

*"...the best-in-class TSLRIC model"<sup>1</sup>*

CostProCore is a next-generation core network model. It estimates the investment in switching, signaling, and transport functions of a telecommunications network.

CostProCore develops the design of an optimal, forward-looking network, PLUS the total cost of the network and the cost on a service-by-service basis. What sets CostProCore apart from other models and methods is its granular approach, use of spatial analysis, and user controlled engineering rules.

The latest version of CostProCore was sponsored by a national regulatory body and is used by that body to set both Universal Service funding and TSLRIC interconnection rates. Additionally, CostProCore can develop TELRIC investments and costs.

### Why CostProCore?

- ✓ Reduction in study time
  - Once the model has been populated and loaded with network and traffic data, it's easy to generate network and service cost studies.
- ✓ Accurate results from a model with a proven track record
  - CostProCore has been in development for more than three years. Its results have been sponsored by a national regulatory body for use in setting Universal Service funding and TSLRIC interconnection rates.

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<sup>1</sup> *Comment from an independent third party consultant, hired by a CostQuest client to analyze the model*

- CostProCore passed an audit by an independent third party prior to its acceptance in the regulatory arena.
- ✓ Flexibility to perform analysis
  - Because CostProCore supports multiple scenarios and has an efficient run time, developing service costs based on a series of potential inputs is painless.

### Choose CostProCore for:

#### *Accurate Bottom-Up Costing*

CostProCore estimates core network cost by modeling the switching, signaling, and transport functions within the network. Like an engineer, the bottom-up network layout takes into account:

- ✓ minimum transport road path routing
- ✓ traffic demanded at or traversing a switch
- ✓ varying call times of different call types
- ✓ sizing and sharing of the network components resulting from both voice and data traffic
- ✓ capacity and component exhaustion
- ✓ ringing of switches, both physical interconnection and logical interconnection

With this information, CostProCore develops a 'list' of necessary plant, structure, and electronics to support the desired voice and data traffic. This inventory is recorded and used to develop total and per service investments and costs.

#### *Use of Actual Network Data*

CostProCore can utilize actual network location data. By geocoding switch locations, the model can route plant over roads the same way most outside plant is routed.

If an optimized, forward-looking switch arrangement is desired, CostQuest can also develop minimum road distance routing paths and rings from switch to switch across a physical ring.

Sophisticated engineering rules guide the sizing, installation, and placement of electronics, such as Switches, SONET/SDH terminals, Digital Loop Carriers, and Central Office Terminals.

### *Developing Costs for the Full Complement of Modern Services*

CostProCore can model the full complement of voice and data traffic transported by network carriers.

### *How CostProCore is Installed?*

In the first stage of a CostProCore implementation, CostQuest meets with potential model users to learn about your company's analytic needs and the firm's strategic goals to determine project objectives.

In the second stage, network and demand inputs, material costs, and engineering rules are collected, analyzed, and loaded into the model. Switches to be modeled are agreed upon and components of the switches are partitioned and mapped as cost objects. Each component is analyzed as far as its total investment, features provided, placement requirements, reinforcement method, and capacity.

The model is then loaded with call-type information (e.g., holding times) and traffic data. With the traffic data, partitioned switch information, and engineering rules, the model is run. Outputs are produced and reviewed to

verify reasonableness. Finally, training occurs so your employees can operate and maintain CostProCore themselves.

### *Integration with Other Costing Tools*

CostProCore is part of a larger suite of costing tools, which means common inputs can be shared among modules, thus reducing potential input errors. Furthermore, integration into a larger platform reduces administration and maintenance costs, making the CostPro suite an attractive bottom line solution

### *Support from the Cost Modeling Experts*

CostQuest understands not only the inputs into CostPro, but also the implications of those inputs and how to generate them correctly. From developing the most granular inputs to maintaining the defensibility of your study, CostQuest can provide all necessary support.

### *What Else Can CostProCore Do?*

- ✓ CostProCore output can be used as inputs to a profitability or business case analysis.
- ✓ CostProCore can be used for engineering or construction estimation. Engineers can adapt the engineering rules and cost inputs to estimate the cost of rebuilding an area or deploying a new technology.

### *CostProCore Requirements:*

CostProCore runs on a business class Windows Computer, typically a Pentium 4, 3.0 GHz processor with 512 Mb of RAM. Microsoft Excel is required, and Microsoft Access may be helpful to analyze large reports.

For more information, please contact us or visit us at [www.costquest.com](http://www.costquest.com).