

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Adoption of Rule )  
25-4.107, F.A.C. )  
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\_\_\_\_\_ )

DOCKET NO. 920296-PU  
ORDER NO. PSC-92-0720-FOF-PU  
ISSUED: 07/28/92

NOTICE OF ADOPTION OF RULE AMENDMENT

NOTICE is hereby given that the Commission, pursuant to section 120.54, Florida Statutes, has adopted Rule 25-4.107, F.A.C., relating to Uniform System and Classification of Accounts, with (without) change(s).

The rule (amendment) was filed with the Department of State on July 22, 1992 and will be effective on August 11, 1992. A copy of the relevant portions of the certification filed with the Secretary of State is attached to this Notice.

This docket is closed upon issuance of this notice.

By Direction of the Florida Public Service Commission, this  
28th day of July, 1992.

  
\_\_\_\_\_  
STEVE TRIBBLE, Director  
Division of Records & Reporting

( S E A L )

920296II.CC

DOCUMENT NUMBER-DATE

08310 JUL 28 1992

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CERTIFICATION OF  
PUBLIC SERVICE COMMISSION ADMINISTRATIVE RULES  
FILED WITH THE  
DEPARTMENT OF STATE

I do hereby certify:

(1) The time limitations prescribed by paragraph 120.54(11)(a), F.S., have been complied with; and

(2) There is no administrative determination under section 120.54(4), F.S., pending on any rule covered by this certification; and

(3) All rules covered by this certification are filed within the prescribed time limitations of paragraph 120.54(11)(b), F.S. They are filed not less than 28 days after the notice required by subsection 120.54(1), F.S., and;

(a) And are filed not more than 90 days after the notice; or

(b) Are filed not more than 90 days after the notice not including days an administrative determination was pending; or

(c) Are filed within 21 days after the adjournment of the final public hearing on the rule; or

(d) Are filed within 21 days after the date of receipt of all material authorized to be submitted at the hearing; or

(e) Are filed within 21 days after the date the transcript was received by this agency.

Attached are the original and two copies of each rule covered by this certification. The rules are hereby adopted by the

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DEPARTMENT OF STATE  
TALLAHASSEE, FLORIDA  
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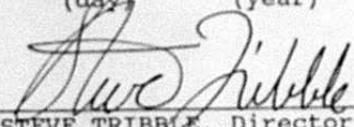
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undersigned agency by and upon their filing with the Department of State.

<u>Rule No.</u>	<u>Rulemaking Authority</u>	<u>Specific Law Being Implemented, Interpreted or Made Specific</u>
25-4.017	350.127(2), F.S.	350.115, 364.17, F.S.

Under the provision of paragraph 120.54(13)(a), F.S., the rules take effect 20 days from the date filed with the Department of State or a later date as set out below:

Effective: \_\_\_\_\_  
(month) (day) (year)

  
\_\_\_\_\_  
STEVE TRIBBLE, Director  
Division of Records & Reporting

\_\_\_\_\_  
Number of Pages Certified

( S E A L )

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TALLAHASSEE, FLORIDA

1        25-4.017 Uniform System ~~and Classification~~ of Accounts.

2        (1) Each telecommunications company shall maintain its  
3 accounts and records in conformity with the Uniform System and  
4 Classification of Accounts (USOA) as prescribed by the Federal  
5 Communications Commission in Title 47, Code of Federal Regulations,  
6 Part 32 Class A as adopted on December 2, 1986, and revised as of  
7 October 1, 1991, and as modified below. Inquiries relating to  
8 interpretation of the USOA shall be submitted in writing to the  
9 Division of Auditing and Financial Analysis.

10       (2) Each company shall establish separate depreciation  
11 reserve subaccounts for each corresponding subaccount established  
12 in the USOA or by rules of this Commission.

13       (3) Account 1181, Telecommunications Accounts Receivable -  
14 Allowance, shall be maintained on the allowance (reserve) method  
15 for uncollectible accounts with concurrent charges being made to  
16 Account 5301, Uncollectible Revenue - Telecommunications. This  
17 provision shall apply only to the regulated operations of the  
18 utility.

