

REDACTED

ENTIRE FILE REDACTED 060598-TL

	Attachment_Req_No_18.xls
	Attachment_Request_18.pdf
	Attachment_Request_19.xls
	Attachment_Request_20.xls
	Attachment_Request_21.xls
	Attachment_Request_22.xls
	Attachment_Request_23.xls
	Attachment_Request_24.xls
	Attachment_Request_27.xls
CMP	Attachment_Request_28_Attach_1.xls
COM _____	Attachment_Request_28_Attach_2.xls
CTR _____	Attachment_Request_29.xls
ECR _____	Attachment_Request_30_Supp_GLC.xls
	Attachment_Request_30_Attach_1.xls
GCL _____	Attachment_Request_30_Supplemental Data.xls
	Attachment_Request_32.xls
OPC _____	Attachment_Request_No_8_2 nd _Supp.xls
RCA _____	Attachment_Request_No_8_Supp_Attachment_1.xls
	Attachment_Request_No_8_Supp_Attachment_2.xls
SCR _____	
SGA _____	Req_28_Feb_06.pdf
	Req_28_Sept_05.pdf
SEC _____	Req_29_Jun_05.pdf
	Req_29_Nov_05.pdf
OTH _____	Req_29_Sept_05.pdf
	Req_32_Aug_05.pdf
	Req_32_June_05.pdf
	Req_32_Nov_05.pdf

DOCUMENT NUMBER-DATE

09217 OCT-85

FPSC-COMMISSION CLERK

CPNI_Attachment_Request_No_4.xls

**List of Florida Competitive Carriers
Wholesale Line Counts as of June 2006**

BellSouth Telecommunications
Response to
Audit Request No. 4

CUSTOMER NAME	Number of Resold Line	Number of Unbundled Loop Equivalents
	92	
	342	
	598	
	11	
	97	
	1	7
	114	
	523	
	216	
	387	1,153
	402	1,595
		2,568
	231	
	37	

**List of Florida Competitive Carriers
Wholesale Line Counts as of June 2006**

BellSouth Telecommunications
Response to
Audit Request No. 4

CUSTOMER NAME	Number of Resold Line	Number of Unbundled Loop Equivalents
	61	
	312	
	1,412	
	203	
	9	
	5	
	158	
		1,950
	2	
	13	

**List of Florida Competitive Carriers
Wholesale Line Counts as of June 2006**

BellSouth Telecommunications
Response to
Audit Request No. 4

CUSTOMER NAME	Number of Resold Line	Number of Unbundled Loop Equivalents
	1,988	
	269	
	3	37,107
	220	
	535	9,954
		183
	13	
	197	
	457	
	76	
	21	
	133	
	118	
		34
	730	
	1,687	
	1,196	219,494
		144
	185	
	93	
	6	
	130	
	29	3,312
	1,040	
	665	
	112	

**List of Florida Competitive Carriers
Wholesale Line Counts as of June 2006**

BellSouth Telecommunications
Response to
Audit Request No. 4

CUSTOMER NAME	Number of Resold Line	Number of Unbundled Loop Equivalents
[REDACTED]	24	
	21	
	2	
	7	504
	263	
	546	
	381	9,283
[REDACTED]		3,816
	32	
	517	
	159	
	518	
	560	65,293
	163	3,216
[REDACTED]	921	
	801	

**List of Florida Competitive Carriers
Wholesale Line Counts as of June 2006**

BellSouth Telecommunications
Response to
Audit Request No. 4

CUSTOMER NAME	Number of Resold Line	Number of Unbundled Loop Equivalents
	558	
	43	
	178	
	96	
	75	
	12	
	558	
	44	
	1,347	
	181	
		1,224
	113	
	332	
		192
	29	
	1	
		23,250
	1,249	
	50,949	80,321
	99	
	116	
	2	
	185	

**List of Florida Competitive Carriers
Wholesale Line Counts as of June 2006**

BellSouth Telecommunications
Response to
Audit Request No. 4

CUSTOMER NAME	Number of Resold Line	Number of Unbundled Loop Equivalents
		18,480
	18	
	187	24,384
	1	
	1,055	
	7	
	110	
	40	
	7	
	1	
	71	
	24	
	2	49,320
	185	
	3	
	16	

**List of Florida Competitive Carriers
Wholesale Line Counts as of June 2006**

BellSouth Telecommunications
Response to
Audit Request No. 4

CUSTOMER NAME	Number of Resold Line	Number of Unbundled Loop Equivalents
	40	
	29	65,697
	34	27,790
	2	
Total	85,204	797,301

Request_No_1.pdf

JM



BellSouth Telecommunications, Inc.
150 South Monroe Street
Suite 400
Tallahassee, Florida 32301

nancy.sims@bellsouth.com

Nancy H. Sims
Director
Regulatory Relations

FILE COPY

Phone: (850) 577-5555
Fax (850) 222-8640

September 26, 2006

Ms. Lynn Deamer
Bureau of Auditing
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Docket No. 060598-TL
Audit Request: BellSouth Audit of 2005 Storm Costs
Audit Control No: 06-255-1-1

Dear Ms. Deamer;

BellSouth is enclosing its response to Staff's Audit Request No. 1.

BellSouth considers the Attachment 1 provided in Request No. 1 to be confidential and proprietary and requests appropriate treatment thereof. This information includes, among other things, detailed company practices and network budget information.

If you have any questions concerning the aforementioned, please give me a call at the number above.

Sincerely,

A handwritten signature in cursive script, appearing to read "Nancy H. Sims".

Nancy H. Sims
Director

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Sims UTILITY: BellSouthTelecommunications

AUDIT MANAGER: Charleston Winston PREPARED BY: Michael Buckley

REQUEST NUMBER: 1 (ASR 1) DATE OF REQUEST: Sept 14, 2006

AUDIT PURPOSE: Docket No.: 060598-TL Recovery of Hurricane Expenses ACN: 06-255-1-1

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: Sept 19, 2006

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
 OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. Please provide detail listing of each charge to each storm, with sub-totals that reconcile to SP Exhibit 1, Page 1 of 1. Please provide by storm and tie to numbers shown on SP Exhibit, Page 1 of 1.

Send to:
Mike Buckley
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Fl 32399-0850

850-413-6469
850-413-6470 FAX

Item 1: response Item 2: Attachment 1

TO: AUDIT MANAGER

DATE 9/26/06

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) HAS BEEN PROVIDED TODAY
- (2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- (3) AND IN MY OPINION, ITEM(S) 2 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL. THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES. REFER TO RULE 25-22.006, F.A.C.
- (4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan Green Manager Regulatory Relations
(SIGNATURE AND TITLE OF RESPONDENT)

Distribution: Original: Utility (for completion and return to Auditor)
Copy: Audit File

BellSouth Telecommunications, Inc.
FL Dkt No 060598-TL
AUDIT REQUEST
September 14, 2006
Item No. 1
Page 1 of 1

REQUEST: Please provide detail listing of each charge to each storm, with sub-totals that reconcile to SP Exhibit 1, Page 1 of 1. Please provide by storm and tie to numbers shown on SP Exhibit, Page 1 of 1.

RESPONSE: BellSouth used an incremental approach in determining costs associated with the 2005 storms detailed on SP Exhibit 1. This incremental approach involved comparing actual costs to budgeted costs (baseline budgeted costs do not include storm costs), determining the variance, and then discerning what part of the variance is directly storm related. Attachment 1 documentation was used in this incremental approach, and provides details by storm that tie to SP Exhibit 1.

BellSouth Telecommunications, Inc.
 Florida Storm Recovery Costs for 2005 Named Storms
 Incremental Costs Incurred Through March 31, 2006
 \$ in 000s
 DRAFT 8/28/06

SP Exhibit 1
 Page 1 of 1

	<u>TS Arlene</u>	<u>H. Cindy</u>	<u>H Dennis</u>	<u>H Katrina</u>	<u>H. Rita</u>	<u>H Wilma</u>	<u>Total</u>
1. Wage & Salary - Basic	\$0	\$0	\$426	\$1,035	\$28	\$13,307	\$14,796
2. Wage & Salary - Overtime	\$2,953	\$928	\$3,120	\$19,166	\$22	\$31,132	\$57,321
3. Contract Labor & Services	\$0	\$22	\$227	\$2,969	\$45	\$90,301	\$93,564
4. Materials and Supplies	\$187	\$19	\$454	\$8,640	\$29	\$17,191	\$27,710
5. Incremental Taxes on Salary & Wage Expense	\$226	\$71	\$230	\$1,446	\$4	\$2,604	\$4,581
6. Other (Fuel, Rents, Network Communications, Meals and Lodging, Capital)	\$171	\$63	\$275	\$1,154	\$7	\$3,915	\$5,584
7. Total Cost	\$3,537	\$1,103	\$4,732	\$34,409	\$135	\$158,450	\$202,366
Less:							
8. Capital Cost:							
a. Wage & Salary - Basic	\$0	\$0	\$426	\$1,035	\$28	\$8,273	\$9,762
b. Wage & Salary - Overtime	\$0	\$0	\$110	\$267	\$7	\$2,132	\$2,514
c. Contract Labor & Services	\$0	\$0	\$111	\$544	\$3	\$10,584	\$11,242
d. Materials and Supplies	\$0	\$0	\$380	\$7,246	\$29	\$13,666	\$14,271
e. Other	\$0	\$0	\$68	\$177	\$7	\$1,264	\$1,512
Total Capital Cost:	\$0	\$0	\$1,095	\$9,269	\$74	\$35,920	\$46,258
9. Total Incremental Storm Recovery Expense	\$3,537	\$1,103	\$3,637	\$25,140	\$61	\$122,530	\$156,008
10. Intrastate Jurisdictional Factor	0.612144	0.612144	0.612144	0.612144	0.612144	0.612144	
11. Intrastate Incremental Storm Recovery Expense	\$2,165	\$675	\$2,227	\$15,389	\$37	\$75,006	\$95,499

Notes:

- Total cost on Line 7 consists of capital amounts related directly to storm restoration and incremental expense amounts.
- The intrastate jurisdictional factor on Line 10 was computed from the 2005 BellSouth-Florida ARMIS 43-01, Plant Specific and Non-Specific Operating Expenses per Ron Hilyer
- Costs on this worksheet include only Network Operations and do not include any other incremental costs, e.g. Customer Service, Advertising, nor do they include Cost of Remo

Request_No_1.pdf

Entire Pages 5 - 20 REDACTED

Request_No_10.pdf

MG



BellSouth Telecommunications, Inc.
150 South Monroe Street
Suite 400
Tallahassee, Florida 32301

nancy.sims@bellsouth.com

Nancy H. Sims
Director
Regulatory Relations

Phone: (850) 577-5555
Fax (850) 222-8640

September 22, 2006

FILE COPY

Ms. Lynn Deamer
Bureau of Auditing
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Docket No. 060598-TL
Audit Request: BellSouth Audit of 2005 Storm Costs
Audit Control No: 06-255-1-1

Dear Ms. Deamer;

BellSouth is enclosing its response to Staff's Audit Request No. 10. BellSouth is still putting together its response and/or objections to the other requests and will provide its responses and/or objections as soon as possible.

