	LOCAL		TOTAL
	Residence	Business	
1993	\$424,131	\$407,441	\$831,572
1994	\$437,626	\$423,324	\$860,950
1995			
1996			

	TOLL + LOCAL TOTAL
1993	\$1,111,792
1994	\$1,160,037
1995	
1996	

OK to discontinue
(not profitable)

URP RESPONSE, TOTAL EFFECTS
(\$000)

	REMAINING SHORT HAUL MTS		LONG HAUL MTS		REMAINING WATS,800, PUB & OCP	TOTAL
	Residence	Business	Residence	Business		TOLL
1993						
1994						
1995						
1996						

EXPANDED LOCAL CALLING
FROM SHORT HAUL MTS

	FROM SHORT HAUL MTS		FROM WATS, 800, PUB, & OCP	TOTAL
	Residence	Business		
1993				
1994				
1995				
1996				

	Old Local Calling Area UBP Revenue			Old Local Calling Area Flat Rate Monthly Revenue		
	Residence	Business	TOTAL	Residence	Business	TOTAL
1993	\$23,166	\$23,179	\$46,346	\$398,683	\$382,994	\$781,678
1994	\$60,637	\$60,813	\$121,449	\$371,982	\$359,825	\$731,808
1995						
1996						

SWITCHED ACCESS REVENUE

	From Expanded Local Calling		From WATS,800, PUB & OCP	From Remaining Short Haul MTS	From WATS,800 PUB & OCP	From Long Haul Toll	From Long Haul Toll	Grand Total
	Residence	Business	Exp Local	Res	Business	Residence	Business	
1993	\$0	\$0	\$0	\$0				
1994	\$0	\$0	\$0	\$0				
1995								
1996								

UBP SUMMARY

	Old Local UBP Rev	Flat Rate Mo Rev	Exp Local Usage Rev	Remaining Toll Rev	Switched Access Revenue
1993	\$46,346	\$781,678			
1994	\$121,449	\$731,808			
1995					
1996					

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A B C D E F G

PRECOMPETITIVE VIEW, WITHOUT LONG HAUL TOLL EFFECTS
 (\$000)

SHORT HAUL TOLL ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

LOCAL ----->

	Residence	Business	TOTAL
1993	\$424,131	\$407,441	\$831,572
1994	\$437,626	\$423,324	\$860,950
1995			
1996			

TOTAL TOLL + LOCAL

1993	\$1,046,808
1994	\$1,090,823
1995	
1996	

UBP RESPONSE, WITHOUT LONG HAUL TOLL EFFECTS
 (\$000)

SHORT HAUL TOLL TO ELCA ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

SWITCHED ACCESS FROM TOLL ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

REMAINING SHORT HAUL TOLL ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

SWITCHED ACCESS FROM ELCA ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993	\$0	\$0	\$0	\$0	\$0	\$0
1994	\$0	\$0	\$0	\$0	\$0	\$0
1995						
1996						

LOCAL ----->

	Old Local Calling Area		Old Local Calling Area		TOTAL
	UBP Revenue	Business	Flat Rate Monthly Revenue	Business	
1993	\$23,100	\$23,179	\$398,683	\$382,994	\$828,023
1994	\$60,637	\$60,813	\$371,982	\$359,825	\$853,257
1995					
1996					

TOTAL TOLL + SWITCHED ACCESS + LOCAL

1993	
1994	
1995	
1996	

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PRECOMPETITIVE VS. UBP RESPONSE, WITHOUT LONG HAUL TOLL EFFECTS

	A	B	C (5000)	D
	RESIDENCE ONLY EFFECTS	UBP VIEW		DIFFERENCE
5	1993			
	1994			
	1995			
	1996			
	BUSINESS ONLY EFFECTS			
	PRECOMPT	UBP VIEW		DIFFERENCE
1	1993			
2	1994			
	1995			
	1996			
	SUM OF RES & BUS			
	PRECOMPT	UBP VIEW		DIFFERENCE
17	1993			
18	1994			
	1995			
	1996			

PRECOMPETITIVE VS. UBP RESPONSE, TOTAL VIEW

	PRECOMPT	10XXX VIEW, NO UBP	UBP VIEW	UBP VIEW MINUS 10XXX VIEW
26	1993			(\$8,505)
27	1994			(\$13,601)
	1995			
	1996			

Access
Add
1.5
8.0
-
-
6.9
7.8
5.6
37.2
76.8

Note: a negative value indicates a revenue short fall for that year.

The following illustrates the relative effect of changing toll to usage sensitive ELCA vs. the old toll and access price. The elasticity for revenue was applied, assuming 1 minute for short haul toll price and the elca price before stimulation. The resulting stimulated revenue is actually the expected revenue for that price since the 1 minute would actually grow by the amount of the stimulation. Note that with the lower stimulation for residence, the revenue gained back is actually more than would be received from access.

REVENUE GAINED FROM A ONE MINUTE TOLL CALL AFTER BEING SENT TO ELCA AND THEN STIMULATED

	ELASTICITY IN ANALYSIS	BEST CASE ELASTICITY
RESIDENCE ELCA ELASTICITY	-0.680	-1.000
BUSINESS ELCA ELASTICITY:	-0.737	-1.000
access price:	\$0.1156	\$0.1156
short haul toll price, res:	\$0.1492	\$0.1492
elca price, res:	\$0.0646	\$0.0646
stimulated elca res revenue:	\$0.1142	\$0.1492
short haul toll price, bus:	\$0.2157	\$0.2157
elca price, bus:	\$0.1092	\$0.1092
stimulated elca bus revenue:	\$0.1804	\$0.2157

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A B C D E F G H I J

MINUTE OF USE CALCULATIONS

UBP RESPONSE TOTAL EFFECTS

(000)

TOLL ----->

	REMAINING SHORT HAUL MTS		LONG HAUL MTS		REMAINING WATS, 800, PUB & OCP	TOTAL TOLL
	Residence	Business	Residence	Business		

1993
1994
1995
1996

UNSTIMULATED EXPANDED LOCAL CALLING

FROM SHORT HAUL MTS ----->

	FROM SHORT HAUL MTS		FROM WATS, 800, PUB, & OCP	TOTAL
	Residence	Business		

1993	96,609	42,491	202,378	341,478
1994	320,807	141,464	195,359	657,629
1995				
1996				

STIMULATED EXPANDED LOCAL CALLING

FROM SHORT HAUL MTS ----->

	FROM SHORT HAUL MTS		FROM WATS, 800, PUB, & OCP	TOTAL
	Residence	Business		

1993	170,693	70,187	202,378	443,258
1994	566,814	233,670	195,359	995,843
1995				
1996				

SWITCHED ACCESS MOU ----->

	From Expanded Local Calling		From WATS, 800, PUB & OCP		From Remaining Short Haul MTS		From WATS, 800 PUB & OCP	From Long Haul Toll	From Long Haul Toll	TOTAL	TOTAL TIMES
	Residence	Business	Exp Local	Res	Business	Residence	Business	Residence	Business		2.1

1993
1994
1995
1996

UBP SUMMARY OF MINUTES BEFORE STIMULATION

	Remaining Toll MOU	Unstim Exp Local MOU	Switched Access MOU	UNSTIM UBP PLAN TOTAL MOU
--	--------------------	----------------------	---------------------	---------------------------

1993
1994
1995
1996

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Plan 1----- Scenario F1C

(10XXX for over and less than 40 miles)

This is an optional plan for residence and business customers. The plan is designed to be attractive for short haul toll users rather than the average local user. The designed plan is expected to yield the following results. (Note that these are calculations are best estimates only.)

	Avg Mo Bill Per Line Res	RESIDENCE		Avg Mo Bill Per Line Bus	BUSINESS	
		Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA		Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA
1993	\$9.06		5%	\$28.74	5%	12%
1994	\$9.06		14%	\$28.74	14%	37%
1995						
1996						

The phase-in percentages are shown below. In reference to the above percentages, this means, that only 25% of the maximum achievable residence percentage would be achieved in 1993.

If no phase-in were used, the realizable percentage would be 14% as shown for 1996.

	Residence	Business
1993	25%	25%
1994	75%	75%
1995		
1996		

The phase-in starts over for additional customers when a rate change is implemented, as for 1995 UBP access line reduction.

Shown below are the revenue effects by year. These effects are the UBP and toll response to 10XXX minus a toll only response. A negative value indicates that this is a revenue short fall.

	Total Revenue Effect (millions)
1993	(\$7)
1994	(\$16)
1995	
1996	

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Actual Average Monthly Local Rates Without Vertical Services

Residence	Business
\$9.74	\$30.26

UBP Local and Expanded Local Calling Schedules

Year	Residence			Business		
	Monthly Rate	UBP Allowance	Expanded Local Rate	Monthly Rate	UBP Allowance	Expanded Local Rate
1993	\$9.74	\$7.30	\$3.80	\$30.26	\$23.90	\$3.81
1994	\$9.74	\$7.30	\$3.80	\$30.26	\$23.90	\$3.81
1995						
1996						

	Residence Cap	Business Cap
1993	\$7.00	\$13.00
1994	\$7.00	\$13.00
1995		
1996		

Usage cap, which applies to existing local area for UBP.

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Note: In these runs starting on May 20, 1992, the average bill calculation was adjusted so that new customers added above 14% are assumed to not to exceed the UBP allowances.

A B C D

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2

INPUTS

3 JWB

	c	d	a	f
4	Percentage of	Percentage of	Percentage of	Percentage of
5	Long & Short	Long Haul	Short Haul Toll	ELCA Lost to
6	Haul Loss for	Loss for	Lost to Toll	Toll Compt
7	Base Case	UBP Case	Compt. FR only	UBP only
8	(Res and Bus)	(Res and Bus)	(Res and Bus)	(Res and Bus)

11
12
13

10	1992	n/a
11	1993	n/a
12	1994	n/a
13	1995	
14	1996	
15	1997	
16	1998	
17	1999	
18	2000	

20 Growth Decline Information Age and Marketing

RES & BUS

RES

23 Info Age

24 1992 1.0%

Advertising

2.16%

24	1992	1.0%	2.16%
25	1993	1.5%	1.16%
26	1994	2.0%	1.16%
27	1995		
28	1996		
29	1997		
30	1998		
31	1999		
32	2000		

36 1991 Estimated Local MOU per line

36 Residence Business

37 800 800

38 <-----used for BAU----->
39 and UBP cases

40 Average Rate
41 Per Sw Access
42 Conv Mou
43 (orig + term)

46	1993	\$0.1155
47	1994	\$0.1024
48	1995	
49	1996	

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56 STIMULATION EQUATION FOR ELCA: $-(1 - ((1 + \text{GROSS REV REDUCTION})^{(1 + \text{ELASTICITY}))})$
57 RESIDENCE ELCA ELASTICITY: -0.690
58 BUSINESS ELCA ELASTICITY: -0.737

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A B C D

OUTPUTS

PRECOMPETITIVE REVIEW: TOTAL EFFECTS
(\$000)

TOLL----->
LONG & SHRT HAUL MTS WATS,800, TOTAL
Residence Business PUB & OCP TOLL

1993
1994
1995
1996

LOCAL----->
Residence Business TOTAL

1993
1994
1995
1996

1993	\$424,131	\$407,441	\$831,572
1994	\$437,626	\$423,324	\$860,950

TOLL + LOCAL TOTAL

1993
1994
1995
1996

A B C D E F

UNRESPONSIVE TOTAL EFFECTS
(\$000)

TOLL----->
REMAINING SHORT LONG HAUL MTS REMAINING TOTAL
HAUL MTS Residence Business Residence Business WATS,800, PUB & OCP TOLL

1993
1994
1995
1996

A B C D

EXPANDED LOCAL CALLING----->
FROM SHORT FROM WATS,800, TOTAL
HAUL MTS Residence Business & OCP

1993
1994
1995
1996

LOCAL----->
Old Local Calling Area Old Local Calling Area
UBP Revenue Flat Rate Monthly Revenue
Residence Business TOTAL Residence Business TOTAL

1993
1994
1995
1996

1993	\$17,753	\$17,414	\$35,167	\$405,045	\$389,106	\$794,151
1994	\$54,934	\$54,278	\$109,212	\$378,547	\$368,175	\$744,722

52

SWITCHED ACCESS REVENUE

	From Expanded Local Calling		From WATS,800, PUB & OCP Exp Local		From Remaining Short Haul MTS Hos		From WATS,800 PUB & OCP		From Long Haul Toll		From Long Haul Toll		Grand Total
	Residence	Business	Residence	Business	Residence	Business	Residence	Business	Residence	Business	Residence	Business	
1993	\$0	\$0	\$0	\$0	\$4,302	\$2,772	\$591	\$1,896	\$841	\$12,402			\$12,402
1994	\$0	\$0	\$0	\$0	\$9,845	\$4,341	\$1,016	\$4,138	\$1,840	\$21,179			\$21,179

60

A B C D E F

UBP SUMMARY

	Old Local UBP Rev	Flat Rate Mo Rev	Exp Local Usage Rev	Remaining Toll Rev	Switched Access Revenue	UBP PLAN TOTAL EFFECT
1993	\$35,167	\$794,151			\$12,402	\$1,094,596
1994	\$109,212	\$744,722			\$21,179	\$1,118,107

1993
1994
1995
1996

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A B C D E F

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~~PRECOMPETITIVE VIEW WITHOUT LONG HAUL TOLL EFFECTS~~
(\$000)

SHORT HAUL TOLL
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

LOCAL

	Residence	Business	TOTAL
1993	\$424,131	\$407,441	\$831,572
1994	\$437,626	\$423,324	\$860,950
1995			
1996			

TOTAL TOLL + LOCAL

1993
1994
1995
1996

9
1
14

15
16
17
18
19

~~UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS~~
(\$000)

SHORT HAUL TOLL TO ELCA
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

25
29
30
31
32
33

SWITCHED ACCESS FROM TOLL
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

34
35
36
37
38
39

REMAINING SHORT HAUL TOLL
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

40
1993
1994
1995
1996

SWITCHED ACCESS FROM ELCA
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

\$0 \$0 \$0 \$0 \$0 \$0 \$0

46
1993
1994
1995
1996

LOCAL
Old Local Calling Area Flat Rate Monthly Revenue
Residence Business Residence Business TOTAL

	Residence	Business	Residence	Business	TOTAL
1993	\$17,753	\$17,414	\$405,045	\$388,106	\$822,319
1994	\$54,834	\$54,278	\$378,547	\$366,175	\$853,834
1995					
1996					

TOTAL TOLL + SWITCHED ACCESS + LOCAL

54
55
56
57
58

1993
1994
1995
1996

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	A	B	C
1	PRECOMPETITIVE VS. UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS		
2	(\$000)		
3	RESIDENCE ONLY EFFECTS		
4	PRECOMPT	UBP VIEW	DIFFERENCE
5	1993		
6	1994		
7	1995		
8	1996		
9	BUSINESS ONLY EFFECTS		
10	PRECOMPT	UBP VIEW	DIFFERENCE
11	1993		
12	1994		
13	1995		
14	1996		
15	SUM OF RES & BUS		
16	PRECOMPT	UBP VIEW	DIFFERENCE
17	1993		
18	1994		
19	1995		
20	1996		

	1000X VIEW, NO UBP	UBP VIEW	UBP VIEW MINUS 1000X VIEW
21	PRECOMPETITIVE VS. UBP RESPONSE TOTAL VIEW		
22	PRECOMPT	UBP VIEW	
23	1993		
24	1994		
25	1995		
26	1996		

When a negative value indicates a revenue short fall for the year.

The following illustrates the relative effect of changing toll to usage sensitive ELCA vs. the old toll and access price. The elasticity for revenue was applied, assuming 1 minute for short haul toll price and the elca price before stimulation. The resulting stimulated revenue is actually the expected revenue for that price. The 1 minute would actually grow by the amount of the stimulation. Note that with the lower stimulation for residence, the revenue gained back is actually more than would be received from access.

REVENUE GAINED FROM A ONE MINUTE TOLL CALL AFTER BEING SENT TO ELCA AND THEN STIMULATED

	ELASTICITY IN ANALYSIS	BEST CASE ELASTICITY
RESIDENCE ELCA ELASTICITY	-0.680	-1.000
BUSINESS ELCA ELASTICITY:	-0.737	-1.000
access price:	\$0.1155	\$0.1155
short haul toll price, res:	\$0.1492	\$0.1492
elca price, res:	\$0.0648	\$0.0648
stimulated elca res revenue:	\$0.1142	\$0.1492
short haul toll price, bus:	\$0.2157	\$0.2157
elca price, bus:	\$0.1092	\$0.1092
stimulated elca bus revenue:	\$0.1804	\$0.2157

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A B C D E F

1 ~~MINUTE DENS. CALCULATIONS~~

2 ~~UNRESPONSE TOTAL EFFECTS~~

3 (000)

TOLL

	REMAINING SHORT HAUL MTS		LONG HAUL MTS		REMAINING WATS, 800, PUB & OCP	TOTAL TOLL
	Residence	Business	Residence	Business		
8 1993						
9 1994						
10 1995						
11 1996						

12 UNSTIMULATED EXPANDED LOCAL CALLING

	FROM SHORT HAUL MTS		FROM WATS, 800, PUB, & OCP	TOTAL
	Residence	Business		
17 1993				
18 1994				
19 1995				
20 1996				

21 STIMULATED EXPANDED LOCAL CALLING

	FROM SHORT HAUL MTS		FROM WATS, 800, PUB, & OCP	TOTAL
	Residence	Business		
26 1993				
27 1994				
28 1995				
29 1996				

30 SWITCHED ACCESS MOU

	From Expanded Local Calling		From WATS, 800, PUB & OCP Exp Local		From Remaining Short Haul MTS		From WATS, 800 PUB & OCP		From Long Haul Long Haul Toll		TOTAL	TOTAL TIMES 2:1
	Residence	Business	Res	Business	Res	Business	Residence	Business	Residence	Business		
1993	0	0	0	54,552	23,993	8,282	16,408	7,279	110,514	232,040		
1994	0	0	0	96,138	42,393	14,918	40,391	17,964	211,804	444,789		
1995												
1996												

39 UNBP SUMMARY OF MINUTES BEFORE STIMULATION

	Remaining Toll MOU	Unstim Exp Local MOU	Switched Access MOU	UNSTIM UNBP PLAN TOTAL MOU
43 1993			110,514	
44 1994			211,804	
45 1995				
46 1996				

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F01B07Z00209

Plan 1----- Scenario F1B

(10XXX for over and less than 40 miles)

This is an optional plan for residence and business customers. The plan is designed to be attractive for short haul toll users rather than the average local user. The designed plan is expected to yield the following results. (Note that these entire calculations are best estimates only.)

