



**FPL**

P.O. Box 029100, Miami, FL 33102-9100

ORIGINAL

September 3, 1998

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
Capital Circle Office Center  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

Re: Docket No. 971660-EI

Dear Ms. Bayo:

Enclosed for filing in Docket 971660-EI, please find an original and 15 copies of Florida Power & Light Company's response to Staff's Report and the questions raised in the report.

If you have any questions, please do not hesitate to contact me at (305) 552-3643.

Sincerely,

*Terry J. Keith for*  
Samuel S. Waters  
Director, Regulatory Affairs

SSW/mch

Enclosures

- ACK \_\_\_\_\_
- AF hee \_\_\_\_\_ re: Pat Lee
- APF \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG 2 \_\_\_\_\_
- LEG 1 \_\_\_\_\_
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
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an FPL Group company

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ORIGINAL

September 3, 1998

Ms. Patricia S. Lee  
Florida Public Service Commission  
Capital Circle Office Center  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32300-0865

RE: Docket No. 971660-EI

Dear Ms. Lee:

We have reviewed the Staff Report on Florida Power & Light Company's (FPL) depreciation studies filed in Docket No. 971660-EI and are in agreement with the report. We will also agree with Staff's proposed recommendations on average service life changes and have attached the calculation of average remaining lives, as requested, using Staff's recommended lives for Easements (Account 350.2), Station Equipment (Account 353), Poles and Fixtures (Account 355), and Roads and Trails (Account 359). These calculations are found on Attachment 1. These changes have the effect of decreasing the estimated annual depreciation expense accrual by \$664,325.

In response to Staff's request on Stores Equipment (Account 393), Shop Equipment (Account 394), and Lab Equipment (Account 395), Attachment No. 2 is provided to show how the transition of depreciable assets recorded prior to December 31, 1997 will be handled in the amortization process and how these assets will be retired.

The following information is provided in response to Staff questions in the report:

Communications Equipment - Other (Account 397.1)

**Q. Please explain the impacts the physical operating environment has on this equipment.**

A. The physical operating environment referred to in the study narrative relates to equipment such as mobile radios, pagers, portable phones, satellite receiver dishes, etc. This equipment is affected by the wear and tear of everyday use and/or the climate and salt intensive environment of Florida. Switching equipment which is generally installed inside of a building to manufacturers' specifications would not be impacted by this type physical operating environment. However, such equipment would be impacted to a greater extent by technological changes.

**Q. It is Staff's understanding that this account contains 47 ATM switches. What are these switches used for?**

A. The ATM switches are recorded in Communications Equipment-Official (Account 397.3) and not in Account 397.1 as previously reported. Asynchronous Transfer Mode (ATM) switches allow independent circuits previously used for different functions (i.e. voice, video, and data) to be consolidated into a single circuit. Accordingly, ATM switches reduce the need for multiple phone lines and also increase the throughput of optical fiber.

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FPSC-RECORDS/REPORTING

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Communications Equipment - Fiber Optics (Account 397.8)

**Q. When lit fiber capacity is leased to another telecommunications company, is the customer charged for the capacity (electronics) it leases as well as its fair share of the cable?**

A. Yes. FPL charges the maximum rates at which it can effectively market its lit capacity. In order to lease lit capacity for commercial purposes FPL was required to make incremental investments in the electronics and fiber cable. This incremental investment not only allowed FPL to market its fiber optic network for commercial purposes but also: (1) enabled FPL to bring additional FPL sites into the network thereby generating operational savings as more telecommunications traffic is routed internally, and (2) enabled FPL to connect the network in a self-healing ring configuration. With this ring configuration, if transmission between two points along the ring is interrupted, the traffic is automatically routed in the opposite direction along the ring so that there is no loss of telecommunications service. The ring configuration has greatly improved the reliability of FPL's internal telecommunications service.

**Q. Are these revenues recorded above the line?**

A. Revenues from the lease of fiber optics are recorded in Account 454, Rent from electric property.

In addition, FPL would like to respond to the net salvage used for Line Transformers (Account 368). When a Distribution Transformer is decommissioned and retired, the crew labor cost related to the final removal of the transformer is recorded as a debit to Account 108.300, Removal Cost, along with the handling and cost of transportation. FPL believes this is in compliance with the Code of Federal Regulations, which states under Line Transformers, Account 368, that all new purchases and the associated first installation cost may be capitalized. It further states that "The cost of removing and resetting transformers shall not be charged to this account but to account 583, Overhead Line Expenses or 584, Underground Line Expenses." Whenever a transformer is removed and is later reinstalled, the removal and reinstallation costs are recorded as operating expense. However, the CFR also states under Balance Sheet Accounts, Account 108, item B "At the time of retirement of depreciable electric utility plant, this account shall be charged with the book cost of the property retired and the cost of removal and shall be credited with the salvage value and any other amounts recovered." The CFR further states under Definitions, item 10, Cost of Removal, "means the cost of demolishing, dismantling, tearing down or otherwise removing electrical plant, including the cost of transportation and handling incidental thereto."