BellSouth considers the information provided in Request No. 10 to be confidential and proprietary and requests appropriate treatment thereof. This information includes, among other things, detailed company practices and network budget information.

If you have any questions concerning the aforementioned, please give me a call at the number above.

Sincerely,

A handwritten signature in cursive script that reads "Nancy H. Sims".

Nancy H. Sims
Director

REQUEST: Please provide the following concerning the replacement of 75 spans of cable as discussed on Page 9 of Kathy Blake's testimony.

- 1) Provide supporting documentation, construction work orders, invoices, continuing property records, etc., for the cost of the old damaged 75 spans of cable.
- 2) Provide supporting documentation, construction work orders, invoices, continuing property records, etc., for the cost of the new 75 spans of cable.
- 3) Provide a description of the new 75 spans of cable.
- 4) Did the new spans of cable include any upgrades? If so, provide what the upgrades were in detail and the additional cost.
- 5) Where is the cost for the cable replacement included on SP Exhibit 1 in your petition?
- 6) How much additional capacity did BellSouth achieve with the new 75 spans of cable?
- 7) Provide an exact location of where the new 75 spans of cable are located.

RESPONSE:

[REDACTED]



Request_No_10.pdf

Entire Pages 5 - 11 REDACTED

Request_No_30.pdf

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Sims

UTILITY: BellSouth Telecommunications

AUDIT MANAGER: Charleston Winston

PREPARED BY: Michael Buckley

REQUEST NUMBER: 30

DATE OF REQUEST: Oct. 11, 2006

AUDIT PURPOSE: Docket No.: 060598-TL Recovery of Hurricane Expenses ACN: 06-255-1-1

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: Oct. 13, 2006

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
 OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please Provide the following For Labor:

Wilma – actual invoices for the attached list of amounts for Salary and Wages Jan 2006.

Send to :

Mike Buckley
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Fl 32399-0850

Item 1: Response

Item 2: Attachment 1 (see disk)

850-413-6469
850-413-6470 FAX

TO: AUDIT MANAGER

DATE 10/31/06

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) HAS BEEN PROVIDED TODAY
- (2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- (3) AND IN MY OPINION, ITEM(S) 1 & 2 IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL. THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES. REFER TO RULE 25-22.006, F.A.C.
- (4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Steven J. Green
Manager, Regulatory Relations
(SIGNATURE AND TITLE OF RESPONDENT)

Distribution: Original: Utility (for completion and return to Auditor)
Copy: Audit File

REQUEST: Please provide the following for Labor:

Wilma – actual invoices for the attached list of amounts for Salary and Wages Jan 2006.

RESPONSE:



Request_No_33_34.pdf

FILE COPY



BellSouth Telecommunications, Inc.
150 South Monroe Street
Suite 400
Tallahassee, Florida 32301

nancy.sims@bellsouth.com

Nancy H. Sims
Director
Regulatory Relations

Phone: (850) 577-5555
Fax (850) 222-8640

November 3, 2006

Ms. Lynn Deamer
Bureau of Auditing
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Docket No. 060598-TL
Audit Request: BellSouth Audit of 2005 Storm Costs
Audit Control No: 06-255-1-1

Dear Ms. Deamer;

BellSouth is enclosing its responses to Staff's Audit Request Nos. 33 and 34. BellSouth is still putting together its response and/or objections to the other requests and will provide its responses and/or objections as soon as possible.

BellSouth considers the information provided in the Attachments for Response Nos. 33 and 34 to be confidential and proprietary and requests appropriate treatment thereof. This information includes, among other things, detailed company practices and network budget information.

If you have any questions concerning the aforementioned, please give me a call at the number above.

Sincerely,

Nancy H. Sims
Director

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: NANCY SIMS
 UTILITY: BELLSOUTH TELECOMMUNICATIONS, INC
 FROM: CHARLESTON WINSTON 407-678-2919
 (AUDIT MANAGER)

Gennarro Jackson
 (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 33 DATE OF REQUEST: 11/1/06

AUDIT PURPOSE: Petition for Recovery of Intrastate Costs and Expenses relating to Hurricanes, Docket No. : 060598-TL

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 11/6/06

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
 INCIDENT TO AN INQUIRY
 OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please provide the following invoices that were not included in the original sample requested by staff in document request #32 Supplies:

<u>Sample#</u>	<u>Month/Storm</u>	<u>Amount</u>	
7	Nov 05 Wilma	\$2,657.01	Item 1: Response
12	Nov 05 Wilma	\$3,344.28	
28	Nov 05 Wilma	\$6,648.52	Item 2: Vouchers
3	Aug 05 Katrina	\$609.32	
14	Aug 05 Katrina	\$3,403.19	

TO: AUDIT MANAGER CHARLESTON WINSTON

DATE: 11/3/06

THE REQUESTED RECORD OR DOCUMENTATION:

- | | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | (1) HAS BEEN PROVIDED TODAY |
| <input type="checkbox"/> | (2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY |
| <input checked="" type="checkbox"/> | (3) AND IN MY OPINION, ITEM(S) <u>2</u> IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C. |
| <input type="checkbox"/> | (4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM) |

Stan L. Green
Manage Regulatory Relations
 SIGNATURE AND TITLE OF RESPONDENT

Distribution: Original: Utility (for completion and return to Auditor)
 Copy: Audit File and FPSC Analyst

REQUEST: Please provide the following invoices that were not included in the original sample requested by staff in document request #32
Supplies:

<u>Sample#</u>	<u>Month/Storm</u>	<u>Amount</u>
7	Nov 05 Wilma	\$2,657.01
12	Nov 05 Wilma	\$3,344.28
28	Nov 05 Wilma	\$6,648.52
3	Aug 05 Katrina	\$609.32
14	Aug 05 Katrina	\$3403.19

RESPONSE: See attached for the following invoices.

<u>Sample#</u>	<u>Month/Storm</u>	<u>Amount</u>
7	Nov 05 Wilma	\$2,657.01
28	Nov 05 Wilma	\$6,648.52
3	Aug 05 Katrina	\$609.32
14	Aug 05 Katrina	\$3403.19

BellSouth will supplement this response with the following:

12	Nov 05 Wilma	\$3,344.28
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Request_No_33_34.pdf

Entire Pages 4 - 12 REDACTED

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: NANCY SIMS
 UTILITY: BELLSOUTH TELECOMMUNICATIONS, INC
 FROM: CHARLESTON WINSTON 407-678-2919
 (AUDIT MANAGER)

Michael Buckley
 (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 34 DATE OF REQUEST: 11/2/06
 AUDIT PURPOSE: Petition for Recovery of Intrastate Costs and Expenses relating to Hurricanes, Docket No. : 060598-TL
 REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 11/6/06
 REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
 OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please provide the following invoices or additional information that was not included in the original sample requested by staff in document request #29 Materials:

<u>Sample#</u>	<u>Month/Storm</u>	<u>Company</u>
5 & 6	Nov 05 Wilma	GTE Comm
9	Nov 05 Wilma	Aearo
10	Nov 05 Wilma	System Studies
25	Nov 05 Wilma	Itronix
33	Nov 05 Wilma	Leggett & Platt

Item 1: Response
Item 2: Vouchers

TO: AUDIT MANAGER CHARLESTON WINSTON DATE: 11/3/06

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) HAS BEEN PROVIDED TODAY
- (2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY
- (3) AND IN MY OPINION, ITEM(S) 2 1 IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.
- (4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan L. Bree

 (SIGNATURE AND TITLE OF RESPONDENT)

Distribution: Original: Utility (for completion and return to Auditor)
 Copy: Audit File and FPSC Analyst

REQUEST: Please provide the following invoices or additional information that was not included in the original sample requested by staff in document request #29 Materials:

<u>Sample#</u>	<u>Month/Storm</u>	<u>Company</u>
5 & 6	Nov 05 Wilma	GTE Comm
9	Nov 05 Wilma	Aearo
10	Nov 05 Wilma	System Studies
25	Nov 05 Wilma	Itronix
33	Nov 05 Wilma	Leggett & Platt

RESPONSE: See attached for the following invoices:

<u>Sample#</u>	<u>Month/Storm</u>	<u>Company</u>
5 & 6	Nov 05 Wilma	GTE Comm
10	Nov 05 Wilma	System Studies
25	Nov 05 Wilma	Itronix
33	Nov 05 Wilma	Leggett & Platt

BellSouth will supplement this response with the following:

9	Nov 05 Wilma	Aearo
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Request_No_33_34.pdf

Entire Pages 15 - 20 REDACTED

Request_No_33_34_Supps.pdf



BellSouth Telecommunications, Inc.
150 South Monroe Street
Suite 400
Tallahassee, Florida 32301

nancy.sims@bellsouth.com

Nancy H. Sims
Director
Regulatory Relations

Phone: (850) 577-5555
Fax (850) 222-8640

November 6, 2006

Ms. Lynn Deamer
Bureau of Auditing
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Docket No. 060598-TL
Audit Request: BellSouth Audit of 2005 Storm Costs
Audit Control No: 06-255-1-1

Dear Ms. Deamer;

BellSouth is enclosing its supplemental responses to Staff's Audit Request Nos. 33 and 34.