Latest available phase in 1995

RESIDENCE				BUSINESS			
Avg Mo Bill Per Line Res	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA	Avg Mo Bill Per Line Res	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA	Avg Mo Bill Per Line Bus	Total UBP Penetration Utilized in Calculations
1993	\$8.87	6%	12%	\$28.69	6%	12%	12%
1994	\$9.00	15%	37%	\$28.98	15%	37%	37%
1995							
1996							

The UBP plan was assumed to phase-in over a two year period. Additional growth in UBP lines due to the rate change in 1995 were phased-in similarly.

Shown below are the revenue effects by year. These effects are the UBP and toll response to 10XXX minus a toll only response. A negative value indicates that this is a revenue short fall.

Year	Total Revenue Effect (millions)
1993	(\$8)
1994	(\$17)
1995	
1996	

Actual Average Monthly Local Rates Without Vertical Services

Residence	Business
\$9.74	\$30.28

Local and Expanded Local Calling Schedules

Year	Residence Monthly				Business Monthly			
	Est. Rate	UBP	Est. Effective Rate	UBP Usage Allowance - Local	Est. Rate	UBP	Est. Effective Rate	UBP Usage Allowance - Local
1993	\$9.74	\$7.05	\$3.80	\$0.013	\$30.26	\$23.65	\$3.81	\$0.020
1994	\$9.74	\$7.05	\$3.80	\$0.013	\$30.26	\$23.65	\$3.81	\$0.020
1995								
1996								

Year	Residence Call Cap	Business Call Cap
1993	\$7.00	\$13.00
1994	\$7.00	\$13.00
1995		
1996		

Usage cap, which applies to existing local area for UBP.

PROPRIETARY

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F01B07Z00210

1 CALOTUSWKSHTSIFLORIDA\SCEN_F18.WK3

3	JWB	c	d	e	f
4		Percentage of	Percentage of	Percentage of	Percentage of
5		Long & Short	Long Haul	Short Haul Toll	ELCA Lost to
6		Haul Loss for	Loss for	Lost to Toll	Toll Compl
7		Base Case	UBP Case	Compl. FR only	UBP only
8		(Res and Bus)	(Res and Bus)	(Res and Bus)	(Res and Bus)
10	1992	n/a	0.00%	0.00%	0.00%
11	1993	n/a	7.70%	7.70%	0.00%
12	1994	n/a	17.60%	17.60%	0.00%
14	1995				
15	1996				
16	1997				
17	1998				
18	1999				
19	2000				

20 (QW) Bus Info, Info Age and Advertising

21		RES & BUS	RES
22		Info Age	Advertising
23		IF Age Comp	IF Advsn
24	1992	1.0%	2.16%
25	1993	1.5%	1.16%
26	1994	2.0%	1.18%
27	1995		
28	1996		
29	1997		
30	1998		
31	1999		
32	2000		

1991 Estimated Local MOU per line
 Residence Business
 800 800
 <----- used for BAU ----->
 and UBP cases

Average Rate
 Per Sw Access
 Conv Mou
 (orig+term)

Bus Cost

46	1993	\$0.1155
47	1994	\$0.1024
48	1995	
49	1996	

56 STIMULATION EQUATION FOR ELCA: $-(1 - ((1 + \text{GROSS REV REDUCTION})^{(1 + \text{ELASTICITY}))})$
 57 RESIDENCE ELCA ELASTICITY: -0.680
 58 BUSINESS ELCA ELASTICITY: -0.737

PROPRIETARY

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F01B07Z00211

CALOTUS\WKSHTS\FLOIDA\SCEN_F1B.WK3

JWB

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A B C D

PRECOMPETITIVE VIEW TOTAL EFFECTS
(\$000)

TOLL	LONG & SHRT HAUL MTS		WATS,800, PUB & OCP	TOTAL TOLL
	Residence	Business		
7 1993				
10 1994				
11 1995				
12 1996				

13

LOCAL

	Residence	Business	TOTAL
1993	\$424,131	\$407,441	\$831,572
1994	\$437,826	\$423,324	\$860,960
1995			
1996			

18

A

19 TOLL + LOCAL TOTAL

20 1993

21 1994

22 1995

23 1996

24

A B C D E F

UBP RESPONSE TOTAL EFFECTS
(\$000)

TOLL	REMAINING SHORT HAUL MTS		LONG HAUL MTS		REMAINING WATS,800, PUB & OCP	TOTAL TOLL
	Residence	Business	Residence	Business		
29 1993						
30 1994						
31 1995						
32 1996						

34

A B C D

EXPANDED LOCAL CALLING FROM SHORT HAUL MTS

	Residence	Business	FROM WATS,800, PUB, & OCP	TOTAL
37 1993				
38 1994				
39 1995				
40 1996				

42

LOCAL

Old Local Calling Area UBP Revenue	Old Local Calling Area Flat Rate Monthly Revenue		
	Residence	Business	TOTAL
1993	\$23,166	\$23,179	\$46,346
1994	\$60,637	\$60,813	\$121,449
1995			
1996			

50

A B C D E F G H I

SWITCHED ACCESS REVENUE

From Expanded Local Calling	From WATS,800, PUB & OCP	From Remaining Short Haul MTS	From WATS,800 PUB & OCP	From Long Haul Toll	From Long Haul Toll	Grand Total
Residence	Business	Exp Local	Res	Business	Residence Business	
55 1993	\$0	\$0	\$0	\$2,772	\$591	
56 1994	\$0	\$0	\$0	\$4,341	\$1,016	
57 1995						
58 1996						

A B C D E F

UBP SUMMARY

Old Local UBP Rev	Flat Rate Mo Rev	Exp Local Usage Rev	Remaining Toll Rev	Switched Access Revenue	UBP PLAN TOTAL EFFECT
1993	\$46,346	\$781,678			
1994	\$121,449	\$731,808			
1995					
1996					

...PRIETARY

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F01B07Z00212

A B C D E F

~~PRECONDITIONED TOLL WITHOUT LONG HAUL TOLL EFFECTS~~
(5000)

SHORT HAUL TOLL ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

LOCAL ----->

	Residence	Business	TOTAL
1993	\$424,131	\$407,441	\$831,572
1994	\$437,826	\$423,324	\$860,950
1995			
1996			

TOTAL TOLL + LOCAL

A B C D E F

~~PRECONDITIONED TOLL WITHOUT LONG HAUL TOLL EFFECTS~~
(5000)

SHORT HAUL TOLL TO ELCA ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

SWITCHED ACCESS FROM TOLL ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

REMAINING SHORT HAUL TOLL ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

SWITCHED ACCESS FROM ELCA ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993	\$0	\$0	\$0	\$0	\$0	\$0
1994	\$0	\$0	\$0	\$0	\$0	\$0
1995						
1996						

LOCAL ----->

	Old Local Calling Area UBP Revenue		Old Local Calling Area Flat Rate Monthly Revenue		TOTAL
	Residence	Business	Residence	Business	
1993	\$23,166	\$23,179	\$396,683	\$382,094	\$828,023
1994	\$60,637	\$60,813	\$371,982	\$359,023	\$853,257
1995					
1996					

TOTAL TOLL + SWITCHED ACCESS + LOCAL

1993						
1994						
1995						
1996						

PROPRIETARY
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F01B07Z00213

	A	B	C
1	PRECOMPETITIVE VS. SUBRESPONSE WITHOUT CONSUMER TOLL EFFECTS		
2	(\$000)		
RESIDENCE ONLY EFFECTS			
	PRECOMPT	UBP VIEW	DIFFERENCE
3			
4			
5			
6			
7			
8			
9	BUSINESS ONLY EFFECTS		
10	PRECOMPT	UBP VIEW	DIFFERENCE
11			
12			
13			
14			
15	SUM OF RES & BUS		
16	PRECOMPT	UBP VIEW	DIFFERENCE
17			
18			
19			
20			

	A	B	C	D
21	PRECOMPETITIVE VS. SUBRESPONSE TO TOLL VIEW			
22				
23	PRECOMPT	10XXX VIEW, NO UBP	UBP VIEW	UBP VIEW MINUS 10XXX VIEW
24				
25				
26				
27				
28				

Access

+0.1	=	6.9
+1.5	=	13.9
+2.7	=	36.1
+2.9	=	42.4
+2.8	=	

Note: a negative value indicates a revenue short fall for that year.

The following illustrates the relative effect of changing toll to usage sensitive ELCA vs. the old toll and access price. The elasticity for revenue was applied, assuming 1 minute for short haul toll price and the elca price before stimulation. The resulting stimulated revenue is actually the expected revenue for that price since the 1 minute would actually grow by the amount of the stimulation. Note that with the lower stimulation for residence, the revenue gained back is actually less than would be received from access.

REVENUE GAINED FROM A ONE MINUTE TOLL CALL AFTER BEING SENT TO ELCA AND THEN STIMULATED

	ELASTICITY IN ANALYSIS	BEST CASE ELASTICITY
RESIDENCE ELCA ELASTICITY:	-0.680	-1.000
BUSINESS ELCA ELASTICITY:	-0.737	-1.000
access price:	\$0.1155	\$0.1155
short haul toll price, res:	\$0.1402	\$0.1402
elca price, res:	\$0.0846	\$0.0846
stimulated elca res revenue:	\$0.1142	\$0.1402
short haul toll price, bus:	\$0.2157	\$0.2157
elca price, bus:	\$0.1092	\$0.1092
stimulated elca bus revenue:	\$0.1804	\$0.2157

PROPRIETARY

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F01B07Z00214

1 ~~MINUTE DISE CALCULATIONS~~

2 ~~UBP RESPONSE TOTAL EFFECTS~~

3 (000)

4 TOLL ----->

	REMAINING SHORT HAUL MTS		LONG HAUL MTS		REMAINING WATS,800, PUB & OCP	TOTAL TOLL
	Residence	Business	Residence	Business		
5 1993						
6 1994						
7 1995						
8 1996						

12 UNSTIMULATED EXPANDED LOCAL CALLING ----->

	FROM SHORT HAUL MTS		FROM WATS, 800, PUB, & OCP	TOTAL
	Residence	Business		
17 1993				
18 1994				
19 1995				
20 1996				

21 STIMULATED EXPANDED LOCAL CALLING ----->

	FROM SHORT HAUL MTS		FROM WATS, 800, PUB, & OCP	TOTAL
	Residence	Business		
26 1993				
27 1994				
28 1995				
29 1996				

30 SWITCHED ACCESS MOU ----->

	From Expanded Local Calling		From WATS,800, PUB & OCP Exp Local		From Remaining Short Haul MTS Res Business		From WATS,800 PUB & OCP Long Haul Toll Residence Business		TOTAL	TOTAL TIMES 2.1
	Residence	Business	Exp Local	Res	Business	Residence	Business			
35 1993	0	0	0							
36 1994	0	0	0							
37 1995										
38 1996										

39 UBP SUMMARY OF MINUTES BEFORE STIMULATION

	Remaining Toll MOU	Unstim Exp Local MOU	Switched Access MOU	UNSTIM UBP PLAN TOTAL MOU
43 1993				
44 1994				
45 1995				
46 1996				

PROPRIETARY

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F01B07Z00215

1996

Plan 1----- Scenario F1B

(1000X for over and less than 40 miles)

This is an optional plan for residence and business customers. The plan is designed to be attractive for short haul toll users rather than the average local user. The designed plan is expected to yield the following results. (Note that these entire calculations are best estimates only.)

needs to be updated

RESIDENCE			BUSINESS				
Year	Avg Mo Bill Per Line	Total UBP Penetration Utilized in Calculations to ELCA	Percent of Short Haul Toll MOU	Year	Avg Mo Bill Per Line	Total UBP Penetration Utilized in Calculations to ELCA	Percent of Short Haul Toll MOU
1993	\$9.47		5%	1993	\$29.65		5%
1994	\$9.50	14%	37%	1994	\$29.60	14%	37%
1995				1995			
1996				1996			

The phase-in percentages are shown below. In reference to the above percentages, this means, that only 25% of the maximum achievable residence percentages would be achieved in 1993.

If no phase-in were used, the realizable percentage would be 14% as shown for 1996.

Year	Residence	Business
1993	25%	25%
1994	75%	70%
1996		

The phase-in starts over for additional customers when a rate change is implemented, as for 1995 UBP access line reduction.

Shown below are the revenue effects by year. These effects are the UBP response to 1000X and 1+ competition minus the procompetitive view. A negative value indicates that this is a revenue short fall.

PROPRIETARY

Year	Total Revenue Effect (millions)	Old Local & Expanded Local Only (millions)
1993	\$0	(\$7)
1994	\$0	(\$26)
1995		
1996		

NOTICE

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Actual Average Monthly Local Rates Without Vertical Services

Residence	\$9.74	\$30.26
-----------	--------	---------

UBP Local and Expanded Local Calling Schedules

Year	Local	Expanded Local	Local	Expanded Local	Local	Expanded Local	Local	Expanded Local		
1993	\$9.74	\$7.50	\$3.80	\$0.013	\$8.8685	\$30.26	\$24.10	\$3.81	\$0.020	\$0.0795
1994	\$9.74	\$7.50	\$3.80	\$0.013	\$0.8565	\$30.26	\$24.10	\$3.81	\$0.020	\$0.0795
1995										
1996										

Year	Local	Expanded Local
1993	\$7.00	\$13.00
1994	\$7.00	\$13.00
1995		
1996		

Usage cap, which applies to existing local area for UBP.

A B C D

TC:LOTUS\WKSHTS\FLORIDA\SCEN_F1B.WK3

Year	JWB	c Percentage of Long & Short Haul Loss for Base Case (Res and Bus)	d Percentage of Long Haul Loss for USP Case (Res and Bus)	e Percentage of Short Haul Toll Lost to Toll Compt. FR only (Res and Bus)	f Percentage of ELCA Lost to Toll Compt USP only (Res and Bus)
------	-----	--	---	---	--

12
13

11	1992	n/a	0.00%	0.00%	0.00%
12	1993	n/a			0.00%
13	1994	n/a			0.00%
14	1995				
15	1996				
16	1997				
17	1998				
18	1999				
19	2000				

RES & BUS RES

Year	Info Age	Advertising
1992	1.0%	2.16%
1993	1.5%	1.16%
1994	2.0%	1.16%
1995		
1996		
1997		
1998		
1999		
2000		

1991 Estimated Local MOU per line
 Residence Business
 500 800
 <-----used for BAU----->
 and UBP cases

Average Rate
 For Sw Access
 Com Moa
 (orig+term)

1993	\$0.1155
1994	\$0.1024
1995	
1996	

56 STIMULATION EQUATION FOR ELCA: $-(1-((1+\text{GROSS REV REDUCTION})^{-(1+\text{ELASTICITY}))})$
 57 RESIDENCE ELCA ELASTICITY: -0.680
 58 BUSINESS ELCA ELASTICITY: -0.737

PROPRIETARY

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F01B07Z00217

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~~DISPATCH~~
~~REVENUE~~
(2000)

TOLL		LONG & SHRT HAUL MTS		WATS,000,	TOTAL
Residence	Business	PUB & OCP	TOLL		
1993					
1994					
1995					
1996					

13

LOCAL

	Residence	Business	TOTAL
1993	\$424,131	\$407,441	\$831,572
1994	\$437,828	\$423,324	\$860,950
1995			
1996			

19 TOLL + LOCAL TOTAL

20 1993

21 1994

22 1995

23 1996

24

~~DISPATCH~~
~~REVENUE~~
(2000)

TOLL		REMAINING SHORT HAUL MTS		LONG HAUL MTS		REMAINING WATS,000, PUB & OCP		TOTAL
Residence	Business	Residence	Business	PUB & OCP	TOLL			
30 1993								
31 1994								
32 1995								
33 1996								

34

EXPANDED LOCAL CALLING

FROM SHORT HAUL MTS		FROM WATS, 000, PUB, & OCP		TOTAL
Residence	Business			
38 1993				
39 1994				
40 1995				
41 1996				

42

LOCAL

Old Local Calling Area			Old Local Calling Area			TOTAL
UBP Revenue			Flat Rate Monthly Revenue			
Residence	Business	TOTAL	Residence	Business	TOTAL	
1993	\$18,559	\$17,907	\$36,466	\$405,045	\$389,108	\$794,151
1994	\$57,900	\$55,902	\$113,502	\$378,547	\$366,175	\$744,722
1995						
1996						

49

50

SWITCHED ACCESS REVENUE

From Expanded Local Calling		From WATS,000, PUB & OCP		From Remaining Short Haul MTS		From WATS,000 PUB & OCP		From Long Haul Toll		From Long Haul Toll		Grand Total
Residence	Business	Exp Local	Res	Business	Residence	Business	Residence	Business	Grand Total			
55 1993	\$0	\$0	\$0	\$0					\$12,402			
56 1994	\$0	\$0	\$0	\$0					\$21,179			
57 1995												
58 1996												