FPL wants to thank Staff for their efforts in the review of our depreciation studies. For your convenience, we have enclosed a diskette containing our response. If you have any questions or require additional information, please contact me at (305) 552-4790.

Sincerely,



Donald L. Babka  
Director of Regulatory and Tax Accounting

Attachments

cc: Office of Public Counsel  
W. G. Walker, III  
Matthew M. Childs, P.A.

## Florida Power &amp; Light Company

## Indicated Survivor Method

Account 350.2 -- LAND AND LAND RIGHTS - EASEMENTS  
COMPANY COMPOSITE

## Parameters used for Account :

Survivor Curve..... Iowa Type S4

Average Service Life..... 50.0 Years

Vintage Year	Gross Additions	Actual Percent Surviving	Actual Plant Surviving	Remaining Life (Years)	Future Dollar Years
(a)	(b)	(c)	(d)	(e)	(f)
1997	8,907,271	100.00	8,907,271	49.50	440,909,915
1996	1,876,963	100.00	1,876,963	48.50	91,032,706
1995	20,247,954	100.00	20,247,954	47.50	961,777,815
1994	12,442,841	100.00	12,442,841	46.50	578,592,107
1993	6,414,658	100.00	6,414,658	45.50	291,866,939
1992	176,138	100.00	176,138	44.50	7,838,141
1991	1,204,534	100.00	1,204,534	43.50	52,397,229
1990	3,073,214	100.00	3,073,214	42.50	130,611,595
1989	1,158,597	100.00	1,158,597	41.50	48,081,776
1988	185,935	100.00	185,935	40.50	7,530,368
1987	1,696,257	100.00	1,696,257	39.50	67,002,152
1986	4,571,619	100.00	4,571,619	38.50	176,007,332
1985	2,226,755	100.00	2,226,755	37.50	83,503,313
1984	1,691,837	100.00	1,691,837	36.50	61,752,051
1983	2,902,909	99.87	2,899,181	35.50	102,920,926
1982	4,258,232	100.00	4,258,232	34.50	146,909,004
1981	167,927	100.00	167,927	33.50	5,625,555
1980	2,820,289	99.71	2,811,979	32.50	91,389,318
1979	42,254	100.00	42,254	31.50	1,331,001
1978	544,629	100.00	544,629	30.50	16,611,185
1977	1,133,742	100.00	1,133,742	29.50	33,445,389
1976	5,536,783	99.75	5,522,944	28.50	157,403,904
1975	5,650,276	100.00	5,650,276	27.51	155,439,093
1974	1,427,485	100.00	1,427,485	26.51	37,842,627
1973	970,792	97.85	949,907	25.52	24,241,627
1972	797,534	96.94	773,091	24.54	18,971,653
1971	111,629	100.00	111,629	23.56	2,629,979
1970	651,883	100.00	651,883	22.59	14,726,037
1969	3,647,345	99.92	3,644,545	21.62	78,795,063
1968	520,548	99.45	517,699	20.67	10,700,838
1967	986,610	97.88	965,712	19.74	19,063,155
1966	1,647,342	99.39	1,637,335	18.82	30,814,645
1965	616,599	99.38	612,787	17.93	10,987,271