BellSouth considers the information provided in the supplemental attachments for Response Nos. 33 and 34 to be confidential and proprietary and requests appropriate treatment thereof. This information includes, among other things, detailed company practices and network budget information.

If you have any questions concerning the aforementioned, please give me a call at the number above.

Sincerely,

A handwritten signature in cursive script that reads "Nancy H. Sims" followed by the initials "(SJS)" in a slightly larger, bolder cursive font.

Nancy H. Sims
Director

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: NANCY SIMS
 UTILITY: BELLSOUTH TELECOMMUNICATIONS, INC
 FROM: CHARLESTON WINSTON 407-678-2919 Gennarro Jackson
(AUDITOR PREPARING REQUEST)
 (AUDIT MANAGER)
 REQUEST NUMBER: 33 DATE OF REQUEST: 11/1/06
 AUDIT PURPOSE: Petition for Recovery of Intraslate Costs and Expenses relating to Hurricanes, Docket No. : 060598-TL
 REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 11/6/06
 REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
X OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please provide the following invoices that were not included in the original sample requested by staff in document request #32 Supplies:

<u>Sample#</u>	<u>Month/Storm</u>	<u>Amount</u>	<u>Item 1: Response</u>
7	Nov 05 Wilma	\$2,657.01	Item 1: Response
12	Nov 05 Wilma	\$3,344.28	Item 2: Supplemental Invoice
28	Nov 05 Wilma	\$6,648.52	
3	Aug 05 Katrina	\$609.32	
14	Aug 05 Katrina	\$3,403.19	

TO: AUDIT MANAGER CHARLESTON WINSTON DATE:

THE REQUESTED RECORD OR DOCUMENTATION:

- | | |
|-------------------------------------|---|
| <input checked="" type="checkbox"/> | (1) HAS BEEN PROVIDED TODAY |
| <input type="checkbox"/> | (2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY |
| <input checked="" type="checkbox"/> | (3) AND IN MY OPINION, ITEM(S) <u>2</u> <u>IS</u> (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C. |
| <input type="checkbox"/> | (4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM) |

Stan L Green
 (SIGNATURE AND TITLE OF RESPONDENT)

Distribution: Original: Utility (for completion and return to Auditor)
 Copy: Audit File and FPSC Analyst

REQUEST: Please provide the following invoices that were not included in the original sample requested by staff in document request #32
Supplies:

<u>Sample#</u>	<u>Month/Storm</u>	<u>Amount</u>
7	Nov 05 Wilma	\$2,657.01
12	Nov 05 Wilma	\$3,344.28
28	Nov 05 Wilma	\$6,648.52
3	Aug 05 Katrina	\$609.32
14	Aug 05 Katrina	\$3403.19

SUPPLEMENTAL RESPONSE: See attached for the following invoice.

<u>Sample#</u>	<u>Month/Storm</u>	<u>Amount</u>
12	Nov 05 Wilma	\$3,344.28

Request_No_33_34_Supps.pdf

Entire Pages 4-5 REDACTED

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: NANCY SIMS
 UTILITY: BELLSOUTH TELECOMMUNICATIONS, INC
 FROM: CHARLESTON WINSTON 407-678-2919
 (AUDIT MANAGER)

Michael Buckley
 (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 34 DATE OF REQUEST: 11/2/06

AUDIT PURPOSE: Petition for Recovery of Intrastate Costs and Expenses relating to Hurricanes, Docket No. : 060598-TL

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 11/6/06

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO AN INQUIRY
 OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Please provide the following invoices or additional information that was not included in the original sample requested by staff in document request #29 Materials:

Sample#	Month/Storm	Company
5 & 6	Nov 05 Wilma	GTE Comm
9	Nov 05 Wilma	Aearo
10	Nov 05 Wilma	System Studies
25	Nov 05 Wilma	Itronix
33	Nov 05 Wilma	Leggett & Platt

Item 1: Response
Item 2: Supplemental Invoice

TO: AUDIT MANAGER CHARLESTON WINSTON DATE: 11/6/06

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) HAS BEEN PROVIDED TODAY
- (2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY
- (3) AND IN MY OPINION, ITEM(S) 2 IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.
- (4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan L Green
 SIGNATURE AND TITLE OF RESPONDENT
 Manager Regulatory Relations

Distribution: Original: Utility (for completion and return to Auditor)
 Copy: Audit File and FPSC Analyst

BellSouth Telecommunications, Inc.
FL Dkt No 060598-TL
AUDIT REQUEST
November 2, 2006
SUPPLEMENTAL Item No. 34
Page 1 of 1

REQUEST: Please provide the following invoices or additional information that was not included in the original sample requested by staff in document request #29 Materials:

<u>Sample#</u>	<u>Month/Storm</u>	<u>Company</u>
5 & 6	Nov 05 Wilma	GTE Comm
9	Nov 05 Wilma	Aearo
10	Nov 05 Wilma	System Studies
25	Nov 05 Wilma	Itronix
33	Nov 05 Wilma	Leggett & Platt

SUPPLMEENTAL RESPONSE: See attached for the following invoice:

<u>Sample#</u>	<u>Month/Storm</u>	<u>Company</u>
9	Nov 05 Wilma	Aearo

Request_No_33_34_Supps.pdf

Entire Pages 8-9 REDACTED

Request_Nos_19_22_SUPPS.pdf

FILE COPY



BellSouth Telecommunications, Inc.
150 South Monroe Street
Suite 400
Tallahassee, Florida 32301
nancy.sims@bellsouth.com

Nancy H. Sims
Director
Regulatory Relations

Phone: (850) 577-5555
Fax (850) 222-8640

October 18, 2006

Ms. Lynn Deamer
Bureau of Auditing
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Docket No. 060598-TL
Audit Request: BellSouth Audit of 2005 Storm Costs
Audit Control No: 06-255-1-1

Dear Ms. Deamer;

BellSouth is enclosing its supplemental responses to Staff's questions emailed on October 11, 2006 related to Audit Request Nos. 19 and 22. BellSouth is still putting together its response and/or objections to the other requests and will provide its responses and/or objections as soon as possible.

BellSouth considers the information provided in these responses to be confidential and proprietary and requests appropriate treatment thereof. This information includes, among other things, detailed company practices and network budget information.

If you have any questions concerning the aforementioned, please give me a call at the number above.

Sincerely,

A handwritten signature in cursive script that reads "Nancy H. Sims".

Nancy H. Sims
Director

- REQUEST: 1. For Wilma, Feb 06, why was the following projection used for Contractual Services when the storm occurred much later in the year. Why the projection for Feb 06 was not used.

July Projection (using Jan-Jun Act) 4,697,000

2. For Katrina Sep 05, why was the following projection used for Contractual Services. Why the projection for Sep 05 was not used.

July Projection (using Jan-Jun Act) 4,768,000

RESPONSE:

For questions 1 and 2 above, there may be confusion over BellSouth's view terminology. The Commitment View is for all twelve months and is done in December. The Tracking views are simply the Commitment View overlaid with transfers between budgets. The subsequent Projection Views are named according to the month done and include actuals for all previous months and the best calculated projection (forecast) for future months, but each future month is projected individually. None of the views (commitment, tracking, or projection) have storm forecasted expense in any of the future months.

2005 Commitment View

Completed in December 2004

January – December 2005 months are all forecasts

July 2005 Projection View

Completed in July 2005

January – June 2005 months are actuals

July – December 2005 months are forecasts (but contain no storm impacts)

2006 Commitment View

Completed in December 2005

January-December 2006 are all forecasts

RESPONSE: (Cont.)

1. Objection, the subject question is ambiguous, unclear and contains improper predicate. Notwithstanding and without waiving said objections, the projection used for Wilma Feb 06 to determine the incremental impact was the 2006 Commitment View created in December 2005, which did not include any hurricane restoration expense and was the best and latest view BellSouth had at that time.

The Commitment View for Feb mo 2006 Contract Services Expense was	\$	[REDACTED]
actuals were	\$	[REDACTED]
Diff	\$	[REDACTED]

2. Objection, the subject question is ambiguous and unclear. Notwithstanding and without waiving said objections, the projection used for Katrina Sep 05 to determine the incremental impact was the July Projection View for Sep 05 created in July 2005 which did not include any hurricane expense. In September 2005 the July 05 Projection view was the best and latest view at that time.

REQUEST: For Dennis Jul 05, Katrina Sep 05 and Wilma Jan 06 for PBT how did you derived the following:

Hurricane SAW attributed to Incremental Expense 1,903,000.00 Dennis
 Hurricane SAW attributed to Incremental Expense 9,300,000.00 Katrina
 Hurricane SAW attributed to Incremental Expense 7,261,000.00 Wilma

RESPONSE: Objection, the subject question is ambiguous and unclear. Notwithstanding and without waiving said objections, BellSouth responds as follows:

(all \$s in 000's)

Dennis Jul 05

Budget in effect was the Commitment View with transfers and called Current Tracking View.