59

UBP SUMMARY

Old Local	Flat Rate	Exp Local	Remaining	Switched	UBP
UBP Rev	Mo Rev	Usage Rev	Toll Rev	Access Revenue	REVENUE
63 1993	\$36,466	\$794,151			
64 1994	\$113,502	\$744,722			
65 1995					
66 1996					

PROPRIETARY

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A B C D E F
~~RECOMPETITIVE TOLL WITH ONE LONG HAUL TOLL EFFECT~~
(5000)

SHORT HAUL TOLL ----->
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

LOCAL ----->
Residence Business TOTAL

1993 \$424,131 \$407,441 \$831,572
1994 \$437,626 \$423,324 \$860,950
1995
1996

TOTAL TOLL + LOCAL

1993 \$1,048,808
1994 \$1,090,823
1995
1996

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24
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A B C D E F
~~RECOMPETITIVE TOLL WITH ONE LONG HAUL TOLL EFFECT~~
(5000)

SHORT HAUL TOLL TO ELCA ----->
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

SWITCHED ACCESS FROM TOLL ----->
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

REMAINING SHORT HAUL TOLL ----->
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

SWITCHED ACCESS FROM ELCA ----->
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993 \$0 \$0 \$0 \$0 \$0 \$0
1994 \$0 \$0 \$0 \$0 \$0 \$0
1995
1996

LOCAL ----->

Old Local Calling Area Old Local Calling Area
UBP Revenue Flat Rate Monthly Revenue
Residence Business Residence Business
1993 \$18,558 \$17,907 \$405,045 \$388,108
1994 \$37,600 \$53,902 \$378,547 \$398,175
1995
1996

A
TOTAL TOLL + SWITCHED ACCESS + LOCAL

1993
1994
1995
1996

PROPRIETARY

~~NOTICE~~
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	A	B	C
2	PRECOMPETITIVE VS. USP RESPONSE WITHOUT LONG HAD TOLL EFFECTS (3000)		
3	RESIDENCE ONLY EFFECTS		
4	PRECOMPT	USP VIEW	DIFFERENCE
5	1993		
6	1994		
7	1995		
8	1996		
9	BUSINESS ONLY EFFECTS		
10	PRECOMPT	USP VIEW	DIFFERENCE
11	1993		
12	1994		
13	1995		
14	1996		
15	SUM OF RES & BUS		
16	PRECOMPT	USP VIEW	DIFFERENCE
17	1993		
18	1994		
19	1995		
20	1996		
21	1000X VIEW		
22	PRECOMPT	NO USP	USP VIEW
23	1993		
24	1994		
25	1995		
26	1996		

Note: a negative value indicates a revenue short fall for that year.

The following illustrates the relative effect of changing toll to usage sensitive ELCA vs. the old toll and access price. The elasticity for revenue was applied, assuming 1 minute for short haul toll price and the elca price before stimulation. The resulting stimulated revenue is actually the expected revenue for that price since 1 minute would actually grow by the amount of the stimulation. Note that with the lower stimulation for residence, the revenue gained back is actually lower than would be received from access.

REVENUE GAINED FROM A ONE MINUTE TOLL CALL AFTER BEING SENT TO ELCA AND THEN STIMULATED

	ELASTICITY IN ANALYSIS	BEST CASE ELASTICITY
RESIDENCE ELCA ELASTICITY	-0.680	-1.000
BUSINESS ELCA ELASTICITY	-0.737	-1.000
access price:	\$0.1155	\$0.1155
short haul toll price, res:	\$0.1492	\$0.1492
elca price, res:	\$0.0648	\$0.0648
stimulated elca res revenue:	\$0.1142	\$0.1492
short haul toll price, bus:	\$0.2157	\$0.2157
elca price, bus:	\$0.1092	\$0.1092
stimulated elca bus revenue:	\$0.1804	\$0.2157

PROPRIETARY

NOTICE

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FO1B07Z00220

1 ~~UNSTIMULATED EXPANDED LOCAL CALLING~~ A B C D E F
 2 ~~UNSTIMULATED EXPANDED LOCAL CALLING~~ (000)

3 TOLL ----->

	REMAINING SHORT HAUL MTS		LONG HAUL MTS		REMAINING WATS,800, PUB & OCP	TOTAL TOLL
	Residence	Business	Residence	Business		
8 1993						
9 1994						
10 1995						
11 1996						

12 UNSTIMULATED EXPANDED LOCAL CALLING ----->

	FROM SHORT HAUL MTS		FROM WATS, 800, PUB, & OCP	TOTAL
	Residence	Business		
17 1993				
18 1994				
19 1995				
20 1996				

21 STIMULATED EXPANDED LOCAL CALLING ----->

	FROM SHORT HAUL MTS		FROM WATS, 800, PUB, & OCP	TOTAL
	Residence	Business		
26 1993				
27 1994				
28 1995				
29 1996				

30 SWITCHED ACCESS MOU ----->

	From Expanded Local Calling		From WATS,800, PUB & OCP		From Remaining Short Haul MTS		From WATS,800 PUB & OCP		From Long Haul Toll		TOTAL	TOTAL TIMES 2.1
	Residence	Business	Exp Local		Res	Business	Residence	Business	Residence	Business		
35 1993	0		0		0							
36 1994	0		0		0							
37 1995												
38 1996												

39 UNBP SUMMARY OF MINUTES BEFORE STIMULATION

	A	B	C	D
40	Remaining Toll MOU	Unstim Exp Local MOU	Switched Access MOU	UNSTIM UNBP PLAN TOTAL MOU
43 1993				
44 1994				
45 1995				
46 1996				

PROPRIETARY

NOTICE
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F01B07Z00221

Plan 1

This is an optional plan for residence and business customers. The plan is designed to be attractive for short haul toll users rather than the average local user. The designed plan is expected to yield the following results. (Note that these entire calculations are best estimates only.)

RESIDENCE				BUSINESS			
Avg Mo Bill Per Line Res	RES UBP Potential Local % Savers	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA	Avg Mo Bill Per Line Bus	BUS UBP Potential Local % Savers	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELC ^A
1993	\$10.67	41%	3%	\$31.07	35%	3%	
1994	\$10.71	41%	11%	\$31.17	31%	11%	
1995							
1996							

The phase-in percentages are shown below. In reference to the above percentages, this means, that only 8% of the maximum achievable residence percentage would be achieved in 1993.

If no phase-in were used, the realizable percentage would be 38% as shown for 1996.

	Residence	Business
1993	8%	8%
1994	30%	30%
1995		
1996		

The rate schedule is shown in the attached. Note that broad averages are shown rather than a schedule by rate group, time of day or initial and additional minutes. A more "tariff-like" schedule can be developed from these rate levels.

Shown below are the revenue effects by year. These effects are the UBP response to 1+ competition minus the precompetitive view. A negative value indicates that this is a revenue short fall.

	Total Revenue Effect (millions)	Old Local & Expanded Local Only (millions)
1993	(\$86)	(\$48)
1994	(\$81)	(\$42)
1995		
1996		

Actual Average Monthly Local Rates Without Vertical Services

Residence	Business
\$9.74	\$30.26

UBP Local and Expanded Local Calling Schedules

Year	Residence Monthly Flat Rate			Business Monthly Flat Rate		
	UBP	Estimated UBP Usage Allowance	Expanded Local Usage Rates	UBP	Estimated UBP Usage Allowance	Expanded Local Usage Rates
1993	\$9.74	\$8.40	\$0.013	\$30.26	\$25.00	\$0.0795
1994	\$9.74	\$8.40	\$0.013	\$30.26	\$25.00	\$0.0795
1995						
1996						

	Residence Cap	Business Cap
1993	\$7.00	\$13.00
1994	\$7.00	\$13.00
1995		
1996		

----- Usage cap, which applies to existing local area for UBP.

PROPRIETARY

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A B C D

1 0:123\WKSHTS\FLORIDA\FL1\FLUBP1A.WK3

2 23-Apr-92

3 JWB

4

5 Percentage of Percentage of Percentage of Percentage of

6 Long & Short Long Haul Short Haul Toll ELCA Lost to

7 Haul Loss for Loss for Lost to Toll Toll Compt

8 Base Case UBP Case Compt, FR only UBP only

9 (Res and Bus) (Res and Bus) (Res and Bus) (Res and Bus)

10

11 1992 n/a 0% 0% 0%

12 1993 n/a

13 1994 n/a

14 1995

15 1996

16 1997

17 1998

18 1999

19 2000

20 Growth Due to Information Age and Advertising

21 RES & BUS RES

22

23 Info Age IE Age Cum Advertising Inf + Adv Toll

24 1992 1.0% 1.00% 2.16% 3.16%

25 1993 1.5% 2.21% 1.16% 2.70%

26 1994 2.0% 1.57% 1.16% 2.80%

27 1995

28 1996

29 1997

30 1998

31 1999

32 2000

33

34 Business Winbacks B

35 For Long Haul Toll <-----not used

36 (\$000s)

37 Florida

38 1992

39 1993

40 1994

41 1995

42 1996

43 1997

44 1998

45 1999

46 2000

49 1991 Estimated Local MOU per line

50 Residence Business

51 500 500

52 <-----used for BAU----->

53 and UBP cases

54 Average Rate

55 Per Sw Access

56 Conv Mou

57 (orig + term)

58

59 1992 c d e f

60 1993 \$0.1210 \$0.0847

61 1994 \$0.1210 \$0.0847

62 1995

63 1996

64 1997

65 1998

66 1999

67 2000

70 STIMULATION EQUATION FOR ELCA: $-(1 - ((1 + \text{GROSS REV REDUCTION}) \wedge (1 + \text{ELASTICITY})))$

71 RESIDENCE ELCA ELASTICITY: -0.8

72 BUSINESS ELCA ELASTICITY: -0.8

PROPRIETARY

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A B C D

OUTPUTS

PRECOMPETITIVE VIEW TOTAL EFFECTS (\$000)

	TOLL		WATS,800, PUB & OCP	TOTAL TOLL
	LONG & SHRT HAUL MTS	Residence Business		
1993				
1994				
1995				
1996				

No incremental access for existing toll + long haul

LOCAL

	Residence	Business	TOTAL
1993	\$424,131	\$407,441	\$831,572
1994	\$437,626	\$423,324	\$860,950
1995			
1996			

TOLL + LOCAL TOTAL

1993
1994
1995
1996

A B C D E F

UBP RESPONSE TOTAL EFFECTS (\$000)

	TOLL		LONG HAUL MTS		REMAINING WATS,800, PUB & OCP	TOTAL TOLL
	REMAINING SHORT HAUL MTS	Residence Business	Residence Business			
1993						
1994						
1995						
1996						

gone to access of ELEC A

EXPANDED LOCAL CALLING FROM SHORT HAUL MTS

	FROM WATS,800, PUB, & OCP		TOTAL
	Residence	Business	
1993			
1994			
1995			
1996			

comparable

from toll

LOCAL Old Local Calling Area

	Old Local Calling Area			Old Local Calling Area		
	Residence	Business	TOTAL	Flat Rate Monthly Revenue	Business	TOTAL
1993	\$13,282	\$11,434	\$24,715	\$412,000	\$396,305	\$808,313
1994	\$54,460	\$47,663	\$102,123	\$386,101	\$377,045	\$765,146
1995						
1996						

rel. local calling revenue

SWITCHED ACCESS REVENUE

	From Expanded Local Calling		From WATS,800, PUB & OCP		From Remaining Short Haul MTS		From WATS,800 PUB & OCP		From Long Haul Toll		From Long Haul Toll		Grand Total
	Residence	Business	Exp Local	Res	Business	Residence	Business	Residence	Business				
1993													
1994													
1995													
1996													

UBP SUMMARY

	Old Local UBP Rev	Flat Rate Mo Rev	Exp Local Usage Rev	Remaining Toll Rev	Switched Access Revenue
1993	\$24,715				
1994	\$102,123				
1995					
1996					

UBP PLAN TOTAL EFFECT

Switched Access Revenue (000)

PROPRIETARY

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A B C D E F
~~PRECOMPETITIVE VIEW WITHOUT LONG HAUL TOLL EFFECTS~~
 (\$000)

SHORT HAUL TOLL ----->
 RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

LOCAL ----->

	Residence	Business	TOTAL
1993	\$424,131	\$407,441	\$831,572
1994	\$437,626	\$423,324	\$860,950
1995			
1996			

A Short haul
 TOTAL TOLL + LOCAL

1993
1994
1995
1996

A B C D E F

~~UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS~~

(\$000)

SHORT HAUL TOLL TO ELCA -----> *240 miles*
 RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

SWITCHED ACCESS FROM TOLL ----->
 RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

REMAINING SHORT HAUL TOLL ----->
 RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

SWITCHED ACCESS FROM ELCA ----->
 RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

LOCAL ----->

	Old Local Calling Area UBP Revenue		Old Local Calling Area Flat Rate Monthly Revenue		TOTAL
	Residence	Business	Residence	Business	
1993	\$13,282	\$11,434	\$412,007	\$398,305	\$833,028
1994	\$54,460	\$47,663	\$388,101	\$377,045	\$867,269
1995					
1996					

A
 TOTAL TOLL + SWITCHED ACCESS + LOCAL

1993
1994
1995
1996

*Value 7:00 AM response
 w/o long-haul*

PROPRIETARY

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A B C

~~PRECOMPETITIVE VS UBP RESPONSE WITHOUT LONG HAUL TOU EFFECTS~~
(000)

RESIDENCE ONLY EFFECTS			
	PRECOMPT	UBP VIEW	DIFFERENCE
3	1993		
4	1994		
5	1995		
6	1996		
BUSINESS ONLY EFFECTS			
	PRECOMPT	UBP VIEW	DIFFERENCE
9	1993		
10	1994		
11	1995		
12	1996		
SUM OF RES & BUS			
	PRECOMPT	UBP VIEW	DIFFERENCE
15	1993		
16	1994		
17	1995		
18	1996		

see end of 6m from bus view

→ 18m

21 ~~PRECOMPETITIVE VS UBP RESPONSE TOTAL VIEW~~

	PRECOMPT	UBP VIEW	DIFFERENCE
22			
23	1993		
24	1994		
25	1995		
26	1996		

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Plan 2

This is an optional plan for residence and business customers. The plan is designed to be attractive for short haul toll users rather than the average local user. The designed plan is expected to yield the following results. (Note that these entire calculations are best estimates only.)

	RESIDENCE				BUSINESS			
	A	B	C	D	E	F	G	H
	Avg Mo Bill Per Line Res	RES UBP Potential Local % Savers	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA	Avg Mo Bill Per Line Bus	BUS UBP Potential Local % Savers	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA
11 1993	\$10.67	41%		3%	\$31.07	35%		3%
12 1994	\$10.71	41%		11%	\$31.17	31%		11%
13 1995								
14 1996								

The phase-in percentages are shown below. In reference to the above percentages, this means, that only 8% of the maximum achievable residence percentage would be achieved in 1993.

If no phase-in were used, the realizable percentage would be 38% as shown for 1996.

	Residence	Business
1993	8%	8%
1994	30%	30%
1995		
1996		

The rate schedule is shown in the attached. Note that broad averages are shown rather than a schedule by rate group, time of day or initial and additional minutes. A more "tariff-like" schedule can be developed from these rate levels.

Shown below are the revenue effects by year. These effects are the UBP response to 1+ competition minus the precompetitive view. A negative value indicates that this is a revenue short fall.

	Total Revenue Effect (millions)	Old Local & Expanded Local Only (millions)
1993	(\$58)	(\$20)
1994	(\$57)	(\$18)
1995		
1996		

Effect of 85% FR Short haul loss

Actual Average Monthly Local Rates Without Vertical Services

Residence	Business
\$9.74	\$30.26

UBP Local and Expanded Local Calling Schedules

	Residence Monthly Flat Rate				Business Monthly Flat Rate				
	UBP	Estimated Effective Allowance	UBP Usage Rates Local	Expanded Local Usage Rates	UBP	Estimated Effective Allowance	UBP Usage Rates Local	Expanded Local Usage Rates	
1993	\$9.74	\$8.40	\$3.80	\$0.013	\$30.26	\$25.00	\$3.81	\$0.020	\$0.0795
1994	\$9.74	\$8.40	\$3.80	\$0.013	\$30.26	\$25.00	\$3.81	\$0.020	\$0.0795
1995									
1996									

	Residence Cap	Business Cap
1993	\$7.00	\$13.00
1994	\$7.00	\$13.00
1995		
1996		

Usage cap, which applies to existing local area for UBP.