## Florida Power &amp; Light Company

## Indicated Survivor Method

Account 350.2 -- LAND AND LAND RIGHTS - EASEMENTS  
COMPANY COMPOSITE

## Parameters used for Account :

Survivor Curve..... Iowa Type S4

Average Service Life..... 50.0 Years

Vintage Year	Gross Additions	Actual Percent Surviving	Actual Plant Surviving	Remaining Life (Years)	Future Dollar Years
(a)	(b)	(c)	(d)	(e)	(f)
1964	850,870	99.84	849,535	17.06	14,493,067
1963	1,066,322	99.76	1,063,768	16.21	17,243,679
1962	1,784,608	98.23	1,752,960	15.39	26,978,054
1961	375,160	99.49	373,242	14.60	5,449,333
1960	965,237	99.52	960,571	13.84	13,294,303
1959	334,500	95.11	318,131	13.11	4,170,697
1958	856,491	98.89	848,919	12.42	10,543,574
1957	243,549	97.06	236,399	11.76	2,779,958
1956	187,211	99.99	187,186	11.13	2,083,380
1955	561,769	98.92	555,719	10.53	5,851,721
1954	449,650	98.36	442,272	9.97	4,409,452
1953	334,151	99.13	331,240	9.44	3,126,906
1952	312,703	98.43	307,804	8.93	2,748,690
1951	136,437	95.72	130,598	8.46	1,104,859
1950	25	100.00	25	8.01	200
1949	2,124	100.00	2,124	7.59	16,121
1948	23,912	50.08	11,976	7.19	86,107
1947	6,190	92.73	5,740	6.81	39,089
1946	3,558	100.00	3,558	6.46	22,985
1945	1,147	68.27	783	6.13	4,800
1944	3,403	70.58	2,402	5.81	13,956
1943	20,268	75.00	15,201	5.52	83,910
1942	8,965	85.37	7,653	5.24	40,102
<b>Balances</b>	<b>108,839,631</b>		<b>108,605,608</b>	<b>37.51</b>	<b>4,073,336,652</b>

Average Age of Survivors = 12.64 Years

## Florida Power & Light Company

### Indicated Survivor Method

#### Account 353.0 -- STATION EQUIPMENT COMPANY COMPOSITE

Parameters used for Account :

Survivor Curve..... Iowa Type R2

Average Service Life..... 40.0 Years

Vintage Year	Gross Additions	Actual Percent Surviving	Actual Plant Surviving	Remaining Life (Years)	Future Dollar Years
(a)	(b)	(c)	(d)	(e)	(f)
1997	28,524,380	100.00	28,524,380	39.55	1,128,139,229
1996	22,007,345	100.00	22,007,345	38.65	850,583,884
1995	30,398,328	99.97	30,390,605	37.75	1,147,245,339
1994	63,358,284	99.70	63,169,139	36.87	2,329,046,155
1993	47,772,563	99.43	47,501,513	35.99	1,709,579,453
1992	49,263,677	99.37	48,950,900	35.11	1,718,666,099
1991	43,996,763	94.32	41,499,088	34.25	1,421,343,764
1990	39,854,638	98.75	39,355,094	33.39	1,314,066,589
1989	19,674,058	98.11	19,301,792	32.54	628,080,312
1988	26,567,822	93.70	24,893,801	31.69	788,884,554
1987	30,750,059	98.46	30,275,677	30.86	934,307,392
1986	10,244,183	89.87	9,206,584	30.03	276,473,718
1985	11,902,715	96.01	11,427,934	29.21	333,809,952
1984	15,390,098	83.98	12,923,911	28.41	367,168,312
1983	15,947,581	84.48	13,472,366	27.61	371,972,025
1982	18,768,322	91.42	17,157,086	26.82	460,153,047
1981	23,355,130	81.51	19,035,696	26.04	495,689,524
1980	57,284,015	90.08	51,602,800	25.26	1,303,486,728
1979	32,992,984	81.48	26,881,895	24.50	658,606,428
1978	14,041,152	91.09	12,789,615	23.75	303,753,356
1977	13,798,307	77.02	10,627,868	23.01	244,547,243
1976	18,017,366	75.52	13,605,865	22.28	303,138,672
1975	9,851,433	83.91	8,266,817	21.57	178,315,243
1974	7,026,620	73.79	5,184,887	20.86	108,156,743
1973	7,777,612	88.56	6,888,215	20.16	138,866,414
1972	12,522,619	82.53	10,334,796	19.48	201,321,826
1971	6,561,343	75.31	4,941,387	18.81	92,947,489
1970	8,919,293	84.35	7,523,865	18.15	136,558,150
1969	1,363,154	70.45	960,397	17.50	16,806,948
1968	8,153,510	79.60	6,490,207	16.87	109,489,792
1967	9,427,945	55.30	5,213,495	16.25	84,719,294
1966	6,311,119	59.92	3,781,371	15.64	59,140,642
1965	9,602,956	57.58	5,529,369	15.05	83,217,003

