

BELLSOUTH
TELECOMMUNICATIONS, INC.
KENTUCKY
ISSUED: October 31, 2001
BY: E.C. Roberts, Jr., President - KY
Louisville, Kentucky

NTSRR AND INTRALATA ACCESS COST RECOVERY

PSC KY. TARIFF 2J
Fifth Revised Page 1
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EFFECTIVE: November 30, 2001

J4. RATES AND CHARGES

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ISSUED: September 5, 2000
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NTSRR AND INTRALATA ACCESS COST RECOVERY

PSC KY. TARIFF 2J
Thirty Third Revised Page 1
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EFFECTIVE: October 1, 2000

J4. RATES AND CHARGES

J4.1 Calculation of Charges for Non-Traffic Sensitive Revenue Recovery

- A. Non-Traffic Sensitive Revenue Requirement monthly charges are determined through the allocation process described in J4.2 following. The charges are based on the annual Revenue Requirements as ordered for the Company by the KPSC in Administrative Case 323. The original Revenue Requirement of \$60,507,000.00 was established by the KPSC by order in Case 90-256, Phase II, January 23, 1992. Annual Revenue Requirement changes are as follows:

Date	Change	Total
01-23-92		\$ 60,507,000
03-01-93	\$ 2,414,000	\$ 62,921,000
03-01-94	\$ 1,176,000	\$ 64,097,000
03-01-95	\$ 1,361,000	\$ 65,458,000
03-01-96	\$ 1,210,000	\$ 66,668,000
10-01-00	\$66,668,000	\$ 0

(N)

- B. Changes to the Revenue Requirement are as follows:

Date	Total Reduction	Bell	Carrier
06/01/92	\$ 6,140,000	\$ 754,035	\$ 5,385,965
12/01/92	\$ 3,637,613	\$ 547,351	\$ 3,090,262
06/01/93	\$ 3,302,788	\$ 512,000	\$ 2,790,788
07/01/93	\$ 2,239,000	\$ 275,000	\$ 1,964,000
01/01/94	\$ 2,689,000	\$ 0	\$ 2,689,000
06/01/94	\$ 1,200,000	\$ 0	\$ 1,200,000
09/15/95	\$ 1,300,000	\$ 1,300,000	\$ 0
10/30/95	\$ 908,000	\$ 908,000	\$ 0
01/02/96	\$ 9,348,000	\$ 0	\$ 9,348,000
10/01/97	\$ 6,380	\$ 0	\$ 6,380
12/01/97	\$ 1,204,573	\$ 0	\$ 1,204,573
12/01/97	\$ 1,631,157	\$ 0	\$ 1,631,157
01/01/98	\$ 580,904	\$ 0	\$ 580,904
05/01/98	\$ 6,759	\$ 0	\$ 6,759
08/01/98	\$ 673,779	\$ 0	\$ 673,779
02/01/99	\$ 83,383	\$ 0	\$ 83,383
08/01/99	\$13,090,609	\$ 0	\$13,090,609
12/01/99	\$ 300,946	\$ 0	\$ 300,946
08/01/00	\$ 5,264,789	\$ 0	\$ 5,264,789
08/01/00	\$ 161,733	\$ 0	\$ 161,733
08/01/00	\$ 1,772,479	\$ 0	\$ 1,772,479
09/01/00	\$ 372,801	\$ 0	\$ 372,801

Date	Total Increase	Bell	Carrier
08/01/97	\$ 668,626	\$ 0	\$ 668,626
02/01/98	\$ 2,360,092	\$ 0	\$ 2,360,092
07/01/98	\$ 83,872	\$ 0	\$ 83,872
12/01/98	\$ 148,846	\$ 0	\$ 148,846
06/01/99	\$ 386,382	\$ 0	\$ 386,382

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NTSRR AND INTRALATA ACCESS COST RECOVERY

PSC KY. TARIFF 2J
 Sixteenth Revised Page 2
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 EFFECTIVE: November 30, 2001

J4. RATES AND CHARGES

J4.2 Rates

J4.2.1 Non Traffic Sensitive Revenue Requirement

- A. There is no specific rate applicable to Non-Traffic Sensitive Revenue Requirement Recovery.
- B. The monthly charge applicable to each carrier is determined through the allocation process which necessitates the separation of the carriers governed by this tariff into two entities. The first entity would be comprised of the Company (South Central Bell), while the second entity would include all other carriers operating in Kentucky. For the purposes of explaining the steps required to compute the allocation of the Non-Traffic Sensitive Revenue Requirement Recovery, the first and second entity will be referred to as the Company and all other carriers respectively. The monthly charge applicable to each carrier is based on intrastate minutes of use as follows:
 - 1. The minutes of use utilized for the Company will be obtained through the Kentucky Revenue Distribution Fund.
 - 2. The minutes of use for all other carriers will be collected through the Company's Carrier Access Billing system (CABS). The minutes of use utilized will include all those terminating in the Company's service territories and those originating minutes which are originated in the Company's service territories and billed as terminating in the Company's Access Tariff, PSC KY Tariff 2E. These originating minutes include 700, BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening service and BellSouth SWA 900 service traffic.
- C. The steps required to compute the allocation are as follows:
 - Step 1: The minutes of use quantities are determined as specified in B. preceding.
 - Step 2: These quantities are summed and the percentage of the sum which is traffic carried by the Company is calculated.
 - Step 3: The percentage determined in Step 2 is multiplied by the total Revenue Requirement amount to establish the split of this amount between the Company and all other carriers.
 - Step 4: The two amounts determined in Step 3 are reduced as follows:
 - a. The charge apportioned to the Company is reduced by the amount shown in J4.1.B.
 - b. The charge apportioned to all other carriers is reduced by the amount shown in J4.1.B.
 - Step 5: The reduced charge determined for the Company is divided by 12 to establish the Company's monthly Revenue Requirement Charge.
 - Step 6: The usage quantities for all other carriers are summed and a percentage of this sum is calculated for each of the other carriers.
 - Step 7: The reduced charge apportioned to all other carriers which was figured in Step 4.b. is divided by 12 to determine the monthly charge to be allocated among all other carriers. The percentage calculated in Step 6 is then multiplied by this monthly charge to determine the Revenue Requirement charge for each of the other carriers.

J4.2.2 (DELETED)

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