PROPRIETARY

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A B C D

1 D:\123\WKSHTS\FLORIDA\FL2\FLUBP2.WKS

2 23-Apr-92

3 JWB

	Percentage of Long & Short Haul Loss for Base Case (Res and Bus)	Percentage of Long Haul Loss for UBP Case (Res and Bus)	Percentage of Short Haul Toll Lost to Toll Compt, FR only (Res and Bus)	Percentage of ELCA Lost to Toll Compt UBP only (Res and Bus)
--	--	---	---	--

11	1992	n/a	0%	0%	0%
12	1993	n/a			
13	1994	n/a			
14	1995				
15	1996				
16	1997				
17	1998				
18	1999				
19	2000				

Growth Due to Information Age and Advertising

REG & BUS

RES

	c	d	e	f	
	Info Age	IF Age Cum	Advertising	Inf Adv Total	
24	1992	1.0%	1.00%	2.16%	3.16%
25	1993	1.5%	2.50%	1.16%	3.70%
26	1994	2.0%	4.50%	1.18%	5.80%
27	1995				
28	1996				
29	1997				
30	1998				
31	1999				
32	2000				

Business Winbacks For Long Haul Toll (\$000s) Florida

<-----not used

1991 Estimated Local MOU per line

Residence	Business
800	800

<-----used for BAU----->
and UBP cases

Average Rate Per Sw Access Conv Mou (orig+term)

	c	d	e	f
59	1992	\$0.1210		\$0.0847
60	1993	\$0.1210		\$0.0847
61	1994	\$0.1210		\$0.0847
62	1995			
63	1996			
64	1997			
65	1998			
66	1999			
67	2000			

70 STIMULATION EQUATION FOR ELCA: $-(1-((1+GROSS REV REDUCTION)^(1+ELASTICITY)))$

71 RESIDENCE ELCA ELASTICITY: -0.8

72 BUSINESS ELCA ELASTICITY: -0.8

PROPRIETARY

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DA123\WKSHTS\FLORIDA\FL2\FLUBP2.WK3
23-Apr-92
JWB

1 A B C D

2 **OUTPUTS**

3 **PRECOMPETITIVE VIEW TOTAL EFFECTS**

4 (\$000)

5 TOLL----->

6 LONG & SHRT HAUL MTS WATS, 800, TOTAL

7 Residence Business PUB & OCP TOLL

8 1993

9 1994

10 1995

11 1996

13 LOCAL----->

14 Residence Business TOTAL

15 1993 \$424,131 \$407,441 \$831,572

16 1994 \$437,628 \$423,324 \$860,950

17 1995

18 1996

19 TOLL + LOCAL TOTAL

20 1993 \$1,111,792

21 1994 \$1,160,037

22 1995

23 1996

24 A B C D E F

25 **UBP RESPONSE TOTAL EFFECTS**

26 (\$000)

27 TOLL----->

28 REMAINING SHORT LONG HAUL MTS REMAINING

29 HAUL MTS Residence Business Residence Business WATS, 800, TOTAL

30 Residence Business PUB & OCP TOLL

31 1993

32 1994

33 1995

34 1996

34 A B C D

35 **EXPANDED LOCAL CALLING**

36 FROM SHORT FROM WATS, 800, PUB, TOTAL

37 HAUL MTS Residence Business & OCF

38 1993

39 1994

40 1995

41 1996

42 LOCAL----->

43 Old Local Calling Area Old Local Calling Area

44 UBP Revenue Flat Rate Monthly Revenue

45 Residence Business TOTAL Residence Business TOTAL

46 1993 \$13,282 \$11,434 \$24,715 \$412,007 \$396,305 \$808,313

47 1994 \$54,460 \$47,663 \$102,123 \$388,101 \$377,045 \$765,146

48 1995

49 1996

50 A B C D E F G H I

51 **SWITCHED ACCESS REVENUE**

52 From Expanded From From From From From From

53 Local WATS, 800, Remaining Long Haul Long Haul

54 Calling PUB & OCF Short Haul MTS Toll Toll

55 Residence Business Exp Local Res Business Residence Business Grand Total

56 1993

57 1994

58 1995

59 1996

59 A B C D E F G

60 **UBP SUMMARY**

61 Old Local Flat Rate Exp Local Remaining Switched

62 UDP Rev Mo Rev Usage Rev Toll Rev Access

63 1993 \$24,715 \$808,313 Revenue

64 1994 \$102,123 \$765,146

65 1995

66 1996

67 **UBP PLAN TOTAL EFFECT**

68 **Switched Access MOU (000)**

PROPRIETARY

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A B C D E F

1 PRECOMPETITIVE VIEW, WITHOUT LONG HAUL TOLL EFFECTS

2 (\$000)

3 SHORT HAUL TOLL ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCF	TOTAL
4 1993						
5 1994						
6 1995						
7 1996						

9 LOCAL ----->

	Residence	Business	TOTAL
10 1993	\$424,131	\$407,441	\$831,572
11 1994	\$437,626	\$423,324	\$860,950
12 1995			
13 1996			

14 A

15 TOTAL TOLL + LOCAL

16 1993

17 1994

18 1995

19 1996

A B C D E F

20 ~~UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS~~

21 (\$000)

22 SHORT HAUL TOLL TO ELCA ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCF	TOTAL
23 1993						
24 1994						
25 1995						
26 1996						

28 SWITCHED ACCESS FROM TOLL ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCF	TOTAL
29 1993						
30 1994						
31 1995						
32 1996						

34 REMAINING SHORT HAUL TOLL ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCF	TOTAL
35 1993						
36 1994						
37 1995						
38 1996						

40 SWITCHED ACCESS FROM ELCA ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCF	TOTAL
41 1993						
42 1994						
43 1995						
44 1996						

46 LOCAL ----->

	Old Local Calling Area		Old Local Calling Area		TOTAL
	UBP Revenue		Flat Rate Monthly Revenue		
	Residence	Business	Residence	Business	
47 1993	\$13,282	\$11,434	\$412,007	\$396,305	\$633,026
48 1994	\$54,460	\$47,663	\$388,101	\$377,045	\$867,269
49 1995					
50 1996					

54 A

54 TOTAL TOLL + SWITCHED ACCESS + LOCAL

55 1993

56 1994

57 1995

58 1996

PROPRIETARY

A B C

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~~PRECOMPETITIVE VS. UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS~~
(5000)

RESIDENCE ONLY EFFECTS			
	PRECOMPT	UBP VIEW	DIFFERENCE
1993			
1994			
1995			
1996			

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12
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14

BUSINESS ONLY EFFECTS			
	PRECOMPT	UBP VIEW	DIFFERENCE
1993			
1994			
1995			
1996			

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20

SUM OF RES & BUS			
	PRECOMPT	UBP VIEW	DIFFERENCE
1993			
1994			
1995			
1996			

21

~~PRECOMPETITIVE VS. UBP RESPONSE TOTAL VIEW~~

	PRECOMPT	UBP VIEW	DIFFERENCE
1993			
1994			
1995			
1996			

PROPRIETARY

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Plan 2

This is an optional plan for residence and business customers. The plan is designed to be attractive for short haul toll users rather than the average local user. The designed plan is expected to yield the following results. (Note that these entire calculations are best estimates only.)

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	A	B	C	D	E	F	G	H
	RESIDENCE				BUSINESS			
	REG UBP	Total UBP	Percent	Percent	BUS UBP	Total UBP	Percent	Percent
	Potential	Penetration	of Short Haul	of Short Haul	Potential	Penetration	of Short Haul	of Short Haul
	Local	Utilized In	Toll MOU	Toll MOU	Local	Utilized In	Toll MOU	Toll MOU
	% Savers	Calculations	to ELCA	to ELCA	% Savers	Calculations	to ELCA	to ELCA
	Avg Mo Bill				Avg Mo Bill			
	Per Line				Per Line			
	Res				Bus			
11 1993	\$10.87	41%	3%		\$31.07	35%	3%	
12 1994	\$10.71	41%	11%		\$31.17	31%	11%	
13 1995								
14 1996								

The phase-in percentages are shown below. In reference to the above percentages, this means, that only 8% of the maximum achievable residence percentage would be achieved in 1993.

If no phase-in were used, the realizable percentage would be 38% as shown for 1996.

	Residence	Business
1993	8%	8%
1994	30%	30%
1995		
1996		

The rate schedule is shown in the attached. Note that broad averages are shown rather than a schedule by rate group, time of day or initial and additional minutes. A more "tariff-like" schedule can be developed from these rate levels.

Shown below are the revenue effects by year. These effects are the UBP responses to 1+ competition minus the precompetitive view. A negative value indicates that this is a revenue shortfall.

	Total Revenue Effect (millions)	Old Local & Expanded Local Only (millions)
1993	\$41	\$78
1994	\$30	\$68
1995		
1996		

Effect of 15% FR Shorthaul loss

Actual Average Monthly Local Rates Without Vertical Services

Residence	Business
\$9.74	\$30.26

UBP Local and Expanded Local Calling Schedules

	Residence			Business		
	Monthly Flat Rate	Estimated Effective Rate	UBP Usage Allowance Local	Monthly Flat Rate	Estimated Effective Rate	UBP Usage Allowance Local
1993	\$9.74	\$8.40	\$3.80	\$30.26	\$25.00	\$3.81
1994	\$9.74	\$8.40	\$3.80	\$30.26	\$25.00	\$3.81
1995						
1996						

	Residence Cap	Business Cap
1993	\$7.00	\$13.00
1994	\$7.00	\$13.00
1995		
1996		

Usage cap, which applies to existing local area for UBP.

PROPRIETARY

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A B C D

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 2 23-Apr-92
 3 JWB

WFLTS

4 Percentage of Long & Short Haul Loss for Base Case (Res and Bus)
 5 Percentage of Long Haul Loss for UBP Case (Res and Bus)
 6 Percentage of Short Haul Toll Lost to Toll Compt, FR only (Res and Bus)
 7 Percentage of ELCA Lost to Toll Compt UBP only (Res and Bus)

11	1992	n/a	0%	0%	0%
12	1993	n/a			
13	1994	n/a			
14	1995				
15	1996				
16	1997				
17	1998				
18	1999				
19	2000				

Growth Due to Information Age and Advertising

RES & BUS

RES

	c	d	e	f
	Info Age	Info Age Cum	Advertising	Int+Adv Total
24	1992	1.0%	1.0%	2.16%
25	1993	1.5%	2.5%	3.70%
26	1994	2.0%	4.5%	5.80%
27	1995			
28	1996			
29	1997			
30	1998			
31	1999			
32	2000			

34 Business Winbacks For Long Haul Toll (\$000s)
 35 Florida
 36
 37
 38
 39
 40
 41
 42
 43
 44
 45
 46
 47
 48

49 1991 Estimated Local MOU per line
 50 Residence Business
 51 800 800
 52 <-----used for BAU----->
 53 and UBP cases

54 Average Rate For Sw Access Conv Mou (orig+term)

	c	d	e	f
59	1992	\$0.1210		\$0.0847
60	1993	\$0.1210		\$0.0847
61	1994	\$0.1210		\$0.0847
62	1995			
63	1996			
64	1997			
65	1998			
66	1999			
67	2000			

70 STIMULATION EQUATION FOR ELCA: $-(1-((1+GROSS REV REDUCTION)^(1+ELASTICITY)))$
 71 RESIDENCE ELCA ELASTICITY: -0.8
 72 BUSINESS ELCA ELASTICITY: -0.8

PROPRIETARY

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D:\123\WKSHTS\FLORIDA\FL2\FLUBP2.WKS
23-Apr-92
JWB

1 A B C D

2 **OUTPUTS**

3

4 **PRECOMPETITIVE VIEW TOTAL EFFECTS**

5 (\$000)

6 TOLL----->

7 LONG & SHRT HAUL MTS WATS,800, TOTAL

8 Residence Business PUB & OCP TOLL

9 1993

10 1994

11 1995

12 1996

13 LOCAL----->

14 Residence Business TOTAL

15 1993 \$424,131 \$407,441 \$831,572

16 1994 \$437,626 \$423,324 \$860,950

17 1995

18 1996

19 TOLL + LOCAL TOTAL

20 1993 \$1,111,792

21 1994 \$1,160,037

22 1995

23 1996

24 A B C D E F

25 **UBP RESPONSE TOTAL EFFECTS**

26 (\$000)

27 TOLL----->

28 REMAINING SHORT LONG HAUL MTS REMAINING

29 HAUL MTS HAUL MTS WATS,800, TOTAL

30 Residence Business Residence Business PUB & OCP TOLL

31 1993

32 1994

33 1995

34 1996

34 A B C D

35 **EXPANDED LOCAL CALLING**

36 FROM SHORT FROM WATS,

37 HAUL MTS 800, PUB, TOTAL

38 Residence Business & OCP

39 1993

40 1994

41 1995

42 1996

42 LOCAL----->

43 Old Local Calling Area Old Local Calling Area

44 UBP Revenue Flat Rate Monthly Revenue

45 Residence Business TOTAL Residence Business TOTAL

46 1993 \$13,282 \$11,434 \$24,715 \$412,007 \$396,305 \$808,313

47 1994 \$34,460 \$47,663 \$102,123 \$386,101 \$377,045 \$763,146

48 1995

49 1996

50 A B C D E F G H I

51 **SWITCHED ACCESS REVENUE**

52 From Expanded From From From From From From From

53 Local WATS,800, Remaining WATS,800 Long Haul Long Haul

54 Calling PUB & OCP Short Haul MTS PUB & OCP Toll Toll Toll

55 Residence Business Exp Local Res Business Residence Business Grand Total

56 1993

57 1994

58 1995

59 1996

59 A B C D E F G

60 **UBP SUMMARY**

61 Old Local Flat Rate Exp Local Remaining Switched

62 UBP Rev Mo Rev Usage Rev Toll Rev Access

63 1993 \$24,715 \$808,313 Revenue

64 1994 \$102,123 \$765,146

65 1995

66 1996

67 UBP PLAN

68 TOTAL EFFECT

69 (000)

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	A	B	C	D	E	F
PRECOMPETITIVE VIEW WITHOUT LONG HAUL TOLL EFFECTS						
(S000)						
SHORT HAUL TOLL----->						
	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1	1993					
2	1994					
3	1995					
4	1996					
5						
6						
7						
8						
9	LOCAL----->					
	Residence	Business				TOTAL
10	1993	\$424,131	\$407,441			\$831,572
11	1994	\$437,626	\$423,324			\$860,950
12	1995					
13	1996					
14	TOTAL TOLL + LOCAL					
15	1993					
16	1994					
17	1995					
18	1996					
19						
20	UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS					
21	(S000)					
22	SHORT HAUL TOLL TO ELCA----->					
23	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
24	1993					
25	1994					
26	1995					
27	1996					
28	SWITCHED ACCESS FROM TOLL----->					
29	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
30	1993					
31	1994					
32	1995					
33	1996					
34	REMAINING SHORT HAUL TOLL----->					
35	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
36	1993					
37	1994					
38	1995					
39	1996					
40	SWITCHED ACCESS FROM ELCA----->					
41	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
42	1993					
43	1994					
44	1995					
45	1996					
46	LOCAL----->					
	Old Local Calling Area		Old Local Calling Area			
	UBP Revenue		Flat Rate Monthly Revenue			
	Residence	Business	Residence	Business	TOTAL	
47	1993	\$13,282	\$11,434	\$412,007	\$396,305	\$833,028
48	1994	\$54,460	\$47,663	\$388,101	\$377,045	\$867,269
49	1995					
50	1996					
51	TOTAL TOLL + SWITCHED ACCESS + LOCAL					
52	1993					
53	1994					
54	1995					
55	1996					

PROPRIETARY

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PRECOMPETITIVE VS UBP RESPONSE WITHOUT LONG HAUL TO BE EFFECTS			
(\$000)			
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3	RESIDENCE ONLY EFFECTS		
4	PRECOMPT	UBP VIEW	DIFFERENCE
5	1993		
6	1994		
7	1995		
8	1996		
9	BUSINESS ONLY EFFECTS		
10	PRECOMPT	UBP VIEW	DIFFERENCE
11	1993		
12	1994		
13	1995		
14	1996		
15	SUM OF RES & BUS		
16	PRECOMPT	UBP VIEW	DIFFERENCE
17	1993		
18	1994		
19	1995		
20	1996		

21 PRECOMPETITIVE VS UBP RESPONSE TOTAL VIEW

22	PRECOMPT	UBP VIEW	DIFFERENCE
23	1993		
24	1994		
25	1995		
26	1996		

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Plan 3

This is an optional plan for residence and business customers. The plan is designed to be attractive for short haul toll users rather than the average local user. The designed plan is expected to yield the following results. (Note that these entire calculations are best estimates only.)

	RESIDENCE				BUSINESS			
	A	B	C	D	E	F	G	H
	RES UBP	Total UBP	Percent	Percent	BUS UBP	Total UBP	Percent	Percent
	Potential	Utilized in	of Short Haul	of Short Haul	Potential	Utilized in	of Short Haul	of Short Haul
	Local	Calculations	Toll MOU	Toll MOU	Local	Calculations	Toll MOU	Toll MOU
	% Savers		to ELCA	to ELCA	% Savers		to ELCA	to ELCA
11 1993	\$10.67	41%	3%	3%	\$31.07	35%	3%	3%
12 1994	\$10.71	41%	11%	11%	\$31.17	31%	11%	11%
13 1995								
14 1996								

OK to disclose (not proprietary)

The phase-in percentages are shown below. In reference to the above percentages, this means, that only 8% of the maximum achievable residence percentage would be achieved in 1993.

If no phase-in were used, the realizable percentage would be 38% as shown for 1996.

	Residence	Business
1993	8%	8%
1994	30%	30%
1995		
1996		

The rate schedule is shown in the attached. Note that broad averages are shown rather than a schedule by rate group, time of day or initial and additional minutes. A more "tariff-like" schedule can be developed from these rate levels.

Shown below are the revenue effects by year. These effects are the UBP response to 1+ competition minus the precompetitive view. A negative value indicates that this is a revenue short fall.

	Total Revenue Effect (millions)	Old Local & Expanded Local Only (millions)
1993	\$62	\$100
1994	\$49	\$89
1995		
1996		

Actual Average Monthly Local Rates Without Vertical Services
~~Residence Business~~
 \$9.74 \$30.26

UBP Local and Expanded Local Calling Schedules

	Residence Monthly				Business Monthly			
	Flat Rate	UBP	Estimated Effective Allowance	UBP Usage Rates Local	Flat Rate	UBP	Estimated Effective Allowance	UBP Usage Rates Local
1993	\$9.74	\$8.40	\$3.80	\$0.013	\$30.26	\$25.00	\$3.81	\$0.020
1994	\$9.74	\$8.40	\$3.80	\$0.013	\$30.26	\$25.00	\$3.81	\$0.020
1995								
1996								

	Residence	Business
1993	\$7.00	\$13.00
1994	\$7.00	\$13.00
1995		
1996		

Usage cap, which applies to existing local area for UBP.