## Florida Power &amp; Light Company

## Indicated Survivor Method

Account 353.0 -- STATION EQUIPMENT  
COMPANY COMPOSITE

## Parameters used for Account :

Survivor Curve..... Iowa Type R2

Average Service Life..... 40.0 Years

Vintage Year	Gross Additions	Actual Percent Surviving	Actual Plant Surviving	Remaining Life (Years)	Future Dollar Years
(a)	(b)	(c)	(d)	(e)	(f)
1964	4,044,062	65.79	2,660,474	14.47	38,497,059
1963	3,055,424	64.91	1,983,129	13.91	27,585,324
1962	6,897,471	65.67	4,529,550	13.36	60,514,788
1961	2,807,749	38.02	1,067,449	12.83	13,695,371
1960	2,815,235	58.54	1,648,088	12.30	20,271,482
1959	1,917,003	33.23	636,955	11.80	7,516,069
1958	7,687,418	52.05	4,001,299	11.31	45,254,692
1957	4,308,296	33.97	1,463,321	10.83	15,847,766
1956	3,039,570	51.86	1,576,362	10.37	16,346,874
1955	3,189,427	40.90	1,304,371	9.93	12,952,404
1954	3,195,498	28.32	904,985	9.50	8,597,358
1953	1,696,275	9.84	166,894	9.08	1,515,398
1952	694,621	8.34	57,938	8.68	502,884
1951	937,671	41.17	386,045	8.29	3,200,313
1950	495,141	7.42	36,725	7.91	290,495
1949	451,714	77.51	350,139	7.55	2,643,549
1948	378,794	56.72	214,852	7.19	1,544,786
1947	682,988	3.87	26,433	6.85	181,066
1946	34,375	0.00	0	6.52	0
1945	36,832	0.00	0	6.20	0
1944	9,499	1.86	177	5.88	1,041
1943	4,070	33.12	1,348	5.58	7,522
1942	447,711	9.80	43,854	5.27	231,111
1941	1,811,685	2.85	51,544	4.97	256,174
<b>Balances</b>	<b>772,065,903</b>		<b>682,827,690</b>	<b>30.13</b>	<b>20,575,734,845</b>

Average Age of Survivors = 11.88 Years

## Florida Power &amp; Light Company

## Indicated Survivor Method

Account 355.0 -- POLES AND FIXTURES  
COMPANY COMPOSITE

## Parameters used for Account :

Survivor Curve..... Iowa Type R2

Average Service Life..... 40.0 Years

Vintage Year	Gross Additions	Actual Percent Surviving	Actual Plant Surviving	Remaining Life (Years)	Future Dollar Years
(a)	(b)	(c)	(d)	(e)	(f)
1997	11,847,804	100.00	11,847,803	39.55	468,580,609
1996	6,861,075	99.94	6,856,796	38.65	265,015,165
1995	14,095,660	100.03	14,100,575	37.75	532,296,706
1994	19,794,550	99.83	19,760,939	36.87	728,585,821
1993	24,270,735	99.63	24,182,110	35.99	870,314,139
1992	13,080,723	99.43	13,006,481	35.11	456,657,548
1991	13,604,453	97.37	13,246,807	34.25	453,703,140
1990	15,276,890	97.88	14,952,439	33.39	499,261,938
1989	10,304,134	96.99	9,993,598	32.54	325,191,679
1988	14,073,055	95.12	13,386,157	31.69	424,207,315
1987	7,983,899	94.84	7,572,247	30.86	233,679,542
1986	12,064,256	97.53	11,765,829	30.03	353,327,845
1985	11,650,797	94.86	11,051,590	29.21	322,816,944
1984	20,839,807	98.23	20,470,054	28.41	581,554,234
1983	12,532,241	87.25	10,933,960	27.61	301,886,636
1982	5,592,232	94.30	5,273,727	26.82	141,441,358
1981	10,262,114	95.84	9,835,089	26.04	256,105,718
1980	12,388,894	93.85	11,626,545	25.26	293,686,527
1979	11,989,982	96.82	11,608,836	24.50	284,416,482
1978	3,524,663	90.72	3,197,602	23.75	75,943,048
1977	19,028,147	96.85	18,429,662	23.01	424,066,523
1976	13,239,740	97.02	12,845,594	22.28	286,199,834
1975	3,827,835	91.62	3,507,248	21.57	75,651,339
1974	5,137,421	88.49	4,546,203	20.86	94,833,795
1973	6,766,002	87.29	5,906,115	20.16	119,067,278
1972	7,729,765	90.69	7,010,489	19.48	136,564,326
1971	4,494,843	86.63	3,893,847	18.81	73,243,262
1970	3,306,660	76.88	2,542,170	18.15	46,140,386
1969	785,063	87.21	684,648	17.50	11,981,340
1968	3,948,043	79.43	3,135,964	16.87	52,903,713
1967	7,585,747	76.75	5,821,879	16.25	94,605,534
1966	9,193,185	80.74	7,422,702	15.64	116,091,059
1965	5,233,422	72.04	3,770,034	15.05	56,739,012