Jul 05 Current Tracking View	SAW Overtime	\$	[REDACTED]
Jul 05 Actuals	SAW Overtime	\$	[REDACTED]
	Diff	\$	[REDACTED]

BellSouth allocated \$ [REDACTED] of the total \$ [REDACTED] overtime variance as an incremental expense.

Katrina Sep 05

July Projection View created in July (Jan-Jun actuals; July - December projected by month)

Sep 05 July Projection View	SAW Overtime	\$	[REDACTED]
Sep 05 Actuals	SAW Overtime	\$	[REDACTED]
	Diff	\$	[REDACTED]

BellSouth allocated \$ [REDACTED] of the total \$ [REDACTED] overtime variance as an incremental expense.

RESPONSE: (Cont.)

Wilma Jan 06

2006 Commitment View created in December, 2005

Jan 06 Commitment View	Total SAW	\$ [REDACTED]
Jan 06 Actuals	Total SAW	\$ [REDACTED]
	Diff	\$ [REDACTED]

BellSouth allocated [REDACTED] (\$ [REDACTED] - employees loaned from other states and temporary employees and \$ [REDACTED] - Overtime) of the total \$ [REDACTED] variance as an incremental expense.

7

Request_No_5.pdf

Manny



BellSouth Telecommunications, Inc.
150 South Monroe Street
Suite 400
Tallahassee, Florida 32301
nancy.sims@bellsouth.com

Nancy H. Sims
Director
Regulatory Relations

Phone: (850) 577-5555
Fax (850) 222-8640

FILE COPY

September 20, 2006

Ms. Lynn Deamer
Bureau of Auditing
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Docket No. 060598-TL
Audit Request: BellSouth Audit of 2005 Storm Costs
Audit Control No: 06-255-1-1

Dear Ms. Deamer;

BellSouth is enclosing its response to Staff's Audit Request No. 5. BellSouth is still putting together its response and/or objections to the other requests and will provide its responses and/or objections as soon as possible.

BellSouth considers the information provided in Attachment 1 of Response No. 5 to be confidential and proprietary and requests appropriate treatment thereof. This information includes, among other things, detailed company practices and network budget information.

If you have any questions concerning the aforementioned, please give me a call at the number above.

Sincerely,

Nancy H. Sims
Director

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Nancy Sims UTILITY: BellSouth Telecommunications, Inc.
 AUDIT MANAGER: Charleston Winston PREPARED BY: Gerardo Jackson II
 REQUEST NUMBER: 5 (ASR6) DATE OF REQUEST: 9/14/2006
 REQUEST THAT THE FOLLOWING ITEMS BE PROVIDED BY: 9/18/2006
 AUDIT PURPOSE Recovery of Hurricane Expenses Docket NO.: 060598-TL
 REFERENCE RULE 25.22.006, F.A.C., THIS REQUEST IS MADE: INCIDENT TO INQUIRY
 OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

- 1) Please provide a document that explains BellSouth's Policies and Procedures concerning employment labor laws regarding overtime for all employees. Are these documents in agreement with federal, state, and local employment labor laws?
- 2) Please provide a document that outlines or describes management responsibilities and duties, specifically addressing overtime for "normal" and emergency situations.

Item 1. Response to Item 5
 Item 2. Attachment 1

TO: AUDIT MANAGER

DATE: 9/20/06

THE REQUESTED RECORD OR DOCUMENTATION:

- 1) HAS BEEN PROVIDED TODAY
- 2) ? CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- 3) AND IN MY OPINION, ITEM(S) 2 (IS/ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL. THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C. OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.
- 4) ? THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan L. Green
 Manager
 Regulatory Relations
 (Signature and title of respondent)

Distribution: Original: Utility (for completion and return to Auditor)
 Copy: Audit File

- REQUEST:
- 1) Please provide a document that explains BellSouth's Policies and Procedures concerning employment labor laws regarding overtime for all employees. Are these documents in agreement with federal, state, and local employment labor laws?
 - 2) Please provide a document that outlines or describes management responsibilities and duties, specifically addressing overtime for "normal" and emergency situations.

RESPONSE: BellSouth objects to this Audit Document/Record Request to the extent it requests that BellSouth indicate whether the requested documents are in agreement with federal, state, and local employment labor laws on the basis that it is irrelevant, overly broad, unduly burdensome, oppressive, and not reasonably calculated to lead to the discovery of admissible evidence.

1) Notwithstanding and without waiving said objections, BellSouth produces the following proprietary and confidential documents attached hereto as Attachment I:

1. BellSouth Overtime Pay Policy for Non-Exempt Employees
2. BellSouth Overtime Pay Administration for Management Employees section of the Salary Administration Plan
3. BellSouth-Communication Workers of America Working Agreement, Article 4 – Pay and Basis of Compensation, Sections 4.01 – 4.04.

2) BellSouth does not issue special documentation to differentiate between "normal" and emergency situations with regard to overtime. As explained in the attached documents, it is the responsibility of the employee's supervisor to approve or deny overtime under the standards described in the policies.

Overtime Pay Policy for Non-Exempt Employees

Policy	Overtime Pay for Non-Exempt Employees		
Effective Date	June 1, 2005		
Policy Number	2.7.2		
Eligibility/ Applicability:	All U.S.-based non-exempt employees of BellSouth companies.		
Policy Statement	<p>The Company must keep an accurate record of all hours, and parts of hours, worked each day and week by employees classified as non-exempt from the overtime requirements of the Fair Labor Standards Act and all applicable state and local laws.</p> <p>Non-exempt employees who work overtime must be paid appropriately for all such work.</p>		
Contact Information	<ul style="list-style-type: none"> • Manager • Local Human Resources representative • Office of Ethics and Compliance (800-664-4231) 		
Compliance	<p>Individual supervisors must ensure that accurate records of all hours worked are maintained. Supervisors are responsible for communicating requirements to employees.</p> <p>Violations of the policy should be reported to the Ethics Line or the applicable Human Resources representative. Action will be taken to correct violations of the policy.</p>		
NUMBER OF PAGES	REVISION HISTORY	REVISION NUMBER	REVISION DATE
3			

Click Below For Additional Guidelines/Procedures

- [General Guidelines](#)
- [Manager Responsibility](#)
- [Human Resources Responsibility](#)
- [See Also](#)

PROPRIETARY

PRIVATE/PROPRIETARY

Contains private and/or proprietary information. May not be used or disclosed outside the BellSouth companies except pursuant to a written agreement.

Overtime Pay Policy for Non-Exempt Employees

<p>General Guidelines</p>	<ul style="list-style-type: none">• This policy is designed to ensure compliance with the Fair Labor Standards Act (FLSA) and all state and local laws with respect to the payment of overtime to non-exempt employees.• Non-exempt employees are eligible for overtime pay for all hours actually worked in excess of 40 in a workweek (known as "overtime hours").<ul style="list-style-type: none">- Supervisors may allow non-represented employees (where business needs permit) to adjust their daily hours of work <u>within the same workweek</u> to avoid unnecessary overtime.- Additional provisions regarding overtime may apply to represented employees under applicable collective bargaining agreements.• All overtime must be approved in advance by the employee's supervisor.• Non-exempt employees must be paid properly for all overtime hours worked.• If non-exempt employees work overtime without approval, such employees must be paid for such hours. The failure to obtain approval may result in disciplinary action. <p><u>Supervisor Guidelines</u></p> <ul style="list-style-type: none">• Supervisors must approve any overtime before it is actually worked.• Supervisors are prohibited from instructing or permitting employees to work "off the clock."• Supervisors must ensure that all hours worked by employees are accurately recorded.• Supervisors must ensure that all hours worked by employees are properly submitted for payment. <p><u>Employee Guidelines</u></p> <ul style="list-style-type: none">• Non-exempt employees are prohibited from working overtime without their supervisor's advance authorization.• Non-exempt employees are required to accurately report all hours, and parts of hours, worked each day and each week (including any overtime) on a weekly basis. <p>Any individual who violates this policy may be subject to disciplinary action, up to and including dismissal.</p>
----------------------------------	--

Overtime Pay Policy for Non-Exempt Employees

Manager Responsibility	<ul style="list-style-type: none"> • Communicate BellSouth's overtime policy to employees. • Ensure that all time spent performing work is accurately recorded and reported for payment. • Prevent employees from performing work "off the clock," i.e., not recorded. • Take appropriate disciplinary action as necessary. • Ensure that time records are retained in accordance with BellSouth record retention policies.
Human Resources Responsibility	<ul style="list-style-type: none"> • Assist in communication of guidelines to employees and supervisors. • Provide advice and counsel regarding implementation of this policy. • Provide advice and counsel in determining the appropriate level of employee discipline. • Review and concur in suspensions, demotions or dismissals prior to implementation.
See Also	<p><u>Management Salary Administration Plan</u> for additional information related to overtime for non-exempt, non-represented employees.</p>

III. OVERTIME PAY

A. Management Overtime

- **Intent**

This Plan is designed to:

1. Ensure compliance with the Fair Labor Standards Act (FLSA) with respect to the payment of overtime to non-exempt, non-represented employees.
2. Provide guidelines to ensure consistent, equitable administration of overtime compensation for both exempt and non-exempt, non-represented employees, including some payments that are not required by the FLSA. These overtime guidelines shall be interpreted to require only those payments that are mandated by the FLSA except where the guidelines expressly provide otherwise.

- **Overtime For Non-Exempt Employees**

Non-Exempt employees are eligible for overtime pay for all hours worked in excess of 40 hours in a workweek, as required by the FLSA. Contact your Human Resources Representative for questions concerning a job's FLSA status.

