



Southern Bell

A. M. Lombardo
Assistant Vice President-Regulatory Relations

150 South Monroe Street
Suite 400
Tallahassee, Florida 32301

920260-TL

May 1, 1992

Mr. Steve C. Tribble
Director, Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32301

Re: Minimum Filing Requirements

Dear Mr. Tribble:

BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company ("Southern Bell") hereby submits the attached Minimum Filing Requirements ("MFRs") pursuant to FPSC Order 25552, in Docket No. 911109-TL.

Each set of Southern Bell's MFR filing with the Commission is contained in three (3) three-ring binders with the exception of four special "full" copies. The four "full" copies Southern Bell is filing are contained in eight three-ring binder sets. In addition to the information contained in the three volume set, the special "full" sets contain complete copies of the following Schedules:

- * Schedule B-5a Monthly Operating Reports
- * Schedule C-24h Microfiche Copy of monthly cost studies
- * Schedule C-24i Traffic and revenue settlements agreements

These schedules have been included in only a limited number of sets as agreed upon in our discussion with Ms. Robin Norton of your staff on April 15, 1992. Four "full" sets will be provided to the Office of the Public Counsel.

Vol. I - 04494-92
II - 04495-92
III - 04496-92
IV - 04497-92
V - 04498-92
VI - 04499-92
VII - 04500-92
VIII - 04501-92
IX - 04502-92
X - 04503-92

ACK 456.7

AFA 5

APP

CAF

CMU

CTR

EAG

LEG

LIN

OPC

RCH

SEC

WAS

OTH

ACK 8, 9, 10

AFA 1

APP

CAF

CMU 3

CTR

EAG

LEG

LIN

OPC

RCH

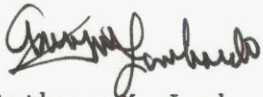
SEC

WAS

OTH

In the event additional information is needed to fulfill the MFR filing requirements, please contact me as soon as possible.

Sincerely,



Anthony M. Lombardo

VOL 4,5,6,7 AFAD

VOL 8,9,10 1 AFA
2 CMA

VOL 3 only 4 to AFA

cc: Office of the Public Counsel
Harris R. Anthony
R. Douglas Lackey

Attachments

**Overall Financial Summary @
Revenue Increase Requested
(\$000)**

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1991

Schedule A-1a
Page 1 of 3
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	(1) Description	(2) Last Rate Case Authorized	(3) Current Case Requested	(4) Difference Col. 3 - Col. 2	(5) % Change
1	Test Year Ended	12/31/90	12/31/91	N/A	N/A
2	Jurisdictional Adjusted Rate Base	4,212,060	4,296,952	84,892	2.02%
3	Rate of Return	9.27%	9.66%	N/A	N/A
4	Jurisdictional Income Requested (L2 & L3)	390,036	415,137	25,101	6.44%
5	Jurisdictional Adjusted Net Operating Income	618,844	377,882	(240,962)	-38.94%
6	Income Deficiency (Excess) (L4 - L5)	(228,808)	37,255	266,063	-116.28%
7	Net Operating Income Factor	0.609299	0.605084	N/A	N/A
8	Revenue Deficiency (Excess) (L6 / L7)	(375,527)	61,570	437,096	-116.40%
9	Attrition Allowance	0	(60,520)	(60,520)	-100.00%
10	Increased Independent Companies Settlements*	(1,029)	0	1,029	-100.00%
11	Revenue Increase Required	(374,498)	See Note	374,498	-100.00%
12	Date of New Rates	10/1/88	See Note	XXXX	
13	Average Number of Access Lin	4,504,100	4,663,858	159,758	3.55%

* For Southern Bell only

Note: Southern Bell's current earnings are well within the authorized range under terms of its Incentive Plan. No change in revenue requirement is requested. Any excess would be subject to sharing provisions of the Incentive Plan.

@ Please see page 3 of this schedule for a list of the assumptions underlying the data in this minimum filing requirements package.

Overall Financial Summary
Revenue Increase Requested

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1991

Schedule A-1a
Page 2 of 3
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

LAST RATE CASE

Line No.	(1) Class of Capital	(2) Cost of Capital Dollars (000)	(3) Requested Ratio %	(4) Cost Rate	(5) Weighted Cost
1	Long-Term Debt	1,028,516	24.42%	8.88%	2.17%
2	Short-Term Debt	194,017	4.61%	8.45%	0.39%
3	Preferred Stock	0	0.00%	0.00%	0.00%
4	Customer Deposits	46,858	1.11%	7.73%	0.09%
5	Common Equity	1,959,174	46.51%	13.20%	6.14%
6	Tax Credits - Wtd. Cost	171,677	4.08%	11.71%	0.48%
7	Cost Free Capital *	811,818	19.27%	0.00%	0.00%
8	Other (Explain)	0			
9	Total	4,212,060	100.00%		9.27%

