AT&T Exhibit 1 - Sprint Costs Improperly Included in its Transmittal No. 200

	Application/ Functional Area*	Modifications Sprint Asserts Were Required*	System Function/ Explanation by Sprint*	Sprint Rationale for Cost Recovery*	AT&T Comments
1	Revenue Requirements include expenditures for the years 1998 through 2001.	None directly identified.	None directly identified.	Revenue Requirement includes prior year expenditures.	Expenditures prior to the implementation of National number pooling are sunk costs that have already been recovered. The costs of state trials are recovered in the state jurisdiction.
2	Telephone Number Administration.	Exhaustive inventory of all the numbers currently assigned to Sprint.	Identify, donate and receive blocks of pooled numbers which includes an audit of the inventory, and the creation of service orders.	Sprint claims this as a cost that would not have been incurred "but for" Thousand Number Block Pooling and therefore should be eligible for recovery.	Sprint will certainly not be required to review all numbers assigned to it. Numbers not subject to local number pooling would not need to be included. NRUF reports would be required with or without TNBP.
3	National Provisioning Administration Center (NPAC)	Database number pooling software upgrades, pooled number database downloads, and NeuStar administrative costs.	National center that administers number portability.	TBNP has directly caused an increase to Sprint's share of industry costs.	These costs are not incremental to TBNP. Even if they were, the allocation of the costs should be by end-user revenue percentages and not relative database queries.
4	Sprint's Intelligent Network (SS7)	Increased capacity needed to handle increased query volumes.	Queries to the number pooling database for call routing.	Increased query volumes due to the increase to the telephone numbers open for queries.	While the number portability database will increase in size, it will have no effect on the number of queries. Since all calls are currently queried, only an increase in volumes would result in an increase in queries. In addition, incidental costs required to adapt or maintain systems in order to accommodate the provision of number pooling are not eligible for recovery.
5	Switch Upgrades	Software upgrades to 323 switches.	Properly route calls in a TBNP environment.	The routing environment has changed under TBNP requiring switch upgrades.	This assumes differences in call routing under TBNP as compared to local number portability. This is not true. Routing is on the telephone number only under both.

* Sprint Transmittal No. 200, Description and Justification.
** *Third NRO Order*, ¶¶ 44 and 45.
*** *Third NRO Order*, ¶ 39.
**** *Third NRO Order*, ¶¶ 43 and 46.

	Application/ Functional Area*	**Modifications Sprint Asserts Were Required***	**System Function/ Explanation by Sprint***	**Sprint Rationale for Cost Recovery***	**AT&T Comments**
6	CODARS/ Operational Support Systems (OSS)	Modifications to manage 1K block number inventory, produce TBNP analysis reports, provision numbers to multiple switches, track contaminated blocks and to support system planning through implementation for TBNP.	Dial office administration and telephone number inventory.	Provide the ability to donate and receive 1K blocks for pooling, to produce contamination reports for the Pooling Administrator, to provision customer service from 1K blocks rather than 10K, and to support number pooling enhancements.	Sprint has not demonstrated that these costs are only for the provision of number pooling, are a direct cost of pooling, or fall within the eligible pooling criteria. Indeed, the ability to distribute blocks across switches in a rate center is already required by the NRO-ordered number sharing, if not by Local Number Portability (LNP).
7	Consumer, Business, Wholesale Market Systems, Customer Service Operations and Network Systems, and Customer Record Database/ OSS	Modification to notify NPAC if 1st use of a 1K block, port the working telephone number in a contaminated block, communicate information for donated and received blocks to Sprint's business units and to identify the switch associated with a block.	Populate the pooling database, identify contaminants in 1K blocks to be donated to the Pool Administrator, identify donated and received blocks, and route 1K blocks to proper switch.	Required by TBNP.	Sprint has not demonstrated that these costs are only for TBNP, or are even necessary at all. Routing is on a telephone number, no matter where the switch is located. The cost to allow an NPA/NXX at more than one switch may well be attributable to internal number management or based on FCC ordered number conservation initiatives, and not TBNP. The block can be activated as soon as received so that linkages into service order systems are not necessary.
8	Customer Information Database (CIDS)/ OSS	Add an indicator on the customer record to identify block holder.	Ensure proper handling of disconnect orders.	Required due to TBNP.	There is no reason to believe the process to disconnect a customer may change due to TBNP after the implementation of LNP. Moreover, the number of systems related to this item mentioned in the Sprint filing brings the efficiency of their process, viewing that these costs are being recovered from its competitors, into question.

* Sprint Transmittal No. 200, Description and Justification.
** *Third NRO Order*, ¶¶ 44 and 45.
*** *Third NRO Order*, ¶ 39.
**** *Third NRO Order*, ¶¶ 43 and 46.

