Exhibit No:
Issues: Impairment Analysis - Cost Studies
Witness: Joseph H. Ramatowski
Type of Exhibit: Direct Testimony
Sponsoring Party: Southwestern Bell Telephone, L.P. d/b/a SBC Missouri
Case No: TO- 2004-0207
Date Testimony prepared: January 12, 2004

SOUTHWESTERN BELL TELEPHONE, L.P.
d/b/a
SBC MISSOURI

CASE NO. TO-2004-0207

DIRECT TESTIMONY

OF

JOSEPH H. RAMATOWSKI

ST. LOUIS, MISSOURI

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of a Commission Inquiry into the Possibility of Impairment without Unbundled Local Circuit Switching When Serving the Mass Market	))))	Case No. TO-2004-0207

AFFIDAVIT OF JOSEPH H. RAMATOWSKI

STATE OF MISSOURI)

CITY OF ST. LOUIS)

I, Joseph H. Ramatowski, of lawful age, being duly sworn, depose and state:

1. My name is Joseph H. Ramatowski. I am presently Associate Director-Cost Analysis for SBC Services, Inc.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony.

3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief.

Joseph H. Ramatowski

Subscribed and sworn to before me this 12th day of January, 2004.

Cynthia J. Housley
Notary Public

My Commission Expires: 2/21/2005

CYNTHIA J. HOUSLEY
Notary Public – Notary Seal
State of Missouri
County of Jefferson
My Commission Expires Feb 21, 2005

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Joseph H. Ramatowski. My business address is One SBC Center, Room 38-W-05, St. Louis, Missouri, 63101-3001.

Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?

A. I am currently employed by SBC Services, Inc. ("SBC Services") as an Associate Director in the Cost Analysis Division.

Q. PLEASE GIVE YOUR DUTIES AND RESPONSIBILITIES IN THAT CAPACITY.

A. I am responsible for the creation of cost analyses, loop cost analyses in particular, performed for regulatory purposes, for the various SBC incumbent local exchange companies ("SBC ILECs") including Southwestern Bell Telephone, L.P. d/b/a SBC Missouri ("SBC Missouri").

Q. PLEASE DESCRIBE YOUR QUALIFICATIONS AND EXPERIENCE.

A. My background includes the last four years as a cost analyst with SBC Services. As a cost analyst, I have been involved with identifying SBC ILECs' loop costs as presented in various filings in all thirteen states in which SBC ILECs operate. Prior to that, I had thirteen years of experience in the design and deployment of electronics equipment, including avionic communications equipment, for The Boeing Company and Emerson Electric Company. My educational background includes a Master of Business Administration degree from Washington University in St. Louis, and a Master of Science degree in Electrical Engineering and a Bachelor of Science in Electrical Engineering degree from Southern Illinois University at Edwardsville. I also served four years as an electronics technician in the United States Marine Corps.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to provide information regarding the necessary investments in electronics and fiber facilities for deployment of an unbundled DS3 loop. A discussion of this information and their affect on the potential deployment analysis is included in the direct testimony of Gary O. Smith.

Q. WHAT IS THE SOURCE OF YOUR LOOP INVESTMENT INFORMATION?

A. The source of this investment information is the 2000 Missouri Unbundled Local Loop DS3 TELRIC Study that was conducted in response to the FCC's UNE Remand Order.

Q WHY DOES SBC MISSOURI USE INFORMATION FROM THE 2000 TELRIC DS3 LOOP COST STUDY AS A BASIS FOR THE POTENTIAL DEPLOYMENT ANALYSIS?

A. This study has provided the basis for the DS3 loop pricing that is contained in interconnection agreements between SBC Missouri and several Missouri CLECs. The investments therein represent the building blocks SBC Missouri used to estimate the total installed investment for an unbundled DS3 loop using the FCC's approved TELRIC methodology. As several CLECs have agreed to these rates in their agreement, the study is a reasonable source for the investments used in this analysis.

Q. WHAT EQUIPMENT IS INCLUDED IN THE INVESTMENT ANALYSIS FOR THE DS3 LOOP ELECTRONICS?

A. Consistent with the original 2000 TELRIC study, the electronics investments for the potential deployment analysis include the costs of the equipment and associated installation costs for electronics at both ends (central office and customer premises), or nodes, of the DS3 loop. This equipment is comprised of OC3 add/drop multiplexers, and includes

investments for common equipment, plug-in circuit cards, and termination hardware. However, the original DS3 loop cost study breaks the investment information down to a per-DS3 basis, whereas in this analysis the complete assemblage of equipment necessary for deployment of an OC3 optical carrier is used. Please note that this OC3 optical signal and the equipment are actually capable of delivering three DS3 electrical signals at the customer's premises.

Additionally, the investments for the material and installation of the fiber cable used to carry the OC3 optical carrier signal from the fiber "backbone" into a building (i.e., a "lateral" as explained in the testimony of Gary O. Smith), and the associated investments for the conduit material and installation, as extracted from the 2000 TELRIC study, are included. The actual values for these items are in Schedule JHR-01HC.

Q. WHAT COMPONENTS ARE INCLUDED IN THE INVESTMENT ANALYSIS FOR THE DARK FIBER LOOP?

A. The investments for the dark fiber loop components were developed using information found in the same 2000 TELRIC study as was used for an unbundled DS3 loop. The fiber facility investments include the investments for the fiber and conduit materials and installation. The actual values for these items are in Schedule JHR-01HC.

Q. ARE THERE ANY ADJUSTMENTS TO THE ASSUMPTIONS IN THE DS3 LOOP AND DARK FIBER COST STUDIES?

A. Yes. The use of 24-strand fiber cable is assumed for typical deployment of a fiber lateral from the fiber "backbone" into a building. The fiber length is assumed to be 500 feet and the associated conduit and innerduct is assumed to be 300 feet. The discussion and reason for these adjustments are included in the direct testimony of Gary O. Smith.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes.