

ORIGINAL

NOTICE OF PROPOSED RULE DEVELOPMENT

FLORIDA PUBLIC SERVICE COMMISSION

UNDOCKETED

RULE TITLE:

RULE NO.:

Uniform Systems of Accounts

25-4.017

Telephone Directory Advertising Revenues

25-4.0405

Annual Reports

25-4.135

Earnings Surveillance Report

25-4.1352

Annual Separations Cost Study

25-4.1357

PURPOSE AND EFFECT: To update the version of the Uniform System of Accounts that telecommunications companies are required to follow and to streamline or eliminate certain reporting requirements applicable to rate-of-return regulated local exchange telecommunications companies.

SUBJECT AREA TO BE ADDRESSED: Reporting requirements for rate-of-return regulated local exchange telecommunications companies.

SPECIFIC AUTHORITY: 350.127(2), F.S.

LAW IMPLEMENTED: 350.115, 364.17, 364.037, 364.03(1), 350.117(1), 364.07(2), F.S.

IF REQUESTED IN WRITING AND NOT DEEMED UNNECESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE NOTICED IN THE NEXT

AVAILABLE FLORIDA ADMINISTRATIVE WEEKLY.

THE WORKSHOP REQUEST MUST BE SUBMITTED IN WRITING TO THE OFFICE OF THE GENERAL COUNSEL, CHRISTIANA T. MOORE, 2540 SHUMARD OAK

DOCUMENT NUMBER-DATE

02187 MAR-58

FPSC-COMMISSION CLERK

RECEIVED

2003 MAR -5 AM 10:40

DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA

US
AF
MP
OM
TR
CR
CL
PC
MS
EC
TH

BOULEVARD, TALLAHASSEE, FL 32399-0850.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE

DEVELOPMENT IS: Edward Bass, Florida Public Service Commission,
2540 Shumard Oak Blvd., Tallahassee, FL 32399-0862, 850-413-6455.

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS:

25-4.017 Uniform System of Accounts.

(1) Each telecommunications company shall maintain its accounts and records in conformity with the Uniform System of Accounts for Telecommunications Companies (USOA) as prescribed by the Federal Communications Commission in Title 47, Code of Federal Regulations, Part 32 Class A, revised as of October 1, 2002 ~~1994~~, and as modified below. Inquiries relating to interpretation of the USOA shall be submitted in writing to the Commission's Division of Economic Regulation.

(2) - (4) No change.

Specific Authority: 350.127(2), F.S.

Law Implemented: 350.115, 364.17, F.S.

History: Revised 12/1/68, Amended 3/31/76, 8/21/79, 1/2/80, 12/13/82, 12/13/83, 9/30/85, formerly 25-4.17, Amended 11/30/86, 4/25/88, 2/10/92, 8/11/92, 3/10/96,_____.

25-4.0405 Telephone Directory Advertising Revenues.

(1) The provisions of this rule, in conjunction with the provisions of Section 364.037, Florida Statutes (2002) ~~(1995)~~, shall govern the ratemaking treatment for telephone directory

advertising revenues and expenses of rate-of-return regulated local exchange telecommunication companies.

(2) - (g) No change.

(3) The dollar amount of the 1982 Gross Profit Base for each local exchange telephone company is established pursuant to Section 364.037(3) as follows:

<u>Local Exchange Company</u>	<u>1982 Gross Profit Base</u>
ALLTEL Florida, Inc.	\$299,380
Florida Telephone Company, Inc.	\$1,780
Gulf Telephone Company	\$54,794
Indiantown Telephone System, Inc.	\$28,319
Northeast Florida Telephone Company, Inc.	\$20,676
Quincy Telephone Company	\$68,580
St. Joseph Telephone and Telegraph Company	\$148,538
Southern Bell Telephone & Telegraph Company-Florida	\$102,215,043
Frontier Telephone Company	\$8,830
Vista-United Telecommunications	\$161,840

(4) The Average 1982 Access Lines for each local exchange telephone company is as follows:

<u>Local Exchange Company</u>	<u>1982 Average Access Lines</u>
ALLTEL Florida, Inc.	36,435
Floralta Telephone Company, Inc.	1,417
Gulf Telephone Company	5,934
Indiantown Telephone System, Inc.	1,501
Northeast Florida Telephone Company, Inc.	3,874
Quincy Telephone Company	7,089
St. Joseph Telephone and Telegraph Company	16,229
Southern Bell Telephone & Telegraph Company -- Florida	2,993,084
Frontier Telephone Company	2,279
Vista United Telecommunications	1,706

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.037, F.S.

History: New 4/21/86, formerly 25-4.405, Amended 4/25/88,
3/10/96,_____.

25-4.135 Annual Reports.

(1) Each rate-of-return regulated local exchange telephone company shall file annual reports with the Commission on Commission Form PSC/ECR 018-T (/)(3/96) which is incorporated by reference into this rule. Form PSC/ECR 018-T, entitled "Annual

Report of Local Exchange Telephone Companies", may be obtained from the Commission's Division of Economic Regulation. These reports shall be verified by a responsible accounting officer of the company making the report and shall be due on or before April 30 for the preceding calendar year. A company may file a written request for an extension of time with the Division of Economic Regulation no later than April 30. One extension of 31 days will be granted upon request. A request for Commission approval of a longer extension must be accompanied by a statement of good cause and shall specify the date by which the report will be filed.

~~(2) The company shall also file with the original and each copy of the annual report form, or separately within 30 days, a letter or report, signed by an independent certified public accountant, attesting to the conformity in all material respects of the following schedules and their applicable notes of Form PSC/ECR 18 with the Commission's applicable uniform system of accounts and published accounting releases:~~

~~(a) Schedule B-1 Balance Sheet,~~

~~(b) Schedule B-2 Statement of Cash Flows, and~~

~~(c) Schedule I-1 Income Statement.~~

~~(3) (a) Each company shall file with the Commission an audit report issued by an independent auditor commenting on the company's compliance with its Cost Allocation Manual (CAM) or written accounting procedures for nonregulated operations.~~

~~Beginning January 1, 1996, the compliance audit shall be performed no less than once every three years. The audit report shall be filed with the annual report or within 30 days of filing the annual report.~~

~~(b) Each company shall file, along with the audit report, a list of all incidents of non-compliance with the CAM or written accounting procedures for nonregulated operations. This list shall include all errors and irregularities detected by the independent auditor during the audit, regardless of materiality.~~

~~(c) The expense of the audit shall be separately identified and shall not be chargeable to expense for ratemaking purposes. The Commission may, upon sufficient showing, modify or waive these requirements.~~

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.17, F.S.

History: New 12/27/94, amended 3/10/96,_____.

25-4.1352 Earnings Surveillance Report.

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.03(1), 350.117(1), F.S.

History: New 11/18/82, formerly 25-4.245, Amended 8/21/90, formerly 25-4.0245, Amended 6/10/94, 3/10/96, Repealed_____.

25-4.1357 Annual Separations Cost Study

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.07(2), F.S.

History: New 10/31/93, amended 3/10/96, Repealed . . .