

BELLSOUTH TELECOMMUNICATIONS, INC.

FCC TARIFF NO. 2

Transmittal Number 1038

DESCRIPTION AND JUSTIFICATION

COST SUPPORT

Colgate - Palmolive Company

Morristown, Tennessee

CASE NO. TN06-G782-01

**SECTION 1
INTRODUCTION
SPECIAL CONSTRUCTION CASE
TN06-G782-01**

With this filing, BellSouth Telecommunications, Inc. proposes to recover the cost associated with special construction necessary to provide BellSouth® SMARTRing® service from the Morristown Main (MRTWTNMADSO) Central Office to 200 Centennial Court, Morristown, Tennessee. Special Construction is required because facilities are not available to meet the Customer's request. The Telephone Company must construct new facilities consisting of 9,000 feet of buried 24 strand fiber cable and 11,000 feet of aerial 24 strand fiber from the Morristown Main (MRTWTNMADSO) Central Office to 200 Centennial Court. 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 service from the Morristown Main (MRTWTNMADSO) Central Office to 200 Centennial Court, Morristown, Tennessee. The facility portion requiring special construction consists of 9,000 feet of buried 24 strand fiber cable and 11,000 feet of aerial 24 strand fiber from the Morristown Main (MRTWTNMADSO) Central Office to 200 Centennial Court.

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.

Special Construction Charges

Monthly Special Construction-Morristown Main (MRTWTNMADSO) Central Office to 200 Centennial Court	\$1,279.00
Case Preparation	\$419.00

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, then spread over the contract period. 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.