PRESENT RATE CASE

Line No.	(6) Class of Capital	(7) Cost of Capital Dollars (000)	(8) Requested Ratio	(9) Cost Rate	(10) Weighted Cost
10	Long-Term Debt	1,106,570	25.75%	8.73%	2.25%
11	Short-Term Debt	134,080	3.12%	6.05%	0.19%
12	Preferred Stock	0	0.00%	0.00%	0.00%
13	Customer Deposits	55,183	1.28%	8.25%	0.11%
14	Common Equity	2,053,693	47.79%	14.00%	6.69%
15	Tax Credits - Wtd. Cost	148,254	3.45%	12.15%	0.42%
16	Cost Free Capital *	799,172	18.60%	0.00%	0.00%
17	Other (Explain)	0			
18	Total	4,296,952	100.00%		9.66%

* Includes Deferred Tax Credits - Zero Cost (Pre '70)
** Includes Deferred Tax Credits - Zero Cost (Pre '70) of \$133
The ratios shown are the authorized.

Overall Financial Summary
List of Major Assumptions

FLORIDA PUBLIC SERVICE COMMISSION

Company SOUTHERN BELL - FLORIDA

Docket No. 920260-TL

Test Year 1991

Schedule A-1a

Page 3 of 3

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☒ or Year End ☐

- 1 Numerous schedules request data from the "last rate case."
The data provided is the 1990 forecasted data as reflected in
Commission Order 20162 in Docket 880069.
- 2 Several schedules require the use of an authorized rate of return. For
calculation of proforma adjustments and other rate base impacts, the return on equity used
is 13.2% and the overall is 9.26%. For calculation of an overall revenue requirement,
the return on equity is 14% and the overall is 9.66%.
- 3 The surveillance report provided with this package contains minor revisions. A revised
surveillance report will be filed shortly.
- 4 Each schedule contains a block to indicate "average" or "year end." Southern Bell has
generally marked "average," to indicate that the test year is 1991 average, adjusted.
Where more than one type of data is shown on a schedule, or where there may be
confusion, the basis is stated on the form.
- 5 On April 7, 1992, Southern Bell wrote to the Commission, requesting waivers or modifications
of certain schedule formats in the Minimum Filing Requirements package. Southern Bell
has prepared this package on the basis set forth in that request. A copy of
the letter is attached.



Southern Bell

A. M. Lombardo
Assistant Vice President-Regulatory Relations

Suite 400
150 S. Monroe Street
Tallahassee, FL 32301
904 224-7798

April 7, 1992

Mr. Steve C. Tribble
Director, Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32301

Re: Minimum Filing Requirements Waiver Requests

Dear Mr. Tribble:

Attached are requests for Waiver and Modification of certain schedules in the Florida Minimum Filing Requirements that Southern Bell plans to file May 1, 1992. Please forward your concurrence to me as soon as possible.

I can be reached at 224-7798 if you wish to discuss further.

Sincerely,

Anthony M. Lombardo

Attachments

BellSouth Telecommunications, Inc.
d/b/a Southern Bell
Request for Waiver and Modification
of Minimum Filing Requirements

(A)
Consolidation and Name Change

South Central Bell Telephone Company and BellSouth Services, Inc. were merged into Southern Bell Telephone and Telegraph Company on January 1, 1992. At that time, the name of Southern Bell Telephone and Telegraph Company was changed to BellSouth Telecommunications, Inc. In Order PSC 92-0079-FOF-TL in Docket 920009, the Commission approved the name change from Southern Bell Telephone and Telegraph Company to BellSouth Telecommunications, Inc. Because BellSouth Telecommunications Inc. is doing business as Southern Bell Telephone and Telegraph Company (Southern Bell), Southern Bell proposes to display the company name on the Minimum Filing Requirement schedules as Southern Bell for both historical and projected data. Where there might be confusion as to the data shown on a particular schedule, the schedule will be labeled to indicate the basis of the data shown.

(B)
Last Rate Case Basis

Southern Bell proposes to use the forecasted 1990 data as reflected in Commission Order 20162 in Docket 880069-TL as the "last rate case data" for the purposes of this filing.

(C)
Schedule B-3a, Balance Sheet

Southern Bell proposes to use the Part 32 accounts designated in Schedule B-1 of Form M in completing Schedule B-3a, as it did in the November 1991 Modified Minimum Filing Requirements (MMFR) in Docket 911109-TL.

(D)
Schedule B-6a, Materials & Supplies

The detail requested in the Schedule B-6a format is not available in Southern Bell's accounting system. Therefore, Southern Bell proposes to provide material data in the format shown in Attachment 1, as it did in the November 1991 MMFRs in Docket 911109-TL.

(E)
Schedule C-7 - Charitable Contributions and
Social Service Club Dues and Expenses

Under its current regulatory plan, Southern Bell excludes all of these expenses from regulatory treatment. Therefore, this schedule is not applicable and Southern Bell proposes to exclude it.

(F)
Schedule C-28, Cost of Equal Access and
Network Reconfiguration

Southern Bell proposes to provide the data in the revised format shown in Attachment 2. The format of Schedule C-28 requires more detail than is available from the Company's Equal Access/Network Reconfiguration tracking procedures.

(G)
Schedule D-9, Reconciliation of Jurisdictional
Rate Base and Capital Structure

Southern Bell proposes to provide these data in the revised format shown in Attachment 3, as it did in the November 1991 MMFRs. The original schedule allows no space for an allocation of total company balances to Florida, and assumes that all adjustments are separated using a single factor, which is not the case for Southern Bell.

(H)
Schedule C-11b - Breakdown of Personnel by Department

Southern Bell proposes to revise job titles where the titles listed in the schedule are no longer applicable (Attachment 4).

(I)
Schedule C-24f - Independent Company Settlements

The pool data on page 2 of this schedule is prepared from the cost study data submitted by all pool participants. That study is not due until July 1, 1992. Southern Bell proposes to omit page 2 of Schedule C-24f from its May 1 filing, and instead provide the data when they are available this summer.

(J)
Additional Minor Changes

In addition, Southern Bell proposes to make minor changes to the following forms:

- (1) Schedule A-6b - Add lines for Cash Working Capital and Uncollectibles.
- (2) Schedule A-2a - Omit line 7 "Vehicles and Other Work Equipment" (Part 31 account) and renumber lines so rows match A-2d.
- (3) Schedules B-4a and B-4b - Add account 2220 and account 2351, and renumber the rows.
- (4) Schedules C-2a and C-2b - Correct the calculation description.
- (5) Schedule B-3b - Insert an additional column to show Southern Bell "Total Company" data.

Working Capital Materials and Supplies (M & S)

Test Year and Two Prior Years Monthly

ATTACHMENT 1

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No.

Test Year 1991

Schedule B-6a

Page of

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐Average ☒ or Year End ☐

Line No.	Year	Month	ACCOUNT 1220.1200 Plant Supplies Exempt		ACCOUNT 1220.1100 Plant Supplies Non-Exempt		ACCOUNT 1220.1300 Motor Vehicle Supplies		ACCOUNT 1220.1400 Central Office, Origination Termination Eqt. - New		ACCOUNT 1220.1400 Central Office, Origination Termination Eqt. - Reuse	
			Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
			(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1.												
2.												
3.												
4.												
5.												
6.												
7.												
8.												
9.												
10.												
11.												
12.												
13.			Total for Year									
14.			Monthly Average for Year									

Line No.	Year	Month	ACCOUNT 1220.1500 Company Communications Equipment		ACCOUNT 1220.1800 Stock Held For Reuse		ACCOUNT 1220.1900 Other Material And Supplies		TOTAL ACCOUNT 1220.1000 Material And Supplies	
			Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
15.										
16.										
17.										
18.										
19.										
20.										
21.										
22.										
23.										
24.										
25.										
26.										
27.			Total for Year							
28.			Monthly Average for Year							

Supporting Schedules:

Recap schedules:

Cost of Equal Access and Network Reconfiguration

FLORIDA PUBLIC SERVICE COMMISSION

Company
Docket No.
Test YearSchedule C-28
Page 1 of 1
Witness ResponsibleCheck Whether Data Is:
Historic ☐ or Projected ☐
Average ☐ or Year End ☐

	Test Year			Test Year - 1			Total to Date		
	Total (1)	Interstate (2)	Intrastate (3)	Total (4)	Interstate (5)	Intrastate (6)	Total (7)	Interstate (8)	Intrastate (9)
Investment									
1 General Support									
2 Central Office Equipment									
3 Info Orig/Term Equipment									
4 Cable & Wire Facilities									
5 Other									
6 Subtotal (1 thru 5)									
7 Accumulated depreciation									
8 Associated deferred taxes									
9 Unamortized investment tax credits									
10 Subtotal (6 thru 9)									
Expense									
11 Plant Specific									
12 Plant Non-specific									
13 Depreciation									
14 Customer Services									
15 Corporate Operations									
16 Other (includes Part 31 A/C Info.)									
17 Subtotal (11 thru 16)									
18									
19 Total (17 + 18)									
20 Amortization Amount									

Supporting Schedules:

Recap Schedules:

Schedule D-9

RECONCILIATION OF JURISDICTIONAL RATE BASE AND CAPITAL STRUCTURE

Page 1 of 2

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

DOCKET NO.:

EXPLANATION: Reconcile the total capital structure (as shown on Schedule D-1a) with the jurisdictional 13-month average rate base for the corresponding time period (as shown on Schedule B-3b). Provide this schedule for the test year, and the prior year if the test year is projected.

