

SENSITIVITY ANALYSIS OF SWITTEL'S INPUTS TO THE HAI MODEL

*** CONTAINS SWITTEL CONFIDENTIAL INFORMATION ***

Row	HAI Input No.	HAI Input Description	HAI Input			HAI Derived Recip. Comp. Rate			Sprint Proposed Input
			HAI Default Value	Swiftel Input Value		Sensitivity Analysis			
				Input Value	Increase (Decrease)	RecipComp Rate	Change from Default		
							Amount	%	
11		End Office Switching							
12	81	Switch Installation Multiplier	1.10			\$ 0.00692	\$ 0.00033	5.1%	1.10
13	82	End Office Switching Investment Constant Term (Small ICO) *	416.11			dna	dna	dna	287.11
14	87	Tandem/EO wire center common factor	0.40			0.00658	-	0.0%	
15	88	Power Investment				0.00709	0.00050	7.7%	
16		0 Lines	5,000						5,000
17		1,000 Lines	10,000						10,000
18		5,000 Lines	20,000						20,000
19		25,000 Lines	50,000						50,000
20		50,000 Lines *	250,000						250,000
21	89	Switch room size (5,000 lines)	2,000			0.00683	0.00025	3.8%	2,000
22									
23		Interoffice Investment							
24	111	EF&I, per hour	55.00			0.00659	0.00001	0.2%	
25	113	Regenerator investment, installed	15,000			0.00658	-	0.0%	
26	121	Interoffice Structure Percentages							
27		Aerial	20%						
28		Buried	60%			0.00669	0.00011	1.6%	
29		Underground #	20%						
30	130	Fraction of Interoffice Structure Assigned to Telephone							
31		Aerial *	33%						
32		Buried	33%			0.00703	0.00045	6.8%	
33		Underground	33%						
34									
35		Transmission Parameters							
36	136	Tandem routed fraction of total intraLATA traffic	0.20			0.00643	(0.00015)	-2.3%	
37	137	Tandem routed fraction of total interLATA traffic	0.20				Included in 136		
38									
39		Host/Remote Assignment							
40	176	Host / remote CLLI assignments *	Not defined			dna	dna	dna	Defined
41	177	Host / remote assignment enable *	Disabled			dna	dna	dna	Enabled
42	177b	Fixed and per Line Investments (Remote Fixed Inv. 640 Lines)	94,286			0.00658	-	0.0%	Various @
43									
44		Expense							
45	178	Cost of capital (Debt percent)	0.45			0.00713	0.00054	8.3%	
46									
47	179	Depreciation Lives and Net Salvage Percentages				0.00726	0.00068	10.3%	
48		motor vehicles	8.24						7.50
49		garage work equipment	12.22						12.00
50		other work equipment	13.04						12.00
51		buildings	46.93						46.93
52		furniture	15.92						15.00
53		office support equipment	10.78						10.00
54		company comm. equipment	7.40						7.00
55		digital electronic switching	16.17						12.00
56		operator systems	9.41						8.00
57		digital circuit equipment	10.24						11.00
58		public telephone term. equipment	7.60						7.00
59		underground cable, metallic *	25.00						25.00
60		underground cable, non metallic	26.45						25.00
61		buried cable, metallic	21.57						20.00
62		buried cable, non metallic	25.91						25.00
63		intrabuilding cable, metallic	18.18						20.00
64		intrabuilding cable, non metallic	26.11						25.00
65		conduit systems	56.19						50.00
66									
67		Other							
68	181	Income tax rate	39.25%			0.00574	(0.00084)	-12.8%	
69	186	Forward-looking network operations factor	50.00%			0.00730	0.00071	10.9%	75.00%
70	187	Alternative Central office switching expense factor	2.69%			0.00665	0.00007	1.1%	2.69%
71	188	Alternative circuit equipment factor	0.0153			0.00668	0.00010	1.5%	0.0153
72									
73		HAI Output Results							
74		EO Switching	0.00464						0.00261
75		ISUP	0.00019						0.00016
76		Total Switching	0.00483						0.00277
77									
78		Direct Transport	0.00238						0.00071
79		Direct Transmission Terminal	0.00102						0.00134
80		Gross Transport	0.00340						0.00205
81		% Remote	51.6%						51.6%
82		Total transport	0.00175						0.00106
83									
84		Total Reciprocal Compensation	0.00658	0.01311	99%				0.00383
85									
86		# Underground is recalculated based upon inputs for aerial and buried.							
87		@ All investment inputs reduced by 31%.							
88		* Default Input not changed by Swiftel							