

DESCRIPTION & JUSTIFICATION

Cincinnati Bell Telephone (CBT) proposes to introduce a rate element that will apply when a customer requests an expedited due date on a DS1 order. Currently, expedite charges for all services are billed based on the number of applicable Additional Labor charges required to meet the customer request. For DS1 services only, CBT proposes a flat rate-rate expedite charge per expedited order.

The introduction of this rate element is considered by the Commission to be a tariff restructure. Thus, in addition to cost support data for the DS1 Expedite charge, CBT also is attaching a Tariff Review Plan (TRP) reflecting the addition of the DS1 Expedite rate element in the High Capacity/DDS basket.

DS1 Expedite Charge

August, 2009

DS1 Expedite Costs

Expedite tech rate	Discount Rate	10%				
	Labor rate per Engineering	77.27				
		1	2	3	4	5
	Labor Rate	\$ 77.27	\$ 79.59	\$ 81.98	\$ 84.44	\$ 86.97
	Discount Factor	0.953463	0.866784	0.787986	0.716351	0.651228
	Discounted Labor Rate	\$ 73.67	\$ 68.99	\$ 64.60	\$ 60.49	\$ 56.64
	Cumulative Discounted Labor	\$ 324.38				
	Cumulative Discount Factor	\$ 3.98				
	Levelized Labor Rate	\$ 81.59				

NPV Labor Rate \$309.28

Levelized Labor Rate \$81.59

DS1 Expedite Costs

HOURS/COST DISTRIBUTION

WORK GROUP	(A)	(B)	(C)	(D)	(E)	(F)
	Special Tour Hrs.	Minutes	Normal Rate	Special Tour Rate	Special Tour/min	Special Tour Cost
	Note	(A) * 60	Lev Calcs Wrksht	(C) *1.5	(D)/60	(B) * (E)
DACS/Sonet	1	60	\$81.59	\$122.38	\$2.04	\$122.38
Installation Testing	1	60	\$81.59	\$122.38	\$2.04	\$122.38
Central Office	1.5	90	\$81.59	\$122.38	\$2.04	\$183.57
Field Installation	2	120	\$81.59	\$122.38	\$2.04	\$244.76
Total						\$673.10

Note: Time Estimates developed by Director Engineering.