- **Overtime for Exempt Employees**

Exempt employees are those employees who are exempt from the overtime requirements of the FLSA and therefore are not required to be paid overtime. BellSouth has determined that due to the nature of our business, there may be instances in which exempt personnel are required to work non-customary overtime and may be paid extra pay. **Exempt** employees below Director Level (DO1) are eligible for overtime pay if:

*the hours worked are over 50 hours in a workweek and are considered **planned overtime**.*

Planned overtime is defined as overtime that is pre-approved by the employee's manager and is determined by the employee's manager, in his or her sole discretion, to be necessary due to an excessive workload, urgent customer demands, implementation of new systems/procedures, or special projects.

Where it is not possible to secure advance approval, payment of overtime to an exempt employee may be made if the overtime is reported immediately after it is worked by the employee to his or her supervisor and the employee's supervisor determines, in his or her sole discretion, that payment is warranted under the standard set forth above.

- **Overtime Authorizations**

It is the responsibility of the employee's supervisor to approve or deny overtime before it is actually worked; however, **non-exempt employees must be paid** for all overtime hours worked.

Employees who work overtime without supervisor authorization or fail to report accurately all hours of work, are subject to disciplinary action, up to and including termination of employment.

Supervisors are responsible for ensuring that an accurate record is maintained of the hours worked by their employees on a daily basis in accordance with BellSouth's record keeping policy. Supervisors are prohibited from instructing or permitting non-exempt employees to work "off the clock" and are subject to disciplinary action, up to and including termination of employment, for violating this policy.

Violations of these policies should be reported to your HR Generalist or the Ethics Line -- 1(800) 664-4231.

- **Reporting of Overtime Hours**

Non-exempt employees are required to report their daily hours of work (including any overtime) on a weekly basis.

Exempt employees are required to submit any hours of planned overtime within 30 days of the occurrence.

- **Overtime Hours Determination**

Overtime calculations are based upon actual hours worked. Holidays, vacation days, sick days, personal days, or other time off do NOT count toward hours worked.

B. Payment of Overtime

1. Regular Overtime

Non-exempt employees are paid at the rate of 1.5 times the regular rate of pay for all hours worked in excess of 40 hours in a workweek. The regular rate excludes premium pay and other pay that the FLSA does not require to be included in the regular rate of pay.

Exempt employees are eligible for overtime if (1) the hours worked are over 50 hours in a workweek AND (2) the hours are considered planned overtime.

- The overtime rate is 1.5 times the regular rate of pay, which is calculated based solely on the weekly base salary and not on any other compensation.
- Once the 50 hour threshold is achieved, employees will be paid at the overtime rate for every hour worked in excess of 40.

2. Compensatory Time-Off (Overtime)

Non-exempt employees: Supervisors are not permitted to grant compensatory time off in lieu of overtime pay to non-exempt employees. Supervisors may adjust an employee's scheduled hours within a workweek to keep that employee from working more than 40 hours during that workweek.

Exempt employees: Compensatory time off in lieu of overtime pay for compensable overtime may be granted by mutual agreement of both the employee and manager.

- After the 50-hour threshold is met, employees will be eligible for 1.5 hours off for each hour worked in excess of 40 which has been approved as planned overtime.
- Such compensatory time off must be taken within a reasonable amount of time with management approval and is forfeited if not taken by January 31 of the calendar year after it is earned.

3. Sunday Premium Pay

Both Exempt and Non-exempt employees who are scheduled by their manager to work on a Sunday will be paid a premium rate of 1.5 times their regular rate of pay for all hours worked on that Sunday. This premium pay is excluded from the regular rate of pay for overtime calculations.

Note: Non-exempt employees are eligible for the Sunday premium even if their hours for the workweek do not exceed 40. Exempt employees are likewise not required to meet the 50-hour threshold to be eligible for Sunday premium pay.

4. Holiday Pay

Both exempt and non-exempt employees who are scheduled by their manager to work on a Designated Company Holiday or a Designated Personal Day will be paid a premium rate of 2.5 times their regular rate of pay for the first 8 hours worked and 1.5 times their regular rate of pay for any hours worked beyond 8 hours on that Designated Company Holiday. This premium pay is excluded from the regular rate of pay for overtime calculations.

Non-exempt managers on a Flexible Scheduling (such as a 4 day work week) will revert, for overtime calculation, to a five day schedule in a holiday week.

Note: Non-exempt employees are eligible for the holiday premium even if their hours for the workweek do not exceed 40. Exempt employees are likewise not required to meet the 50-hour threshold to be eligible for holiday premium pay.

Non-exempt employees: Supervisors are not permitted to grant compensatory time off in lieu of Sunday or holiday pay to non-exempt employees. Supervisors may adjust an employee's scheduled hours within a workweek to keep that employee from working more than 40 hours during that workweek.

Designated Company Holidays are Any of the Following:

New Year's Day	Memorial Day
Independence Day	Labor Day
Thanksgiving Day	Christmas Day

from the start of the tour and end no later than 2-1/4 hours from the end of the tour.

- B. All other employees shall be allowed appropriate relief treatment which shall be one period of 15 minutes during each session worked. The Company shall have the right to designate the time or hours during which any employee or group of employees may take such relief period. It is not the intent of the parties that the practices of the Company in the matter of granting relief periods shall be changed except in those instances where an employee or group of employees abuse or take improper advantage of rights under this Section.
- C. In cases of overtime connecting work, as defined in 1.04, when an employee requests time off for a meal period such request will be granted, without pay, if practicable in view of the nature or expected duration of the overtime work.

When an employee works at least the equivalent of a session, he/she will be granted a relief period, as described in "B" above, with pay.

ARTICLE 4

PAY AND BASIS OF COMPENSATION

4.01 Pay for Work on a Week Day (Other than an Authorized Holiday).

- A. Employees working on a week day shall be paid at the regular rate for all scheduled time worked, except as otherwise provided in this section.
- B. Employees working on a week day shall be paid at the overtime rate for all non-scheduled time worked and for scheduled time worked under the provisions of 3.03B3 except as otherwise provided in "D" below. Employees working a part tour of less than one-half a normal tour (including connecting time worked if any) on a week day when the weekly work schedule is in excess of the equivalent of 5 normal tours shall be paid as if such work were a call-out.

Article 4

When work on a week day is a "call-out" as defined in 1.03, employees shall be paid at the overtime rate, subject to the following:

1. A minimum of 2 hours pay at the overtime rate if the call-out starts at or after 7:00 A.M. and before 7:00 P.M.
 2. A minimum of 3 hours pay at the overtime rate if the call-out starts at or after 7:00 P.M. and before 7:00 A.M.
 3. A minimum of 3 hours pay at the overtime rate for employees working tours ending at 8:00 P.M. or later if the call-out starts at or after 7:00 A.M. and before 7:00 P.M. the following day.
 4. A minimum of 1 hour pay at the overtime rate if the call-out is a remote and does not result in a job site visit.
- C. Scheduled time worked on a week day which is in excess of the equivalent of 5 normal tours worked during the calendar week as referred to in "1" below will be paid at the overtime rate except as otherwise provided in "D" below. (Also, see 3.03B3.)
1. Time worked on week days, Sundays, time worked and/or excused on a holiday, optional holiday, vacations or paid excused work days (other than time payable under "B" of 4.01, 4.02 and 4.04), and Union time not paid by the Company, up to the length of a normal tour, shall be included in determining the equivalent of 5 normal tours when computing weekly overtime due under "C" above.
 2. Optional holidays and paid excused work days must be scheduled 3 weeks in advance in order to be included in the equivalent of 5 normal tours.
 3. Where a normal work week is scheduled over a four-day period, the 5th, 6th and 7th days are considered premium days.
- D. Notwithstanding any other provisions of this Section, employees will be paid at the double time rate for all time worked in excess of 49 hours of work time in a calendar week.

In computing these hours, only time actually worked will be counted, except that excused time on an observed holiday which is considered as time worked under "C" above shall also be counted in computing the hours of work time. An Optional Holiday will not count as time worked towards 49 hours when scheduled in a week with a specified holiday. Furthermore, no more than one Optional Holiday will count as time worked towards computing 49 hours worked in a week.

- E. When scheduled hours are shifted by the Company, the new scheduled time worked on week days within 48 hours after notice of the shift but outside the previously posted schedule shall be paid at the overtime rate except as otherwise provided in "D" above.
- F. Scheduled time worked on week days which falls within 12 hours (11 hours for Operating Room Forces) from the scheduled end of the preceding tour shall be paid at the overtime rate except as otherwise provided in "D" above.
 - 1. An employee's exercise of his/her seniority for the choice of tours or the change of a schedule at the request of any employee does not obligate the Company to pay, under "F" above, for time worked at the overtime or double time rate.
- G. When employees have worked 14 or more hours in the 24 hours immediately preceding the starting time of a scheduled tour on a week day, time worked during such scheduled tour equal to the time worked in excess of 13 hours during the preceding 24 hours shall be paid for at the overtime rate except as otherwise provided in "D" above.
- H. When employees have worked on 13 or more consecutive days (scheduled or non-scheduled), they shall be paid beginning with the fourteenth day at the overtime rate or the double time rate, as appropriate, for all scheduled time worked on week days until the employees have been granted a day off.
- I. Where a scheduled week day is shifted by the Company from a work day to an off-day without 12 hours notice, employees

Article 4

shall be paid on the new off-day for 2 hours at the overtime rate.

- J. Employees working on a week day falling on December 24 or on December 31 shall be paid at the overtime rate for all time worked after 7:00 P.M. except as otherwise provided in "D" above.
- K. Notwithstanding any provisions of this Agreement except 4.01F, 4.01H, and 4.01J, the overtime rate of pay shall not be paid to part-time employees until they have worked in excess of the length of a normal tour per day or 5 normal tours per week (see 2.01B).
- L. Occasional employees working on a week day shall be paid the regular rate of pay except that overtime rate of pay shall be paid for work in excess of the length of a normal tour per day or 5 normal tours per week except as otherwise provided in "D" above.
- M. Where the weekly work schedule is the equivalent of 5 normal tours and it includes a week day part tour of less than one-half a normal tour, employees shall be paid (in addition to pay under "A", "B", "C" and/or "D" above for the time worked) at the regular rate for the difference in time, if any, obtained by subtracting the scheduled time (and connecting time, if any) worked from one-half the length of a normal tour.

