

BELLSOUTH TELECOMMUNICATIONS, INC.

FCC TARIFF NO. 2

DESCRIPTION AND JUSTIFICATION

COST SUPPORT

Sykes Enterprises

Bardstown, KY

CASE NO. KY09-3354-01

Transmittal No. 1182

This Transmittal is scheduled to become effective July 28, 2009.

**SECTION 1
INTRODUCTION
SPECIAL CONSTRUCTION CASE
KY09-3354-01**

With this filing, BellSouth Telecommunications, Inc. proposes to recover the cost associated with special construction necessary to provide route diversity for DS1 and DS3 interstate services at 225 Kentucky Home Square, Bardstown, KY. Special Construction is required because facilities are not available to meet the Customer's request. The Telephone Company must construct new facilities consisting of route diversity for DS1 and DS3 interstate services at 225 Kentucky Home Square, Bardstown, KY. The Telephone Company has no other planned use for the facilities requested.

Because this special construction is provided in connection with a service available under an existing tariff, the customer will be charged the tariff rates for services as set forth in BellSouth's FCC Tariff in addition to the charges described herein. The charges set forth in this filing recover the costs caused by this customer's request. Workpaper I provides a summary of the charges for the service; Workpaper II provides cost details, Workpaper III provides monthly capital cost calculations, and Workpaper IV provides non-recoverables summary.

SECTION 2

RATE AND COST DEVELOPMENT

2.1 INTRODUCTION

This special construction case establishes charges necessary for facilities to provide route diversity for DS1 and DS3 interstate services at 225 Kentucky Home Square, Bardstown, KY.

The following is a summary of the monthly and nonrecurring charges associated with this filing. A description of each element is contained in Section 2.2.

<u>Special Construction Charges</u>	<u>NRC</u>	<u>Monthly</u>
Special construction-225 Kentucky Home Square		\$1,117.00
Case Preparation	\$1,483.00	

2.2 DESCRIPTION OF CHARGES

2.2.1 The Nonrecurring charge is applied to recover the present worth of the monthly capital costs, calculated over the account average life of the applicable field reporting code. The capital costs are developed from the estimated non-recoverable investments associated with the special construction. The non-recoverable investments consist of estimated engineering and installation costs based on labor hours and labor rates, outside contractor billing and associated material. Details of this component are shown on Workpaper IV, page 1. The present worth of the capital costs is developed using the authorized cost of capital. Details of the costs supporting this component are shown on Workpaper II, page 1.

The Case Preparation Charge is applied to recover the applicable costs of the case preparation. Case preparation consists of the cost of administrative expenses associated with preparing a special construction case and the associated tariff filing. Details of the costs supporting this component are shown on Workpaper II, page 1.

CHARGE SUMMARY

SPECIAL ARRANGEMENT

CUSTOMER: SYKES ENTERPRISES

CASE NUMBER: KY09-3354-01

	<u>Nonrecurring</u>	<u>Monthly</u>
I. Case Preparation Charges (Workpaper II, Line I.)	\$1,483.00	
II. Special Construction charge to provide route diversity for DS1 & DS3 interstate services at 225 Kentucky Home Square, Bardstown, KY (Workpaper II, Line II.B.)		\$1,117.00

COST DETAILS

CUSTOMER: SYKES ENTERPRISES

CASE NUMBER: KY09-3354-01

		<u>Nonrecurring</u>	<u>Monthly</u>
I.	Case Preparation	\$1,483.00	
II.	Special Construction charge to provide route diversity for DS1 & DS3 interstate services at 225 Kentucky Home Square, Bardstown, KY		
A.	Total Monthly Capital Costs		\$213.84
B.	Present Worth of Capital Costs		\$1,117.00

MONTHLY COST CALCULATIONS

CUSTOMER: SYKES ENTERPRISES

CASE NUMBER: KY09-3354-01

Special Construction charge to provide route diversity for DS1 & DS3 interstate services at 225 Kentucky Home Square, Bardstown, K						TOTAL
FIELD					INCOME	MONTHLY
<u>CODE</u>	<u>DESCRIPTION</u>	<u>INVESTMENT</u>	<u>DEPRECIATION</u>	<u>RETURN</u>	<u>TAXES</u>	<u>COST</u>
812	Building Fiber	\$ 724.11	\$ 3.52	\$ 4.06	\$ 2.03	\$ 9.61
845	Buried Fiber	\$ 7,083.09	\$ 30.06	\$ 40.23	\$ 20.09	\$ 90.38
822	Aerial Fiber	\$ 8,578.27	\$ 41.75	\$ 48.08	\$ 24.02	\$ 113.85
		<u>\$ 16,385.47</u>	<u>\$ 75.33</u>	<u>\$ 92.37</u>	<u>\$ 46.14</u>	<u>\$ 213.84</u>

NONRECOVERABLES

NONRECURRING SUMMARY

CUSTOMER: SYKES ENTERPRISES

CASE NUMBER: KY09-3354-01

<u>FIELD CODE</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>MATERIAL</u>	<u>LABOR</u>	<u>ENGINEERING</u>	<u>TOTAL NONRECOVERABLE INVESTMENT</u>
812	Building Fiber	1	\$ 241.88	\$ 375.92	\$ 106.31	\$ 724.11
845	Buried Fiber	1	\$ 1,754.17	\$ 3,933.21	\$ 1,395.71	\$ 7,083.09
822	Aerial Fiber	1	\$ 4,936.43	\$ 3,011.38	\$ 630.46	\$ 8,578.27
			<u>\$ 6,932.48</u>	<u>\$ 7,320.51</u>	<u>\$ 2,132.48</u>	<u>\$ 16,385.47</u>