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920260

November 16, 1992

Memorandum to: F. D. Ackerman, President & Chief Executive Officer

From: T. D. Strickland, Assistant Vice - President Reengineering

Subject: BellSouth Telecommunications, Inc. (BST) Reengineering
Force Reduction Summary by Functional Entities

In response to your request, attached is a BST Reengineering Force Reduction Summary by work processes and by functional entities. Exhibit I is the "FORCE IMPACT" summary presented at the 11/10/92 Executive Policy Council meeting. Exhibit II displays force reduction by total employees and by BST functional entities.

Both Information Technology and Organizational Alignment have been included in the Executive department until more details are available. The BST work processes are at various stages of definition and, consequently, there will be some changes as reengineering proceeds. We will be hosting a meeting later this week to ensure accuracy in tracking the benefits outlined by BST Reengineering. Please call me if you have any questions or would like to discuss this matter further.

J. M. M. S.
Attachment

cc: Group Presidents
J.G. Butler
B.M. Dunn
W.H. Groce
L.L. Schoolar

DOCUMENT NUMBER-DATE

10344 SEP 27 82

FPSC-RECORDS/REPORTING

FOIB22Z

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EXHIBIT I



BellSouth Telecommunications, Inc. (BST)
Force Impact (Cumulative)

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
<i>Craft</i>	0	783	3,645		
<i>Management</i>	<u>0</u>	<u>252</u>	<u>1,553</u>		
<i>Total Employees</i>	0	1,035	5,198		

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EXHIBIT II

FOIA23Z 00443

BELLSOUTH TELECOMMUNICATIONS, INC. (BST)
 REENGINEERING FORCE SUMMARY
 (SORTED BY WORK PROCESSES)
 1993 (cum.)

	Comptrollers	Executive	Legal	Marketing	Network	Regulatory	Services	TOTAL
<u>GROUP I</u>								
1								
2								
3								
4								
5								
TOTAL								
<u>GROUP II</u>								
6								
7								
8								
9								
TOTAL								
<u>GROUP III</u>								
10								
11								
12								
13								
TOTAL								
TOTAL REENGINEERING								

815
 0000330
 220
 0
 1,035
 7

EXHIBIT II

FOIA23Z 00444

BELLSOUTH TELECOMMUNICATIONS, INC. (BST)
 REENGINEERING FORCE SUMMARY
 (SORTED BY WORK PROCESSES)
 1994 (cum.)

	Comptrollers	Executive	Legal	Marketing	Network	Regulatory	Services	TOTAL
GROUP I								
1								
2								
3								
4								
5								
TOTAL								2,999
GROUP II								
6								
7								
8								
9								
TOTAL								1,912
GROUP III								
10								
11								
12								
13								
TOTAL								287
TOTAL REENGINEERING								5,198

EXHIBIT II

FOIA23Z 00445

BELLSOUTH TELECOMMUNICATIONS, INC. (BST)
 REENGINEERING FORCE SUMMARY
 (SORTED BY WORK PROCESSES)
 1995 (cum.)

	<u>Controllers</u>	<u>Executive</u>	<u>Legal</u>	<u>Marketing</u>	<u>Network</u>	<u>Regulatory</u>	<u>Services</u>	<u>TOTAL</u>
<u>GROUP I</u>								
1	COMPLEX BUSINESS (ESSX)							
2	COMPTROLLERS - CORE							
3	DATA CENTER CONSOLIDATION							
4	FORECASTING & BUDGETING							
5	SERVICE ACTIVATION							
TOTAL								
<u>GROUP II</u>								
6	CENTRAL OFFICE OPERATIONS							
7	INFORMATION TECHNOLOGY							
8	NETWORK PLANNING & PROVISIONING							
9	REPAIR MAINTENANCE PROCESS							
TOTAL								
<u>GROUP III</u>								
10	BUSINESS OFFICE REVENUE RECOVERY							
11	BUSINESS OFC. SALES & SVC EXCELLENCE							
12	ORGANIZATIONAL ALIGNMENT							
13	REGULATORY							
TOTAL								
TOTAL REENGINEERING								

EXHIBIT II

FOIA23Z 00446

BELLSOUTH TELECOMMUNICATIONS, INC. (BST)
 REENGINEERING FORCE SUMMARY
 (SORTED BY WORK PROCESSES)
 1996 (cum.)

1996

	<u>Comptrollers</u>	<u>Executive</u>	<u>Legal</u>	<u>Marketing</u>	<u>Network</u>	<u>Regulatory</u>	<u>Services</u>	<u>TOTAL</u>
<u>GROUP I</u>								
1								
2								
3								
4								
5								
TOTAL								
<u>GROUP II</u>								
6								
7								
8								
9								
TOTAL								
<u>GROUP III</u>								
10								
11								
12								
13								
TOTAL								
TOTAL REENGINEERING								

BELLSOUTH TELECOMMUNICATIONS, INC. (BST)
PLANNING VIEW (\$M)
(Incremental)

	<u>1992 ACTUALS</u>	<u>1993 PMT</u>	<u>1994 PMT</u>
BENEFITS			
Force Reductions	3.6	25.6	133.5
Revenue Generation	0.0	0.0	3.3
Expense Elimination	<u>0.0</u>	<u>1.2</u>	<u>5.4</u>
TOTAL	3.6	26.8	142.2
COST			
Fees & Expenses	21.7	27.5	26.2
Out-of-Pocket	0.5	3.7	5.2
Impl. (Expenses)	8.7	20.1	8.4
Sep. & Rel.	0.1	16.1	68.2
Staff & Misc.	<u>0.4</u>	<u>1.8</u>	<u>1.8</u>
TOTAL	31.4	69.2	109.8
NOR IMPACT	(27.8)	(42.4)	32.5
NI IMPACT	(17.5)	(26.7)	20.5
Impl. Capital	48.4	46.4	16.7
FORCE SUMMATION			
Management	171	341	1,423
Craft	<u>113</u>	<u>912</u>	<u>3,606</u>
TOTAL	284	1,253	5,029

3-Sep-93

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ATTORNEY/CLIENT WORK PRODUCT

STAFF

Docket: 920260-TL

Intervenor: FLORIDA ~~POWER~~ COUNSEL

Request No.: ²² ~~220~~ POD

Date: ~~NOVEMBER 16, 1992~~
7/20/93

1. P.O.D. Item No. ²²³ ~~222~~ Interrogatory Item No. _____
2. Person Providing Document (Source): MARK BUTTERWORTH
Department: EXEC Telephone: 404-529-5588
3. Author: VICTOR MATTHEK Organization: EXEC
~~FOR DENNIS STRICKLAND~~
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Chart/Diagram Other Comments _____
5. Document Date: 9/24/92 No. of Pages: 32 (COUNTING TABS)
6. Document Title: BST, INC. 9/25/92 BUSINESS REENGINEERING SUMMARY
7. Document Summary: THIS DOCUMENT SENT TO GROUP PRESIDENTS OUTLINES THE PROJECTED IMPACT OF BUSINESS REENGINEERING IN TERMS OF FINANCIAL AND FORCE YEARS 92-96
8. Proprietary: Yes No Explanation: _____

Irrelevant or Non-Responsive Information: Yes No

Document Portions Deleted: Yes No

Objection To Providing Documents: Yes No

Explanation: _____

Quantity: _____ Location: FOI-111

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to be filled in by Regulatory Dept.): Bates Nos. _____

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September 24, 1992

Memorandum to: Group Presidents

From: T. D. Strickland, Assistant Vice - President Reengineering

Subject: BellSouth Telecommunications, Inc. (BST) 9/25/92 Business Reengineering Summary.

Attached is a copy of the latest BST Reengineering summary which reflects a major revamping of the various groups. This summary reflects the latest input from the various project leaders, Consultants, Human Resources Coordinators, Corporate Budgets Coordinators, and the various group president organizations. This document will be distributed to the addresses on a regular basis. The attached document represents the latest iteration of the currently available information pertaining to reengineering.

The document retains the basic financial and force analysis formats which have been provided over the course of the past year. The attached document is arranged in three basic groups. Group I contains the current initiatives which are in progress today. Group II represents new initiatives which are currently being initiated for additional core business activities. Group III initiatives are projects which may be initiated in 1993 & 1994. This could change over time as we learn more about the processes being reengineered.

As you review the attachment, please let me know if you have any changes, deletions, or changes. Please feel free to call me should you have any questions and/or concerns.

Attachments

cc: F.D. Ackerman
J.G. Butler
B.M. Dunn
W.H. Groce
L.L. Schoolar

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Bellsouth Telecommunications, Inc. (BST)
Business Reengineering

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CONTROL #: 18

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BELLSOUTH TELECOMMUNICATIONS, INC. (BST)

BUSINESS REENGINEERING SUMMARY BASIC QUANTIFICATION ASSUMPTIONS

SALARY & WAGES BENEFITS
(Not inflated over time)

MANAGEMENT (Loaded Rates)
CRAFT (Loaded Rates)

CAPITAL	EXPENSE	TOTAL
5.0%	65.0%	100.0%
\$3,500	\$98,680	\$70,180
\$2,016	\$38,267	\$40,313

COST OF SERVICES:
PROFESSIONAL EXPENSES AS A PERCENT OF FEES:
CONVERSION FROM NOR TO N:
% OF STAFFING COSTS INCLUDED:
IMPLEMENTATION COST (% of Total Benefits or Identified Requirements):
TOTAL RELOCATION & SEPARATION COSTS (\$M):
OUT-OF-POCKET COSTS (% of Salary & Wages):

34.0%
30.0%
63.0%
0.0%
15.0%
\$177.4
5.0%

QUARTER ASSUMPTIONS:

NOTE: FORCE REDUCTION %s ARE BASED ON AVAILABILITY
BENEFIT %s ARE BASED ON MONTHLY RESERVATION

BST INITIATIVES

GROUP I: CURRENT EFFORTS

- 1 COMPLEX BUSINESS (ESS)
- 2 COMPTROLLERS - CORE STUDY
- 3 DATA CENTER CONSOLIDATION
- 4 FORECASTING & BUDGETING
- 5 SERVICE ACTIVATION