## Florida Power &amp; Light Company

## Indicated Survivor Method

Account 355.0 -- POLES AND FIXTURES  
COMPANY COMPOSITE

## Parameters used for Account :

Survivor Curve..... Iowa Type R2

Average Service Life..... 40.0 Years

Vintage Year	Gross Additions	Actual Percent Surviving	Actual Plant Surviving	Remaining Life (Years)	Future Dollar Years
(a)	(b)	(c)	(d)	(e)	(f)
1964	1,713,106	56.28	964,115	14.47	13,950,744
1963	2,750,963	64.74	1,780,921	13.5	24,772,611
1962	6,627,087	62.88	4,167,164	13.36	55,673,311
1961	1,978,934	43.48	860,499	12.83	11,040,202
1960	1,918,912	55.30	1,061,241	12.30	13,053,264
1959	1,806,455	59.91	1,082,169	11.80	12,769,594
1958	4,664,318	68.76	3,207,132	11.31	36,272,663
1957	2,565,510	63.60	1,631,757	10.83	17,671,928
1956	990,553	48.67	482,151	10.37	4,999,906
1955	731,860	58.39	427,316	9.93	4,243,248
1954	2,573,121	42.88	1,103,365	9.50	10,481,968
1953	1,137,144	58.36	663,673	9.08	6,026,151
1952	623,525	20.83	129,866	8.68	1,127,237
1951	1,775,969	34.59	614,362	8.29	5,093,061
1950	321,759	32.71	105,240	7.91	832,448
1949	185,908	21.80	40,522	7.55	305,941
1948	270,289	51.39	138,890	7.19	998,619
1947	155,921	24.46	38,142	6.85	261,273
1946	68,422	23.97	16,400	6.52	106,928
1945	35,850	20.98	7,521	6.20	46,630
1944	55,954	37.19	20,812	5.88	122,375
1943	93,081	4.20	3,907	5.58	21,801
1942	90,379	35.69	32,254	5.27	169,979
1941	3,320,998	0.88	29,132	4.97	144,786
<b>Balances</b>	<b>378,769,855</b>		<b>342,794,290</b>	<b>28.23</b>	<b>9,676,946,463</b>

Average Age of Survivors = 14.37 Years

## Florida Power & Light Company

### Indicated Survivor Method

#### Account 359.0 -- ROADS AND TRAILS COMPANY COMPOSITE

Parameters used for Account :

Survivor Curve..... Iowa Type SQ

Average Service Life..... 50.0 Years

Vintage Year	Gross Additions	Actual Percent Surviving	Actual Plant Surviving	Remaining Life (Years)	Future Dollar Years
(a)	(b)	(c)	(d)	(e)	(f)
1997	396,410	100.00	396,410	49.50	19,622,295
1996	19,621,351	100.00	19,621,351	48.50	951,635,524
1995	79,823	100.00	79,823	47.50	3,791,593
1994	5,294,201	100.00	5,294,201	46.50	246,180,347
1993	3,262,973	100.00	3,262,973	45.50	148,465,272
1992	158,103	93.11	147,214	44.50	6,551,023
1991	636,844	100.00	636,844	43.50	27,702,714
1990	1,002,343	100.00	1,002,343	42.50	42,599,578
1989	651,926	99.02	645,513	41.50	26,788,790
1988	2,239,700	99.52	2,228,896	40.50	90,270,288
1987	549,888	96.82	532,380	39.50	21,029,010
1986	1,407,937	100.00	1,407,937	38.50	54,205,575
1985	1,684,061	98.72	1,662,512	37.50	62,344,200
1984	3,349,255	99.51	3,332,724	36.50	121,644,426
1983	4,935,875	99.60	4,916,070	35.50	174,520,485
1982	2,423,591	99.79	2,418,457	34.50	83,436,767
1981	975,087	99.20	967,260	33.50	32,403,210
1980	7,522,867	99.71	7,500,736	32.50	243,773,920
1979	895,404	98.36	880,687	31.50	27,741,641
1978	179,817	97.32	174,994	30.50	5,337,317
1977	1,680,167	97.65	1,640,759	29.50	48,402,391
1976	3,269,458	99.23	3,244,199	28.50	92,459,672
1975	7,131	82.29	5,868	27.50	161,370
1974	99,337	87.97	87,387	26.50	2,315,758
1973	457,659	99.27	454,339	25.50	11,585,645
1972	262,649	99.55	261,455	24.50	6,405,648
1971	149,485	99.59	148,876	23.50	3,498,586
1970	204,293	89.96	183,773	22.50	4,134,893
1969	601	72.88	438	21.50	9,417
1968	38,166	97.80	37,325	20.50	765,163
1967	225,794	97.84	220,922	19.50	4,307,979
1966	483,049	92.47	446,667	18.50	8,263,340
1965	101,802	93.27	94,955	17.50	1,661,713