4.02 Pay for Work on Sunday.

- A. Employees, working on a Sunday, shall be paid at the Sunday rate (1-1/2 times the basic hourly rate) for all time worked not in excess of the length of a normal tour and shall also be paid any applicable evening or night differentials.
- B. Employees working on Sunday shall be paid at the overtime rate for all time worked in excess of the length of a normal tour.
- C. When work on Sunday is a "call-out" as defined in 1.03, employees shall be paid under "A" and "B" above, as appropriate, at the rate applicable for the time worked with a

- minimum of 2 hours pay if the call-out starts at or after 7:00 A.M. and before 7:00 P.M. and a minimum of 3 hours pay if the call-out starts at or after 7:00 P.M. and before 7:00 A.M.
- D. Where a scheduled Sunday is shifted by the Company from a work day to an off-day without 12 hours notice, employees shall be paid for 2 hours at the Sunday rate.
 - E. Where the weekly work schedule is the equivalent of 5 normal tours and it includes a Sunday part tour of less than one-half a normal tour, employees shall be paid (in addition to pay under "A" above for the time worked) at the regular rate for the difference in time, if any, obtained by subtracting the scheduled time (and connecting time, if any) worked from one-half the length of a normal tour.
 - F. Where the weekly work schedule is in excess of the equivalent of 5 normal tours and it includes a Sunday part tour of less than one-half a normal tour, employees working such part tours shall be paid as if the hours were worked on a call-out under "A", "B" and "C" above.

4.03 Pay for Authorized Holiday.

- A. Employees other than those specified in "B" and "C" below shall be paid a day's regular pay for an authorized holiday irrespective of any payments under 4.04 for time worked on the holiday, except as provided in "1", "2", "3" and "4" below.
 - 1. Where the holiday is the sixth or seventh scheduled day as computed under 4.01C, the employee will be paid a day's pay at the overtime rate except as provided under 4.05B.
 - 2. Where no work is performed on the holiday and the scheduled and excused time on such holiday is in excess of 49 hours as computed under 4.01D, the employee will be paid a day's pay at the double time rate (see 4.05B).
 - 3. Absentees, meaning employees failing to report for scheduled work on the holiday, or on the last scheduled day preceding the holiday or the first scheduled day

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following the holiday shall receive no pay for the holiday unless such absences are excused.

4. Employees excused for any reason without pay for 30 days or less and who perform no work during the calendar week in which the holiday occurs shall not be eligible for pay for the holiday except for absences during the first 7 days resulting from sickness, absence for Union time, or when the employee is absent as a result of acceptance of Company initiated excused time.
5. Employees on leave shall not be eligible for pay for the holiday if the leave begins before or terminates after the holiday occurs in a particular week.

B. Part-time employees engaged or re-engaged on or after January 1, 1981, shall be paid a holiday allowance at the straight time rate for all authorized holidays whether they are scheduled to work, scheduled and excused or not scheduled to work. The holiday allowance paid shall be prorated based on the relationship of the individual part-time employee's "part-time equivalent work week" to the normal work week of a comparable full-time employee in the same job title, classification and work group.

C. Occasional employees working on the holiday shall be paid under "A" or "A1" above for an authorized holiday irrespective of any payments under 4.04 for time worked on the holiday.

4.04 Pay for Work on Holiday.

- A. Employees other than those specified in "H" below working on a holiday not in excess of the length of a normal tour shall be paid at the overtime rate except as otherwise provided in this section.
 1. Employees will be paid at the double time rate for time worked on an observed holiday, not in excess of the length of a normal tour, when such work time is in excess of 49

hours of work in the calendar week as computed under 4.01D.

2. Employees will be paid at the double time rate for time worked on an observed holiday, not in excess of the length of a normal tour, when such work time occurs on an observed holiday falling on Friday or Saturday and is in excess of 5 normal tours as determined in computing weekly overtime in 4.01C.
- B. Employees working on a holiday shall be paid at 2-1/2 times the basic rate for all time worked in excess of the length of a normal tour.
- C. When work on a holiday is a "call-out" as defined in 1.03, employees shall be paid under "A", "B" and "D" of this section, as appropriate, at the rate applicable for the time worked with a minimum of 2 hours pay at the overtime rate if the call-out starts at or after 7:00 A.M. and before 7:00 P.M. and a minimum of 3 hours pay at the overtime rate if the call-out starts at or after 7:00 P.M. and before 7:00 A.M.
- D. Where the weekly work schedule is the equivalent of 5 normal tours and it includes a holiday part tour of less than 1/2 a normal tour, employees shall be paid (in addition to pay under "A" above for the time worked) at the regular rate for the difference in time, if any, obtained by subtracting the scheduled time (and connecting time, if any) worked from 1/2 the length of a normal tour.
- E. Where the weekly work schedule is in excess of the equivalent of 5 normal tours and it includes a holiday part tour of less than 1/2 a normal tour, employees working such part tours shall be paid as if the hours were worked on a call-out under "A", "B" and "C" above.
- F. Where a scheduled holiday is shifted by the Company from a work day to an off-day without 12 hours notice, employees shall be paid on the holiday for 2 hours at the overtime rate unless paid under 4.03A1 or A2.

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- G. Pay under this section is in addition to pay under 4.03.
- H. Part-time employees engaged or re-engaged on or after January 1, 1981.
1. If such a part-time employee is scheduled and works on a holiday, in addition to the holiday allowance, the employee will be paid straight time for all hours worked not in excess of an equivalent full time tour for a comparable full-time employee. Payment to a part-time employee for hours worked in excess of an equivalent normal daily tour or work week for a comparable full-time employee shall be at the overtime rate or double time rate, as appropriate.
 2. If an employee works less than his/her scheduled hours, he/she shall be paid the holiday allowance plus pay for only those hours worked at the applicable rate as outlined above.
 3. If an employee is not scheduled to work on the holiday and is assigned to work, in addition to the holiday allowance, he/she shall be paid straight time for all hours worked within the equivalent full-time tour for a comparable full-time employee. Payment to a part-time employee for hours worked in excess of an equivalent normal daily tour or work week for a comparable full-time employee shall be at the overtime rate or double time rate, as appropriate.

4.05 Non-Compounding of Overtime.

- A. Notwithstanding any other provisions of this Agreement, employees shall not be paid for work on Sundays, week days, or holidays at any rate in excess of the overtime rate except to meet holiday pay requirements under 4.04B, double time requirements under either 4.01D, 4.03A2 or 4.04A, or where necessary to meet minimum pay requirements as stated in 4.01B, 4.01J, 4.02C, 4.02D and 4.04C.

Attachment_Request_No_5.pdf

- REQUEST: 1) Please provide a document that explains BellSouth's Policies and Procedures concerning employment labor laws regarding overtime for all employees. Are these documents in agreement with federal, state, and local employment labor laws?
- 2) Please provide a document that outlines or describes management responsibilities and duties, specifically addressing overtime for "normal" and emergency situations.

RESPONSE: 1) Please see attached:

1. BellSouth Overtime Pay Policy for Non-Exempt Employees
2. BellSouth Overtime Pay Administration for Management Employees section of the Salary Administration Plan
3. BellSouth-Communication Workers of America Working Agreement, Article 4 – Pay and Basis of Compensation, Sections 4.01 – 4.04.

These policies are designed to comply with federal, state and local employment labor laws.

2) BellSouth does not issue special documentation to differentiate between "normal" and emergency situations with regard to overtime. As explained in the attached documents, it is the responsibility of the employee's supervisor to approve or deny overtime under the standards described in the policies.

RESPONSE PROVIDED BY: Ron Hilyer

Overtime Pay Policy for Non-Exempt Employees

Policy	Overtime Pay for Non-Exempt Employees		
Effective Date	June 1, 2005		
Policy Number	2.7.2		
Eligibility/ Applicability:	All U.S.-based non-exempt employees of BellSouth companies.		
Policy Statement	<p>The Company must keep an accurate record of all hours, and parts of hours, worked each day and week by employees classified as non-exempt from the overtime requirements of the Fair Labor Standards Act and all applicable state and local laws.</p> <p>Non-exempt employees who work overtime must be paid appropriately for all such work.</p>		
Contact Information	<ul style="list-style-type: none"> • Manager • Local Human Resources representative • Office of Ethics and Compliance (800-664-4231) 		
Compliance	<p>Individual supervisors must ensure that accurate records of all hours worked are maintained. Supervisors are responsible for communicating requirements to employees.</p> <p>Violations of the policy should be reported to the Ethics Line or the applicable Human Resources representative. Action will be taken to correct violations of the policy.</p>		
NUMBER OF PAGES	REVISION HISTORY	REVISION NUMBER	REVISION DATE
3	-	-	-

Click Below For Additional Guidelines/Procedures

- [General Guidelines](#)
- [Manager Responsibility](#)
- [Human Resources Responsibility](#)
- [See Also](#)

PRIVATE/PROPRIETARY

Contains private and/or proprietary information. May not be used or disclosed outside the BellSouth companies except pursuant to a written agreement.