	NET INCOME (\$M)				
	1992	1993	1994	1995	1996
1	(\$2.71)	(\$1.96)	\$8.33		
2	(\$2.55)	\$2.38	\$12.54		
3	(\$0.05)	\$1.00	\$5.87		
4	(\$1.72)	\$2.20	\$12.48		
5	(\$4.12)	(\$0.81)	\$11.14		
GROUP I SUBTOTAL	(\$11.15)	\$3.17	\$48.35		

	NPV	IRR
1	\$8.00	77.59%
2	\$32.16	283.19%
3	\$18.85	ERR
4	\$24.48	243.62%
5	\$40.67	136.24%
GROUP I SUBTOTAL	\$124.17	181.67%

GROUP II: NEW INITIATIVES

- 6 CENTRAL OFFICE OPERATIONS
- 7 COMPLEX BUSINESS II
- 8 INFORMATION TECHNOLOGY
- 9 NETWORK PLANNING & PROVISIONING
- 10 REPAIR MAINTENANCE PROCESS

6	(\$0.89)	(\$2.12)	\$0.00
7	(\$0.24)	(\$2.54)	\$0.00
8	(\$0.20)	(\$0.89)	\$7.45
9	(\$0.20)	(\$0.89)	\$7.45
10	(\$1.34)	(\$1.83)	\$6.38
GROUP II SUBTOTAL	(\$2.74)	(\$7.96)	\$21.29

6	(\$2.28)	ERR
7	(\$2.29)	ERR
8	\$19.22	442.48%
9	\$18.18	156.34%
10	\$22.66	179.57%
GROUP II SUBTOTAL	\$53.70	148.90%

GROUP III: FUTURE INITIATIVES

- 11 BUSINESS OFFICE REVENUE RECOVERY
- 12 BUSINESS OFC. SALES & SVC. EXCELLENCE
- 13 ORGANIZATIONAL ALIGNMENT
- 14 REGULATORY
- 15 For Future Use

11	\$0.00	\$0.00	(\$1.48)
12	\$0.00	\$0.00	(\$3.50)
13	\$0.00	(\$0.97)	(\$4.92)
14	\$0.00	\$0.00	(\$0.20)
15	\$0.00	\$0.00	\$0.00
GROUP III SUBTOTAL	\$0.00	(\$0.97)	(\$10.14)

11	\$26.21	784.00%
12	\$18.60	268.18%
13	\$63.53	420.79%
14	\$5.02	ERR
15	\$0.00	ERR
GROUP III SUBTOTAL	\$115.36	436.65%

SEPARATION & RELOCATION EFFECT

SEPARATION & RELOCATION EFFECT	(\$1.30)	(\$2.82)	(\$40.41)
TOTAL NET INCOME IMPACT	(\$15.19)	(\$27.58)	\$19.09

SEPARATION & RELOCATION EFFECT	\$214.63	112.26%
TOTAL NET INCOME IMPACT	\$293.24	191.38%

INCREMENTAL REVENUE

FORCE REDUCTION BENEFITS
OTHER BENEFITS
TOTAL BENEFITS

BEFORE TAX SUMMARY (\$M)			
INCREMENTAL REVENUE	\$0.00	\$0.00	\$4.18
FORCE REDUCTION BENEFITS	\$0.00	\$18.09	\$129.02
OTHER BENEFITS	\$0.00	\$0.00	\$0.00
TOTAL BENEFITS	\$0.00	\$18.09	\$129.20

PROF. FEES & EXPENSES

OTHER EXPENSES
TOTAL EXPENSES
INCR IMPACT

PROF. FEES & EXPENSES	\$21.82	\$25.73	\$20.17
OTHER EXPENSES	\$2.47	\$37.77	\$83.83
TOTAL EXPENSES	\$24.30	\$63.50	\$104.00
INCR IMPACT	(\$24.30)	(\$47.41)	\$20.44

Note:
 * - The project IRR approaches infinity.
 ** - The project IRR reflects a zero or negative investment.
 *** - Total project NPV & IRR does not reflect the H.R. separation & relocation cost.
 * - Total project NPV & IRR does reflect the H.R. separation & relocation cost.

BELLSOUTH TELECOMMUNICATIONS, INC. (BST)
BUSINESS REENGINEERING FORCE REDUCTION SUMMARY
(Cumulative)

INITIATIVES

	1992	1993	1994	1995	1996
GROUP I CURRENT OFFICE					
COMPLEX BUSINESS (ERND)					
CRAFT	0				
MGMT	0				
TOTAL	0				
COMPTROLLERS - CORE STUDY					
CRAFT	102				
MGMT	34				
TOTAL	136				
DATA CENTER CONSOLIDATION					
CRAFT	32				
MGMT	0				
TOTAL	32				
FORECASTING & MODELING					
CRAFT	0				
MGMT	0				
TOTAL	0				
SERVICE ACTIVATION					
CRAFT	0				
MGMT	0				
TOTAL	0				
GROUP I SUBTOTAL					
CRAFT	134				
MGMT	34				
TOTAL	168				
GROUP II NEW INITIATIVES					
1992					
CENTRAL OFFICE OPERATIONS					
CRAFT	0				
MGMT	0				
TOTAL	0				
COMPLEX BUSINESS II					
CRAFT	0				
MGMT	0				
TOTAL	0				
INFORMATION TECHNOLOGY					
CRAFT	0				
MGMT	0				
TOTAL	0				
NETWORK PLANNING & PROVISIONING					
CRAFT	0				
MGMT	0				
TOTAL	0				
REPAIR MAINTENANCE PROCESS					
CRAFT	0				
MGMT	0				
TOTAL	0				
GROUP II SUBTOTAL					
CRAFT	0				
MGMT	0				
TOTAL	0				
GROUP III FUTURE INITIATIVES					
1992					
BUSINESS OFFICE REVENUE RECOVERY					
CRAFT	0				
MGMT	0				
TOTAL	0				
BUSINESS OFC SALES & SVC. EXCELLENCE					
CRAFT	0				
MGMT	0				
TOTAL	0				
ORGANIZATIONAL ALIGNMENT					
CRAFT	0				
MGMT	0				
TOTAL	0				
REGULATORY					
CRAFT	0				
MGMT	0				
TOTAL	0				
GROUP III SUBTOTAL					
CRAFT	0				
MGMT	0				
TOTAL	0				
TOTAL FORCE IMPACT					
CRAFT	134	1,260	3,770		
MGMT	34	631	9,876		
TOTAL	168	2,890	13,646		

NOTES

Potential revenue benefit

Anticipate Force Reductions in 1993 - 1996 time frame.

Potential revenue benefit

Revenue benefit only

Both revenue & force benefit

BST Reengineering Assumptions

9/25/92

General Assumptions - Informational

1. Force reduction availabilities are identified in the quarter in which work content is removed and assumed to be available on the 1st day of the quarter.
2. Benefits commence accrual two quarters in which the force reductions were identified as available (i.e. 6 months removal or planning cycle).
3. Net Present Value (NPV) and Internal Rate of Return (IRR) are based on years 1992-1996.
4. Cost of Capital is assumed to be 13.23%.
5. BST Project team resources required are not a part of the total investments section itemized by each BST initiative.
6. Relocation & separation cost are provided by BST Human Resources.
7. Incremental revenue is adjusted for cost of services by 34% based on 1992 CCS/PPS data.
8. Project start dates are associated with the quarter in which consultant fees or expenditures commence. Project end dates reflect the quarter which precedes the quarter where the maximum benefit is derived.
9. Separation and relocation cost include the following:

- CTAP Cost
- Employee Seminars
- Sabbatical Cost
- Relocation Cost
- Career Alternative Plan Cost
- Etc.

General Assumptions - Definitional

1. Net Operating Revenue (NOR) is defined as benefits minus expenses.
2. Implementation cost are expenses associated with the project such as systems work, equipment rental, floor space rental, training associated with a project, etc. Where specific implementation cost are not identified, 15% of the benefit is assumed to be implementation cost.
3. Out-of-pocket cost are expenses which are incurred by BST employees and are a direct result of reengineering activities. Where specific out-of-pocket cost are not identified, 5% of the BST resource required cost are assumed to be out-of-pocket cost.
4. Initiatives are synonymous with BST Reengineering activities. The initiatives are categorized by current efforts, new initiatives, and future initiatives.
5. Incremental revenues are defined as new revenues, unpaid live, and net bad debt which can be identified and committed to in the BST revenue forecast.
6. Force reduction benefits are labor savings for both craft and management.
7. Other benefits are defined as overtime elimination.
8. Professional fees and expenses are cost incurred as a result of consulting cost such as Anderson Consulting and Gemini.
9. Other expenses are defined as separation and relocation cost, implementation cost, out-of-pocket cost, etc.

GROUP 1	START DATE: 1QTR 1992												END DATE: 3QTR 1993								
COMPLEX BUSINESS (ESS)	1992	2092	3092	4092	1093	2093	3093	4093	1094	2094	3094	4094	1095	2095	3095	4095	1096	2096	3096	4096	
BENEFITS - Force Reductions																					
Cost	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost (Cum.) 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.49	\$0.49	\$0.49	\$0.49	\$0.49	\$0.49	\$0.49	\$0.49	\$0.49	\$0.49	\$0.49	\$0.49
Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management (Cum.) 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Exp. Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.47	\$2.47	\$2.47	\$2.47	\$2.47	\$2.47	\$2.47	\$2.47	\$2.47	\$2.47	\$2.47	\$2.47
Total Force Reductions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Force Reductions (Cum.) 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96
Revenue Generation (Net)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Overhead Elimination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.96
INVESTMENTS																					
Professional Fees																					
Fees	\$0.31	\$0.64	\$0.97	\$1.30	\$1.74	\$2.08	\$2.41	\$2.74	\$3.07	\$3.40	\$3.74	\$4.07	\$4.40	\$4.74	\$5.07	\$5.40	\$5.74	\$6.07	\$6.40	\$6.74	\$7.07
Expenses	\$0.08	\$0.17	\$0.25	\$0.34	\$0.43	\$0.52	\$0.61	\$0.70	\$0.79	\$0.88	\$0.97	\$1.06	\$1.15	\$1.24	\$1.33	\$1.42	\$1.51	\$1.60	\$1.69	\$1.78	\$1.87
Fees & Expenses	\$0.37	\$0.81	\$1.22	\$1.64	\$2.07	\$2.49	\$2.91	\$3.33	\$3.75	\$4.17	\$4.59	\$5.01	\$5.43	\$5.85	\$6.27	\$6.69	\$7.11	\$7.53	\$7.95	\$8.37	\$8.79
Cum. Fees & Expenses	\$0.37	\$1.38	\$2.60	\$4.24	\$6.31	\$8.80	\$11.29	\$13.78	\$16.27	\$18.76	\$21.25	\$23.74	\$26.23	\$28.72	\$31.21	\$33.70	\$36.19	\$38.68	\$41.17	\$43.66	\$46.15
Out-of-Pocket Implementation Cost	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
Implementation Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44
BST Resources Required																					
Executive & Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Compt. & Treasury	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Marketing	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Network	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Reengineering Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Regulatory	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Services	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
TOTAL BST RESOURCES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RESOURCE EXPENSE	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	\$0.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL INVESTMENT 3	\$0.38	\$1.02	\$0.77	\$2.10	\$2.10	\$1.04	\$0.01	\$0.00	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44
Op. NDR Benefits	\$0.38	\$1.02	\$0.77	\$2.10	\$2.10	\$1.04	\$0.01	\$0.00	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44
Cum. NDR Benefits	\$0.38	\$1.39	\$2.16	\$4.26	\$6.36	\$7.40	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41	\$7.41
Op. NDR Benefits	\$0.38	\$0.84	\$0.78	\$1.35	\$1.35	\$0.88	\$0.00	\$0.00	\$1.88	\$1.88	\$1.88	\$1.88	\$1.88	\$1.88	\$1.88	\$1.88	\$1.88	\$1.88	\$1.88	\$1.88	\$1.88
Cum. NDR Benefits	\$0.38	\$1.39	\$2.16	\$3.51	\$4.86	\$5.74	\$5.74	\$5.74	\$5.74	\$5.74	\$5.74	\$5.74	\$5.74	\$5.74	\$5.74	\$5.74	\$5.74	\$5.74	\$5.74	\$5.74	\$5.74
Net Present Value	\$4.03																				
Internal Rate of Return	77.2%																				

- Notes:
- Force reductions primarily from Account Executives, System Designers, & Service Consultants.
 - Full implementation occurs w/o Gemini participation.
 - The total investment does not include Salary & Wages associated with BST required resources.

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GROUP 1	START DATE: 3QTR 1992 END DATE: 3QTR 1994																				
COMPTROLBIS-CORE	1Q92	2Q92	3Q92	4Q92	1Q93	2Q93	3Q93	4Q93	1Q94	2Q94	3Q94	4Q94	1Q95	2Q95	3Q95	4Q95	1Q96	2Q96	3Q96	4Q96	
BENEFITS - Force Reductions																					
Cum	0	0	0	102	1	35															
Cum (Cum.)	0	0	0	102	103	138															
Cum Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.32	\$2.44	\$3.82	\$4.43	\$6.19									
Management																					
Management (Cum.)	0	0	0	34	0	7															
Management Exp. Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.07	\$0.07	\$0.45	\$1.10	\$1.60	\$2.00	\$2.72									
Total Force Reductions																					
Total Force Reductions (Cum.)	0	0	0	136	1	42															
Total Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.84	\$1.88	\$2.00	\$3.64	\$5.21	\$6.43	\$7.90									
Revenue Generation (Incl.)																					
Overtime Elimination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00									
TOTAL BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.84	\$1.88	\$2.00	\$3.64	\$5.21	\$6.43	\$7.90									
INVESTMENTS																					
Professional Fees																					
Fees	\$0.00	\$0.40	\$1.47	\$1.47	\$0.11	\$0.11	\$0.11	\$0.11													
Expenses	\$0.00	\$0.00	\$0.20	\$0.20	\$0.02	\$0.02	\$0.02	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00									
Fees & Expenses	\$0.00	\$0.40	\$1.78	\$1.78	\$0.13	\$0.13	\$0.13	\$0.13	\$0.00	\$0.00	\$0.00	\$0.00									
Cum. Fees & Expenses	\$0.00	\$0.40	\$2.24	\$4.01	\$4.13	\$4.26	\$4.39	\$4.51	\$4.51	\$4.51	\$4.51	\$4.51									
Out-of-Pocket Implementation Cost																					
Implementation Cost	\$0.00	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.00									
BST Resources Required																					
Executive & Legal	0	0	0	0	0	0															
Compt. & Treasury	0	18	18	18	18	18															
Marketing	0	0	0	0	0	0															
Network	0	0	0	0	0	0															
Reengineering Staff	0	0	0	0	0	0															
Regulatory	0	0	0	0	0	0															
Services	0	0	0	0	0	0															
TOTAL BST RESOURCES	0	18	18	18	18	18															
RESOURCE EXPENSE	\$0.00	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.00									
TOTAL INVESTMENT	\$0.00	\$0.60	\$1.78	\$1.78	\$0.14	\$0.37	\$0.37	\$0.44	\$0.68	\$0.80	\$1.04	\$1.10									
Dis. NOR Benefits	\$0.00	(\$0.50)	(\$1.78)	(\$1.78)	(\$0.14)	\$1.17	\$1.18	\$1.66	\$3.00	\$4.41	\$6.79	\$8.71									
Cum. NOR Benefits	\$0.00	(\$0.50)	(\$2.27)	(\$4.05)	(\$4.19)	(\$3.02)	(\$1.85)	(\$0.20)	\$2.71	\$7.13	\$12.92	\$19.63									
Dis. NI Benefits	\$0.00	(\$0.31)	(\$1.12)	(\$1.12)	(\$0.08)	\$0.74	\$0.74	\$0.98	\$1.60	\$2.76	\$3.85	\$4.23									
Cum. NI Benefits	\$0.00	(\$0.31)	(\$1.43)	(\$2.55)	(\$2.63)	(\$1.89)	(\$1.15)	(\$0.18)	\$1.71	\$4.47	\$8.14	\$12.37									
Net Present Value	\$32.10																				
Internal Rate of Return	285.1%																				

Notes: 1. The total investment does not include Salary & Wages associated with BST required resources.

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GROUP I DATA CENTER CONSOLIDATION BENEFITS - Force Reductions	START DATE: 1991				END DATE: 4QTR 1994															
	1992	2092	2092	4Q92	1093	2093	2093	4Q93	1094	2094	2094	4Q94	1095	2095	2095	4Q95	1096	2096	2096	4Q96
Craft	0	0	0	32	42	42														
Craft (Cum.)	0	0	0	32	74	116														
Craft Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.31	\$0.71	\$1.11	\$1.61	\$2.04	\$2.59	\$3.21								
Management	0	0	0	0	0	0														
Management (Cum.)	0	0	0	0	0	0														
Management Exp. Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.48	\$0.88	\$0.00								
Total Force Reductions	0	0	0	32	42	42														
Total Force Reductions (Cum.)	0	0	0	32	74	116														
Total Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.31	\$0.71	\$1.11	\$1.61	\$2.45	\$3.18	\$3.63								
Revenue Generation (Incr.)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00								
Overtime Elimination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00								
TOTAL BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.31	\$0.71	\$1.11	\$1.61	\$2.45	\$3.18	\$3.63								
INVESTMENTS																				
Professional fees																				
Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00								
Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00								
Fees & Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00								
Cum. Fees & Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00								
Out-of-Pocket Implementation Cost	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02								
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00								
BST Resources Required																				
Emulation & Legal	0	0	0	0	0	0														
Compt. & Treasury	0	0	0	0	0	0														
Marketing	0	0	0	0	0	0														
Network	0	0	0	0	0	0														
Reorganizing Staff	0	0	0	0	0	0														
Regulatory	0	0	0	0	0	0														
Services	0	0	0	0	0	0														
	22	22	22	22	22	22														
TOTAL BST RESOURCES REQUIRED	22	22	22	22	22	22														
REDUCED EXPENSE	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37								
TOTAL INVESTMENT	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.04	\$0.12	\$0.18	\$0.28	\$0.36	\$0.60	\$0.81								
Qtr. NOR Benefits	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.24	\$0.48	\$0.72	\$1.27	\$2.04	\$2.88	\$3.32								
Cum. NOR Benefits	\$0.02	\$0.04	\$0.06	\$0.07	\$0.09	\$0.18	\$0.73	\$1.06	\$2.63	\$4.97	\$7.60	\$10.98								
Qtr. NI Benefits	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.15	\$0.37	\$0.58	\$0.80	\$1.28	\$1.89	\$2.08								
Cum. NI Benefits	\$0.01	\$0.02	\$0.03	\$0.05	\$0.06	\$0.09	\$0.46	\$1.05	\$1.84	\$3.13	\$4.82	\$6.92								
Net Present Value	\$18.66																			
Internal Rate of Return	8%																			

- Notes:
- The total investment does not include salary & wages associated with BST required resources.
 - The project rate of return approximates infinity.
 - Project Leader is SM Baugman @ 620-7412