## Florida Power &amp; Light Company

## Indicated Survivor Method

Account 359.0 -- ROADS AND TRAILS  
COMPANY COMPOSITE

## Parameters used for Account :

Survivor Curve..... Iowa Type SQ

Average Service Life..... 50.0 Years

Vintage Year	Gross Additions	Actual Percent Surviving	Actual Plant Surviving	Remaining Life (Years)	Future Dollar Years
(a)	(b)	(c)	(d)	(e)	(f)
1964	28,722	68.67	19,724	16.50	325,446
1963	56,918	86.79	49,399	15.50	765,685
1962	87,840	64.14	56,344	14.50	816,988
1961	32,726	95.08	31,115	13.50	420,053
1960	214,636	99.43	213,410	12.50	2,667,625
1959	105,432	99.14	104,530	11.50	1,202,095
1958	296,991	84.77	251,754	10.50	2,643,417
1957	245,277	89.11	218,561	9.50	2,076,330
1956	18,197	92.00	16,742	8.50	142,307
1955	13,179	92.01	12,126	7.50	90,945
1954	36,399	72.05	26,225	6.50	170,463
1953	17,873	100.00	17,873	5.50	98,302
1952	743	100.00	743	4.50	3,344
1951	196	92.86	182	3.50	637
1950	219	88.58	194	2.50	485
1941	272	0.00	0	0.00	0
<b>Balances</b>	<b>65,402,667</b>		<b>64,955,210</b>	<b>39.80</b>	<b>2,585,439,670</b>

Average Age of Survivors = 10.20 Years

Phase-In For New Amortizable Accounts

Existing Property Treatment : All Years Treated As If Added Mid-Year 1997  
(Half-Year Convention)

Plant Account	In-Service Year	Plant In Service Balance	Reserve Balance	Net Book Value	Current Depr Rate	Annual Depreciation Expense	Ledger Year	Plant In Service At Start Of Ledger Year	Annual Amortization Expense	Retirements During Year	Reserve Balance At End Of Ledger Year	Net Book Value At End Of Ledger Year
		a	b	c = a - b	d	e = a X d	f	g = Sum a	h = g / 0.5 yrs	i	j = Prior + h - i	k = g - i - j
ALL	1991	59,908,114.76	23,908,392.94	35,999,721.82	Various	3,618,592.41						
ALL	1992	10,851,368.48	3,832,898.30	7,018,470.18	Various	816,215.05						
ALL	1993	10,450,817.38	1,902,536.90	8,548,280.48	Various	604,651.11						
ALL	1994	5,608,388.84	1,090,445.31	4,517,943.53	Various	356,489.80						
ALL	1995	5,145,557.66	609,811.72	4,535,745.94	Various	327,080.73						
ALL	1996	3,900,293.20	294,729.08	3,605,564.12	Various	268,470.54						
ALL	1997	11,224,050.58	204,237.48	11,019,813.10	Various	1,226,303.95						
	Total	107,066,588.90	31,943,048.73	75,243,540.17		7,237,783.59						
	1998						1998	107,066,588.90	11,575,929.25		43,418,977.96	63,647,610.92
	1999						1999	107,066,588.90	11,575,929.27	-	54,994,907.25	52,091,681.65
	2000						2000	107,066,588.90	11,575,929.25	-	66,570,836.50	40,515,752.40
	2001						2001	107,066,588.90	11,575,929.27	-	78,146,765.77	28,939,823.13
	2002						2002	107,066,588.90	11,575,929.24	-	89,722,695.01	17,363,893.89
	2003						2003	107,066,588.90	11,575,929.27	-	101,298,624.28	5,787,964.82
	2004						2004	107,066,588.90	5,787,964.82	107,066,588.90	-	-
	Total						Total	107,066,588.90	75,243,540.17	107,066,588.90		

Phase-In For New Amortizable Accounts

Existing Property Treatment : All Years Treated As If Added Mid-Year 1997  
(Half-Year Convention)