Overtime Pay Policy for Non-Exempt Employees

<p>General Guidelines</p>	<ul style="list-style-type: none">• This policy is designed to ensure compliance with the Fair Labor Standards Act (FLSA) and all state and local laws with respect to the payment of overtime to non-exempt employees.• Non-exempt employees are eligible for overtime pay for all hours actually worked in excess of 40 in a workweek (known as "overtime hours").<ul style="list-style-type: none">- Supervisors may allow non-represented employees (where business needs permit) to adjust their daily hours of work <u>within the same workweek</u> to avoid unnecessary overtime.- Additional provisions regarding overtime may apply to represented employees under applicable collective bargaining agreements.• All overtime must be approved in advance by the employee's supervisor.• Non-exempt employees must be paid properly for all overtime hours worked.• If non-exempt employees work overtime without approval, such employees must be paid for such hours. The failure to obtain approval may result in disciplinary action. <p><u>Supervisor Guidelines</u></p> <ul style="list-style-type: none">• Supervisors must approve any overtime before it is actually worked.• Supervisors are prohibited from instructing or permitting employees to work "off the clock."• Supervisors must ensure that all hours worked by employees are accurately recorded.• Supervisors must ensure that all hours worked by employees are properly submitted for payment. <p><u>Employee Guidelines</u></p> <ul style="list-style-type: none">• Non-exempt employees are prohibited from working overtime without their supervisor's advance authorization.• Non-exempt employees are required to accurately report all hours, and parts of hours, worked each day and each week (including any overtime) on a weekly basis. <p>Any individual who violates this policy may be subject to disciplinary action, up to and including dismissal.</p>
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Overtime Pay Policy for Non-Exempt Employees

Manager Responsibility	<ul style="list-style-type: none"> • Communicate BellSouth's overtime policy to employees. • Ensure that all time spent performing work is accurately recorded and reported for payment. • Prevent employees from performing work "off the clock," i.e., not recorded. • Take appropriate disciplinary action as necessary. • Ensure that time records are retained in accordance with BellSouth record retention policies.
Human Resources Responsibility	<ul style="list-style-type: none"> • Assist in communication of guidelines to employees and supervisors. • Provide advice and counsel regarding implementation of this policy. • Provide advice and counsel in determining the appropriate level of employee discipline. • Review and concur in suspensions, demotions or dismissals prior to implementation.
See Also	<p><u>Management Salary Administration Plan</u> for additional information related to overtime for non-exempt, non-represented employees.</p>

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III. OVERTIME PAY

A. Management Overtime

- Intent

This Plan is designed to:

1. Ensure compliance with the Fair Labor Standards Act (FLSA) with respect to the payment of overtime to non-exempt, non-represented employees.
2. Provide guidelines to ensure consistent, equitable administration of overtime compensation for both exempt and non-exempt, non-represented employees, including some payments that are not required by the FLSA. These overtime guidelines shall be interpreted to require only those payments that are mandated by the FLSA except where the guidelines expressly provide otherwise.

- Overtime For Non-Exempt Employees

Non-Exempt employees are eligible for overtime pay for all hours worked in excess of 40 hours in a workweek, as required by the FLSA. Contact your Human Resources Representative for questions concerning a job's FLSA status.

- Overtime for Exempt Employees

Exempt employees are those employees who are exempt from the overtime requirements of the FLSA and therefore are not required to be paid overtime. BellSouth has determined that due to the nature of our business, there may be instances in which exempt personnel are required to work non-customary overtime and may be paid extra pay. **Exempt** employees below Director Level (D01) are eligible for overtime pay if:

the hours worked are over 50 hours in a workweek and are considered planned overtime.

Planned overtime is defined as overtime that is pre-approved by the employee's manager and is determined by the employee's manager, in his or her sole discretion, to be necessary due to an excessive workload, urgent customer demands, implementation of new systems/procedures, or special projects.

Where it is not possible to secure advance approval, payment of overtime to an exempt employee may be made if the overtime is reported immediately after it is worked by the employee to his or her supervisor and the employee's supervisor determines, in his or her sole discretion, that payment is warranted under the standard set forth above.

- **Overtime Authorizations**

It is the responsibility of the employee's supervisor to approve or deny overtime before it is actually worked; however, **non-exempt employees must be paid** for all overtime hours worked.

Employees who work overtime without supervisor authorization or fail to report accurately all hours of work, are subject to disciplinary action, up to and including termination of employment.

Supervisors are responsible for ensuring that an accurate record is maintained of the hours worked by their employees on a daily basis in accordance with BellSouth's record keeping policy. Supervisors are prohibited from instructing or permitting non-exempt employees to work "off the clock" and are subject to disciplinary action, up to and including termination of employment, for violating this policy.

Violations of these policies should be reported to your HR Generalist or the Ethics Line - - 1(800) 664-4231.

- **Reporting of Overtime Hours**

Non-exempt employees are required to report their daily hours of work (including any overtime) on a weekly basis.

Exempt employees are required to submit any hours of planned overtime within 30 days of the occurrence.

- **Overtime Hours Determination**

Overtime calculations are based upon actual hours worked. Holidays, vacation days, sick days, personal days, or other time off do NOT count toward hours worked.

B. Payment of Overtime

1. Regular Overtime

Non-exempt employees are paid at the rate of 1.5 times the regular rate of pay for all hours worked in excess of 40 hours in a workweek. The regular rate excludes premium pay and other pay that the FLSA does not require to be included in the regular rate of pay.

Exempt employees are eligible for overtime if (1) the hours worked are over 50 hours in a workweek AND (2) the hours are considered planned overtime.

- The overtime rate is 1.5 times the regular rate of pay, which is calculated based solely on the weekly base salary and not on any other compensation.
- Once the 50 hour threshold is achieved, employees will be paid at the overtime rate for every hour worked in excess of 40.

2. Compensatory Time-Off (Overtime)

Non-exempt employees: Supervisors are not permitted to grant compensatory time off in lieu of overtime pay to non-exempt employees. Supervisors may adjust an employee's scheduled hours within a workweek to keep that employee from working more than 40 hours during that workweek.

Exempt employees: Compensatory time off in lieu of overtime pay for compensable overtime may be granted by mutual agreement of both the employee and manager.

- After the 50-hour threshold is met, employees will be eligible for 1.5 hours off for each hour worked in excess of 40 which has been approved as planned overtime.
- Such compensatory time off must be taken within a reasonable amount of time with management approval and is forfeited if not taken by January 31 of the calendar year after it is earned.

3. Sunday Premium Pay

Both Exempt and Non-exempt employees who are scheduled by their manager to work on a Sunday will be paid a premium rate of 1.5 times their regular rate of pay for all hours worked on that Sunday. This premium pay is excluded from the regular rate of pay for overtime calculations.

Note: Non-exempt employees are eligible for the Sunday premium even if their hours for the workweek do not exceed 40. Exempt employees are likewise not required to meet the 50-hour threshold to be eligible for Sunday premium pay.

4. Holiday Pay

Both exempt and non-exempt employees who are scheduled by their manager to work on a Designated Company Holiday or a Designated Personal Day will be paid a premium rate of 2.5 times their regular rate of pay for the first 8 hours worked and 1.5 times their regular rate of pay for any hours worked beyond 8 hours on that Designated Company Holiday. This premium pay is excluded from the regular rate of pay for overtime calculations.

Non-exempt managers on a Flexible Scheduling (such as a 4 day work week) will revert, for overtime calculation, to a five day schedule in a holiday week.

Note: Non-exempt employees are eligible for the holiday premium even if their hours for the workweek do not exceed 40. Exempt employees are likewise not required to meet the 50-hour threshold to be eligible for holiday premium pay.
Non-exempt employees: Supervisors are not permitted to grant compensatory time off in lieu of Sunday or holiday pay to non-exempt employees. Supervisors may adjust an employee's scheduled hours within a workweek to keep that employee from working more than 40 hours during that workweek.

Designated Company Holidays are Any of the Following:

New Year's Day	Memorial Day
Independence Day	Labor Day
Thanksgiving Day	Christmas Day

from the start of the tour and end no later than 2-1/4 hours from the end of the tour.

- B. All other employees shall be allowed appropriate relief treatment which shall be one period of 15 minutes during each session worked. The Company shall have the right to designate the time or hours during which any employee or group of employees may take such relief period. It is not the intent of the parties that the practices of the Company in the matter of granting relief periods shall be changed except in those instances where an employee or group of employees abuse or take improper advantage of rights under this Section.
- C. In cases of overtime connecting work, as defined in 1.04, when an employee requests time off for a meal period such request will be granted, without pay, if practicable in view of the nature or expected duration of the overtime work.

When an employee works at least the equivalent of a session, he/she will be granted a relief period, as described in "B" above, with pay.

ARTICLE 4 PAY AND BASIS OF COMPENSATION

4.01 Pay for Work on a Week Day (Other than an Authorized Holiday).

- A. Employees working on a week day shall be paid at the regular rate for all scheduled time worked, except as otherwise provided in this section.
- B. Employees working on a week day shall be paid at the overtime rate for all non-scheduled time worked and for scheduled time worked under the provisions of 3.03B3 except as otherwise provided in "D" below. Employees working a part tour of less than one-half a normal tour (including connecting time worked if any) on a week day when the weekly work schedule is in excess of the equivalent of 5 normal tours shall be paid as if such work were a call-out.

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When work on a week day is a "call-out" as defined in 1.03, employees shall be paid at the overtime rate, subject to the following:

1. A minimum of 2 hours pay at the overtime rate if the call-out starts at or after 7:00 A.M. and before 7:00 P.M.
 2. A minimum of 3 hours pay at the overtime rate if the call-out starts at or after 7:00 P.M. and before 7:00 A.M.
 3. A minimum of 3 hours pay at the overtime rate for employees working tours ending at 8:00 P.M. or later if the call-out starts at or after 7:00 A.M. and before 7:00 P.M. the following day.
 4. A minimum of 1 hour pay at the overtime rate if the call-out is a remote and does not result in a job site visit.
- C. Scheduled time worked on a week day which is in excess of the equivalent of 5 normal tours worked during the calendar week as referred to in "1" below will be paid at the overtime rate except as otherwise provided in "D" below. (Also, see 3.03B3.)
1. Time worked on week days, Sundays, time worked and/or excused on a holiday, optional holiday, vacations or paid excused work days (other than time payable under "B" of 4.01, 4.02 and 4.04), and Union time not paid by the Company, up to the length of a normal tour, shall be included in determining the equivalent of 5 normal tours when computing weekly overtime due under "C" above.
 2. Optional holidays and paid excused work days must be scheduled 3 weeks in advance in order to be included in the equivalent of 5 normal tours.
 3. Where a normal work week is scheduled over a four-day period, the 5th, 6th and 7th days are considered premium days.
- D. Notwithstanding any other provisions of this Section, employees will be paid at the double time rate for all time worked in excess of 49 hours of work time in a calendar week.