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GROUP 1	START DATE: 4QTR 1991												END DATE: 4QTR 1993											
FORECASTING & BUDGET NO	1992	2092	2092	2092	1993	2093	2093	2093	1994	2094	2094	2094	1995	2095	2095	2095	1996	2096	2096	2096				
BENEFITS - Force Reductions																								
Craft	0	0	0	0	55	0																		
Craft (Cum.) 1	0	0	0	0	55	55																		
Craft Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.63	\$0.63	\$0.63	\$0.63	\$0.63	\$0.63	\$0.63	\$0.63	\$0.63	\$0.63	\$0.63	\$0.63	\$0.63	\$0.63				
Management	0	0	0	0	101	94																		
Management (Cum.) 1	0	0	0	0	101	195																		
Management Exp. Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.64	\$3.28	\$4.92	\$6.56	\$8.20	\$9.84	\$11.48	\$13.12	\$14.76	\$16.40	\$18.04	\$19.68	\$21.32	\$22.96				
Total Force Reductions	0	0	0	0	156	94																		
Total Force Reductions (Cum.)	0	0	0	0	156	250																		
Total Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.27	\$3.91	\$5.55	\$7.19	\$8.83	\$10.47	\$12.11	\$13.75	\$15.39	\$17.03	\$18.67	\$20.31	\$21.95	\$23.59				
Revenue Generation (Net.)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				
Overtime Elimination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				
TOTAL BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.27	\$3.91	\$5.55	\$7.19	\$8.83	\$10.47	\$12.11	\$13.75	\$15.39	\$17.03	\$18.67	\$20.31	\$21.95	\$23.59				
INVESTMENTS																								
Professional fees																								
Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.38	\$0.38	\$0.38	\$0.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				
Expenses	\$0.12	\$0.12	\$0.12	\$0.04	\$0.08	\$0.08	\$0.08	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				
Fees & Expenses	\$0.12	\$0.12	\$0.12	\$0.04	\$0.46	\$0.46	\$0.46	\$0.38	\$0.38	\$0.38	\$0.38	\$0.38	\$0.38	\$0.38	\$0.38	\$0.38	\$0.38	\$0.38	\$0.38	\$0.38				
Cum. Fees & Expenses	\$0.12	\$0.24	\$0.36	\$0.40	\$0.86	\$1.32	\$1.78	\$2.16	\$2.54	\$2.92	\$3.30	\$3.68	\$4.06	\$4.44	\$4.82	\$5.20	\$5.58	\$5.96	\$6.34	\$6.72				
Out-of-Pocket Implementation Cost	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				
TOTAL INVESTMENT	\$0.14	\$0.26	\$0.38	\$0.42	\$0.88	\$1.34	\$1.80	\$2.18	\$2.56	\$2.94	\$3.32	\$3.70	\$4.08	\$4.46	\$4.84	\$5.22	\$5.60	\$5.98	\$6.36	\$6.74				
OST. NOR Benefits																								
Cum. NOR Benefits	(\$0.74)	(\$0.74)	(\$0.74)	(\$0.60)	(\$0.28)	(\$0.28)	(\$1.40)	(\$2.18)	(\$2.84)	(\$3.40)	(\$3.96)	(\$4.52)	(\$5.08)	(\$5.64)	(\$6.20)	(\$6.76)	(\$7.32)	(\$7.88)	(\$8.44)	(\$9.00)				
OST. NI Benefits																								
Cum. NI Benefits	(\$0.47)	(\$0.47)	(\$0.47)	(\$0.30)	(\$0.30)	(\$0.30)	(\$0.48)	(\$1.04)	(\$1.60)	(\$2.16)	(\$2.72)	(\$3.28)	(\$3.84)	(\$4.40)	(\$4.96)	(\$5.52)	(\$6.08)	(\$6.64)	(\$7.20)	(\$7.76)				
Net Present Value	\$24.48																							
Internal Rate of Return	213.8%																							

- Notes:
- Force reductions from forecasters, capital budgeting mgr.'s from the states and expense budgeting mgr.'s from AG & B than.
 - The total investment does not include Salary & Wage associated with BST required resources.

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FOI B22Z

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GROUP 1

START DATE: 4QTR 1991 END DATE: 4QTR 1994

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
BENEFITS - Force Reductions																		
Crisis	0	0	0	0	38	34												
Crisis (Cum.)	0	0	0	0	38	72												
Crisis Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.83	\$1.24	\$1.65	\$2.06	\$2.47	\$2.88	\$3.29	\$3.70	\$4.11	\$4.52	\$4.93
Management	0	0	0	0	0	2												
Management (Cum.)	0	0	0	0	0	2												
Management Exp. Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.10	\$0.13	\$0.16	\$0.20	\$0.24	\$0.28	\$0.32	\$0.36	\$0.40	\$0.44	\$0.48	\$0.52
Total Force Reductions	0	0	0	0	38	74												
Total Force Reductions (Cum.)	0	0	0	0	38	74												
Total Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.02	\$1.38	\$1.81	\$2.26	\$2.71	\$3.16	\$3.61	\$4.06	\$4.51	\$4.96	\$5.41
Revenue Generation (Incr.)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Overdue Elimination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.02	\$1.38	\$1.81	\$2.26	\$2.71	\$3.16	\$3.61	\$4.06	\$4.51	\$4.96	\$5.41
INVESTMENTS																		
Professional fees																		
Fees	\$1.88	\$1.88	\$0.84	\$0.86	\$0.86	\$0.86	\$0.86	\$0.44										
Expenses	\$0.30	\$0.30	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fees & Expenses	\$2.18	\$2.18	\$1.02	\$1.04	\$1.04	\$1.04	\$1.04	\$0.44										
Cum. Fees & Expenses	\$2.18	\$4.36	\$5.38	\$6.42	\$7.46	\$8.50	\$9.54	\$10.58	\$11.62	\$12.66	\$13.70	\$14.74	\$15.78	\$16.82	\$17.86	\$18.90	\$19.94	\$20.98
Out-of-Pocket	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
Implementation Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.18	\$0.21	\$0.27	\$0.34	\$0.41	\$0.48	\$0.55	\$0.62	\$0.69	\$0.76	\$0.83	\$0.90
BST Resources Required																		
Executive & Legal	0	0	0	0	0	0												
Compl. & Treasury	0	0	0	0	0	0												
Marketing	3	3	3	10	10	6												
Network	4	4	4	43	43	43												
Resourcing Staff	0	0	0	0	0	0												
Regulatory	0	0	0	0	0	0												
Services	4	4	4	21	21	21												
TOTAL BST RESOURCES	14	14	14	74	74	74	48	48	0	0	0	0	0	0	0	0	0	0
RESOURCE EXPENSE	\$0.23	\$0.23	\$0.23	\$1.23	\$1.23	\$1.23	\$0.62	\$0.62	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL INVESTMENT	\$2.39	\$4.61	\$6.40	\$7.65	\$8.70	\$9.75	\$10.72	\$11.69	\$12.67	\$13.64	\$14.61	\$15.58	\$16.55	\$17.52	\$18.49	\$19.46	\$20.43	\$21.40
Qv. MOR Benefits	\$2.39	\$1.61	\$1.14	\$1.20	\$1.20	\$1.20	\$0.30	\$1.13	\$1.34	\$1.55	\$1.76	\$1.97	\$2.18	\$2.39	\$2.60	\$2.81	\$3.02	\$3.23
Cum. MOR Benefits	\$2.39	\$4.20	\$5.34	\$6.54	\$7.74	\$8.94	\$10.14	\$11.34	\$12.54	\$13.74	\$14.94	\$16.14	\$17.34	\$18.54	\$19.74	\$20.94	\$22.14	\$23.34
Qv. NI Benefits	\$1.40	\$1.14	\$0.78	\$0.74	\$0.74	\$0.74	\$0.18	\$0.71	\$0.88	\$1.05	\$1.22	\$1.39	\$1.56	\$1.73	\$1.90	\$2.07	\$2.24	\$2.41
Cum. NI Benefits	\$1.40	\$2.54	\$3.32	\$4.06	\$4.80	\$5.54	\$6.28	\$7.02	\$7.76	\$8.50	\$9.24	\$9.98	\$10.72	\$11.46	\$12.20	\$12.94	\$13.68	\$14.42
Net Present Value	\$40.87																	
Internal Rate of Return	134.8%																	

- Notes:
- Force reductions are derived from S.M. RCMAG, Business Office & LAG organizations throughout the region.
 - The total investment does not include Salary & Wages associated with BST Required Resources.

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GROUP TOTAL	1992	2092	3092	4092	1093	2093	3093	4093	1094	2094	3094	4094	1095	2095	3095	4095	1096	2096	3096	4096		
BENEFITS - Force Reductions																						
Cash	0	0	0	134	184	111																
Cash (Cum.)	0	0	0	134	328	439																
Cash Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.25	\$3.74	\$4.20	\$8.62	\$8.74	\$13.78	\$17.57										
Management																						
Management (Cum.)	0	0	0	34	167	100																
Management Exp. Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.57	\$2.35	\$4.07	\$8.67	\$10.38	\$17.54	\$12.14										
Total Force Reductions	0	0	0	168	301	211																
Total Force Reductions (Cum.)	0	0	0	168	409	422																
Total Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.82	\$6.09	\$8.27	\$17.29	\$20.12	\$35.32	\$49.71										
Revenue Generation (Net)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00										
Overtime Elimination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00										
TOTAL BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.82	\$6.09	\$8.27	\$17.29	\$20.12	\$35.32	\$49.71										
INVESTMENTS																						
Professional fees																						
Fees	\$2.00	\$3.34	\$3.64	\$4.00	\$3.18	\$2.30	\$0.93	\$0.11	\$0.00	\$0.00	\$0.00	\$0.00										
Expenses	\$0.68	\$0.67	\$0.73	\$0.92	\$0.84	\$0.48	\$0.18	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00										
Fees & Expenses	\$3.47	\$4.01	\$4.37	\$4.92	\$4.02	\$2.78	\$1.11	\$0.13	\$0.00	\$0.00	\$0.00	\$0.00										
Cum. Fees & Expenses	\$3.47	\$7.48	\$11.85	\$17.37	\$21.18	\$23.94	\$25.05	\$25.17	\$25.17	\$25.17	\$25.17	\$25.17										
Out-of-Pocket Implementation Cost	\$0.00	\$0.07	\$0.07	\$0.12	\$0.12	\$0.12	\$0.16	\$0.16	\$0.03	\$0.03	\$0.03	\$0.02										
Implementation Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.12	\$0.16	\$0.16	\$0.03	\$0.03	\$0.03	\$0.02										
BST Resources Required																						
Executive & Legal	2	2	2	2	2	2																
Compl. & Treasury	0	10	18	18	18	18																
Marketing	0	0	0	18	18	18																
Network	10	10	10	47	47	47																
Reengineering Stud	0	0	0	0	0	0																
Regulatory	10	10	10	10	10	10																
Services	38	38	38	64	64	64																
TOTAL BST RESOURCES REQUIRED	60	67	67	147	147	147																
RESOURCE EXPENSE	\$1.15	\$1.45	\$1.45	\$2.45	\$2.45	\$2.45	\$2.93	\$1.90	\$0.87	\$0.67	\$0.67	\$0.37										
TOTAL INVESTMENT	\$3.62	\$4.08	\$4.44	\$5.06	\$3.93	\$3.15	\$2.04	\$1.48	\$2.33	\$3.08	\$3.63	\$4.47										
DR. NOR Benefits	\$3.62	\$4.08	\$4.44	\$5.06	\$3.93	\$3.15	\$2.04	\$1.48	\$2.33	\$3.08	\$3.63	\$4.47										
Cum. NOR Benefits	\$3.62	\$7.81	\$12.06	\$17.20	\$21.43	\$22.83	\$19.48	\$12.67	\$0.20	\$17.38	\$30.85	\$44.64										
DR. NI Benefits	\$2.22	\$2.17	\$2.00	\$3.66	\$2.48	\$0.82	\$2.18	\$4.29	\$4.16	\$10.75	\$13.14	\$16.00										
Cum. NI Benefits	\$2.22	\$4.79	\$7.59	\$11.15	\$13.63	\$14.46	\$12.27	\$7.88	\$0.18	\$10.84	\$24.48	\$40.37										
Net Present Value	\$122.17																					
Internal Rate of Return	101.7%																					

Notes: 1. The total investment does not include Salary & Wages associated with BST required resources.