Plant Account	In-Service Year	Plant In Service Balance	Reserve Balance	Net Book Value	Current Depr Rate	Annual Depreciation Expense	Ledger Year	Plant In Service At Start Of Ledger Year	Annual Amortization Expense	Retirements During Ledger Year	Reserve Balance At End Of Ledger Year	Net Book Value At End Of Ledger Year	
		a	b	c = a - b	d	e = a * d	f	g = Sum a	h = g / 6.5 yrs	i	j = Prior i * h - i	k = g - i - j	
393.1	1991	6,398,230.95	(576,518.10)	6,076,740.05	3.8%	243,132.78	1998	9,552,511.39	1,112,435.82	-	3,434,114.35	6,118,397.04	
393.1	1992	1,196,528.79	163,640.83	1,033,087.96	3.8%	45,483.29	1999	9,552,511.39	1,112,435.82	-	4,546,550.18	5,005,961.21	
393.1	1993	1,166,681.68	(666,622.51)	1,833,304.19	3.8%	44,333.90	2000	9,552,511.39	1,112,435.82	-	5,658,986.00	3,893,525.39	
394.1	1994	560,641.62	(4,146.46)	564,788.08	3.8%	21,304.36	2001	9,552,511.39	1,112,435.82	-	6,771,421.83	2,781,089.56	
394.1	1995	643,978.11	(44,722.07)	688,700.18	3.8%	24,471.17	2002	9,552,511.39	1,112,435.82	-	7,883,857.65	1,668,653.74	
394.1	1996	588,032.47	27,016.24	561,016.23	3.8%	22,345.23	2003	9,552,511.39	1,112,435.82	-	8,996,293.48	556,217.91	
394.1	1997	431,458.62	5,787.48	425,671.14	3.8%	16,385.43	2004	9,552,511.39	596,217.91	9,552,511.39	-	-	-
	Total	10,985,952.24	(1,087,364.59)	12,083,316.83		417,486.18	Total		7,230,832.66	9,552,511.39			
							1998	10,985,952.24	1,858,971.82	-	761,607.23	10,224,345.01	
							1999	10,985,952.24	1,858,971.82	-	2,620,579.05	8,365,373.19	
							2000	10,985,952.24	1,858,971.82	-	4,479,550.87	6,506,401.37	
							2001	10,985,952.24	1,858,971.82	-	6,338,522.69	4,647,429.55	
							2002	10,985,952.24	1,858,971.82	-	8,197,494.51	2,788,457.73	
							2003	10,985,952.24	1,858,971.82	-	10,056,496.33	929,485.91	
							2004	10,985,952.24	829,485.91	10,985,952.24	-	-	
							Total	12,083,316.83	10,985,952.24				

Phase-In For New Amortizable Accounts

Existing Property Treatment : All Years Treated As If Added Mid-Year 1997

(Half-Year Convention)