PROPRIETARY

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A B C D

1 D:\123\WKSHTS\FLORIDA\FL3\FLUBP3.WK3
 2 23-Apr-92 **INPUTS**
 3 JWB
 4 Percentage of Percentage of Percentage of Percentage of
 5 Long & Short Long Haul Short Haul Toll ELCA Lost to
 6 Haul Loss for Loss for Lost to Toll Toll Compt
 7 Base Case UBP Case Compt, FR only UBP only
 8 (Res and Bus) (Res and Bus) (Res and Bus) (Res and Bus)

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	Growth Due to Information Age and Advertising			
	RES & BUS		RES	
	c	d	e	f
	Info Age	IF Age Gum	Advertising	Inf+Adv Total
1992	1.0%	1.40%	2.16%	3.16%
1993	1.5%	2.61%	1.16%	3.70%
1994	2.0%	1.57%	1.18%	5.00%
1995				
1996				
1997				
1998				
1999				
2000				

Business Winbacks
 For Long Haul Toll (\$000s) <-----not used
 Florida

1991 Estimated Local MOU per line
 Residence Business
 800 800
 <-----used for BAU----->
 and UBP cases

Average Rate
 Per Sw Access
 Conv Mou
 (orig+term)

	c	d	e	f
1992	\$0.1210		\$0.0847	
1993	\$0.1210		\$0.0847	
1994	\$0.1210		\$0.0847	
1995				
1996				
1997				
1998				
1999				
2000				

70 STIMULATION EQUATION FOR ELCA: $-(1-((1+GROSS REV REDUCTION)^(1+ELASTICITY)))$
 71 RESIDENCE ELCA ELASTICITY: -0.8
 72 BUSINESS ELCA ELASTICITY: -0.8

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~~OUTPUTS~~

~~PRECOMPETITIVE VIEW TOTAL EFFECTS~~
(\$000)

TOLL----->			
LONG & SHRT HAUL MTS	WATS,800, PUB & OCP	TOTAL TOLL	
Residence	Business		
1993			
1994			
1995			
1996			

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LOCAL----->

Residence	Business	TOTAL	
1993	\$424,131	\$407,441	\$831,572
1994	\$437,028	\$423,324	\$860,950
1995			
1996			

TOLL + LOCAL TOTAL

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A B C D E F

~~UBP RESPONSE TOTAL EFFECTS~~
(\$000)

TOLL----->					
REMAINING SHORT HAUL MTS	LONG HAUL MTS	REMAINING WATS,800, PUB & OCP		TOTAL TOLL	
Residence	Business	Residence	Business		
1993					
1994					
1995					
1996					

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A B C D

EXPANDED LOCAL CALLING----->

FROM SHORT HAUL MTS	FROM WATS, 800, PUB, & OCP	TOTAL	
Residence	Business		
1993			
1994			
1995			
1996			

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LOCAL----->

Old Local Calling Area UBP Revenue			Old Local Calling Area Flat Rate Monthly Revenue			
Residence	Business	TOTAL	Residence	Business	TOTAL	
1993	\$13,282	\$11,434	\$24,715	\$412,007	\$396,305	\$808,313
1994	\$54,460	\$47,663	\$102,123	\$388,101	\$377,045	\$765,146
1995						
1996						

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A B C D E F G H I

SWITCHED ACCESS REVENUE----->

From Expanded Local Calling	From WATS,800, PUB & OCP Exp Local	From Remaining Short Haul MTS Res	From Business	From WATS,800 PUB & OCP	From Long Haul Toll	From Long Haul Toll	Grand Total
Residence	Business				Residence	Business	
1993							
1994							
1995							
1996							

59

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A B C D E F G

UBP SUMMARY

Old Local UBP Rev	Flat Rate Mo Rev	Exp Local Usage Rev	Remaining Toll Rev	Switched Access Revenue	UBP PLAN TOTAL EFFECT	Switched Access MOU (000)
1993	\$24,715	\$808,313				
1994	\$102,123	\$765,146				
1995						
1996						

PROPRIETARY

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A B C D E F

PRECOMPETITIVE VIEW WITHOUT LONG HAUL TOLL EFFECTS

(\$000)

SHORT HAUL TOLL----->

RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

LOCAL----->

Residence Business TOTAL

1993	\$424,131	\$407,441	\$831,572
1994	\$437,626	\$423,324	\$860,950
1995			
1996			

TOTAL TOLL + LOCAL

1993
1994
1995
1996

A B C D E F

UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS

(\$000)

SHORT HAUL TOLL TO ELCA----->

RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

SWITCHED ACCESS FROM TOLL----->

RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

REMAINING SHORT HAUL TOLL----->

RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

SWITCHED ACCESS FROM ELCA----->

RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

1993
1994
1995
1996

LOCAL----->

	Old Local Calling Area		Old Local Calling Area		TOTAL
	Residence	Business	Residence	Business	
1993	\$13,282	\$11,434	\$412,007	\$398,305	\$833,028
1994	\$54,460	\$47,663	\$398,101	\$377,045	\$867,269
1995					
1996					

TOTAL TOLL + SWITCHED ACCESS + LOCAL

1993
1994
1995
1996

PROPRIETARY

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A B C

1 ~~PRECOMPETITIVE VS UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS~~
2 (\$000)

RESIDENCE ONLY EFFECTS		
PRECOMPT	UBP VIEW	DIFFERENCE
3 1993		
4 1994		
5 1995		
6 1996		

BUSINESS ONLY EFFECTS		
PRECOMPT	UBP VIEW	DIFFERENCE
7 1993		
8 1994		
9 1995		
10 1996		

SUM OF RES & BUS		
PRECOMPT	UBP VIEW	DIFFERENCE
11 1993		
12 1994		
13 1995		
14 1996		

A B C

15 ~~PRECOMPETITIVE VS UBP RESPONSE TOTAL VIEW~~

PRECOMPT	UBP VIEW	DIFFERENCE
16 1993		
17 1994		
18 1995		
19 1996		

PROPRIETARY

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Plan 4

This is an optional plan for residence and mandatory for business customers. For residence customers, the plan is designed to be attractive for short haul toll users rather than the average local user. The designed plan is expected to yield the following results. (Note that these entire calculations are best estimates only.)

	RESIDENCE				BUSINESS			
	A	B	C	D	E	F	G	H
	Avg Mo Bill Per Line Res	Potential Local % Savers	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA	Avg Mo Bill Per Line Bus	BUS UBP Potential Local % Savers	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA
11 1993	\$10.67	41%	3%		\$31.38	100%	100%	
12 1994	\$10.71	41%	11%		\$31.53	100%	100%	
13 1995								
14 1996								

The phase-in percentages are shown below. In reference to the above percentages, this means, that only 8% of the maximum achievable residence percentage would be achieved in 1993.

If no phase-in were used, the realizable percentage would be 38% as shown for 1996.

	Residence	Business
1993	8%	100%
1994	30%	100%
1995		
1996		

The rate schedule is shown in the attached. Note that broad averages are shown rather than a schedule by rate group, time of day or initial and additional minutes. A more "tariff-like" schedule can be developed from these rate levels.

Shown below are the revenue effects by year. These effects are the UBP response to 1+ competition minus the precompetitive view. A negative value indicates that this is a revenue shortfall.

	Total Revenue Effect (millions)	Old Local & Expanded Local Only (millions)
1993	\$26	\$64
1994	\$32	\$72
1995		
1996		

Actual Average Monthly Local Rates Without Vertical Services

Residence	Business
\$9.74	\$30.26

UBP Local and Expanded Local Calling Schedules

	Residence Monthly Flat Rate					Business Monthly Flat Rate				
	UBP	Estimated Allowance	UBP Effective Rates	Usage Local Rates	Expanded Local Usage Rates	UBP	Estimated Allowance	UBP Effective Rates	Usage Local Rates	Expanded Local Usage Rates
1993	\$9.74	\$8.40	\$3.80	\$0.013	\$0.0565	n/a	\$24.00	\$5.40	\$0.020	\$0.0795
1994	\$9.74	\$8.40	\$3.80	\$0.013	\$0.0565	n/a	\$24.00	\$5.40	\$0.020	\$0.0795
1995										
1996										

	Residence Cap	Business Cap
1993	\$7.00	\$15.00
1994	\$7.00	\$15.00
1995		
1996		

Usage cap, which applies to existing local area for UBP.

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A B C D

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2 23-Apr-92

3 JWB

INPUTS

	Percentage of Long & Short Haul Loss for Base Case (Res and Bus)	Percentage of Long Haul Loss for UBP Case (Res and Bus)	Percentage of Short Haul Toll Lost to Toll Compt. FR only (Res and Bus)	Percentage of ELCA Lost to Toll Compt UBP only (Res and Bus)
--	--	---	---	--

11	1992	n/a	0%	0%	0%
12	1993	n/a			
13	1994	n/a			
14	1995				
15	1996				
16	1997				
17	1998				
18	1999				
19	2000				

Growth Due to Information Age and Advertising

RES & BUS

RES

	c Info Age	d IF Age Gum	e Advertising	f Inf+Adv Total	
24	1992	1.0%	1.00%	2.16%	3.18%
25	1993	1.5%	1.1%	1.16%	2.70%
26	1994	2.0%	1.5%	1.18%	2.80%
27	1995				
28	1996				
29	1997				
30	1998				
31	1999				
32	2000				

A B

Business Winbacks For Long Haul Toll (\$000s) Florida

<-----not used

38	1992
39	1993
40	1994
41	1995
42	1996
43	1997
44	1998
45	1999
46	2000

1991 Estimated Local MOU per line

Residence Business

600 800

<-----used for BAU-----> and UBP cases

Average Rate Per Sw Access Conv Mou (orig+term)

	c	d	e	f
59	1992	\$0.1210		\$0.0847
60	1993	\$0.1210		\$0.0847
61	1994	\$0.1210		\$0.0847
62	1995			
63	1996			
64	1997			
65	1998			
66	1999			
67	2000			

70 STIMULATION EQUATION FOR ELCA: -(1-(((1+ GROSS REV REDUCTION)^(1+ ELASTICITY))))

71 RESIDENCE ELCA ELASTICITY: -0.8

72 BUSINESS ELCA ELASTICITY: -0.8

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1 A B C D

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23-Apr-92
JWB

OUTPUTS

PRECOMPETITIVE VIEW TOTAL EFFECTS
(\$000)

4 TOLL----->
5 LONG & SHRT HAUL MTS WATS,800, TOTAL
6 Residence Business PUB & OCP TOLL

- 7 1993
- 8 1994
- 9 1995
- 10 1996

13 LOCAL----->

14 Residence Business TOTAL
15 1993 \$424,131 \$407,441 \$831,572
16 1994 \$437,620 \$423,324 \$860,950
17 1995
18 1996

19 TOLL + LOCAL TOTAL

- 20 1993
- 21 1994
- 22 1995
- 23 1996

A B C D E F

UBP RESPONSE TOTAL EFFECTS
(\$000)

24 TOLL----->
25 REMAINING SHORT LONG HAUL MTS REMAINING
26 HAUL MTS WATS,800, TOTAL
27 Residence Business Residence Business PUB & OCP TOLL

- 28 1993
- 29 1994
- 30 1995
- 31 1996

A B C D

EXPANDED LOCAL CALLING

34 FROM SHORT FROM WATS,
35 HAUL MTS 800, PUB, TOTAL
36 Residence Business & OCP

- 37 1993
- 38 1994
- 39 1995
- 40 1996

42 LOCAL----->

Old Local Calling Area Old Local Calling Area
UBP Revenue Flat Rate Monthly Revenue
Residence Business TOTAL Residence Business TOTAL
1993 \$13,282 \$420,028 \$433,310 \$412,007 \$79,442 \$491,449
1994 \$54,460 \$438,627 \$492,987 \$388,101 \$82,538 \$470,640
1995
1996

A B C D E F G H I

SWITCHED ACCESS REVENUE

From Expanded From From From From From From
Local WATS,800, Remaining From From From
Calling PUB & OCP Short Haul MTS WATS,800 Long Haul Long Haul
Residence Business Exp Local Res Business PUB & OCP Toll Toll
Grand Total

- 55 1993
- 56 1994
- 57 1995
- 58 1996

A B C D E F G

UBP SUMMARY

Old Local Flat Rate Exp Local Remaining Switched
UBP Rev Mo Rev Usage Rev Toll Rev Access
Revenue

- 62 1993 \$433,310 \$491,449
- 63 1994 \$492,987 \$470,640
- 64 1995
- 65 1996

Switched Access MOU (000)

PROPRIETARY

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A B C D E F

~~PRECOMPETITIVE VIEW WITHOUT LONG HAUL TOLL EFFECTS~~

SHORT HAUL TOLL----->
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

5 1993
6 1994
7 1995
8 1996

9 LOCAL----->
Residence Business TOTAL

1 1993 \$424,131 \$407,441 \$831,572
1 1994 \$437,626 \$423,324 \$860,950

14 1996

TOTAL TOLL + LOCAL

16 1993
17 1994
18 1995
19 1996

A B C D E F

~~USP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS~~

SHORT HAUL TOLL TO ELCA----->
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

24 1993
25 1994
26 1995
27 1996

28 SWITCHED ACCESS FROM TOLL----->
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

30 1993
31 1994
32 1995
33 1996

34 REMAINING SHORT HAUL TOLL----->
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

36 1993
37 1994
38 1995
39 1996

40 SWITCHED ACCESS FROM ELCA----->
RESIDENCE BUSINESS WATS 800 SVC OCP TOTAL

42 1993
43 1994
44 1995
45 1996

46 LOCAL----->
Old Local Calling Area Old Local Calling Area
USP Revenue Flat Rate Monthly Revenue
Residence Business Residence Business TOTAL

1993 \$13,282 \$420,028 \$412,007 \$79,442 \$924,759
1994 \$54,460 \$438,527 \$388,101 \$92,538 \$983,628

53 1996

TOTAL TOLL + SWITCHED ACCESS + LOCAL

55 1993
56 1994
57 1995
58 1996

PROPRIETARY

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A B C

~~1 PRECOMPETITIVE VS UBP RESPONSE WITHOUT LONG HAUL TOLE EFFECTS~~
~~2 (5000)~~

3 RESIDENCE ONLY EFFECTS
 4 PRECOMPT UBP VIEW DIFFERENCE

5 1993
 6 1994
 7 1995
 8 1996

9 BUSINESS ONLY EFFECTS
 10 PRECOMPT UBP VIEW DIFFERENCE

11 1993
 12 1994
 13 1995
 14 1996

15 SUM OF RES & BUS
 16 PRECOMPT UBP VIEW DIFFERENCE

17 1993
 18 1994
 19 1995
 20 1996

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~~21 PRECOMPETITIVE VS UBP RESPONSE TOTAL VIEW~~

22 PRECOMPT UBP VIEW DIFFERENCE

23 1993
 24 1994
 25 1995
 26 1996

PROPRIETARY

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Plan 5

This is an optional plan for residence and mandatory for business customers. For residence customers, the plan is designed to be attractive for short haul toll users rather than the average local user. The designed plan is expected to yield the following results. (Note that these entire calculations are best estimates only.)

1 2 5 6 7 1 11 12 13 14	RESIDENCE				BUSINESS			
	A	B	C	D	E	F	G	H
	Avg Mo Bill Per Line Rec	RES UBP Potential Local % Savers	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA	Avg Mo Bill Per Line Bus	BUS UBP Potential Local % Savers	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA
11 1993	\$10.67	41%		3%	\$31.38	100%		100%
12 1994	\$10.71	41%		11%	\$31.53	100%		100%
13 1995								
14 1996								

The phase-in percentages are shown below. In reference to the above percentages, this means, that only 8% of the maximum achievable residence percentage would be achieved in 1993.

If no phase-in were used, the realizable percentage would be 38% as shown for 1996.

	Residence	Business
1993	8%	100%
1994	30%	100%
1995		
1996		

The rate schedule is shown in the attached. Note that broad averages are shown rather than a schedule by rate group, time of day or initial and additional minutes. A more 'tariff-like' schedule can be developed from these rate levels.

Shown below are the revenue effects by year. These effects are the UBP response to 1+ competition minus the precompetitive view. A negative value indicates that this is a revenue short fall.

	Total Revenue Effect (millions)	Old Local & Expanded Local Only (millions)
1993	\$28	\$64
1994	\$32	\$72
1995		
1996		

Actual Average Monthly Local Rates Without Vertical Services

Residence: \$9.74 Business: \$30.28

UBP Local and Expanded Local Calling Schedules

	Residence Monthly				Business Monthly			
	Flat Rate	UBP	Estimated Effective Rate Allowance	UBP Usage Local Rates	Flat Rate	UBP	Estimated Effective Rate Allowance	UBP Usage Local Rates
1993	\$9.74	\$8.40	\$3.80	\$0.013	n/a	\$24.00	\$5.40	\$0.020
1994	\$9.74	\$8.40	\$3.80	\$0.013	n/a	\$24.00	\$5.40	\$0.020
1995								
1996								

Residence Business Cap Cap

1993	\$7.00	\$15.00
1994	\$7.00	\$15.00
1995		
1996		

Usage cap, which applies to existing local area for UBP.