GROUP II CENTRAL OFFICE OPERATIONS		START DATE: 30TH 1992 END DATE:															
BENEFITS - Force Reductions		1Q92	2Q92	3Q92	4Q92	1Q93	2Q93	3Q93	4Q93	1Q94	2Q94	3Q94	4Q94	1Q95	2Q95	3Q95	4Q95
Cost		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost (Cum.) 1		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost Expense Savings		10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Management		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management (Cum.) 1		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Exp. Savings		10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Total Force Reductions		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Force Reductions (Cum.)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expense Savings		10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Revenue Generation (Intr.)		10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Overtime Elimination		10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
TOTAL BENEFITS		10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
INVESTMENTS																	
Professional fees	5																
Fees		10.00	10.00	10.00	10.00	10.70	10.70	10.70	10.70								
Expenses		10.00	10.00	10.00	10.18	10.14	10.14	10.14	10.14	10.00	10.00	10.00	10.00				
Fees & Expenses		10.00	10.00	10.00	10.98	10.84	10.84	10.84	10.84	10.00	10.00	10.00	10.00				
Cum Fees & Expenses		10.00	10.00	10.00	10.98	11.80	12.64	13.48	14.32	14.32	14.32	14.32	14.32				
Out-of-Pocket		10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Implementation Cost		10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
BST Resources Required	2																
Executive & Legal		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Compt. & Treasury		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Marketing		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Network		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reengineering Staff		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Regulatory		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL BST RESOURCES		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RESOURCE EXPENSE		10.00	10.00	10.00	10.98	10.84	10.84	10.84	10.84	10.00	10.00	10.00	10.00				
TOTAL INVESTMENT	3	10.00	10.00	10.00	10.98	10.84	10.84	10.84	10.84	10.00	10.00	10.00	10.00				
Dis. NOR Benefits		10.00	10.00	10.00	(0.98)	(0.84)	(0.84)	(0.84)	(0.84)	10.00	10.00	10.00	10.00				
Cum. NOR Benefits		10.00	10.00	10.00	(0.98)	(1.80)	(2.64)	(3.48)	(4.32)	(4.32)	(4.32)	(4.32)	(4.32)				
Dis. NI Benefits		10.00	10.00	10.00	(0.80)	(0.63)	(0.63)	(0.63)	(0.63)	10.00	10.00	10.00	10.00				
Cum. NI Benefits		10.00	10.00	10.00	(0.80)	(1.43)	(2.06)	(2.70)	(3.33)	(3.33)	(3.33)	(3.33)	(3.33)				
Net Present Value		(0.20)															
Internal Rate of Return		0%															

Notes:

1. Project initiative is in the early stages and force benefits are anticipated in the 1993 - 1995 timeframe.
2. The total investment does not include Salary & Wages associated with BST Required Resources.
3. BST Required Resources will be identified after the initial scoping process has been completed.
4. The project NPV indicates "EUV" as a result of investments and no identified benefits.
5. Project delivery fees & associated expenses are budgetary estimates.

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0000357

GROUP II		START DATE: 4QTR 1992												END DATE:								
COMPLEX BUSINESS II		1992	2092	2092	2092	1092	2092	2092	2092	1092	2092	2092	2092	1092	2092	2092	2092	1092	2092	2092	2092	
BENEFITS - Force Reductions																						
CRN		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CRN (Cum.) 1		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CRN Expense Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Management		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management (Cum.) 1		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Exp. Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Force Reductions		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Force Reductions (Cum.)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expense Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Revenue Generation (Incl.)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Overtime Elimination		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL BENEFITS		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INVESTMENTS																						
Personnel fees & fees		\$0.00	\$0.00	\$0.00	\$0.32	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84
Expenses		\$0.00	\$0.00	\$0.00	\$0.06	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17	\$0.17
Fee & Expenses		\$0.00	\$0.00	\$0.00	\$0.38	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01
Cum. Fee & Expenses		\$0.00	\$0.00	\$0.00	\$0.38	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39	\$1.39
Out-of-Pocket Implementation Cost		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Implementation Cost		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BST Resources Required																						
Executives & Legal		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Compl. & Treasury		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Marketing		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Research		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reengineering Staff		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Regulatory		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL BST RESOURCES RESOURCE EXPENSE		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL INVESTMENT 3		\$0.00	\$0.00	\$0.00	\$0.38	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01	\$1.01
Qtr. NOR Benefits		\$0.00	\$0.00	\$0.00	(\$0.38)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)	(\$1.01)
Cum. NOR Benefits		\$0.00	\$0.00	\$0.00	(\$0.38)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)	(\$1.39)
Qtr. NI Benefits		\$0.00	\$0.00	\$0.00	\$0.24	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84
Cum. NI Benefits		\$0.00	\$0.00	\$0.00	\$0.24	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84	\$0.84
Net Present Value																						
Internal Rate of Return 4																						

- Notes:
1. Project initiative is in the early stages and force benefits are anticipated in the 1993 - 1998 timeframe.
 2. The total investment does not include Salary & Wages associated with BST Required Resources.
 3. BST Required Resources will be identified after the initial scoping process has been completed.
 4. The project IRR includes "ERR" as a result of investments and no identified benefits.
 5. Project delivery fees & associated expenses are budgetary estimates.

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GROUP II		START DATE: 3QTR 1992												END DATE: 2QTR 1994											
INFORMATION TECHNOLOGY		1Q92	2Q92	3Q92	4Q92	1Q93	2Q93	3Q93	4Q93	1Q94	2Q94	3Q94	4Q94	1Q95	2Q95	3Q95	4Q95	1Q96	2Q96	3Q96	4Q96				
BENEFITS - Force Reductions																									
Cash		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Cash (Cum.) 1		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Cash Expense Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.24	\$0.77	\$1.01	\$1.20												
Management		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Management (Cum.) 1		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Management Exp. Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.83	\$2.67	\$3.67	\$4.47												
Total Force Reductions		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total Force Reductions (Cum.)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total Expense Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.07	\$3.43	\$4.67	\$5.73												
Revenue Generation (Net.)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				
Overtime Elimination		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00				
TOTAL BENEFITS		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.07	\$3.43	\$4.67	\$5.73												
INVESTMENTS																									
Professional fees 3																									
Fees		\$0.00	\$0.00	\$0.12	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.21	\$0.04	\$0.21	\$0.21	\$0.21	\$0.04	\$0.04	\$0.01	\$0.04	\$0.04				
Expenses		\$0.00	\$0.00	\$0.02	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.01	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.01	\$0.04	\$0.04				
Fees & Expenses		\$0.00	\$0.00	\$0.14	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.05	\$0.25	\$0.25	\$0.25	\$0.08	\$0.08	\$0.05	\$0.08	\$0.08				
Cum. Fees & Expenses		\$0.00	\$0.00	\$0.14	\$0.40	\$0.65	\$0.90	\$1.15	\$1.40	\$1.65	\$1.90	\$2.15	\$2.21	\$2.46	\$2.71	\$2.96	\$3.04	\$3.08	\$3.13	\$3.17	\$3.21				
Out-of-Pocket Implementation Cost		\$0.00	\$0.00	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02				
TOTAL INVESTMENTS		\$0.00	\$0.00	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02				
BST Resources Required																									
Executive & Legal		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Compt. & Treasury		0	0	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2				
Marketing		0	0	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3				
Network		0	0	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3				
Reengineering Staff		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Regulatory		0	0	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2				
Services		0	0	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15				
TOTAL BST RESOURCES REQUIRED		0	0	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25				
REDUCTION EXPENSE		\$0.00	\$0.00	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42	\$0.42				
TOTAL INVESTMENT 2		\$0.00	\$0.00	\$0.16	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27	\$0.27				
Qtr. NOR Benefits		\$0.00	\$0.00	(\$0.16)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)	(\$0.27)				
Cum. NOR Benefits		\$0.00	\$0.00	(\$0.16)	(\$0.44)	(\$0.71)	(\$0.98)	(\$1.25)	(\$1.52)	(\$1.79)	(\$2.06)	(\$2.33)	(\$2.60)	(\$2.87)	(\$3.14)	(\$3.41)	(\$3.68)	(\$3.95)	(\$4.22)	(\$4.49)	(\$4.76)				
Qtr. NI Benefits		\$0.00	\$0.00	(\$0.10)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)	(\$0.17)				
Cum. NI Benefits		\$0.00	\$0.00	(\$0.10)	(\$0.28)	(\$0.45)	(\$0.62)	(\$0.79)	(\$0.96)	(\$1.13)	(\$1.30)	(\$1.47)	(\$1.64)	(\$1.81)	(\$1.98)	(\$2.15)	(\$2.32)	(\$2.49)	(\$2.66)	(\$2.83)	(\$3.00)				
Net Present Value		\$19.22																							
Internal Rate of Return		44.3%																							

- Notes:
1. Force reductions are based on achieving 11% reduction in current 3,815 Information Systems population. Current ratio is 2 Mgrs. to 1 Craft person.
 2. The total investment does not include Salary & Wages associated with BST Required Resources.
 3. Project delivery fee & associated expense are budgetary estimates.