Type of Data Shown:

___ Historical Test Year Ended ___/___/___

___ Projected Test Year Ended ___/___/___

___ Prior Test Year Ended ___/___/___

Witness:

Line No	Description	Long-Term Debt	Short-Term Debt	Preferred Stock	Customer Deposits	Common Equity	Tax Credits Zero Cost	Tax Credits Weighted Cost	Deferred Inc. Taxes	Total
	Total Company per Books (000)									
	Allocation Percentage									
	Florida									
	Allocation Percentage									
	Regulated Florida									
	Intrastate %									
	Intrastate, unadjusted									
	Specific Adjustments:									
	Subtotal									
	Pro Rata Adjustments									
	Jurisdictional Capital Structure									
	Percent of Total Capital									

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and describe the basis for the pro-rata adjustments appearing on Schedule D-9, page 1 of 2

Type of Data Shown:
— Historical Test Year Ended __/__/__
— Projected Test Year Ended __/__/__
— Prior Test Year Ended __/__/__
Witness:

COMPANY:

DOCKET NO.:

Line No	Description	Dollar Amount
------------	-------------	------------------

Intrastate
(000)

Supporting Schedules:

Recap Schedules:

Breakdown of Personnel by Department

ATTACHMENT 4

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No.
Test Year 1991

Schedule C-11b

Page 1 of 1

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☒ or Year End ☐

As of <u>DECEMBER 31, 1991</u>		Company Personnel					Contract Personnel		
Line No.	Department	Total Personnel		Salaried		Hourly		Engineer or	
		Company	Contract	Supervisory	Other	Regular	Temporary	Supervisory	Foreman
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	COMPTROLLERS								
2.	CUSTOMER SERVICES								
3.	EXECUTIVE								
4.	LEGAL								
5.	MARKETING								
6.	NETWORK								
7.	OPERATOR SERVICES								
8.	PERSONNEL								
9.	PROPERTY, PROCUREMENT & SERVICES MANAGEMENT								
10.	TOTAL								

Supporting Schedules: None

Recap Schedules: None

Reasons for Requested Rate Increase

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1991

Schedule A-1b
Page 1 of 1
Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☒ or Year End ☐

Line No.	Description	Type of Attrition	Revenue Requirement Effect	Percent of Total
---	-----	-----	-----	-----
	(1)	(2)	(3)	(4)

Southern Bell is not requesting a change in rates at this time.

Supporting Schedules:

Recap Schedules:

New Issues

FLORIDA PUBLIC SERVICE COMMISSION

Company: Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year: 1991

Schedule A-1c

Page 1 of 1

Witness Responsible:

Check Whether Data Is:

Historic [] or Projected []

Average [] or Year End []

Item	Title	Description
1 1.	Other Post Retirement Benefits	The Financial Accounting Standards Board adopted
2	(SFAS 106)	SFAS 106 requiring companies to accrue for the
3		expected costs of non-pension benefits (payable after
4		retirement) during an employee's working career. The
5		standard is effective for fiscal years ending after
6		December 15, 1992; however, earlier adoption is allowed.
7		
8		
9		
10 2.	BellSouth Telecommunications, Inc.	Effective January 1, 1992, we merged Southern Bell,
11	(BST)	South Central Bell and BellSouth Services into one company,
12		BellSouth Telecommunications, Inc. In addition, certain
13		employees dedicated to customer premises equipment were
14		transferred from BST to subsidiaries of BellSouth Business
15		Systems, a subsidiary of BST. Previously, premise business
16		sales employees had also been transferred to BellSouth
17		Business Systems.
18		
19		
20		
21 3.	Exchange Network Facilities Interstate	Per the 1988 incentive plan order, net operating income
22	Access (ENFIA)	and rate base must be adjusted for the impact of adjusting
23		the separations factor to reflect the PSC method of
24		computing ENFIA minutes of use. Because this adjustment
25		is phased out by the end of 1992, a proforma adjustment
26		has been made to reverse the 1991 ENFIA adjustment.
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		

Supporting Schedules:

Recap Schedules:

Rate Base
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-2a
Page 1 of 1
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Account (1)	Last Rate Case \$ Adjusted Intrastate (2)	Present Rate Case Adjusted Intrastate (3)	Increase Over Last Rate Case (4)	% Increase Over Last Rate Case (5)	Compound Annual Growth Rate (6)
1	General Support	916,593	872,823	(43,770)	-4.78%	-4.78%
2	Central Office	2,167,224	2,425,655	258,431	11.92%	11.92%
3	Info Orig./Term.	244,236	127,778	(116,458)	-47.68%	-47.68%
4	Cable & Wire Fac.	2,866,446	3,202,762	336,316	11.73%	11.73%
5	Amortizable Assets	50,390	18,152	(32,238)	-63.98%	-63.98%
6	Total Plant in Service	6,244,889	6,647,171	402,282	6.44%	6.44%
7	Less: Depreciation Reserve	2,063,852	2,384,592	320,740	15.54%	15.54%
8	Net Plant in Service	4,181,037	4,262,578	81,541	1.95%	1.95%
9	Plant Under Construction ST	30,879	42,156	11,277	36.52%	36.52%
10	Property Held for Future Use	144	244	100	69.44%	69.44%
11	Net Plant	4,212,060	4,304,978	92,918	2.21%	2.21%
12	Working Capital	0	(8,026)	(8,026)	0.00%	0.00%
13	Rate Base	4,212,060	4,296,952	84,892	2.02%	2.02%

* Last Rate Case amounts are 1990 forecasted data as reflected in Commission Order 20162 in Docket 880069-TL.