19       (4) A telecommunications company may use a different account  
20 numbering system but shall use the same account descriptions as  
21 prescribed in the Uniform System and Classification of Accounts or  
22 by this Commission. If a different account numbering system is  
23 used, a cross reference of the company's system to the Commission's  
24 numbering system shall be shown in the company's chart of accounts.

25       (5) Tax side records shall be maintained for the purpose

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TALLAHASSEE

1 identifying deferred taxes, and deferred investment tax credits and  
2 related recapture, for each plant subaccount identified in the  
3 USOA. Deferred taxes shall be separated between major timing  
4 differences such as accelerated depreciation, normal spread items  
5 and intercompany profit.

6 (6) Cost allocation side records shall be maintained for the  
7 purpose of facilitating cost of service studies and shall include  
8 cost allocations of income taxes, other taxes, general and  
9 administrative expenses, and other allocated expenses for each  
10 expense account and subaccount identified in the USOA or Commission  
11 rules.

12 (7) Each telecommunications company shall notify the Division  
13 of Auditing and Financial Analysis in writing of all communications  
14 written to or received from the Federal Communications Commission,  
15 the Financial Accounting Standards Board, or the Internal Revenue  
16 Service, that pertain to accounting procedures, separations  
17 procedures, or the USOA. Notification shall be provided by the  
18 company as an attachment to the Telephone Earnings Surveillance  
19 Report and shall include notice of communications that were sent or  
20 received by the company during the calendar month or quarter,  
21 whichever is the earnings surveillance reporting period for the  
22 company, in which the company's previous surveillance report was  
23 filed. If no reportable communications have taken place during the  
24 month or quarter, the attachment should state "None".  
25 "Communication" includes writings sent or received by the company

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1 | directly or on its behalf by a parent company or representative.  
2 | Upon request of the Division of Auditing and Financial Analysis,  
3 | the company shall provide a copy of the written communication to  
4 | the Division.

5 | (8) Each telecommunications company with more than 100,000  
6 | access lines shall notify the Division of Auditing and Financial  
7 | Analysis, in writing within 45 days of implementation, of each  
8 | change in accounting methodology, accounting estimates, or  
9 | underlying assumptions, when the change will alter the company's  
10 | annual revenue requirements by 25 or more basis points on equity.  
11 | Notification is not required for changes approved by order of the  
12 | Commission.

13 | (9) The Annual Report and the Rate of Return Report shall  
14 | include either a statement that the underlying accounting records  
15 | and the report were not prepared with reliance upon the Statement  
16 | of Financial Accounting Standards (SFAS) No. 71, 90, 92 or 101; or,  
17 | where reliance exists on SFAS 71, 90, 92, 101, the utility shall  
18 | disclose the account and the amount along with a reference to the  
19 | relied upon statute, rule, order or document for each entry or  
20 | adjustment.

21 | (10) Each utility shall file, within 60 days of a final order  
22 | involving accounting matters, a description of all resultant  
23 | entries and adjustments to the accounting records.

24 | Specific Authority: 350.127(2), F.S.  
25 | Law Implemented: 350.115, 364.17, F.S.

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1 | History: Revised 12/1/68, Amended 3/31/76, 8/21/79, 1/2/80,  
2 | 12/13/82, 12/13/83, 9/30/85, formerly 25-4.17, Amended 11/30/86,  
3 | 4/25/88, 2/10/92. Amended \_\_\_\_\_.

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Rule 25-4.017, F.A.C.  
Docket No. 920296-PU

SUMMARY OF RULE

The proposed amendment requires either a statement of non-reliance on Statement of Financial Accounting Standards (SFAS) No. 171, 90, 92 or 101 or, if relied on, disclosure of the account and amount along with the relied - upon statute, rule, order or document for each entry or adjustment. In addition, each utility must file, within 60 days of a final order involving accounting matters, a description of all resultant entries and adjustments to the accounting records.

SUMMARY OF HEARINGS ON THE RULE

No hearing was requested or held.

FACTS AND CIRCUMSTANCES JUSTIFYING THE RULE

The rule amendment will supply needed information to the Division of Auditing and Financial Analysis, thereby increasing efficiency and possibly reducing auditing time.

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