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GROUP II
NETWORK PLANNING & PROVIDING

START DATE: 4QTR 1992 END DATE: 2QTR 1995

BENEFITS - Force Reductions	1992	2Q92	3Q92	4Q92	1Q93	2Q93	3Q93	4Q93	1Q94	2Q94	3Q94	4Q94	1Q95	2Q95	3Q95	4Q95
CrM	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CrM (Cum.) 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CrM Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.02	\$0.11	\$0.38	\$0.81			
Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management (Cum.) 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Exp. Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.13	\$0.47	\$1.48	\$2.60			
Total Force Reductions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Force Reductions (Cum.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.15	\$0.58	\$1.86	\$3.41			
Revenue Generation (Incr.)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Overtime Elimination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.15	\$0.58	\$1.86	\$3.41			
INVESTMENTS																
Professional fees & Fees	\$0.00	\$0.00	\$0.00	\$0.50	\$0.98	\$0.98	\$0.98	\$0.98	\$0.98	\$0.98	\$0.98	\$0.98	\$0.98	\$0.98	\$0.98	\$0.98
Expenses	\$0.00	\$0.00	\$0.00	\$0.10	\$0.19	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18	\$0.18
Fees & Expenses	\$0.00	\$0.00	\$0.00	\$0.60	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15
Cum. Fees & Expenses	\$0.00	\$0.00	\$0.00	\$0.60	\$1.75	\$2.90	\$4.05	\$5.20	\$6.35	\$7.50	\$8.65	\$9.80	\$10.95	\$12.10	\$13.25	\$14.40
Out-of-Pocket Implementation Cost	\$0.00	\$0.00	\$0.00	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03
Implementation Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL INVESTMENT	\$0.00	\$0.00	\$0.00	\$0.63	\$1.75	\$2.90	\$4.05	\$5.20	\$6.35	\$7.50	\$8.65	\$9.80	\$10.95	\$12.10	\$13.25	\$14.40
Net Present Value	\$18.14															
Internal Rate of Return	158.3%															

- Notes:
1. CrM force reductions primarily drafting clerks & admn. clerks within the OSP Engr. and OSP Construction Offices.
 2. Mgmt force reductions primarily P&E Mgrs., OSP Engineers & OSP Construction/Field OPGC Supp's & Asst. Mgrs.
 3. The total investment does not include Salary & Wages associated with BBT Required Resources.
 4. Project delivery fees & associated expenses are budgetary estimates.

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GROUP 11		START DATE: 3QTR 1992												END DATE: 3QTR 1994						
REPAIR 2 MAINTENANCE		1992	2092	3Q92	4Q92	1Q93	2Q93	3Q93	4Q93	1Q94	2Q94	3Q94	4Q94	1Q95	2Q95	3Q95	4Q95	1Q96	2Q96	
BENEFITS - Force Reductions																				
Ch 4		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ch 4 (Cum.) 1		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ch 4 Expense Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.48	\$0.72	\$1.44	\$2.87	\$4.79						
Management		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management (Cum.) 1		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Exp. Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.17	\$0.33	\$0.67	\$1.00						
Total Force Reductions		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Force Reductions (Cum.)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expense Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.48	\$0.89	\$1.77	\$3.64	\$6.79						
Revenue Generation (Incl.)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
One-time Elimination		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL BENEFITS		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.48	\$0.89	\$1.77	\$3.64	\$6.79						
INVESTMENTS																				
Relational loss		\$0.00	\$0.00	\$0.00	\$1.76	\$1.81	\$0.88	\$0.37												
Fees		\$0.00	\$0.00	\$0.00	\$0.35	\$0.39	\$0.19	\$0.07	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00						
Expenses		\$0.00	\$0.00	\$0.00	\$2.11	\$1.81	\$1.14	\$0.44	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00						
Fees & Expenses		\$0.00	\$0.00	\$0.00	\$2.11	\$2.02	\$1.33	\$0.51	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00						
Out-of-Pocket Implementation Cost		\$0.00	\$0.00	\$0.00	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02						
TOTAL INVESTMENT		\$0.00	\$0.00	\$0.00	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33						
BST Resources Required																				
Executive & Legal		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Compt. & Treasury		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Marketing		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Network		0	0	0	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Reengineering Staff		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Regulatory		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL BST RESOURCES REQUIRED		0	0	0	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
RESOURCE EXPENSE																				
TOTAL INVESTMENT 2		\$0.00	\$0.00	\$0.00	\$2.13	\$1.83	\$1.18	\$0.46	\$0.00	\$0.16	\$0.28	\$0.55	\$0.87							
Dir. NOR Benefits		\$0.00	\$0.00	\$0.00	(\$1.13)	(\$1.83)	(\$1.18)	(\$0.46)	\$0.38	\$0.74	\$1.48	\$2.98	\$4.92							
Cum NOR Benefits		\$0.00	\$0.00	\$0.00	(\$2.13)	(\$3.96)	(\$5.14)	(\$5.60)	(\$5.22)	(\$4.48)	(\$2.98)	(\$0.00)	(\$2.02)							
Dir. NI Benefits		\$0.00	\$0.00	\$0.00	(\$1.34)	(\$1.19)	(\$0.73)	(\$0.29)	\$0.25	\$0.48	\$0.84	\$1.54	\$2.18							
Cum NI Benefits		\$0.00	\$0.00	\$0.00	(\$1.34)	(\$2.46)	(\$3.22)	(\$3.51)	(\$3.27)	(\$2.79)	(\$1.95)	(\$0.41)	(\$1.12)							
Net Present Value		\$22.68																		
Internal Rate of Return		179.8%																		

- Notes:
- Force reductions are estimated based on potential opportunity.
 - The total investment does not include salary & wages associated with BST Required Resources.

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GROUP TOTAL	1992	2092	3092	4092	1093	2093	3093	4093	1094	2094	3094	4094	1095	2095	3095	4095	1096	2096	3096	4096	
BENEFITS - Force Reductions																					
Cum	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cum (Cum.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cum Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.48	\$0.98	\$2.32	\$4.24	\$6.88	\$10.00	\$13.28	\$16.72	\$20.32	\$24.08	\$27.92	\$31.84	\$35.84
Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management (Cum.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Exp. Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Force Reductions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Force Reductions (Cum.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.48	\$0.98	\$2.32	\$4.24	\$6.88	\$10.00	\$13.28	\$16.72	\$20.32	\$24.08	\$27.92	\$31.84	\$35.84
Revenue Generation (Net)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Overtime Elimination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.48	\$0.98	\$2.32	\$4.24	\$6.88	\$10.00	\$13.28	\$16.72	\$20.32	\$24.08	\$27.92	\$31.84	\$35.84	
INVESTMENTS																					
Professional fees																					
Fees	\$0.00	\$0.00	\$0.12	\$3.88	\$4.22	\$3.88	\$3.08	\$2.71	\$0.21	\$0.21	\$0.21	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
Expenses	\$0.00	\$0.00	\$0.02	\$0.72	\$0.84	\$0.73	\$0.62	\$0.54	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
Fees & Expenses	\$0.00	\$0.00	\$0.14	\$4.60	\$5.06	\$4.61	\$3.70	\$3.25	\$0.25	\$0.25	\$0.25	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08
Cum. Fees & Expenses	\$0.00	\$0.00	\$0.14	\$4.60	\$5.06	\$4.61	\$3.70	\$3.25	\$0.25	\$0.25	\$0.25	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08
Out-of-Pocket	\$0.00	\$0.00	\$0.02	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07
Implementation Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BST Resources Required																					
Executive & Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Compl. & Treasury	0	0	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Marketing	0	0	3	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Network	0	0	3	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43
Reengineering Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Regulatory	0	0	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Services	0	0	15	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24	24
TOTAL BST RESOURCES	0	0	26	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80
RESOURCE EXPENSE	\$0.00	\$0.00	\$0.42	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33	\$1.33
TOTAL INVESTMENT	\$0.00	\$0.00	\$0.18	\$4.37	\$4.13	\$4.48	\$3.78	\$3.39	\$0.64	\$1.18	\$1.61	\$2.27	\$3.00	\$3.88	\$4.80	\$5.72	\$6.64	\$7.56	\$8.48	\$9.40	\$10.32
Gr. MOR Benefits	\$0.00	\$0.00	(\$0.18)	(\$4.37)	(\$4.13)	(\$4.48)	(\$3.78)	(\$3.39)	(\$0.64)	(\$1.18)	(\$1.61)	(\$2.27)	(\$3.00)	(\$3.88)	(\$4.80)	(\$5.72)	(\$6.64)	(\$7.56)	(\$8.48)	(\$9.40)	(\$10.32)
Cum. MOR Benefits	\$0.00	\$0.00	(\$0.18)	(\$4.64)	(\$4.67)	(\$4.13)	(\$3.78)	(\$3.39)	(\$0.64)	(\$1.18)	(\$1.61)	(\$2.27)	(\$3.00)	(\$3.88)	(\$4.80)	(\$5.72)	(\$6.64)	(\$7.56)	(\$8.48)	(\$9.40)	(\$10.32)
Gr. NI Benefits	\$0.00	\$0.00	(\$0.18)	(\$2.78)	(\$3.23)	(\$2.81)	(\$2.37)	(\$1.83)	(\$0.83)	(\$1.20)	(\$1.57)	(\$2.14)	(\$2.71)	(\$3.28)	(\$3.85)	(\$4.42)	(\$5.00)	(\$5.57)	(\$6.14)	(\$6.71)	(\$7.28)
Cum. NI Benefits	\$0.00	\$0.00	(\$0.18)	(\$2.88)	(\$3.09)	(\$2.80)	(\$2.47)	(\$1.93)	(\$1.10)	(\$1.77)	(\$2.34)	(\$2.91)	(\$3.48)	(\$4.05)	(\$4.62)	(\$5.19)	(\$5.76)	(\$6.33)	(\$6.90)	(\$7.47)	(\$8.04)
Net Present Value	\$23.79																				
Internal Rate of Return	146.9%																				

Note: 1. The total investment does not include Salary & Wages as needed with BST required resources.