Supporting Schedules: A-2d, A-6a, A-6b, B-1b, B-2b

Recap Schedules: A-1a

Net Operating Income and Rate of Return
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-2b

Page 1 of 1

Witness Responsible

Check Whether Data Is:

Historic [X] or Projected []

Average [X] or Year End [X]

Line No.	Account (1)	Last Rate Case \$ Adjusted Intrastate (2)	Present Rate Case Adjusted Intrastate (3)	Increase Over Last Rate Case (4)	% Increase Over Last Rate Case (5)	Compound Annual Growth Rate (6)
1	Operating Revenues					
2	Local Service	1,385,055	1,325,915	(59,140)	-4.27%	-4.27
3	InterLATA	292,493	274,694	(17,799)	-6.09%	-6.09
4	IntraLATA	371,241	347,383	(23,858)	-6.43%	-6.43
5	Miscellaneous	221,440	294,224	72,784	32.87%	32.87
6	Uncollectibles	26,506	39,415	12,909	48.70%	48.70
7	Total Operating Revenues	2,243,723	2,202,801	(40,922)	-1.82%	-1.82
8	Operating Expenses					
9	Plant Specific	459,668	380,059	(79,609)	-17.32%	-17.32
10	Plant Nonspecific	200,187	187,220	(12,967)	-6.48%	-6.48
11	Depreciation	504,359	524,617	20,258	4.02%	4.02
12	Customer Operations	271,690	305,405	33,715	12.41%	12.41
13	Corporate Operations	184,969	209,181	24,212	13.09%	13.09
14	Other	(83)	585	668	805.37%	805.37
15	Total Operating Expenses	1,620,790	1,607,067	(13,723)	-0.85%	-0.85
16	Taxes					
17	Federal Income Tax	103,709	75,396	(28,313)	-27.30%	-27.30
18	State Income Tax	26,280	18,024	(8,256)	-31.42%	-31.42
19	Other Tax Expense	111,607	124,432	12,825	11.49%	11.49
20	Total Tax Expenses	241,596	217,852	(23,744)	-9.83%	-9.83
21	Total Operating Expenses and Taxes	1,862,386	1,824,919	(37,467)	-2.01%	-2.01
22	Net Operating Income	381,337	377,882	(3,455)	-0.91%	-0.91
23	Rate Base	4,212,060	4,296,952	84,892	2.02%	2.02
24	Rate of Return	9.05%	8.79%			

* Last Rate Case amounts are 1990 forecasted data as reflected in Commission Order 20162 in Docket 880069-TL.

Supporting Schedules: A-2d, A-2e, A-6a, A-6b, B-1b, B-2b, C-1b, C-2b

Recap Schedules: A-1a

SUMMARY OF JURISDICTIONAL CAPITAL STRUCTURE AND COST RATES
BellSouth Telecommunications Basis
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company: Southern Bell Telephone & Telegraph
Docket No. 920260-TL
Test Year: 1991

Schedule A-2c
Page 1 of 1
Witness Responsible _____

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	(1) Capital Structure Item	(2) Jurisdictional Capital Structure As Determined By Commission in Last Case \$ Ended 12/31/90 (Forecasted)	(3) Jurisdictional Capital Structure As Requested By Company in Current Case \$\$ Ended 12/31/91 (Actual Adjusted)	(4) Jurisdictional Cost Rates As Determined By Commission in Last Case %	(5) Jurisdictional Cost Rates As Requested By Company in Current Case ## Ended 12/31/91 (Actual)
1.	Long-Term Debt	\$1,028,516	\$1,106,570	8.88%	8.73%
2.	Short-Term Debt	194,017	134,080	8.45%	6.05%
3.	Preferred Stock	0	0	0.00%	0.00%
4.	Customer Deposits	46,858	55,183	7.73%	8.25%
5.	Common Equity	1,959,174	2,053,693	13.20%	NA *
6.	Cost Free Capital @	811,818	799,172	0.00%	0.00%
7.	Investment Tax Credits	171,677	148,254	11.71%	NA *
9.	Other (Explain)				
10.	Total Capital	\$4,212,060	\$4,296,952		

@ Includes Deferred Tax Credits Zero Cost (Pre-'70)

* Southern Bell, in filing the Minimum Filing Requirements package, has not requested any change in its currently authorized return on equity.

! Investor-supplied capital spread based on Southern Bell (4 states) capital structure and Southern Bell cost rates are used for Long-Term and Short Term Debt.

Investor-supplied capital spread based on BellSouth Telecommunications (9 states) capital structure and BellSouth Telecommunications cost rates are used for Long-Term and Short-Term Debt.

