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July 31, 2000

The Honorable Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
301 West High Street, Floor 5A  
Jefferson City, Missouri 65101

FILED<sup>2</sup>

JUL 31 2000

Missouri Public  
Service Commission

Re: Case No. TO-2000-322

Dear Judge Roberts:

Enclosed for filing with the Commission in the above-referenced case is an original and eight copies of Southwestern Bell Telephone Company's and the Staff of the Missouri Public Service Commission's Report to the Missouri Public Service Commission Regarding the Status of the Cost Studies and Their Anticipated Completion and Filing Dates.

Thank you for bringing this matter to the attention of the Commission.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mimi B. MacDonald", written in a cursive style.

Mimi B. MacDonald

Enclosure

cc: Attorneys of Record

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED<sup>2</sup>

JUL 31 2000

Missouri Public  
Service Commission

In the Matter of the Petition of DIECA )  
Communications, Inc. d/b/a Covad )  
Communications Company for Arbitration )  
of Interconnection Rates, Terms, Conditions )  
and Related Arrangements with Southwestern )  
Bell Telephone Company. )

Case No. TO-2000-322

**SOUTHWESTERN BELL TELEPHONE COMPANY'S AND THE  
STAFF OF THE MISSOURI PUBLIC SERVICE COMMISSION'S REPORT  
TO THE MISSOURI PUBLIC SERVICE COMMISSION  
REGARDING THE STATUS OF THE COST STUDIES AND  
THEIR ANTICIPATED COMPLETION AND FILING DATES**

COMES NOW Southwestern Bell Telephone Company ("SWBT") and the Staff of the Missouri Public Service Commission ("Staff") and, For Their Report To The Missouri Public Service Commission ("Commission") Regarding The Status Of The Cost Studies And Their Anticipated Completion And Filing Dates, state as follows:

1. In the Commission's Arbitration Order in In the Matter of the Petition of DIECA Communications, Inc., d/b/a Covad Communications Company, for Arbitration of Interconnection Rates, Terms, Conditions and Related Arrangements with Southwestern Bell Telephone Company, Case No. TO-2000-322, March 23, 2000, the Commission ordered SWBT to perform new cost studies to document: (1) conditioning costs based upon verified data and facts and actual time and motion studies ("Loop Conditioning Cost Study"); (2) ISDN loop costs based upon verified data and facts, and, in particular updated electronics costs to reflect current technology and pricing ("ISDN Cost Study"); and (3) prices for recurring and non-recurring charges for non-shielded cross-connects and recurring and nonrecurring charges for shielded cross-connects based on verified data and facts ("Cross-Connect Cost Study"). Id. at 13-16, 20-21. The Commission also ordered the Commission's Staff to participate in these costs studies. Id.

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2. SWBT and Staff will address the status of the Loop Conditioning Cost Study, the ISDN Cost Study, and the Cross-Connect Cross Study separately, below.

3. The Loop Conditioning Cost Study.

a. As the Commission is aware, loop conditioning involves work that is performed by an engineer, a clerk, and a cable splicing technician. To date, Staff has completed two (2) field visits to view the work of SWBT's engineers, one (1) field visit to view the work of SWBT's clerks, and nine (9) field visits to the outside plant environment in order to view conditioning work that is being performed by cable splicing technicians. Due to the limited amount of DSL conditioning work that is currently occurring in the State of Missouri, Staff's observations have not been limited to viewing only DSL conditioning, but have also focused on other conditioning work that is identical to DSL conditioning work in terms of field work that must be completed.

b. In order to obtain a statistically significant sample size of conditioning work, Staff would like to complete twenty-one (21) more visits to view conditioning work that is being performed by SWBT's cable splicing technicians. Based on past experience, SWBT and Staff estimate that this will take at least twenty-one (21) separate days to complete. Staff would also like to conduct additional visits to view and discuss the work of SWBT's engineers and clerks.

c. Since Staff can only view conditioning orders as the orders are placed and SWBT can only give Staff one (1) to two (2) days notice when it can view a conditioning order, SWBT and Staff estimate that Staff will be able to make one (1) or two (2) scheduled visits per week.

d. Staff has also requested time documentation for loop conditioning procedures from the Job Management Operation System ("JMOS") database. SWBT is gathering this information, and it is expected to be used in the final development of the cost study.

e. Given the quantity of conditioning orders that Staff can view each week and limited notice regarding when Staff can view a conditioning order, SWBT and Staff estimate that it will take until almost the end of this year to complete the field visits. SWBT and Staff estimate that the time documentation for loop conditioning procedures from the JMOS database can be completed during this same time frame. Thus, SWBT and Staff respectfully request until January 15, 2001, to complete and file their Loop Conditioning Cost Study.

4. UNE Loop Cost Study

a. The ISDN Loop Cost Study is a function of SWBT's 8 db Loop Cost Study.

b. Staff and SWBT agree that in order to prepare the ISDN Loop Cost Study it is appropriate to complete an entirely new 8 db Loop Cost Study, including Staff's verification of SWBT's annual cost factors and other inputs.

c. Both the 8 db Loop Cost Study and the ISDN Loop Cost Study are well underway and are running smoothly.

d. Both SWBT and Staff agree that these studies can be completed within the extended period the parties have requested to complete the Loop Conditioning Cost Study. Thus, SWBT and Staff respectfully request until January 15, 2001, to complete and file their ISDN Loop Cost Study.

5. Cross-Connect Cost Study

a. The inputs for the Cross-Connect Cost Study are in the process of development by the network subject matter experts ("SMEs"). The SMEs are expected to send the inputs to SWBT's cost division in August, 2000.

b. In order to complete the Cross-Connect Cost Study, Staff would like to visit one (1) or more typical central office(s) in order to view jumpers being placed, which forms the basis


for the non-recurring costs. In addition, Staff would like to verify the inputs which form the basis for the recurring costs.

c. Both SWBT and Staff agree that the Cross-Connect Cost Study can be completed within the extended period the parties have requested to complete the Loop Conditioning Cost Study. Thus, SWBT and Staff respectfully request until January 15, 2001, to complete and file their Cross-Connect Cross Study.

Wherefore, Southwestern Bell Telephone Company and the Staff of the Missouri Public Service Commission submit their Report to the Missouri Public Service Commission regarding the status of the cost studies and their anticipated completion and filing dates and request the Commission to extend the filing deadline of the Loop Conditioning Cost Study, the ISDN Cost Study, and the Cross-Connect Cost Study until January 15, 2001.

Respectfully submitted,

SOUTHWESTERN BELL TELEPHONE COMPANY

By 

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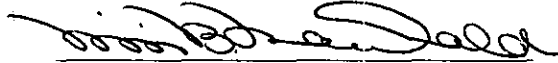
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing document were served to all parties on the Service List by Airborne Express on July 31st, 2000.



Mimi B. MacDonald

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