

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: 1991 Depreciation Study) DOCKET NO. 910725-TL
for UNITED TELEPHONE COMPANY OF) ORDER NO. PSC-92-0049-PCO-TL
FLORIDA.) ISSUED: 3/11/92
_____)

ORDER SETTING FORTH ISSUES FOR HEARING

By Order No. 25800, issued on February 25, 1992, I set forth the tentative issues for the hearing in this docket. On March 4, 1992, the parties met and agreed upon a list of the issues in this case, which is set forth below.

ISSUES

- ISSUE 1: Should the currently prescribed depreciation rates and amortization/recovery schedules for United Telephone Company be revised at this time?
- ISSUE 2: Should depreciation rates be established based on what is economically justified for telephone service?
- ISSUE 3: United is projecting a complete transition from today's asynchronous transmission equipment to the new SONET transmission equipment over the 1994-1998 period. Is this timetable reasonable?
- ISSUE 4: United projects its migration from a metallic to an all fiber network to be complete by 2010. Is this projection reasonable?
- ISSUE 5: United is proposing the retirement of 9 Northern Telecom DMS NT40 processors in 1992, 13 Digital 1210 switches and 1 DMS-100 switch in 1993, and 10 Digital 1210 switches in 1994. Are these retirements prudent?
- ISSUE 6: United is proposing the retirement of its remaining electromechanical switches and associated analog circuit equipment by year-end 1993 (8 in 1992 and 5 in 1993). Are these retirements prudent?
- ISSUE 7: United is proposing the retirement of its remaining operator systems by year-end 1994? Are these retirements prudent?
- ISSUE 8: United is proposing the retirement of 16 microwave radio routes and their associated towers during the period 1992-1996 (3 in 1992, 1 in 1993, 7 in 1994, 2 in 1995 and 3 in 1996). Are these retirements prudent?

DOCUMENT NUMBER-DATE

02424 MAR 11 1992

FPSC-RECORDS/REPORTING

- ISSUE 9: United is proposing the retirement of \$22.6 million of digital circuit equipment during the period 1993-1994. Are these retirements prudent?
- ISSUE 10: United has budgeted metallic cable retirements of \$69,709,000 (\$16,928,000 in Aerial, \$5,623,000 in Underground and \$47,158,000 in Buried) during the 1992-1995 time period. Are these projected retirements prudent?
- ISSUE 11: Has United demonstrated that their network plan is economically justified for telephone service?
- ISSUE 12: Should any reserve reallocations be made at this time?
- ISSUE 13: What are the appropriate life, salvage and reserve components and resultant depreciation rates?
- ISSUE 14: What are the appropriate recovery schedules?
- ISSUE 15: What should be the implementation date for revised depreciation rates and recovery schedules?

Order No. 25800 which establishes Prehearing Procedure shall apply to the issues set forth above.

Therefore, it is

ORDERED by Commissioner J. Terry Deason, as Prehearing Officer, that the issues set forth in the body of this Order are established as issues in this proceeding. It is further

ORDERED that Order No. 25800 shall apply to the issues set forth above.

By ORDER of Commissioner J. Terry Deason, as Prehearing Officer, this 11th day of MARCH, 1992.



J. TERRY DEASON, Commissioner
and Prehearing Officer

(S E A L)

CWM

ORDER NO. PSC-92-0049-PCO-TL
DOCKET NO. 910725-TL
PAGE 3

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: 1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; 2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or 3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.