Supporting Schedules: D-1 (page 1a, BellSouth Telecommunications Basis), D-9

Rate Base
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-2d

Page 1 of 1

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☒ or Year End ☐

Line No.	Account (1)	Intrastate Per Books (2)	Commission Basis Adjusted Intrastate (3)	Company Basis Adjusted Intrastate (4)
1.	General Support	853,231	872,616	872,823
2.	Central Office	2,350,373	2,425,190	2,425,655
3.	Information Orig./Term.	122,527	127,701	127,778
4.	Cable and Wire Fac.	3,059,500	3,201,005	3,202,762
5.	Amortizable Assets	15,147	18,149	18,152
6.	Total Plant in Service	6,400,778	6,644,662	6,647,171
7.	Less: Depreciation Reserve	2,315,365	2,374,333	2,384,592
8.	Net Plant in Service	4,085,413	4,270,329	4,262,578
9.	Plant Under Construction	40,591	42,138	42,156
10.	Property Held for Future Use	239	244	244
11.	Net Plant	4,126,243	4,312,711	4,304,978
12.	Working Capital	(10,853)	(9,341)	(8,026)
13.	Rate Base	4,115,390	4,303,370	4,296,952

Supporting Schedules: A-2a, A-2b, A-2e, A-6a, A-6b, B-1a, B-1b, B-2b

Recap Schedules: A-1a

Rate of Return
Per Book, Adjusted and Proposed
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-2e

Page 1 of 1

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☒ or Year End ☐

Line No.	Account (1)	Intrastate Per Books (2)	Commission Basis		Company Basis	
			Adjusted Results (3)	Earnings at Proposed Rates (4)	Adjusted Results (5)	Earnings at Proposed Rates (6)
1.	Operating Revenues					
2.	Local Service	1,347,886	1,325,915	N/A ‡	1,325,915	N/A ‡
3.	InterLATA	274,884	274,694		274,694	
4.	IntraLATA	346,847	347,383		347,383	
5.	Miscellaneous	294,813	294,223		294,224	
6.	Uncollectibles	39,941	39,415		39,415	
7.	Total Operating Revenues	2,224,489	2,202,800		2,202,801	
8.	Operating Expenses					
9.	Plant Specific	369,711	379,250		380,059	
10.	Plant Nonspecific	196,745	186,512		187,220	
11.	Depreciation	546,255	505,983		524,617	
12.	Customer Operations	307,497	304,428		305,405	
13.	Corporate Operations	212,453	208,909		209,181	
14.	Other	(483)	170		585	
15.	Total Operating Expenses	1,632,178	1,585,252		1,607,067	
16.	Taxes					
17.	Federal income tax	76,165	82,954		75,396	
18.	State income tax	15,187	19,247		18,024	
19.	Other taxes	122,509	124,399		124,432	
20.	Total Tax Expense	213,861	226,600		217,852	
21.	Total Operating Expenses and Taxes	1,846,039	1,811,852		1,824,919	
22.	Net Operating Income	378,450	390,948		377,882	
23.	Rate Base (from Schedule A-2d)	4,115,390	4,303,370		4,296,952	
24.	Rate of Return	9.20%	9.08%		8.79%	

‡ Southern Bell is not proposing new rates at this time, so this column does not apply.

Calculation of Intrastate Revenue Deficiency (Excess)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule A-3

Page 1 of 1

Witness Responsible

Check Whether Data Is:

Historic [X] or Projected []

Average [X] or Year End []

Line No.	Description (1)	Refer to Supporting Schedule (2)	Per Books (3)	Commission Basis (4)	Company Basis (5)
1.	Rate Base	A-2d	4,115,390	4,303,370	4,296,952
2.	Operating Income	C-1a, C-1b	378,450	390,948	377,882
3.	Earned Rate of Return (2 - 1)	A-2e	9.20%	9.08%	8.79%
4.	Last Authorized Rate of Return		9.66%	9.66%	9.66%
5.	Required Operating Income (1 x 4)		397,596	415,757	415,137
6.	Operating Income Deficiency (5 - 2)		19,146	24,809	37,255
7.	Revenue Expansion Factor	C-13	0.605084	0.605084	0.605084
8.	Revenue Deficiency (Excess) (6 / 7)		31,641	41,000	61,569
9.*	Increased Payments to Ind. Cos. Due to Line 8		0	0	0
10.	Attrition Allowance			(60,520)	(60,520)
11.	Total Revenue Requirement (8 + 9* + 10)			See Note	See Note

* For Southern Bell Only

Note: Southern Bell's current earnings are well within the authorized range under terms of its Incentive Plan. No change in revenue requirement is requested. Any excess would be subject to sharing provisions of the Incentive Plan.