PROPRIETARY

PROPRIETARY

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2 23-Apr-92

3 JWB

4 **INPUTS**

5 Percentage of Long & Short Haul Loss for Base Case (Res and Bus)

6 Percentage of Long Haul Loss for UBP Case (Res and Bus)

7 Percentage of Short Haul Toll Lost to Toll Compt. FR only (Res and Bus)

8 Percentage of ELCA Lost to Toll Compt UBP only (Res and Bus)

11	1992	n/a	0%	0%	0%
12	1993	n/a			
13	1994	n/a			
14	1995				
15	1996				
16	1997				
17	1998				
18	1999				
19	2000				

Growth Due to Information Age and Advertising

	RES & BUS		RES		
	c	d	e	f	
	Info Age	IF Age Cum	Advertising	Inf+Adv.Total	
24	1992	1.0%	1.00%	2.16%	3.18%
25	1993	1.5%	2.51%	1.16%	4.78%
26	1994	2.0%	4.57%	1.18%	6.80%
27	1995				
28	1996				
29	1997				
30	1998				
31	1999				
32	2000				

34 **Business Winbacks For Long Haul Toll (\$000s) Florida**

35 A B

36 <-----not used

49 **1991 Estimated Local MOU per line**

50 Residence Business

51 800 800

52 <-----used for BAU----->

53 and UBP cases

54 **Average Rate Per Sw Access Conv Mou (orig+term)**

	c	d	e	f
59	1992	\$0.1210		\$0.0847
60	1993	\$0.1210		\$0.0847
61	1994	\$0.1210		\$0.0847
62	1995			
63	1996			
64	1997			
65	1998			
66	1999			
67	2000			

70 STIMULATION EQUATION FOR ELCA: $-(1-((1+GROSS REV REDUCTION) \wedge (1+ELASTICITY)))$

71 RESIDENCE ELCA ELASTICITY: -0.8

72 BUSINESS ELCA ELASTICITY: -0.8

PROPRIETARY

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D:\123\WKSHTS\FLORIDA\FL5\FLUBP5.WK3
23-Apr-92
JWB

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	A	B	OUTPUT C	D
PRECOMPETITIVE VIEW TOTAL EFFECTS				
(\$000)				
TOLL----->				
	LONG & SHRT HAUL MTS		WATS,800,	TOTAL
	Residence	Business	PUB & OCP	TOLL
1993				
1994				
1995				
1996				

13

	LOCAL----->		
	Residence	Business	TOTAL
1993	\$424,131	\$407,441	\$831,572
1994	\$437,626	\$423,324	\$860,950
1995			
1996			

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TOLL + LOCAL TOTAL

24

	A	B	C	D	E	F
UBP RESPONSE TOTAL EFFECTS						
(\$000)						
TOLL----->						
	REMAINING SHORT HAUL MTS		LONG HAUL MTS		REMAINING WATS,800, PUB & OCP	TOTAL TOLL
	Residence	Business	Residence	Business		
30 1993						
31 1994						
32 1995						
33 1996						

34

	A	B	C	D
EXPANDED LOCAL CALLING FROM SHORT HAUL MTS				
	Residence	Business	FROM WATS, 800, PUB, & OCP	TOTAL
38 1993				
39 1994				
40 1995				
41 1996				

42

	LOCAL----->			LOCAL----->		
	Old Local Calling Area			Old Local Calling Area		
	UBP Revenue			Flat Rate Monthly Revenue		
	Residence	Business	TOTAL	Residence	Business	TOTAL
1993	\$13,282	\$420,028	\$433,310	\$412,007	\$78,442	\$491,449
1994	\$54,460	\$438,527	\$492,987	\$388,101	\$82,538	\$470,640
1995						
1996						

49

	A	B	C	D	E	F	G	H	I	
SWITCHED ACCESS REVENUE										
	From Expanded Local Calling		From WATS,800, PUB & OCP		From Remaining Short Haul MTS		From WATS,800 PUB & OCP	From Long Haul Toll	From Long Haul Toll	Grand Total
	Residence	Business	Exp Local	Res	Business		Residence	Business		
55 1993										
56 1994										
57 1995										
58 1996										

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	A	B	C	D	E	F	G
UBP SUMMARY							
	Old Local UBP Rev	Flat Rate Mo Rev	Exp Local Usage Rev	Remaining Toll Rev	Switched Access Revenue	UBP PLAN TOTAL EFFECT	Switched Access MOU (000)
1993	\$433,310	\$491,449					
1994	\$492,987	\$470,640					
1995							
1996							

PROPRIETARY

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	A	B	C	D	E	F
PRECOMPETITIVE VIEW WITHOUT LONG HAUL TOLL EFFECTS						
(\$000)						
SHORT HAUL TOLL						
	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

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	LOCAL		
	Residence	Business	TOTAL
1993	\$424,131	\$407,441	\$831,572
1994	\$437,626	\$423,324	\$860,950
1995			
1996			

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	TOTAL TOLL + LOCAL		
1993			
1994			
1995			
1996			

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	A	B	C	D	E	F
UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS						
(\$000)						
SHORT HAUL TOLL TO ELCA						
	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

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	SWITCHED ACCESS FROM TOLL					TOTAL
	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	
1993						
1994						
1995						
1996						

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39

	REMAINING SHORT HAUL TOLL					TOTAL
	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	
1993						
1994						
1995						
1996						

40
41
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45

	SWITCHED ACCESS FROM ELCA					TOTAL
	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	
1993						
1994						
1995						
1996						

46
53

	LOCAL				TOTAL
	Old Local Calling Area		Old Local Calling Area		
	UBP Revenue		Flat Rate Monthly Revenue		
	Residence	Business	Residence	Business	
1993	\$13,282	\$420,028	\$412,007	\$79,442	\$924,759
1994	\$54,460	\$438,527	\$388,101	\$82,538	\$963,626
1995					
1996					

54
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58

	TOTAL TOLL + SWITCHED ACCESS + LOCAL		
1993			
1994			
1995			
1996			

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A B C
PRECOMPETITIVE VS UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS
(000)

	PRECOMPT	UBP VIEW	DIFFERENCE
3	RESIDENCE ONLY EFFECTS		
4	PRECOMPT	UBP VIEW	DIFFERENCE
5	1993		
6	1994		
7	1995		
8	1996		
9	BUSINESS ONLY EFFECTS		
10	PRECOMPT	UBP VIEW	DIFFERENCE
11	1993		
12	1994		
13	1995		
14	1996		
15	SUM OF RES & BUS		
16	PRECOMPT	UBP VIEW	DIFFERENCE
17	1993		
18	1994		
19	1995		
20	1996		

A B C
PRECOMPETITIVE VS UBP RESPONSE TOTAL VIEW

	PRECOMPT	UBP VIEW	DIFFERENCE
22			
23	1993		
24	1994		
25	1995		
26	1996		

PROPRIETARY

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A B C D

1 D:\12\WKSHTS\FLORIDA\FL6\FLUBP6.WK3
 2 23-Apr-92
 3 JWB
 4 Percentage of Percentage of Percentage of Percentage of
 5 Long & Short Long Haul Short Haul Toll ELCA Lost to
 6 Haul Loss for Loss for Lost to Toll Toll Compt
 7 Base Case UBP Case Compt, FR only UBP only
 8 (Res and Bus) (Res and Bus) (Res and Bus) (Res and Bus)

11
12
13

11 1992 n/a
 12 1993 n/a
 13 1994 n/a
 14 1995
 15 1996
 16 1997
 17 1998
 18 1999
 19 2000

Growth Due to Information Age and Advertising
 RES & BUS RES

	c	d	e	f
	Info Age	IF Age Cum	Advertising	Inf+Adv Total
24 1992	1.0%	1.00%	2.16%	3.16%
25 1993	1.5%	2.51%	1.16%	3.70%
26 1994	2.0%	4.57%	1.18%	5.80%
27 1995				
28 1996				
29 1997				
30 1998				
31 1999				
32 2000				

38
39
40

34 Business Winbacks
 35 For Long Haul Toll
 36 (\$000e)
 37 Florida
 38 1992
 39 1993
 40 1994
 41 1995
 42 1996
 43 1997
 44 1998
 45 1999
 46 2000

1991 Estimated Local MOU per line
 Residence 800 Business 800
 <-----used for BAU----->
 and UBP cases

Average Rate Per Sw Access Conv Mou (orig+term)

	c	d	e	f
59 1992	\$0.1210		\$0.0847	
60 1993	\$0.1210		\$0.0847	
61 1994	\$0.1210		\$0.0847	
62 1995				
63 1996				
64 1997				
65 1998				
66 1999				
67 2000				

PROPRIETARY

70 STIMULATION EQUATION FOR ELCA: $-(1 - ((1 + \text{GROSS REV REDUCTION})^{(1 + \text{ELASTICITY}))})$
 71 RESIDENCE ELCA ELASTICITY: -0.8
 72 BUSINESS ELCA ELASTICITY: -0.8

Plan G

This is an optional plan for residence and mandatory for business customers. For residence customers, the plan is designed to be attractive for short haul toll users rather than the average local user. The designed plan is expected to yield the following results. (Note that these entire calculations are best estimates only.)

	RESIDENCE				BUSINESS			
	A	B	C	D	E	F	G	H
	Avg Mo Bill Per Line Res	RES UBP Potential Local % Savers	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA	Avg Mo Bill Per Line Bus	BUS UBP Potential Local % Savers	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA
11 1993	\$10.67	41%		3%	\$31.38	100%		100%
12 1994	\$10.71	41%		11%	\$31.53	100%		100%
13 1995								
14 1996								

The phase-in percentages are shown below. In reference to the above percentages, this means, that only 8% of the maximum achievable residence percentage would be achieved in 1993.

If no phase-in were used, the realizable percentage would be 38% as shown for 1996.

	Residence	Business
1993	8%	100%
1994	30%	100%
1995		
1996		

The rate schedule is shown in the attached. Note that broad averages are shown rather than a schedule by rate group, time of day or initial and additional minutes. A more "tariff-like" schedule can be developed from these rate levels.

Shown below are the revenue effects by year. These effects are the UBP response to 1+ competition minus the precompetitive view. A negative value indicates that this is a revenue shortfall.

	Total Revenue Effect (millions)	Old Local & Expanded Local Only (millions)
1993	\$30	\$68
1994	\$36	\$76
1995		
1996		

Actual Average Monthly Local Rates Without Vertical Services

Residence	Business
\$9.74	\$30.26

UBP Local and Expanded Local Calling Schedules

	Residence Monthly Flat Rate					Business Monthly Flat Rate				
	UBP	Estimated Effective Rates	UBP Usage Allowance	Local Rates	Expanded Local Usage Rates	UBP	Estimated Effective Rates	UBP Usage Allowance	Local Rates	Expanded Local Usage Rates
1993	\$9.74	\$8.40	\$3.80	\$0.013	\$0.0565	n/a	\$24.00	\$5.40	\$0.020	\$0.0795
1994	\$9.74	\$8.40	\$3.80	\$0.013	\$0.0565	n/a	\$24.00	\$5.40	\$0.020	\$0.0795
1995										
1996										

Residence Business Usage Cap

	Residence	Business
1993	\$7.00	\$15.00
1994	\$7.00	\$15.00
1995		
1996		

Usage cap, which applies to existing local area for UBP.

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23-Apr-92
JWB

1 A B C D

OUTPUTS

PRECOMPETITIVE VIEW TOTAL EFFECTS
(\$000)

TOLL ----->
LONG & SHRT HAUL MTS WATS,800, TOTAL
Residence Business PUB & OCP TOLL

9 1993
10 1994
11 1995
12 1996

LOCAL ----->

Residence Business TOTAL
1993 \$424,131 \$407,441 \$831,572
1994 \$437,626 \$423,324 \$860,950
1995
1996

13
14
15 1993
16 1994
17 1995
18 1996

TOLL + LOCAL TOTAL

1993 \$1,111,792
1994 \$1,160,037
1995
1996

*do not disclose
(not proprietary)*

A B C D E F

UBP RESPONSE TOTAL EFFECTS
(\$000)

TOLL ----->
REMAINING SHORT LONG HAUL MTS REMAINING TOTAL
HAUL MTS HAUL MTS WATS,800, TOLL
Residence Business Residence Business PUB & OCP

24 1993
25 1994
26 1995
27 1996

A B C D

EXPANDED LOCAL CALLING ----->
FROM SHORT FROM WATS, TOTAL
HAUL MTS HAUL MTS 800, PUB, & OCP
Residence Business

34 1993
35 1994
36 1995
37 1996

LOCAL ----->

Old Local Calling Area Old Local Calling Area
UBP Revenue Flat Rate Monthly Revenue
Residence Business TOTAL Residence Business TOTAL
1993 \$13,282 \$420,028 \$433,310 \$412,007 \$79,442 \$491,449
1994 \$54,460 \$438,527 \$492,987 \$388,101 \$82,538 \$470,640
1995
1996

38
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40
41
42

A B C D E F G H I

SWITCHED ACCESS REVENUE ----->

From Expanded From From From From From From
Local WATS,800, Remaining WATS,800 Long Haul Long Haul
Calling PUB & OCP Short Haul MTS PUB & OCP Toll Long Haul
Residence Business Exp Local Res Business Residence Business Grand Total

55 1993
56 1994
57 1995
58 1996

A B C D E

Old Local Flat Rate Exp Local Remaining Switched
UBP Rev Mo Rev Usage Rev Toll Rev Access
Revenue

59
60
61
62
63 1993
64 1994
65 1995
66 1996

F G
UBP PLAN Switched
TOTAL EFFECT ACCESS
(000)

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A B C D E F

PRECOMPETITIVE VIEW WITHOUT LONG HAUL TOLL EFFECTS
(\$000)

SHORT HAUL TOLL ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

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18
19

A

LOCAL ----->

	Residence	Business	TOTAL
1993	\$424,131	\$407,441	\$831,572
1994	\$437,626	\$423,324	\$860,950
1995			
1996			

TOTAL TOLL + LOCAL

1993						
1994						
1995						
1996						

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A B C D E F

UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS
(\$000)

SHORT HAUL TOLL TO ELCA ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

28
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31
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33

SWITCHED ACCESS FROM TOLL ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

34
35
36
37
38
39

REMAINING SHORT HAUL TOLL ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

40
41
42
43
44
45

A B C D E F

SWITCHED ACCESS FROM ELCA ----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	TOTAL
1993						
1994						
1995						
1996						

46
47
48
49
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51
52
53

LOCAL ----->

	Old Local Calling Area		Old Local Calling Area		TOTAL
	Residence	Business	Residence	Business	
1993	\$13,282	\$420,028	\$412,007	\$79,442	\$924,759
1994	\$54,460	\$438,527	\$388,101	\$82,538	\$963,626
1995					
1996					

54
55
56
57
58

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TOTAL TOLL + SWITCHED ACCESS + LOCAL

1993						
1994						
1995						
1996						

... subsidiaries ... agreement.

A B C

1 ~~PRECOMPETITIVE VS. UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS~~ ~~(\$000)~~

2 RESIDENCE ONLY EFFECTS

3 PRECOMPT UBP VIEW DIFFERENCE

4 1993

5 1994

6 1995

7 1996

8 BUSINESS ONLY EFFECTS

9 PRECOMPT UBP VIEW DIFFERENCE

10 1993

11 1994

12 1995

13 1996

14 SUM OF RES & BUS

15 PRECOMPT UBP VIEW DIFFERENCE

16 1993

17 1994

18 1995

19 1996

20 ~~PRECOMPETITIVE VS. UBP RESPONSE TOTAL VIEW~~

A B C

21 PRECOMPT UBP VIEW DIFFERENCE

22 1993

23 1994

24 1995

25 1996

BOLLSOUTH

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100. 11 100 up 100
2. 11 100 up 100

1 01 1111

Plan 1

2 This is an optional plan for residence and business customers. The plan
1 is designed to be attractive for short haul toll users rather than the
5 average local user. The designed plan is expected to yield the following results.
(Note that these entire calculations are best estimates only.)

PROPRIETARY

6 RESIDENCE	A	B	C	D
7	RES UBP	Total UBP	Percent	
8	Avg Mo Bill	% Savers	Penetration	of Short Haul
9	Per Line		Utilized in	Toll MOU
10	Res		Calculations	to ELCA
11 1993	\$10.67	41%	11%	
12 1994	\$10.71	41%	26%	
13 1995				
14 1996				
15				
16 BUSINESS				
17	BUS UBP	Total UBP	Percent	
18	Avg Mo Bill	% Savers	Penetration	of Short Haul
19	Per Line		Utilized in	Toll MOU
20	Bus		Calculations	to ELCA
21 1993	\$31.07	35%	11%	
22 1994	\$31.17	31%	26%	
1995				
1996				

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Avg mo. up 100
9.74

Assuming 100% stim
of ELCA w/ 50%
leakage to compit.
Maybe not 100% - but
assuming we make it
up due to stim,
8% change in price &
equivalent op chg in vol.
50% price red =
100% stim
Old rev = new rev.

30.26
Getting \$1 more
on 30% of amount
Save \$2/line

It does not break—even sooner since the plan is assumed to
be phased in. The phase-in percentages are shown below. In reference to
the above percentages, this means, that only 30% of the maximum achievable
residence percentage would be achieved in 1993.

If no phase-in were used, the realizable percentage would be 38% as shown for 1995.

	Residence	Business
1993	30%	30%
1994	70%	70%
1995		
1996		

Phase in in of net. effort
33% is max expected by 1996
1st yr expected = 30% of 38% = 11%

Each
line will ft
protection

The rate schedule is shown in the attached. Note that broad averages are
shown rather than a schedule by rate group, time of day or initial and
additional minutes. A more "tariff-like" schedule can be developed from these
rate levels.