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GROUP III BUSINESS OFFICE REVENUE RECOVERY		START DATE: 1QTR 1994 END DATE: 3QTR 1995																					
BENEFITS - Force Reductions		1Q92	2Q92	3Q92	4Q92	1Q93	2Q93	3Q93	4Q93	1Q94	2Q94	3Q94	4Q94	1Q95	2Q95	3Q95	4Q95	1Q96	2Q96	3Q96	4Q96		
Craft		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Craft (Cum.)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Craft Expense Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Management		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Management (Cum.)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Management Exp. Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Total Force Reductions		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total Force Reductions (Cum.)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total Expense Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Revenue Generation (Inst.)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Overtime Elimination		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
TOTAL BENEFITS		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
INVESTMENTS																							
Professional fees																							
Fees		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.20	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74		
Expenses		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Fees & Expenses		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.20	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74		
Cum. Fees & Expenses		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.24	\$0.98	\$1.72	\$2.46	\$3.20	\$3.94	\$4.68	\$5.42	\$6.16	\$6.90	\$7.64	\$8.38		
Out-of-Pocket Implementation Cost		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02		
BST Resources Required																							
Executive & Legal		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Compt. & Treasury		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Marketing		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Network		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Reengineering Staff		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Regulatory		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
TOTAL BST RESOURCES REQUIRED		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
REDUCTION EXPENSE		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
TOTAL INVESTMENT		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.22	\$0.74	\$1.48	\$2.22	\$2.96	\$3.70	\$4.44	\$5.18	\$5.92	\$6.66	\$7.40	\$8.14		
Dis. NOR Benefits		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
Cum. NOR Benefits		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.20	\$0.94	\$1.68	\$2.42	\$3.16	\$3.90	\$4.64	\$5.38	\$6.12	\$6.86	\$7.60	\$8.34		
Dis. NI Benefits		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.10	\$0.47	\$0.84	\$1.21	\$1.58	\$1.95	\$2.32	\$2.69	\$3.06	\$3.43	\$3.80	\$4.17		
Cum. NI Benefits		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.10	\$0.57	\$1.41	\$2.25	\$3.09	\$3.93	\$4.77	\$5.61	\$6.45	\$7.29	\$8.13	\$8.97		
Net Present Value		\$20.21																					
Internal Rate of Return		744.0%																					

- Notes:
1. Increase margins by reducing net bad debt & reduce cost of capital by reducing unpaid liab.
 2. The total investment does not include Salary & Wages associated with BST Required Resources.

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FOIB22Z

0000363

GROUP III	START DATE: 1QTR 1994												END DATE: 1QTR 1998								
BUSINESS OFC. SALES & SVC. EXCD.	1Q92	2Q92	3Q92	4Q92	1Q93	2Q93	3Q93	4Q93	1Q94	2Q94	3Q94	4Q94	1Q95	2Q95	3Q95	4Q95	1Q96	2Q96	3Q96	4Q96	
BENEFITS - Force Reductions																					
Craft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Craft (Cum.) 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Craft Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Management																					
Management (Cum.) 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Exp. Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Force Reductions																					
Total Force Reductions (Cum.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Revenue Generation (Incr.) 2 & 3																					
Overline Elimination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.42	\$0.84	\$1.26	\$1.68	\$2.10	\$2.52	\$2.94	\$3.36	\$3.78
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.42	\$0.84	\$1.26	\$1.68	\$2.10	\$2.52	\$2.94	\$3.36	\$3.78
INVESTMENTS																					
Professional fees																					
Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fees & Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cum. Fees & Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.02	\$2.04	\$3.06	\$4.08	\$5.10	\$6.12	\$7.14	\$8.16	\$9.18
Out-of-Pocket Implementation Cost																					
Implementation Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BST Resources Required																					
Executive & Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Compt. & Treasury	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Marketing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Network	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reorganizing Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Regulatory	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL BST RESOURCES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
REGULACE EXPENSE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL INVESTMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.02	\$2.04	\$3.06	\$4.08	\$5.10	\$6.12	\$7.14	\$8.16	\$9.18
Qtr. NOR Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.02	\$2.04	\$3.06	\$4.08	\$5.10	\$6.12	\$7.14	\$8.16	\$9.18
Cum. NOR Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$1.02)	(\$1.02)	(\$1.02)	(\$1.02)	(\$1.02)	(\$1.02)	(\$1.02)	(\$1.02)	(\$1.02)
Qtr. NI Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.02	\$2.04	\$3.06	\$4.08	\$5.10	\$6.12	\$7.14	\$8.16	\$9.18
Cum. NI Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.84)	(\$1.26)	(\$1.68)	(\$2.10)	(\$2.52)	(\$2.94)	(\$3.36)	(\$3.78)	(\$4.20)
Net Present Value	\$18.40																				
Internal Rate of Return	24.2%																				

- Notes:
1. Benefit estimates based on achieving a 5% reduction of current 8,200 craft & 12:1 span of control population in the residence & business office.
 2. Revenue benefits are adjusted for cost of services.
 3. Expense savings by reduced revenue generation from existing customer base, fee bills, and resources.
 4. The total investment does not include Salary & Wages associated with BST Required Resources.

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FBI:STWLOOK
25-Sep-92
08:30:28 AM

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GROUP III

ORGANIZATIONAL ALIGNMENT

START DATE: 4QTR 1993 END DATE: 4QTR 1998

BENEFITS - Force Reductions

	1992	2092	2092	2092	1993	2093	2093	2093	1994	2094	2094	2094	1995	2095	2095	2095	1996	2096	2096
Craft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Craft (Cum.) 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Craft Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management (Cum.) 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Exp. Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Force Reductions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Force Reductions (Cum.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Revenue Generation (incr.)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Overtime Elimination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

TOTAL BENEFITS

INVESTMENTS

Professional fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.27	\$1.63	\$1.63	\$1.78	\$1.43							
Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.25	\$0.33	\$0.33	\$0.35	\$0.29							
Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.82	\$1.30	\$1.30	\$1.43	\$1.14							
Fees & Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.07	\$1.63	\$1.63	\$1.78	\$1.43							
Cum. Fees & Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.07	\$1.63	\$1.63	\$1.78	\$1.43							
Out-of-Pocket Implementation Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02							
Implementation Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02							

BST Resources Required

Executive & Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Comp. & Treasury	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Marketing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Network	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reengineering Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Regulatory	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TOTAL BST RESOURCES

OFFICE EXPENSE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.43	\$0.43	\$0.43	\$0.43	\$0.43							
TOTAL INVESTMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.50	\$1.50	\$1.50	\$1.74	\$1.74							

Qtr. NOR Benefits

Qtr. NOR Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$1.50)	(\$1.50)	(\$1.50)	(\$2.12)	(\$1.74)							
Cum. NOR Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$1.50)	(\$3.00)	(\$3.00)	(\$4.82)	(\$3.38)							

Qtr. NI Benefits

Qtr. NI Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.97)	(\$1.28)	(\$1.28)	(\$1.34)	(\$1.09)							
Cum. NI Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.97)	(\$2.25)	(\$3.53)	(\$4.87)	(\$5.96)							

Net Present Value

Net Present Value	\$63.63
Internal Rate of Return	420.8%

Notes:
 1. Force reduction benefits are estimated based on the current BST force numbers of 74,982 (9/92 actual) and reflect a 25% reduction in all company staffs plus a craft to mgmt. ratio of 1:5.
 2. The total investment does not include Salary & Wages associated with BST Required Resources.

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GROUP III REGULATORY		START DATE: 2QTR 1994 END DATE: 1QTR 1996																			
BENEFITS - Force Reductions		1Q92	2Q92	3Q92	4Q92	1Q93	2Q93	3Q93	4Q93	1Q94	2Q94	3Q94	4Q94	1Q95	2Q95	3Q95	4Q95	1Q96	2Q96	3Q96	4Q96
Craft		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Craft (Cum.)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Craft Expense Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Management		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management (Cum.)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Exp. Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Force Reductions		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Force Reductions (Cum.)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expense Savings		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Revenue Generation (Incr.)		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Overtime Elimination		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL BENEFITS		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INVESTMENTS																					
Professional fees																					
Fees																					
Expenses		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fees & Expenses		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cum. Fees & Expenses		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Out-of-Pocket Implementation Cost		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BST Resources Required																					
Executive & Legal		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Compt. & Treasury		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Marketing		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Network		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reengineering Staff		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Regulatory Services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL BST RESOURCES REQUIRED		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
REDUCTION EXPENSE		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL INVESTMENT		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Dir. NOR Benefits		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cum. NOR Benefits		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Dir. NI Benefits		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cum. NI Benefits		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Present Value Internal Rate of Return		14.62																			
		14.62																			

Notes:

1. The total investment does not include salary & wages associated with BST Required Resources.
2. The project rate of return approaches infinity.

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GROUP TOTAL	1092	2092	3092	4092	1093	2093	3093	4093	1094	2094	3094	4094	1095	2095	3095	4095	1096	2096	3096	4096	
BENEFITS - Force Reductions																					
Cash (Cum.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Management																					
Management (Cum.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Exp. Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Force Reductions																					
Total Force Reductions (Cum.)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Revenue Generation (Net)																					
Overtime Elimination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.42	\$0.85	\$1.27	\$1.69	\$2.11	\$2.53	\$2.95	\$3.37	\$3.79
INVESTMENTS																					
Professional fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fees & Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cum. Fees & Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.27	\$2.53	\$3.79	\$5.05	\$6.31	\$7.57	\$8.83	\$10.09	\$11.35
Out-of-Pocket																					
Implementation Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BST Resources Required																					
Executives & Legal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Compt. & Treasury	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Marketing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Network	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reengineering Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Regulatory	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL BST RESOURCES REQUIRED EXPENSE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL INVESTMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.43	\$1.32	\$2.21	\$3.10	\$3.99	\$4.88	\$5.77	\$6.66	\$7.55	\$8.44	\$9.33	\$10.22	\$11.11	\$12.00
Qtr. MOR Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cum. MOR Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Qtr. NI Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Cum. NI Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Present Value	\$118.38																				
Internal Rate of Return	436.6%																				