Supporting Schedules:

A-2d, A-2e, C-1a, C-1b, C-13

Recap Schedules:

A-1a

Summary of Financial Indicators

FLORIDA PUBLIC SERVICE COMMISSION
Company: Southern Bell Telephone & Telegraph
Docket No.: 920260-TL
Test Year: 1991

Schedule A-4
Page 1 of 1
Witness Responsible
Prepared By

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	(1) Indicator	(2) Test Year Last Rate Case Prior To Rate Increase *	(3) Test Year 1991 This Rate Case Prior To Requested Rate Increase	(4) Year After Current Test Year (1992) Without Requested Rate Increase
Interest Coverage Ratios:				
1.	Including AFUDC in Income Before Interest Charges	N/A	4.17	4.26
2.	Excluding AFUDC from Income Before Interest Charges	N/A	4.15	4.22
Other Financial Ratios:				
3.	AFUDC as a percent of Income Available for Common	N/A	0.59%	1.24%
4.	Percent of Construction Funds Generated Internally	N/A	87.5% @	92.8% @
Preferred Dividend Coverage:				
5.	Including AFUDC	N/A	N/A	N/A
6.	Excluding AFUDC	N/A	N/A	N/A
Ratio of Earnings to Fixed Charges:				
7.	Including AFUDC	N/A	2.26	2.21
8.	Excluding AFUDC	N/A	2.24	2.18
Earnings Per Share				
9.	Including AFUDC	N/A	3.04 #	N/A
10.	Excluding AFUDC	N/A	N/A	N/A
11.	Dividends Per Share	N/A	2.76 #	N/A

* Florida-specific information was not developed for last rate case.

@ This information is not available specifically for Florida. The percentages provided are for Southern Bell.

This information is not available specifically for Florida. Earnings Per Share and Dividends Per Share are for BellSouth.

MAJOR SERVICE SUMMARY
OF ANNUAL REVENUES

TAR. SEC. CATEGORY OF SERVICE	PRESENT RECURRING REVENUE	PRESENT NON-RECURRING REVENUE	PRESENT REVENUE TOTAL	PROPOSED RECURRING REVENUE	PROPOSED NON-RECURRING REVENUE	PROPOSED REVENUE TOTAL	\$ REVENUE CHANGE	% REVENUE CHANGE
A003 BASIC LOCAL EXCHANGE SERVICE	920373087.48	0.00	920373087.48	920373087.48	0.00	920373087.48	0.00	0.0
A004 SERVICE CHARGES	0.00	88967397.00	88967397.00	0.00	88967397.00	88967397.00	0.00	0.0
A005 CHGS APPL. UNDER SPECIAL COND.	6580320.00	780080.00	7360400.00	6580320.00	780080.00	7360400.00	0.00	0.0
A006 DIRECTORY LISTINGS	20697700.20	0.00	20697700.20	20697700.20	0.00	20697700.20	0.00	0.0
A007 COIN TELEPHONE SERVICE	74501075.40	89501.50	74590576.90	74501075.40	89501.50	74590576.90	0.00	0.0
A008 TELEPHONE ANS. SERVICE FACILITIES	185035.20	0.00	185035.20	185035.20	0.00	185035.20	0.00	0.0
A009 FX SERVICE AND FOREIGN CO SERVICE	12818939.52	400197.00	13219136.52	12818939.52	400197.00	13219136.52	0.00	0.0
A011 PBX IDENTIFIED-OUTWARD-DIALING SV	94068.00	400.00	94468.00	94068.00	400.00	94468.00	0.00	0.0
A012.0 GENERAL	-7696872.00	0.00	-7696872.00	-7696872.00	0.00	-7696872.00	0.00	0.0
A012.1 ESSX ANALOG	13197972.96	570365.90	13768338.86	13197972.96	570365.90	13768338.86	0.00	0.0
A012.4 ESSX - ACD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0
A012.5 ANALOG ETS	1480.20	713.75	2193.95	1480.20	713.75	2193.95	0.00	0.0
A012.6 MISCELLANEOUS FEATURES	13821680.40	815849.00	14637529.40	13821680.40	815849.00	14637529.40	0.00	0.0
A012.13 ESSX DIGITAL	13608378.72	790231.80	14398610.52	13608378.72	790231.80	14398610.52	0.00	0.0
A012.14 PRESTIGE DELUXE	205849.20	22400.25	228249.45	205849.20	22400.25	228249.45	0.00	0.0
A012.16 PRESTIGE COMMUNICATIONS SERV	2360375.40	0.00	2360375.40	2360375.40	0.00	2360375.40	0.00	0.0
A012.17 DIGITAL ETS	1530.00	17459.25	18989.25	1530.00	17459.25	18989.25	0.00	0.0
A012.18 ISDN	3709.20	2333.20	6042.40	3709.20	2333.20	6042.40	0.00	0.0
A013 EXTENSION/TIE LINE CHANNELS	216324117.72	463271.20	216787388.92	216324117.72	463271.20	216787388.92	0.00	0.0
A014 AUXILIARY EQUIPMENT	77439.60	1315761.50	1393201.10	77439.60	1315761.50	1393201.10	0.00	0.0
A015 CONN. OF TERMINAL EQ./COMM. SYS	0.00	100.00	100.00	0.00	100.00	100.00	0.00	0.0
A017 MOBILE TELEPHONE SERVICE	149712.00	0.00	149712.00	149712.00	0.00	149712.00	0.00	0.0
A018 LONG DISTANCE MTS	276214429.20	0.00	276214429.20	276214429.20	0.00	276214429.20	0.00	0.0
A019 WIDE AREA TELECOMMUNICATIONS SERV	23163580.20	69050.00	23232630.20	23163580.20	69050.00	23232630.20	0.00	0.0
A023 SHARED TENANT SERVICES	216.00	0.00	216.00	216.00	0.00	216.00	0.00	0.0
A024 UNIV. EMERGENCY NUMBER SERV.- 911	3054541.80	145525.00	3200066.80	3054541.80	145525.00	3200066.80	0.00	0.0
A028 PERSONAL SIGNALING SERV	1613712.00	0.00	1613712.00	1613712.00	0.00	1613712.00	0.00	0.0
A029 DATA TRANSPORT SERVICE	1304710.80	136481.00	1441191.80	1304710.80	136481.00	1441191.80	0.00	0.0
A030 EQUIPMENT FOR DISABLED CUSTOMERS	11238.36	1720.53	12958.89	11238.36	1720.53	12958.89	0.00	0.0
A031 MULTI-LOCATION BUSINESS SERV.	61140.00	10630.00	71770.00	61140.00	10630.00	71770.00	0.00	0.0
A035 INTERCON. OF MOBILE SERVICES	11177268.60	200925.00	11378193.60	11177268.60	200925.00	11378193.60	0.00	0.0
A037 BILLING AND COLLECTION SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0
A103 BASIC LOCAL EXCHANGE SERVICE	1094.40	0.00	1094.40	1094.40	0.00	1094.40	0.00	0.0
A105 OBS. CHGS UNDER SPEC COND	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0

