

**NEVADA BELL TELEPHONE COMPANY  
DESCRIPTION AND JUSTIFICATION  
JULY 14, 2005  
TRANSMITTAL NO. 104**

**PURPOSE**

In this filing, Nevada Bell Telephone Company (NBTC) proposes to:

- revise the 2005 Annual Filing Tariff Review Plan (TRP) and applicable exhibits to reflect corrected Additional Labor demand information.
- deregulate the Maintenance of Service Charge. This charge applies when trouble on an Access Service is caused by facilities, equipment or wiring owned by the customer.

**2005 Annual Filing Corrections**

The corrections being made to the 2005 Annual Filing are in Exhibit 2.9 and the Tariff Review Plan (TRP):

- Exhibit 2.9 – Allocation of Exogenous Costs to Non-ATS Services is revised to show corrected exogenous costs due to changes in Special Access revenues.
- TRP PCI-1, EXG-1, and EXG-2 are corrected to show the revised allocation of exogenous costs.
- TRP SUM-1 and RTE-1 are revised to reflect the correct revenues based on the correction to the additional labor demand.

The TRP is attached to provide the necessary support for the 2005 Annual Filing to demonstrate compliance in accordance with parts 61.45(a), 61.46(a), 61.47(a), 61.47(b), and 61.47(e).

### **Maintenance of Service Deregulation**

Currently, a regulated Maintenance of Service Charge is assessed for repair visits which result in isolation of trouble to any component of the customer's service. With this filing, when the repair visit results in isolation of the trouble to a source other than the NBTC regulated Access Service, the Maintenance of Service Charge is deregulated. Therefore, this charge is being removed from the tariff.

Similarly, Ameritech Operating Companies filed Transmittal No. 470 on August 28, 1990 to deregulate the Maintenance of Service Charge effective October 2, 1990. The Commission had previously found that maintenance expenses associated with inside wiring and customer premises equipment (CPE) should be classified as deregulated expenses in Release No. DA89-337 Dated March 22, 1989.

### **PRICE CAP COMPLIANCE**

The attached Tariff Review Plan (TRP) reflects removal of base period demand and revenue associated with the Maintenance of Service Charge. No adjustments or recalibrations were made to the indices. The IND-1 sheet of the TRP reflects that the price cap indices did not change. This method is comparable to the method used to remove price flex demand from price cap regulation. Exhibit 1 details the actual demand and associated revenue proposed to be removed. No rate offsets were required.

**NBTC - Demand Detail**

DESCRIPTION	CURRENT RATE	2004 BASE PERIOD DEMAND	2004 BASE PERIOD REVENUE
MAINTENANCE OF SERVICE - BASIC - INSTALL TECH (NRC)	\$40.21	432	\$17,371
MAINTENANCE OF SERVICE - BASIC - CTRL OFFICE MAIN TECH (NRC)	\$32.72	144	\$4,712
MAINTENANCE OF SERVICE - OVERTIME - INSTALL TECH (NRC)	\$60.32	108	\$6,515
MAINTENANCE OF SERVICE - OVERTIME - CTRL OFFICE MAIN TECH (NRC)	\$49.08	49	\$2,405
MAINTENANCE OF SERVICE - PREMIUM - INSTALL TECH (NRC)	\$80.42	18	\$1,448
MAINTENANCE OF SERVICE - PREMIUM - CTRL OFFICE MAIN TECH (NRC)	\$65.43	7	\$458

**SBC - NEVADA BELL TELEPHONE COMPANY  
SUMMARY OF EXOGENOUS COSTS & DISTRIBUTIONS  
TO NON-ATS SERVICES**

LINE	DESCRIPTION	'R' VALUE	DISTRIBUTION	EDT EXOG	ITC EXOG	TRS EXOG & TRS True up	REG FEE EXOG	TOTAL
		(A)	(B) = (A/LINE 9A)	(C)	(D)	(E)	(F)	
1	INTERSTATE EXOGENOUS COST TO BE DISTRIBUTED (Exhibit 2.2 b)			76,000	1,000			
2	% OF EDT AND ITC EXOG COST W/EXCLUDED SERVICES EXHIBIT 2.3			21.95%	21.95%			
3	EXOGENOUS COSTS TO BE DISTRUBUTED (L1*(1-L2))			59,318	781	36,164	12,540	108,803
4	COMMON LINE EUCL AND PICC 'R' (Sum1 Column A, Row 100)	22,928,504	53.00%	31,438	414	31,555	10,941	74,347
5	DATABASE SERVICE CATEGORY 'R'	621,064	1.44%	852	11	-	-	863
6	BNA SERVICE CATEGORY 'R'	970	0.00%	1	0	-	-	1
7	INTEREXCHANGE BASKET 'R'	-	0.00%	-	-	-	-	-
8	SPECIAL ACCESS BASKET 'R'	19,712,127	45.56%	27,028	356	4,610	1,599	33,592
9	TOTAL (SUM L4 THRU L8)	43,262,665	100.00%	59,318	781	36,164	12,540	108,803

\*\*Effective 10/01/2003 TRS and Reg Fee Exogenous is only spread between the Common Line and Special Access Baskets