1. The total investment does not include Salary & Wages associated with BST required resources.

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GROUP I, II, & III

	1992	2002	3002	4002	1003	2003	3003	4003	1004	2004	3004	4004	1005	2005	3005	4005	1006	2006	3006	4006
BENEFITS - Force Reductions																				
Cash	0	0	0	134	134	181														
Cash (Cum.)	0	0	0	134	328	489														
Cash Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.26	\$3.14	\$4.48	\$7.60	\$12.05	\$18.03	\$24.33								
Management																				
Management (Cum.)	0	0	0	34	107	163														
Management Exp. Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.07	\$2.35	\$4.07	\$9.30	\$13.85	\$17.35	\$20.10								
Total Force Reductions																				
Total Force Reductions (Cum.)	0	0	0	168	301	284														
Total Expense Savings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.33	\$5.49	\$8.55	\$17.30	\$26.91	\$35.38	\$44.34								
Revenue Generation (Net)																				
Overtime Elimination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.42	\$0.88	\$2.81								
TOTAL BENEFITS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.33	\$5.49	\$8.55	\$17.30	\$26.91	\$35.38	\$44.34								
INVESTMENTS																				
Professional Fees																				
Fees	\$2.88	\$3.34	\$3.78	\$0.19	\$7.48	\$8.08	\$4.01	\$4.00	\$2.89	\$4.61	\$4.98	\$4.48								
Expenses	\$0.68	\$0.87	\$0.78	\$1.64	\$1.48	\$1.19	\$0.80	\$0.82	\$0.85	\$0.80	\$0.89	\$0.89								
Fees & Expenses	\$3.47	\$4.21	\$4.56	\$1.83	\$8.96	\$9.27	\$4.81	\$4.82	\$3.74	\$5.41	\$5.87	\$5.37								
Cum. Fees & Expenses	\$3.47	\$7.44	\$11.89	\$21.82	\$30.78	\$37.84	\$42.85	\$47.67	\$51.92	\$56.43	\$62.37	\$67.72								
Out-of-Pocket Implementation Cost																				
Implementation Cost	\$0.00	\$0.07	\$0.00	\$0.18	\$0.18	\$0.19	\$0.17	\$0.18	\$0.17	\$0.18	\$0.16	\$0.11								
BST Resources Required	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.28	\$0.82	\$1.31	\$2.61	\$3.95	\$5.43	\$7.09								
Executive & Legal																				
Executives & Legal	2	2	2	2	2	2	2	2	2	2	2	2								
Compt. & Treasury	0	18	20	20	20	20	20	20	20	20	20	20								
Marketing	0	0	0	0	0	0	0	0	0	0	0	0								
Network	10	10	13	26	26	26	26	26	26	26	26	26								
Reengineering Staff	0	0	0	0	0	0	0	0	0	0	0	0								
Regulatory	10	10	0	0	0	0	0	0	0	0	0	0								
Services	38	38	83	78	78	78	78	78	78	78	78	78								
TOTAL BST RESOURCES	89	87	112	227	227	227	227	227	227	227	227	227								
REGULACE EXPENSE	\$1.15	\$1.45	\$1.87	\$3.78	\$3.78	\$3.78	\$3.78	\$3.78	\$3.78	\$3.78	\$3.78	\$3.78								
TOTAL INVESTMENT	\$3.32	\$4.08	\$4.61	\$10.02	\$8.97	\$7.61	\$5.80	\$6.40	\$6.22	\$6.64	\$11.62	\$18.88								
Dir. NOR Benefits	\$3.32	\$4.08	\$4.61	\$10.02	\$8.97	\$7.61	\$5.80	\$6.40	\$6.22	\$6.64	\$11.62	\$18.88								
Cum. NOR Benefits	\$3.32	\$7.81	\$12.22	\$22.24	\$31.50	\$37.06	\$40.31	\$42.35	\$43.87	\$44.87	\$45.41	\$45.52								
Dir. NIB Benefits	\$2.20	\$2.67	\$2.80	\$6.31	\$6.71	\$5.83	\$5.10	\$4.48	\$4.00	\$3.67	\$3.40	\$3.18								
Cum. NIB Benefits	\$2.20	\$4.79	\$7.70	\$14.81	\$21.72	\$25.35	\$28.52	\$32.00	\$35.80	\$39.80	\$44.00	\$48.18								
Net Present Value	\$293.24																			
Internal Rate of Return	181.4%																			

1. The total investment does not include Salary & Wages associated with BST required resources.

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FORCE SUMMATION -

TOTAL

GROUP I: CURRENT EFFORTS

- 1 COMPLEX BUSINESS (CBS)
- 2 COMPTROLLER - CORE STUDY
- 3 DATA CENTER CONSOLIDATION
- 4 FORECASTING & BUDGETING
- 5 SERVICE ACTIVATION
- GROUP I SUBTOTAL

	1Q92	2Q92	3Q92	4Q92	1Q93	2Q93	3Q93	4Q93	1Q94	2Q94	3Q94	4Q94	1Q95	2Q95	3Q95	4Q95	1Q96	2Q96	3Q96	4Q96	
1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	0	0	0	136	127	173															
3	0	0	0	32	74	118															
4	0	0	0	0	136	200															
5	0	0	0	0	0	102	126														
GROUP I SUBTOTAL	0	0	0	168	409	680															

GROUP II: NEW INITIATIVES

- 6 CENTRAL OFFICE OPERATIONS
- 7 COMPLEX BUSINESS II
- 8 INFORMATION TECHNOLOGY
- 9 NETWORK PLANNING & PROVISIONING
- 10 REPAIR MAINTENANCE PROCESS
- GROUP II SUBTOTAL

6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GROUP II SUBTOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

GROUP III: FUTURE INITIATIVES

- 11 BUSINESS OFFICE REVENUE RECOVERY
- 12 BUSINESS OFC. SALES & SVC. EXCELLENCE
- 13 ORGANIZATIONAL ALIGNMENT
- 14 REGULATORY
- 15 FUTURE
- GROUP III SUBTOTAL

11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GROUP III SUBTOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TOTALS GROUP I, II, & III

TOTALS GROUP I, II, & III	0	0	0	168	409	680	730	1,301	2,000	2,224	3,237	4,825	6,054								
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COMMENTS:

1. Financial calculations for 1992 - 1995 assume all identified force reduction occurs on the last of the subsequent quarter in which the reduction is noted.
2. Separation & relocation assumptions are added by aggregating on the financial summary page.
3. Note that forecasts do not include regulatory change assumptions.
4. Effective immediately, all project teams will update this summary based on a standard interval and a regular summary will be provided to the SST group products.

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FORCE SUMMARY

CRAW

GROUP I: CURRENT EFFORTS

- 1 COMPLEX BUSINESS (ES&Z)
- 2 CONTROLLERS - CORE STUDY
- 3 DATA CENTER CONSOLIDATION
- 4 FORECASTING & BUDGETING
- 5 SERVICE ACTIVATION
- GROUP I SUBTOTAL

	1Q82	2Q82	3Q82	4Q82	1Q83	2Q83	3Q83	4Q83	1Q84	2Q84	3Q84	4Q84	1Q85	2Q85
1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	0	0	0	100	100	130								
3	0	0	0	27	74	116								
4	0	0	0	0	33	33								
5	0	0	0	0	84	130								
GROUP I SUBTOTAL	0	0	0	127	307	439								

GROUP II: NEW INITIATIVES

- 6 CENTRAL OFFICE OPERATIONS
- 7 COMPLEX BUSINESS II
- 8 INFORMATION TECHNOLOGY
- 9 NETWORK PLANNING & PROVISIONING
- 10 REPAIR MAINTENANCE PROCESS
- GROUP II SUBTOTAL

	1Q82	2Q82	3Q82	4Q82	1Q83	2Q83	3Q83	4Q83	1Q84	2Q84	3Q84	4Q84	1Q85	2Q85
6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GROUP II SUBTOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0

GROUP III: FUTURE INITIATIVES

- 11 BUSINESS OFFICE REVENUE RECOVERY
- 12 BUSINESS OFC. SALES & SVC. EXCELLENCE
- 13 ORGANIZATIONAL ALIGNMENT
- 14 REGULATORY
- 15 FUTURE
- GROUP III SUBTOTAL

	1Q82	2Q82	3Q82	4Q82	1Q83	2Q83	3Q83	4Q83	1Q84	2Q84	3Q84	4Q84	1Q85	2Q85
11	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GROUP III SUBTOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TOTALS GROUP I, II, & III

0	0	0	124	307	439	783	1,259	1,893	2,231	3,297	3,776
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MANAGEMENT

GROUP I: CURRENT EFFORTS

- 1 COMPLEX BUSINESS (ES&Z)
- 2 CONTROLLERS - CORE STUDY
- 3 DATA CENTER CONSOLIDATION
- 4 FORECASTING & BUDGETING
- 5 SERVICE ACTIVATION
- GROUP I SUBTOTAL

	1Q82	2Q82	3Q82	4Q82	1Q83	2Q83	3Q83	4Q83	1Q84	2Q84	3Q84	4Q84
1	0	0	0	0	0	0	0	0	0	0	0	0
2	0	0	0	34	34	41						
3	0	0	0	0	0	0						
4	0	0	0	0	101	120						
5	0	0	0	0	6	3						
GROUP I SUBTOTAL	0	0	0	34	141	244						

GROUP II: NEW INITIATIVES

- 6 CENTRAL OFFICE OPERATIONS
- 7 COMPLEX BUSINESS II
- 8 INFORMATION TECHNOLOGY
- 9 NETWORK PLANNING & PROVISIONING
- 10 REPAIR MAINTENANCE PROCESS
- GROUP II SUBTOTAL

	1Q82	2Q82	3Q82	4Q82	1Q83	2Q83	3Q83	4Q83	1Q84	2Q84	3Q84	4Q84
6	0	0	0	0	0	0	0	0	0	0	0	0
7	0	0	0	0	0	0	0	0	0	0	0	0
8	0	0	0	0	0	0	0	0	0	0	0	0
9	0	0	0	0	0	0	0	0	0	0	0	0
10	0	0	0	0	0	0	0	0	0	0	0	0
GROUP II SUBTOTAL	0	0	0	0	0	0	0	0	0	0	0	0

GROUP III: FUTURE INITIATIVES

- 11 BUSINESS OFFICE REVENUE RECOVERY
- 12 BUSINESS OFC. SALES & SVC. EXCELLENCE
- 13 ORGANIZATIONAL ALIGNMENT
- 14 REGULATORY
- 15 FUTURE
- GROUP III SUBTOTAL

	1Q82	2Q82	3Q82	4Q82	1Q83	2Q83	3Q83	4Q83	1Q84	2Q84	3Q84	4Q84
11	0	0	0	0	0	0	0	0	0	0	0	0
12	0	0	0	0	0	0	0	0	0	0	0	0
13	0	0	0	0	0	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0	0	0	0	0
15	0	0	0	0	0	0	0	0	0	0	0	0
GROUP III SUBTOTAL	0	0	0	0	0	0	0	0	0	0	0	0

TOTALS GROUP I, II, & III

0	0	0	34	141	244	808	831	1,041	1,204	1,568	2,075
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