Shown below are these
effects by year, as well as the total effects, including long haul toll effects.
These effects are the UBP response to 1+ competition/minus the precompetitive view.
A negative value indicates that this is a revenue shortfall.

F01B07Z00331

	Total Revenue Effect (millions)	Old Local & Expanded Local Only (millions)
1993	(\$63)	(\$28)
1994	(\$44)	(\$7)
1995		
1996		

not correct - see yr.
Loc. bill will be > old FR
+
Save on toll substitution - but
stim. will raise
+
info age growth on
loc usage
Jim-W.

Dpt Res & Bus

Actual Average Monthly Local Rates
Without Vertical Services
Residence Business
\$9.74 \$30.26

UBP Local and Expanded Local Calling Schedules

	Residence Flat Rate	Monthly UBP	Estimated Effective Allowance	UBP Usage Rates Local	Expanded Local Usage Rates
1993	\$9.74	\$8.40	\$3.80	\$0.013	\$0.0565
1994	\$9.74	\$8.40	\$3.80	\$0.013	\$0.0565
1995					
1996					

*A.h. = 4.60
Usage Pkgs 3.30
3.40*

Cap = 3.40 + 7.0

	Residence Cap	Business Cap	Usage cap, which applies to existing local area for UBP.
1993	\$7.00	\$13.00	
1994	\$7.00	\$13.00	
1995			
1996			

	Business Monthly Flat Rate	Monthly UBP	Estimated Effective Allowance	UBP Usage Rates Local	Expanded Local Usage Rates
1993	\$30.26	\$25.00	\$3.81	\$0.020	\$0.0795
1994	\$30.26	\$25.00	\$3.81	\$0.020	\$0.0795
1995					
1996					

Cap = 13 + 25

PROPRIETARY

*Usage rates are same
Diff in bus + res = TRD*

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Used all usage sched. w/ small changes.

A B C D
OUTPUTS

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14-Apr-92
JWB

PRECOMPETITIVE VIEW, TOTAL EFFECTS

TOLL----->
LONG & SHRT HAUL MTS WATS,800, TOTAL
Residence Business PUB & OCP TOLL

1993
1994
1995
1996

Forecast growth using Tom Walker
base of acc. li
Avg rev/li from Tom and

(\$000)
LOCAL----->

	Residence	Business	TOTAL
1993	\$424,131	\$407,441	\$831,572
1994	\$437,626	\$423,324	\$860,950
1995			
1996			

A

TOLL + LOCAL TOTAL

1993
1994
1995
1996

← Rev. base case - Bb. even analyzes
line against this

A B C D

COMPETITIVE VIEW, TOTAL EFFECTS
(\$000)

TOLL----->
LONG & SHRT HAUL MTS WATS,800, TOTAL
Residence Business PUB & OCP TOLL

1993
1994
1995
1996

SWITCHED ACCESS REVENUE----->

	Residence	Business	WATS,800, PUB & OCP	TOTAL
1993				
1994				
1995				
1996				

1993
1994
1995
1996

PROPRIETARY

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LOCAL----->

	Residence	Business	TOTAL
1993	\$424,131	\$407,441	\$831,572
1994	\$437,626	\$423,324	\$860,950
1995			
1996			

A

TOLL + SW ACCESS + LOCAL

1993
1994
1995
1996

← No chg. in local
Reflects compet. toll/loss (picking up
same traf. as acc.)

↑ Compare scenarios to this -

1 UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

2

3 UBP RESPONSE, TOTAL EFFECTS

4 (\$000)

5 TOLL-----

6 REMAINING SHORT LONG HAUL MTS REMAINING

7 HAUL MTS (w/Bus winbacks) WATS,800,

8 Residence Business Residence Business PUB & OCP TOTAL TOLL

9 1993

10 1994

11 1995

12 1996

Handwritten: A B C D E F

Handwritten: assoc. with PR

Handwritten: FE & UBP

Handwritten: Both

Handwritten: Long Haul => 4Dm

13 EXPANDED LOCAL CALLING-----

14 FROM SHORT FROM WATS,

15 HAUL MTS 800, PUB, TOTAL

16 Residence Business & OCP

17 1993

18 1994

19 1995

20 1996

Handwritten: A B C D

Handwritten: w/ UBP

21 LOCAL-----

Old Local Calling Area Old Local Calling Area

UBP Revenue Flat Rate Monthly Revenue

Residence Business TOTAL Residence Business TOTAL

1993 \$53,126 \$45,735 \$98,861 \$375,636 \$362,899 \$738,534

1994 \$127,072 \$111,214 \$238,286 \$322,068 \$315,340 \$637,408

1995

28 1996

Handwritten: A X w/ UBP

29 SWITCHED ACCESS REVENUE-----

From Expanded From From From From From From Loss due

Local WATS,800, Remaining From WATS,800 From Long Haul Long Haul to toll

Calling PUB & OCP Short Haul MTS PUB & OCP Long Haul Long Haul to toll

Residence Business Exp Local Res Business Residence Business winbacks Grand Total

34 1993

35 1994

36 1995

37 1996

Handwritten: A B C D E F G H I J

38 UBP SUMMARY

Old Local Flat Rate Exp Local Remaining Switched

UBP Rev Mo Rev Usage Rev Toll Rev Access

Revenue Revenue

1993 \$98,861 \$738,534 \$51,636 \$37,743 \$122,503

1994 \$238,286 \$637,408 \$109,212 \$32,161 \$99,433

1995

45 1996

46 UBP PLAN TOTAL EFFECT

47 1993

48 1994

49 1995

50 1996

Handwritten: A

PROPRIETARY

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UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

analyses to show it's even w/o LH toll.

	A	B	C	D	E	
2	PRECOMPETITIVE VIEW, WITHOUT LONG HAUL TOLL EFFECTS					
3	(\$000)					
4	SHORT HAUL TOLL----->					
5	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	PUBLIC TOTAL
6	1993					
7	1994					
8	1995					
9	1996					

	LOCAL----->			
	Residence	Business	TOTAL	
10	1993	\$424,131	\$407,441	\$831,572
11	1994	\$437,626	\$423,324	\$860,950
12	1995			
13	1996			

Base case w/o LH toll

	TOTAL TOLL + LOCAL
14	1993
15	1994
16	1995
17	1996

	A	B	C	D	E	F	G
21	UBP RESPONSE, WITHOUT LONG HAUL TOLL EFFECTS						
22	(\$000)						
23	SHORT HAUL TOLL TO ELCA----->						
24	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	PUBLIC	TOTAL
25	1993						
26	1994						
27	1995						
28	1996						

	SWITCHED ACCESS FROM TOLL----->						TOTAL
	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	PUBLIC	
29	1993						
30	1994						
31	1995						
32	1996						

	REMAINING SHORT HAUL TOLL----->						TOTAL
	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	PUBLIC	
33	1993						
34	1994						
35	1995						
36	1996						

	SWITCHED ACCESS FROM ELCA----->						TOTAL
	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	PUBLIC	
37	1993						
38	1994						
39	1995						
40	1996						

	LOCAL----->						TOTAL
	Old Local Calling Area		Old Local Calling Area				
	UBP Revenue		Flat Rate Monthly Revenue				
	Residence	Business	Residence	Business			
41	1993	\$53,126	\$45,735	\$375,636	\$362,899		\$837,395
42	1994	\$127,072	\$111,214	\$322,068	\$315,340		\$875,695
43	1995						\$916,259
44	1996						\$953,575

	TOTAL TOLL + SWITCHED ACCESS + LOCAL
45	1993
46	1994
47	1995
48	1996

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UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

PRECOMPETITIVE VS. UBP RESPONSE, WITHOUT LONG HAUL TOLL EFFECTS (\$000)

	A	B	C
	RESIDENCE ONLY EFFECTS	UBP VIEW	DIFFERENCE
4			
5			
6	1993		
7	1994		
8	1995		
9	1996		
10	BUSINESS ONLY EFFECTS		
11	PRECOMPT	UBP VIEW	DIFFERENCE
12	1993		
13	1994		
14	1995		
15	1996		
16	SUM OF RES & BUS		
17	PRECOMPT	UBP VIEW	DIFFERENCE
18	1993		
19	1994		
20	1995		
21	1996		

PRECOMPETITIVE VS. UBP RESPONSE, TOTAL VIEW

	PRECOMPT	UBP VIEW	DIFFERENCE
23			
24	1993		
25	1994		
26	1995		
27	1996		

w/o LH toll

*Incl LH - Does not bb even
 b/c. have given up 1+ and are
 only getting acc. rate in LH acc
 Could incur acc. rate to bb-acc*

Note: a negative value indicates a revenue short fall for that year.

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Plan 1

2 This is an optional plan for residence and business customers. The plan
 3 is designed to be attractive for short haul toll users rather than the
 4 average local user. The designed plan is expected to yield the following results.
 5 (Note that these entire calculations are best estimates only.)

6 RESIDENCE	A	B	C	D
7	Avg Mo Bill	RES UBP	Total UBP	Percent
8	Per Line	% Savers	Penetration	of Short Haul
9	Res		Utilized in	Toll MOU
10			Calculations	to ELCA
11 1993	\$10.67	41%	11%	
12 1994	\$10.71	41%	26%	
1995				
1996				

BUSINESS	A	B	C	D
	Avg Mo Bill	BUS UBP	Total UBP	Percent
	Per Line	% Savers	Penetration	of Short Haul
	Bus		Utilized in	Toll MOU
			Calculations	to ELCA
20 1993	\$31.07	35%	11%	
21 1994	\$31.17	31%	26%	
1995				
1996				

It does not break—even sooner since the plan is assumed to be phased in. The phase-in percentages are shown below. In reference to the above percentages, this means, that only 30% of the maximum achievable residence percentage would be achieved in 1993.

	Residence	Business
1993	30%	30%
1994	70%	70%
1995		
1996		

The rate schedule is shown in the attached. Note that broad averages are shown rather than a schedule by rate group, time of day or initial and additional minutes. A more "tariff-like" schedule can be developed from these rate levels.

Shown below are these effects by year, as well as the total effects, including long haul toll effects. These effects are the UBP response to 1+ competition minus the precompetitive view. A negative value indicates that this is a revenue short fall.

	Total Revenue Effect (millions)	Old Local & Expanded Local Only (millions)
1993	(\$63)	(\$28)
1994	(\$44)	(\$7)
1995		
1996		

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Actual Average Monthly Local Rates
 Without Vertical Services
 Residence Business
 \$9.74 \$30.26

UBP Local and Expanded Local Calling Schedules

	Residence Flat Rate	Monthly Flat Rate	Estimated Effective Allowance	UBP Usage Rates Local	Expanded Local Usage Rates
1993	\$9.74	\$8.40	\$3.80	\$0.013	\$0.0565
1994	\$9.74	\$8.40	\$3.80	\$0.013	\$0.0565
1995					
1996					

	Residence Cap	Business Cap	
1993	\$7.00	\$13.00	----- Usage cap, which applies to existing local area for UBP.
1994	\$7.00	\$13.00	
1995			
1996			

	Business Flat Rate	Monthly Flat Rate	Estimated Effective Allowance	UBP Usage Rates Local	Expanded Local Usage Rates
1993	\$30.26	\$25.00	\$3.81	\$0.020	\$0.0795
1994	\$30.26	\$25.00	\$3.81	\$0.020	\$0.0795
1995					
1996					

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UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

2
3
4
5

A B C D

OUTPUTS

PRECOMPETITIVE VIEW TOTAL EFFECTS

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14-Apr-92
JWB

6 TOLL----->

7 LONG & SHRT HAUL MTS WATS,800, TOTAL

8 Residence Business PUB & OCP TOLL

9 1993

10 1994

11 1995

12 1996

13 (\$000)

14 LOCAL----->

15 Residence Business TOTAL

16 1993 \$424,131 \$407,441 \$831,572

17 1994 \$437,626 \$423,324 \$860,950

18 1995

19 1996

20 TOLL + LOCAL TOTAL

21 1993

22 1994

23 1995

24 1996

25 COMPETITIVE VIEW TOTAL EFFECTS

26 (\$000)

27 TOLL----->

28 LONG & SHRT HAUL MTS WATS,800, TOTAL

29 Residence Business PUB & OCP TOLL

30 1993

31 1994

32 1995

33 1996

34 SWITCHED ACCESS REVENUE----->

35 WATS,800, TOTAL

36 Residence Business PUB & OCP

37 1993

38 1994

39 1995

40 1996

41 LOCAL----->

42 Residence Business TOTAL

43 1993 \$424,131 \$407,441 \$831,572

44 1994 \$437,626 \$423,324 \$860,950

45 1995

46 1996

47 TOLL + SW ACCESS + LOCAL

48 1993

49 1994

1995

1996

PROPRIETARY

NOTICE

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1 UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

A B C D E F G H I J

2 UBP RESPONSE TOTAL EFFECTS (\$000)

3 TOLL----->

	REMAINING SHORT HAUL MTS		LONG HAUL MTS (w/Bus winbacks)		REMAINING WATS,800, PUB & OCP	TOTAL TOLL
	Residence	Business	Residence	Business		
4 1993						
5 1994						
6 1995						
7 1996						

11 EXPANDED LOCAL CALLING----->

	FROM SHORT HAUL MTS		FROM WATS, 800, PUB, & OCP		TOTAL
	Residence	Business	Residence	Business	
12 1993					
13 1994					
14 1995					
15 1996					

17 LOCAL----->

	Old Local Calling Area UBP Revenue			Old Local Calling Area Flat Rate Monthly Revenue		
	Residence	Business	TOTAL	Residence	Business	TOTAL
18 1993	\$53,126	\$45,735	\$98,861	\$375,636	\$362,899	\$738,534
19 1994	\$127,072	\$111,214	\$238,286	\$322,068	\$315,340	\$637,408
20 1995						
21 1996						

27 SWITCHED ACCESS REVENUE----->

	From Expanded Local Calling		From WATS,800, PUB & OCP	From Remaining Short Haul MTS	From WATS,800 PUB & OCP	From Long Haul Toll	From Long Haul Toll	Loss due to toll winbacks	Grand Total
	Residence	Business	Exp Local	Res Business		Residence	Business		
28 1993									
29 1994									
30 1995									
31 1996									

36 UBP SUMMARY

	Old Local UBP Rev	Flat Rate Mo Rev	Exp Local Usage Rev	Remaining Toll Rev	Switched Access Revenue
37 1993	\$98,861	\$738,534			
38 1994	\$238,286	\$637,408			
39 1995					
40 1996					

UBP PLAN TOTAL EFFECT

1993	\$1,049,278
1994	\$1,116,501
1995	
1996	

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UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

A B C D E F G

2 PRECOMPETITIVE VIEW WITHOUT LONG HAUL TOLL EFFECTS
 3 (\$000)

4 SHORT HAUL TOLL----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	PUBLIC	TOTAL
6 1993							
7 1994							
8 1995							
9 1996							

10 LOCAL----->

	Residence	Business	TOTAL
11 1993	\$424,131	\$407,441	\$831,572
12 1994	\$437,626	\$423,324	\$860,950
13 1995			
14 1996			

16 TOTAL TOLL + LOCAL

17 1993							
18 1994							
19 1995							
20 1996							

A B C D E F G

21 UBP RESPONSE WITHOUT LONG HAUL TOLL EFFECTS
 22 (\$000)

23 SHORT HAUL TOLL TO ELCA----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	PUBLIC	TOTAL
25 1993							
26 1994							
27 1995							
28 1996							

29 SWITCHED ACCESS FROM TOLL----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	PUBLIC	TOTAL
31 1993							
32 1994							
33 1995							
34 1996							

35 REMAINING SHORT HAUL TOLL----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	PUBLIC	TOTAL
37 1993							
38 1994							
39 1995							
40 1996							

41 SWITCHED ACCESS FROM ELCA----->

	RESIDENCE	BUSINESS	WATS	800 SVC	OCP	PUBLIC	TOTAL
43 1993							
44 1994							
45 1995							
46 1996							

47 LOCAL----->

	Old Local Calling Area		Old Local Calling Area		TOTAL
	UBP Revenue		Flat Rate Monthly Revenue		
	Residence	Business	Residence	Business	
1993	\$53,126	\$45,735	\$375,636	\$362,899	\$837,395
1994	\$127,072	\$111,214	\$322,068	\$315,340	\$875,695
1995					
1996					

54 A

55 TOTAL TOLL + SWITCHED ACCESS + LOCAL

56 1993							
57 1994							
58 1995							
59 1996							

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1 UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

A B C

2 PRECOMPETITIVE VS. UBP RESPONSE, WITHOUT LONG HAUL TOLL EFFECTS
3 (\$000)

4 RESIDENCE ONLY EFFECTS

5 PRECOMPT UBP VIEW DIFFERENCE

6 1993

7 1994

8 1995

9 1996

10 BUSINESS ONLY EFFECTS

11 PRECOMPT UBP VIEW DIFFERENCE

12 1993

13 1994

14 1995

15 1996

16 SUM OF RES & BUS

17 PRECOMPT UBP VIEW DIFFERENCE

18 1993

19 1994

20 1995

21 1996

22 PRECOMPETITIVE VS. UBP RESPONSE, TOTAL VIEW

23 PRECOMPT UBP VIEW DIFFERENCE

24 1993

25 1994

1995

1996

Note: a negative value indicates a revenue short fall for that year.

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Plan 2

1
2 This is an optional plan for business customers only. The plan is designed to
3 to be attractive for short haul toll users rather than the average local user.
4 The designed plan is expected to yield the following results.
5 (Note that these entire calculations are best estimates only.)