Plant Account	In-Service Year	Plant In Service Balance	Reserve Balance	Net Book Value	Current Depr Rate	Annual Depreciation Expense	Ledger Year	Plant In Service At Start Of Ledger Year	Annual Amortization Expense	Retirements During Ledger Year	Reserve Balance At End Of Ledger Year	Net Book Value At End Of Ledger Year
		a	b	c = a - b	d	e = a x d	f	g = Sum a	h = g / 6.5 yrs	i	j = Prior j + h - i	k = g - i - j
395 1	1991	14,737,566.96	3,390,609.65	11,346,959.31	2.8%	412,551.53						
395 1	1992	1,502,266.07	194,479.83	1,307,786.24	2.8%	42,063.45						
395 1	1993	1,284,256.41	142,334.53	1,141,923.88	2.8%	35,959.24						
395 1	1994	1,200,138.76	109,615.49	1,090,523.27	2.8%	33,603.69						
395 1	1995	837,266.92	65,826.26	771,440.66	2.8%	20,243.47						
395 1	1996	569,882.17	20,453.60	549,428.57	2.8%	16,796.70						
395 1	1997	835,309.78	5,150.51	830,159.27	2.8%	23,368.67						
	<b>Total</b>	<b>21,096,691.07</b>	<b>3,928,469.87</b>	<b>17,168,221.20</b>		<b>592,707.35</b>						
							1998	21,096,691.07	2,641,264.80	-	6,589,734.67	14,506,956.40
							1999	21,096,691.07	2,641,264.80	-	9,210,999.47	11,885,691.60
							2000	21,096,691.07	2,641,264.80	-	11,852,264.27	9,244,426.80
							2001	21,096,691.07	2,641,264.80	-	14,493,529.07	6,603,162.00
							2002	21,096,691.07	2,641,264.80	-	17,134,793.87	3,961,897.20
							2003	21,096,691.07	2,641,264.80	-	19,776,058.67	1,320,632.40
							2004	21,096,691.07	1,320,632.40	-	-	-
	<b>Total</b>						<b>Total</b>	<b>21,096,691.07</b>	<b>17,168,221.20</b>	<b>21,096,691.07</b>		
397 1	1991	21,705,127.14	9,989,352.64	11,715,774.60	5.5%	1,193,781.99						
397 1	1992	3,927,089.53	1,081,901.05	2,845,188.48	5.5%	215,689.92						
397 1	1993	5,686,470.44	1,283,046.30	4,403,424.14	5.5%	312,755.87						
397 1	1994	2,308,156.65	426,454.69	1,881,701.96	5.5%	126,948.62						
397 1	1995	2,257,228.40	313,213.82	1,944,014.58	5.5%	124,147.56						
397 1	1996	1,345,515.00	103,100.44	1,242,414.56	5.5%	74,003.33						
397 1	1997	1,837,441.48	46,016.69	1,791,424.79	5.5%	101,059.28						
	<b>Total</b>	<b>39,067,028.64</b>	<b>13,243,085.53</b>	<b>25,823,943.11</b>		<b>2,142,586.57</b>						
							1998	39,067,028.64	3,972,914.32	-	17,215,599.85	21,851,028.79
							1999	39,067,028.64	3,972,914.33	-	21,168,914.18	17,878,114.46
							2000	39,067,028.64	3,972,914.32	-	25,161,828.50	13,905,200.14
							2001	39,067,028.64	3,972,914.33	-	29,134,742.83	9,932,285.81
							2002	39,067,028.64	3,972,914.32	-	33,107,657.15	5,959,371.49
							2003	39,067,028.64	3,972,914.33	-	37,080,571.48	1,986,457.16
							2004	39,067,028.64	1,986,457.16	-	-	-
	<b>Total</b>						<b>Total</b>	<b>39,067,028.64</b>	<b>25,823,943.11</b>	<b>39,067,028.64</b>		

Phase-In For New Amortizable Accounts

Existing Property Treatment : All Years Treated As If Added Mid-Year 1997  
(Half-Year Convention)

Plant Account	In-Service Year	Plant In Service Balance	Reserve Balance	Net Book Value	Current Depn Rate	Actual Depreciation Expense	Ledger Year	Plant In Service At Start Of Ledger Year	Annual Amortization Expense	Retirements During Ledger Year	Reserve Balance At End Of Ledger Year	Net Book Value At End Of Ledger Year
		a	b	c = a - b	d	e = a x d	f	g = Sum a	h = g / 0.5 yrs	i	j = Prior   * h - i	k = g - i - j
307 3	1991	10,950,225.55	9,159,200.49	1,791,025.06	14.2%	1,554,932.03						
307 3	1992	3,409,157.24	2,274,719.33	1,134,630.58	14.2%	494,127.69						
307 3	1993	1,400,901.91	981,778.60	239,089.31	14.2%	173,363.24						
307 3	1994	1,129,179.18	512,045.42	617,133.76	14.2%	160,343.44						
307 3	1995	994,865.20	247,355.70	747,509.50	14.2%	141,270.86						
307 3	1996	1,191,449.17	136,514.16	1,054,935.01	14.2%	169,185.78						
307 3	1997	7,488,468.64	135,565.69	7,352,902.95	14.2%	1,063,362.56						
	<b>Total</b>	<b>26,394,405.56</b>	<b>13,447,179.39</b>	<b>12,937,226.17</b>		<b>3,746,585.59</b>						
							1998	26,394,405.56	1,990,342.49	-	15,437,521.88	10,946,883.68
							1999	26,394,405.56	1,990,342.49	-	17,427,864.37	8,956,541.19
							2000	26,394,405.56	1,990,342.49	-	19,418,206.86	6,966,198.70
							2001	26,394,405.56	1,990,342.49	-	21,408,549.35	4,975,856.21
							2002	26,394,405.56	1,990,342.49	-	23,398,891.83	2,985,513.73
							2003	26,394,405.56	1,990,342.49	-	25,389,234.32	995,171.24
							2004	26,394,405.56	995,171.24	26,394,405.56	-	-
	<b>Total</b>							<b>12,937,226.17</b>		<b>26,394,405.56</b>		