	Application/ Functional Area*	**Modifications Sprint Asserts Were Required***	**System Function/ Explanation by Sprint***	**Sprint Rationale for Cost Recovery***	**AT&T Comments**
9	Customer Record Database/ OSS	To identify proper block holder in the disconnect process, to allow NPA-NXX-X assignments to multiple switches, to port contaminated numbers in blocks donated to the Pooling Administrator, and to support system development for TBNP.	Maintain detailed customer account information associated with provisioning of customers.	These are costs that are needed solely for TBNP.	It is not clear what portion, of the expense for this item is directly caused by the items outlined as specifically incurred in the narrowly defined thousands-block pooling functions. There is no reason to believe the process to disconnect a customer may change due to TBNP after the implementation of LNP. Moreover, the number of systems related to this item mentioned in the Sprint filing brings the efficiency of their process, viewing that these costs are being recovered from its competitors, into question. The ability to distribute blocks across switches in a rate center is already required by the NRO-ordered number sharing, if not by Local Number Portability (LNP).
10	Integrated Request Entry System (IRES)/ OSS	To route calls to blocks not owned by Sprint, to identify the block holder for disconnected calls, to support system development.	Assignment of telephone number for CLEC customers, populate the pooling database.	These are costs that are needed solely for TBNP.	Detection of attempts to port outside the rate center should not be considered a number pooling cost There is no reason to believe the process to disconnect a customer may change due to TBNP after the implementation of LNP. Moreover, the number of systems related to this item mentioned in the Sprint filing brings the efficiency of their process, viewing that these costs are being recovered from its competitors, into question.
11	Service Order Entry (SOE)/ OSS	Create number assignment process and modify assigned number classification procedure. Identify proper block holder for disconnected calls. And support system development.	To issue disconnected orders and to validate numbers for service order activity.	These are costs that are needed solely for TBNP.	Sprint should not be allowed to recover costs for sequential number assignment. The FCC had ordered SNA for all carriers separate from TBNP. There is no reason to believe the process to disconnect a customer may change due to TBNP after the implementation of LNP. Moreover, the number of systems related to this item mentioned in the Sprint filing brings the efficiency of their process, viewing that these costs are being recovered from its competitors, into question. And the efficiency of handling system changes in the manner Sprint is using is questionable.

* Sprint Transmittal No. 200, Description and Justification.
** *Third NRO Order*, ¶¶ 44 and 45.
*** *Third NRO Order*, ¶ 39.
**** *Third NRO Order*, ¶¶ 43 and 46.

	Application/ Functional Area*	Modifications Sprint Asserts Were Required*	System Function/ Explanation by Sprint*	Sprint Rationale for Cost Recovery*	AT&T Comments
12	Sprint Intelligent Computing Environment (SPICE)/ OSS	Create a comprehensive number assignment process and modify assigned number classification process. Identify proper block holder for disconnected calls. And support system development	Issue disconnect orders, validate telephone numbers for service order processing.	Required due to TBNP.	Number category changes were ordered by the FCC independently of any number pooling requirement. There is no reason to believe the process to disconnect a customer may change due to TBNP after the implementation of LNP. Moreover, the number of systems related to this item mentioned in the Sprint filing brings the efficiency of their process, viewing that these costs are being recovered from its competitors, into question.
13	Switch Audit Process (SWAP)/OSS	Create a downstream audit process and allow NPA/NXX codes to be assigned to multiple offices. Support system development.	Audit of telephone numbers in switch to customer records and number inventory systems.	Required by TBNP.	Audit processes are not incremental to TBNP. Further, audit related costs, if any, can only partially support TBNP. The cost to allow an NPA/NXX at more than one switch may well be attributable to internal number management or based on FCC ordered number conservation initiatives, and not TBNP.
14	Unison/ OSS	Support the disconnect orders process. Support system development. Notify NPAC if 1st use of a 1K block, port the working telephone number in a contaminated block,	Issue disconnect orders. Provide system ordering and customer support for business customers.	Required by TBNP.	There is no reason to believe the process to disconnect a customer may change due to TBNP after the implementation of LNP. Moreover, the number of systems related to this item mentioned in the Sprint filing brings the efficiency of their process, viewing that these costs are being recovered from its competitors, into question. Further, a block can be activated as soon as received so that linkages into service order systems are not necessary.
15	Miscellaneous OSS systems - GIS, NRS, SIG, SLA, SODS, and SQM,	Tracks the updates of donated & received blocks in the LERG. Updates the C.O. switch association with donated & received blocks.	New numbering administration methods and procedures.	Required by TBNP.	Many of these costs raise the question of efficiency of the method Sprint is using to implement TBNP in the light that it is recovering those costs from competitors. For example, the ability to track donated and received blocks in the LERG is not a necessary capability and a number of carriers, including AT&T, do without it.

* Sprint Transmittal No. 200, Description and Justification.
** *Third NRO Order*, ¶¶ 44 and 45.
*** *Third NRO Order*, ¶ 39.
**** *Third NRO Order*, ¶¶ 43 and 46.