6 BUSINESS	A	B	C	D
7	Avg Mo Bill	BUS UBP	Total UBP	Percent
8	Per Line	% Savers	Penetration	of Short Haul
9	Bus		Utilized in	Toll MOU
10			Calculations	to ELCA
11 1993	\$31.07	35%	11%	
12 1994	\$31.17	31%	26%	
13 1995				
14 1996				

This plan does not break—even in revenue at all, even in the old local + expanded local calling areas. This plan is phased—in as shown below. In reference to the above percentages, this means, that only 30% of the maximum achievable business percentage would be achieved in 1993.

If no phase—in were used, the realizable percentage would be 36% as shown for 1995.

	Residence	Business
1993	0%	30%
1994	0%	70%
1995		
1996		

The rate schedule is shown in the attached. Note that broad averages are shown rather than a schedule by rate group, time of day or initial and additional minutes. A more "tariff-like" schedule can be developed from these rate levels.

Shown below are the revenue effects by year, including long haul toll effects. These effects are the UBP response to 1+ competition minus the precompetitive view. A negative value indicates that this is a revenue short fall.

	Total Revenue Effect (millions)	Old Local & Expanded Local Only (millions)
1993	(\$72)	(\$37)
1994	(\$68)	(\$31)
1995		
1996		

PROPRIETARY

NOTICE

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Actual Average Monthly Local Rates
 Without Vertical Services
 Residence Business
 \$9.74 \$30.26

UBP Local and Expanded Local Calling Schedules

**Business
 Cap**

<-----Usage cap, which applies
 to existing local area for UBP.

1993 \$13.00
 1994 \$13.00
 1995
 1996

	Business Monthly Flat Rate	UBP	Estimated Effective Allowance	UBP Usage Rates Local	Expanded Local Usage Rates
1993	\$30.26	\$25.00	\$3.81	\$0.020	\$0.0795
1994	\$30.26	\$25.00	\$3.81	\$0.020	\$0.0795
1995					
1996					

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UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

A B C D

OUTPUTS

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PRECOMPETITIVE VIEW TOTAL EFFECTS

TOLL----->

LONG & SHRT HAUL MTS WATS,800, TOTAL
Residence Business PUB & OCP TOLL

9 1993
10 1994
11 1995
12 1996

(\$000)
LOCAL----->

Residence Business TOTAL
1993 \$424,131 \$407,441 \$831,572
1994 \$437,626 \$423,324 \$860,950

13 1995
14 1996

TOLL + LOCAL TOTAL

15 1993
16 1994
17 1995
18 1996

COMPETITIVE VIEW TOTAL EFFECTS
(\$000)

TOLL----->
LONG & SHRT HAUL MTS WATS,800, TOTAL
Residence Business PUB & OCP TOLL

19 1993
20 1994
21 1995
22 1996

SWITCHED ACCESS REVENUE----->

Residence Business WATS,800, TOTAL
PUB & OCP

23 1993
24 1994
25 1995
26 1996

LOCAL----->

Residence Business TOTAL
1993 \$424,131 \$407,441 \$831,572
1994 \$437,626 \$423,324 \$860,950

27 1995
28 1996

TOLL + SW ACCESS + LOCAL

29 1993
30 1994
31 1995
32 1996

PROPRIETARY

NOTICE

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UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

	A	B	C	D	E	F
2	UBP RESPONSE TOTAL EFFECTS					
3	(\$000)					
4	TOLL----->					
5	REMAINING SHORT	LONG HAUL MTS		REMAINING		
6	HAUL MTS	(w/Bue winbacks)		WATS,800,		TOTAL
7	Residence	Business	Residence	Business	PUB & OCP	TOLL
8	1993					
9	1994					
10	1995					
11	1996					

12	EXPANDED LOCAL CALLING----->			
13	FROM SHORT	FROM WATS,		
14	HAUL MTS	800, PUB,	TOTAL	
15	Residence	Business	& OCP	
16	1993			
17	1994			
18	1995			
19	1996			

	LOCAL----->			Old Local Calling Area		
	Old Local Calling Area			Flat Rate Monthly Revenue		
	Residence	Business	TOTAL	Residence	Business	TOTAL
20	UBP Revenue					
21	1993	\$0	\$45,735	\$45,735	\$424,131	\$362,899
22	1994	\$0	\$111,214	\$111,214	\$437,628	\$315,340
23	1995					
24	1996					

	A	B	C	D	E	F	G	H	I	J
28	SWITCHED ACCESS REVENUE----->									
29	From Expanded	From		From		From	From	From	Loss due	
30	Local	WATS,800,		Remaining		WATS,800	Long Haul	Long Haul	to toll	
31	Calling	PUB & OCP		Short Haul MTS		PUB & OCP	Toll	Toll	winbacks	
32	Residence	Business	Exp Local	Res	Business		Residence	Business	Grand Total	
33	1993									
34	1994									
35	1995									
36	1996									

	A	B	C	D	E
37	UBP SUMMARY				
38	Old Local	Flat Rate	Exp Local	Remaining	Switched
39	UBP Rev	Mo Rev	Usage Rev	Toll Rev	Access
40	1993	\$45,735	\$787,030		Revenue
41	1994	\$111,214	\$752,966		
42	1995				
43	1996				
44	UBP PLAN TOTAL EFFECT				
45	1993				
46	1994				
47	1995				
48	1996				

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1 UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

A B C D E F G

2 PRECOMPETITIVE VIEW, WITHOUT LONG HAUL TOLL EFFECTS
3 (\$000)

4 SHORT HAUL TOLL
5 RESIDENCE BUSINESS WATS 800 SVC OCP PUBLIC TOTAL

6 1993
7 1994
8 1995
9 1996

10 LOCAL			
	Residence	Business	TOTAL
11 1993	\$424,131	\$407,441	\$831,572
12 1994	\$437,626	\$423,324	\$860,950
13 1995			
14 1996			

15 A
16 TOTAL TOLL + LOCAL

17 1993
18 1994
19 1995
20 1996

A B C D E F G

21 UBP RESPONSE, WITHOUT LONG HAUL TOLL EFFECTS
22 (\$000)

23 SHORT HAUL TOLL TO ELCA
24 RESIDENCE BUSINESS WATS 800 SVC OCP PUBLIC TOTAL

25 1993
26 1994
27 1995
28 1996

29 SWITCHED ACCESS FROM TOLL
30 RESIDENCE BUSINESS WATS 800 SVC OCP PUBLIC TOTAL

31 1993
32 1994
33 1995
34 1996

35 REMAINING SHORT HAUL TOLL
36 RESIDENCE BUSINESS WATS 800 SVC OCP PUBLIC TOTAL

37 1993
38 1994
39 1995
40 1996

41 SWITCHED ACCESS FROM ELCA
42 RESIDENCE BUSINESS WATS 800 SVC OCP PUBLIC TOTAL

43 1993
44 1994
45 1995
46 1996

47 LOCAL					
	Old Local Calling Area		Old Local Calling Area		TOTAL
	Residence	Business	Residence	Business	
1993	\$0	\$45,735	\$424,131	\$362,899	\$832,765
1994	\$0	\$111,214	\$437,626	\$315,340	\$864,180
1995					
1996					

54 A
55 TOTAL TOLL + SWITCHED ACCESS + LOCAL

56 1993
57 1994
58 1995
59 1996

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1 UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

A B C

2 PRECOMPETITIVE VS. UBP RESPONSE, WITHOUT LONG HAUL TOLL EFFECTS
3 (\$000)

4	RESIDENCE ONLY EFFECTS		
5	PRECOMPT	UBP VIEW	DIFFERENCE
6 1993			
7 1994			
8 1995			
9 1996			

10	BUSINESS ONLY EFFECTS		
11	PRECOMPT	UBP VIEW	DIFFERENCE
12 1993			
13 1994			
14 1995			
15 1996			

16	SUM OF RES & BUS		
17	PRECOMPT	UBP VIEW	DIFFERENCE
18 1993			
19 1994			
20 1995			
21 1996			

22 PRECOMPETITIVE VS. UBP RESPONSE, TOTAL VIEW

23	PRECOMPT	UBP VIEW	DIFFERENCE
24 1993			
25 1994			
26 1995			
27 1996			

Note: a negative value indicates a revenue short fall for that year.

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Plan 3

1
2 This is an optional plan for residence and mandatory for business customers.
3 The optional residence plan is designed to be attractive for short haul toll users rather
4 the average local user. The mandatory business plan is designed for both local
5 and toll users and replaces the current flat rate. The designed plan is expected to yield
6 the following results.

7 (Note that these entire calculations are best estimates only.)

8

RESIDENCE	A	B	C	D
	Avg Mo Bill% Per Line Res	RES UBP Savers	Total UBP Penetration Utilized In Calculations	Percent of Short Haul Toll MOU to ELCA
13 1993	\$10.67	41%		11%
14 1994	\$10.71	41%		26%
15 1995				
16 1996				

17 BUSINESS

BUSINESS	Avg Mo Bill% Per Line Bus	BUS UBP Savers	Total UBP Penetration Utilized in Calculations	Percent of Short Haul Toll MOU to ELCA
22 1993	\$31.38	100%		100%
23 1994	\$31.53	100%		100%
1995				
1996				

This plan breaks even in revenue by 1993 in the old local + expanded local calling areas. It is within \$4 million dollars of break-even in 1996 for the entire calling area.

The residence phase-in percentages are shown below. In reference to the above percentages, this means, that only 30% of the maximum achievable residence percentage would be achieved in 1993.

If no phase-in were used, the realizable percentage would be 38% as shown for 1995. Business is assumed to be flash-cut to mandatory UBP in this analysis in 1993.

	Residence	Business
1993	30%	100%
1994	70%	100%
1995		
1996		

The rate schedule is shown in the attached. Note that broad averages are shown rather than a schedule by rate group, time of day or initial and additional minutes. A more "tariff-like" schedule can be developed from these rate levels.

As mentioned previously, a break-even in local revenue occurs in 1993 for the old local + expanded local calling areas. Shown below are these effects by year, as well as the total effects, including long haul toll. These effects are the UBP response to 1+ competition minus the precompetitive view. A negative value indicates that this is a revenue shortfall.

	Total Revenue Effect (millions)	Old Local & Expanded Local Only (millions)
1997	(\$35)	\$0
1998	(\$20)	\$16
1999		
2000		

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Actual Average Monthly Local Rates
 Without Vertical Services
 Residence Business
 \$9.74 \$30.26

UBP Local and Expanded Local Calling Schedules

	Residence Monthly		Estimated Effective Allowance	UBP Usage Rates		Expanded Local Usage Rates
	Flat Rate	UBP		Local	Local	
1993	\$9.74	\$8.40	\$3.80	\$0.013	\$0.0565	
1994	\$9.74	\$8.40	\$3.80	\$0.013	\$0.0565	
1995						
1996						

	Residence Business		Usage cap, which applies to existing local area for UBP.
	Cap	Cap	
1993	\$7.00	\$15.00	
1994	\$7.00	\$15.00	
1995			
1996			

	Business Monthly		Estimated Effective Allowance	UBP Usage Rates		Expanded Local Usage Rates
	Flat Rate	UBP		Local	Local	
1993	N/A	\$24.00	\$5.40	\$0.020	\$0.0795	
1994	N/A	\$24.00	\$5.40	\$0.020	\$0.0795	
1995						
1996						

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1 UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

2 A B C D

OUTPUTS

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14-Apr-92
JWB

5 PRECOMPETITIVE VIEW TOTAL EFFECTS

6 TOLL----->

7 LONG & SHRT HAUL MTS WATS,800, TOTAL

8 Residence Business PUB & OCP TOLL

9 1993

10 1994

11 1995

12 1996

13 (\$000)

14 LOCAL----->

15 Residence Business TOTAL

16 1993 \$424,131 \$407,441 \$831,572

17 1994 \$437,626 \$423,324 \$860,950

18 1995

19 1996

20 TOLL + LOCAL TOTAL

21 1993

22 1994

23 1995

24 1996

25 COMPETITIVE VIEW TOTAL EFFECTS D

26 (\$000)

27 TOLL----->

28 LONG & SHRT HAUL MTS WATS,800, TOTAL

29 Residence Business PUB & OCP TOLL

30 1993

31 1994

32 1995

33 1996

34 SWITCHED ACCESS REVENUE----->

35 WATS,800, TOTAL

36 Residence Business PUB & OCP

37 1993

38 1994

39 1995

40 1996

41 LOCAL----->

42 Residence Business TOTAL

43 1993 \$424,131 \$407,441 \$831,572

44 1994 \$437,626 \$423,324 \$860,950

45 1995

46 1996

47 TOLL + SW ACCESS + LOCAL

48 1993

49 1994

50 1995

51 1996

PROPRIETARY

NOTICE

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UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

	A	B	C	D	E	F
2	UBP RESPONSE TOTAL EFFECTS					
3	(5000)					
4	TOLL ----->					
5	REMAINING SHORT		LONG HAUL MTS		REMAINING	
6	HAUL MTS		(w/Bus winbacks)		WATS,800,	
7	Residence	Business	Residence	Business	PUB & OCP	TOTAL
8	1993					
9	1994					
10	1995					
11	1996					

	EXPANDED LOCAL CALLING ----->		
12	FROM SHORT		
13	FROM WATS,		TOTAL
14	HAUL MTS		800, PUB, & OCP
15	Residence	Business	& OCP
16	1993		
17	1994		
18	1995		
19	1996		

	LOCAL ----->					
20	Old Local Calling Area			Old Local Calling Area		
21	UBP Revenue			Flat Rate Monthly Revenue		
22	Residence	Business	TOTAL	Residence	Business	TOTAL
23	1993	\$53,126	\$422,521	\$475,648	\$375,636	\$0
24	1994	\$127,072	\$441,130	\$568,202	\$322,068	\$0
25	1995					
26	1996					
27	1996					

	A	B	C	D	E	F	G	H	I	J
28	SWITCHED ACCESS REVENUE ----->									
29	From Expanded		From		From		From		From	
30	Local		WATS,800,		Remaining		WATS,800		Long Haul to toll	
31	Calling		PUB & OCP		Short Haul MTS		PUB & OCP		Toll winbacks	
32	Residence	Business	Exp Local	Res	Business	Residence	Business	Residence	Business	Grand Total
33	1993									
34	1994									
35	1995									
36	1996									

	UBP SUMMARY				
37					
38	Old Local	Flat Rate	Exp Local	Remaining	Switched
39	UBP Rev	Mo Rev	Usage Rev	Toll Rev	Access
40	1993	\$475,648	\$375,636		
41	1994	\$568,202	\$322,068		
42	1995				
43	1996				

	UBP PLAN TOTAL EFFECT	
44		
45	1993	
46	1994	
47	1995	
48	1996	

PROPRIETARY

NOTICE

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1 UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

A B C D E F G

2 PRECOMPETITIVE VIEW, WITHOUT LONG HAUL TOLL EFFECTS
3 (\$000)

4 SHORT HAUL TOLL ----->
5 RESIDENCE BUSINESS WATS 800 SVC OCP PUBLIC TOTAL

6 1993
7 1994
8 1995
9 1996

10 LOCAL ----->
Residence Business TOTAL
1 1993 \$424,131 \$407,441 \$831,572
1994 \$437,626 \$423,324 \$860,950
1995
15 1996

16 TOTAL TOLL + LOCAL
17 1993
18 1994
19 1995
20 1996

A B C D E F G

21 UBP RESPONSE, WITHOUT LONG HAUL TOLL EFFECTS
22 (\$000)

23 SHORT HAUL TOLL TO ELCA ----->
24 RESIDENCE BUSINESS WATS 800 SVC OCP PUBLIC TOTAL

25 1993
26 1994
27 1995
28 1996

29 SWITCHED ACCESS FROM TOLL ----->
30 RESIDENCE BUSINESS WATS 800 SVC OCP PUBLIC TOTAL

31 1993
32 1994
33 1995
34 1996

35 REMAINING SHORT HAUL TOLL ----->
36 RESIDENCE BUSINESS WATS 800 SVC OCP PUBLIC TOTAL

37 1993
38 1994
39 1995
40 1996

41 SWITCHED ACCESS FROM ELCA ----->
42 RESIDENCE BUSINESS WATS 800 SVC OCP PUBLIC TOTAL

43 1993
44 1994
45 1995
46 1996

47 LOCAL ----->
Old Local Calling Area Old Local Calling Area
UBP Revenue Flat Rate Monthly Revenue
Residence Business Residence Business TOTAL
1 1993 \$53,126 \$422,521 \$375,636 \$0 \$851,283
1994 \$127,072 \$441,130 \$322,068 \$0 \$890,270
1995
54 1996

A
55 TOTAL TOLL + SWITCHED ACCESS + LOCAL
56 1993
57 1994
58 1995
59 1996

PROPRIETARY

NOTICE

1 UBP EFFECTS FOR FLORIDA, OPTIONAL UBP FOR RESIDENCE AND BUSINESS

A B C

2 PRECOMPETITIVE VS. UBP RESPONSE, WITHOUT LONG HAUL TOLL EFFECTS
3 (S000)

4 RESIDENCE ONLY EFFECTS
5 PRECOMPT UBP VIEW DIFFERENCE

- 6 1993
- 7 1994
- 8 1995
- 9 1996

10 BUSINESS ONLY EFFECTS
11 PRECOMPT UBP VIEW DIFFERENCE

- 12 1993
- 13 1994
- 14 1995
- 15 1996

16 SUM OF RES & BUS
17 PRECOMPT UBP VIEW DIFFERENCE

- 18 1993
- 19 1994
- 20 1995
- 21 1996

22 PRECOMPETITIVE VS. UBP RESPONSE, TOTAL VIEW

23 PRECOMPT UBP VIEW DIFFERENCE

- 24 1993
- 25 1994
- 26 1995
- 27 1996

Note: a negative value indicates a revenue short fall for that year.

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