In computing these hours, only time actually worked will be counted, except that excused time on an observed holiday which is considered as time worked under "C" above shall also be counted in computing the hours of work time. An Optional Holiday will not count as time worked towards 49 hours when scheduled in a week with a specified holiday. Furthermore, no more than one Optional Holiday will count as time worked towards computing 49 hours worked in a week.

- E. When scheduled hours are shifted by the Company, the new scheduled time worked on week days within 48 hours after notice of the shift but outside the previously posted schedule shall be paid at the overtime rate except as otherwise provided in "D" above.
- F. Scheduled time worked on week days which falls within 12 hours (11 hours for Operating Room Forces) from the scheduled end of the preceding tour shall be paid at the overtime rate except as otherwise provided in "D" above.
 - 1. An employee's exercise of his/her seniority for the choice of tours or the change of a schedule at the request of any employee does not obligate the Company to pay, under "F" above, for time worked at the overtime or double time rate.
- G. When employees have worked 14 or more hours in the 24 hours immediately preceding the starting time of a scheduled tour on a week day, time worked during such scheduled tour equal to the time worked in excess of 13 hours during the preceding 24 hours shall be paid for at the overtime rate except as otherwise provided in "D" above.
- H. When employees have worked on 13 or more consecutive days (scheduled or non-scheduled), they shall be paid beginning with the fourteenth day at the overtime rate or the double time rate, as appropriate, for all scheduled time worked on week days until the employees have been granted a day off.
- I. Where a scheduled week day is shifted by the Company from a work day to an off-day without 12 hours notice, employees

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shall be paid on the new off-day for 2 hours at the overtime rate.

- J. Employees working on a week day falling on December 24 or on December 31 shall be paid at the overtime rate for all time worked after 7:00 P.M. except as otherwise provided in "D" above.
- K. Notwithstanding any provisions of this Agreement except 4.01F, 4.01H, and 4.01J, the overtime rate of pay shall not be paid to part-time employees until they have worked in excess of the length of a normal tour per day or 5 normal tours per week (see 2.01B).
- L. Occasional employees working on a week day shall be paid the regular rate of pay except that overtime rate of pay shall be paid for work in excess of the length of a normal tour per day or 5 normal tours per week except as otherwise provided in "D" above.
- M. Where the weekly work schedule is the equivalent of 5 normal tours and it includes a week day part tour of less than one-half a normal tour, employees shall be paid (in addition to pay under "A", "B", "C" and/or "D" above for the time worked) at the regular rate for the difference in time, if any, obtained by subtracting the scheduled time (and connecting time, if any) worked from one-half the length of a normal tour.

4.02 Pay for Work on Sunday.

- A. Employees, working on a Sunday, shall be paid at the Sunday rate (1-1/2 times the basic hourly rate) for all time worked not in excess of the length of a normal tour and shall also be paid any applicable evening or night differentials.
- B. Employees working on Sunday shall be paid at the overtime rate for all time worked in excess of the length of a normal tour.
- C. When work on Sunday is a "call-out" as defined in 1.03, employees shall be paid under "A" and "B" above, as appropriate, at the rate applicable for the time worked with a

minimum of 2 hours pay if the call-out starts at or after 7:00 A.M. and before 7:00 P.M. and a minimum of 3 hours pay if the call-out starts at or after 7:00 P.M. and before 7:00 A.M.

- D. Where a scheduled Sunday is shifted by the Company from a work day to an off-day without 12 hours notice, employees shall be paid for 2 hours at the Sunday rate.
- E. Where the weekly work schedule is the equivalent of 5 normal tours and it includes a Sunday part tour of less than one-half a normal tour, employees shall be paid (in addition to pay under "A" above for the time worked) at the regular rate for the difference in time, if any, obtained by subtracting the scheduled time (and connecting time, if any) worked from one-half the length of a normal tour.
- F. Where the weekly work schedule is in excess of the equivalent of 5 normal tours and it includes a Sunday part tour of less than one-half a normal tour, employees working such part tours shall be paid as if the hours were worked on a call-out under "A", "B" and "C" above.

4.03 Pay for Authorized Holiday.

- A. Employees other than those specified in "B" and "C" below shall be paid a day's regular pay for an authorized holiday irrespective of any payments under 4.04 for time worked on the holiday, except as provided in "1", "2", "3" and "4" below.
 - 1. Where the holiday is the sixth or seventh scheduled day as computed under 4.01C, the employee will be paid a day's pay at the overtime rate except as provided under 4.05B.
 - 2. Where no work is performed on the holiday and the scheduled and excused time on such holiday is in excess of 49 hours as computed under 4.01D, the employee will be paid a day's pay at the double time rate (see 4.05B).
 - 3. Absentees, meaning employees failing to report for scheduled work on the holiday, or on the last scheduled day preceding the holiday or the first scheduled day

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following the holiday shall receive no pay for the holiday unless such absences are excused.

4. Employees excused for any reason without pay for 30 days or less and who perform no work during the calendar week in which the holiday occurs shall not be eligible for pay for the holiday except for absences during the first 7 days resulting from sickness, absence for Union time, or when the employee is absent as a result of acceptance of Company initiated excused time.
 5. Employees on leave shall not be eligible for pay for the holiday if the leave begins before or terminates after the holiday occurs in a particular week.
- B. Part-time employees engaged or re-engaged on or after January 1, 1981, shall be paid a holiday allowance at the straight time rate for all authorized holidays whether they are scheduled to work, scheduled and excused or not scheduled to work. The holiday allowance paid shall be prorated based on the relationship of the individual part-time employee's "part-time equivalent work week" to the normal work week of a comparable full-time employee in the same job title, classification and work group.
- C. Occasional employees working on the holiday shall be paid under "A" or "A1" above for an authorized holiday irrespective of any payments under 4.04 for time worked on the holiday.

4.04 Pay for Work on Holiday.

- A. Employees other than those specified in "H" below working on a holiday not in excess of the length of a normal tour shall be paid at the overtime rate except as otherwise provided in this section.
1. Employees will be paid at the double time rate for time worked on an observed holiday, not in excess of the length of a normal tour, when such work time is in excess of 49

hours of work in the calendar week as computed under 4.01D.

2. Employees will be paid at the double time rate for time worked on an observed holiday, not in excess of the length of a normal tour, when such work time occurs on an observed holiday falling on Friday or Saturday and is in excess of 5 normal tours as determined in computing weekly overtime in 4.01C.
- B. Employees working on a holiday shall be paid at 2-1/2 times the basic rate for all time worked in excess of the length of a normal tour.
- C. When work on a holiday is a "call-out" as defined in 1.03, employees shall be paid under "A", "B" and "D" of this section, as appropriate, at the rate applicable for the time worked with a minimum of 2 hours pay at the overtime rate if the call-out starts at or after 7:00 A.M. and before 7:00 P.M. and a minimum of 3 hours pay at the overtime rate if the call-out starts at or after 7:00 P.M. and before 7:00 A.M.
- D. Where the weekly work schedule is the equivalent of 5 normal tours and it includes a holiday part tour of less than 1/2 a normal tour, employees shall be paid (in addition to pay under "A" above for the time worked) at the regular rate for the difference in time, if any, obtained by subtracting the scheduled time (and connecting time, if any) worked from 1/2 the length of a normal tour.
- E. Where the weekly work schedule is in excess of the equivalent of 5 normal tours and it includes a holiday part tour of less than 1/2 a normal tour, employees working such part tours shall be paid as if the hours were worked on a call-out under "A", "B" and "C" above.
- F. Where a scheduled holiday is shifted by the Company from a work day to an off-day without 12 hours notice, employees shall be paid on the holiday for 2 hours at the overtime rate unless paid under 4.03A1 or A2.

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- G. Pay under this section is in addition to pay under 4.03.
- H. Part-time employees engaged or re-engaged on or after January 1, 1981.
 - 1. If such a part-time employee is scheduled and works on a holiday, in addition to the holiday allowance, the employee will be paid straight time for all hours worked not in excess of an equivalent full time tour for a comparable full-time employee. Payment to a part-time employee for hours worked in excess of an equivalent normal daily tour or work week for a comparable full-time employee shall be at the overtime rate or double time rate, as appropriate.
 - 2. If an employee works less than his/her scheduled hours, he/she shall be paid the holiday allowance plus pay for only those hours worked at the applicable rate as outlined above.
 - 3. If an employee is not scheduled to work on the holiday and is assigned to work, in addition to the holiday allowance, he/she shall be paid straight time for all hours worked within the equivalent full-time tour for a comparable full-time employee. Payment to a part-time employee for hours worked in excess of an equivalent normal daily tour or work week for a comparable full-time employee shall be at the overtime rate or double time rate, as appropriate.

4.05 Non-Compounding of Overtime.

- A. Notwithstanding any other provisions of this Agreement, employees shall not be paid for work on Sundays, week days, or holidays at any rate in excess of the overtime rate except to meet holiday pay requirements under 4.04B, double time requirements under either 4.01D, 4.03A2 or 4.04A, or where necessary to meet minimum pay requirements as stated in 4.01B, 4.01J, 4.02C, 4.02D and 4.04C.