* Unless otherwise specified the revenue requirement used for the proposed rates is based on incremental/resource cost.

MAJOR SERVICE SUMMARY
OF ANNUAL REVENUES

TAR. SEC. CATEGORY OF SERVICE	PRESENT RECURRING REVENUE	PRESENT NON-RECURRING REVENUE	PRESENT REVENUE TOTAL	PROPOSED RECURRING REVENUE	PROPOSED NON-RECURRING REVENUE	PROPOSED REVENUE TOTAL	\$ REVENUE CHANGE	% REVENUE CHANGE
A107 OBS. SERV. OFF.-COIN TELE. SVC.	592420.20	15335.25	607755.45	592420.20	15335.25	607755.45	0.00	0.0
A108 OBS. TAS FACILITIES	1320.60	0.00	1320.60	1320.60	0.00	1320.60	0.00	0.0
A109 OBS. FOREIGN EXCHANGE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0
A112.1 OBS. CENTREX SERV TO MILITARY B	36288.00	0.00	36288.00	36288.00	0.00	36288.00	0.00	0.0
A112.2 OBS. CENTREX CO SERVICE	21724.20	0.00	21724.20	21724.20	0.00	21724.20	0.00	0.0
A112.3 OBS. ESSX-1 ATTENDANT SERVICE	199.80	0.00	199.80	199.80	0.00	199.80	0.00	0.0
A112.4 OBS. AUTO-CALL DISTRIB.-ESS (AC	102493.80	0.00	102493.80	102493.80	0.00	102493.80	0.00	0.0
A112.5 OBS. ETS - SMDR - P	3868.80	0.00	3868.80	3868.80	0.00	3868.80	0.00	0.0
A112.8 OBS. ESSX - I SERVICE	447055.20	2120.50	449175.70	447055.20	2120.50	449175.70	0.00	0.0
A112.9 OBS. ELEC. TANDEM SWITCHING	777.00	0.00	777.00	777.00	0.00	777.00	0.00	0.0
A112.10 OBS. MISC ESS FEATURES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0
A112.11 OBS. ESSX S,M,L;CENTREX,ESSX-1	10366.20	6210.00	16576.20	10366.20	6210.00	16576.20	0.00	0.0
A112.12 OBS. ESSX S,M,L 85	3333620.40	0.00	3333620.40	3333620.40	0.00	3333620.40	0.00	0.0
A112.13 OBS. DIGITAL ESSX - 85	3678840.60	0.00	3678840.60	3678840.60	0.00	3678840.60	0.00	0.0
A112.14 OBS. ETS FEATURES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0
A112.17 OBS. PRESTIGE COMM PACKAGE	1156923.00	6063.30	1162986.30	1156923.00	6063.30	1162986.30	0.00	0.0
A112.18 OBS. PRESTIGE SINGLE LINE SERV	1069671.60	0.00	1069671.60	1069671.60	0.00	1069671.60	0.00	0.0
A113 OBS. MISCELLANEOUS SERV	106321.08	3448.26	109769.34	106321.08	3448.26	109769.34	0.00	0.0
A114 OBS. AUXILIARY EQUIPMENT	5761.20	105.75	5866.95	5761.20	105.75	5866.95	0.00	0.0
A115 OBS. TERMINAL EQUIP AND SYSTEMS	274196.40	3138.50	277334.90	274196.40	3138.50	277334.90	0.00	0.0
A118 OBSOLETE MTS	3210.00	0.00	3210.00	3210.00	0.00	3210.00	0.00	0.0
A124 OBSOLETE EMERGENCY REPORT SERVICE	5409925.80	67555.00	5477480.80	5409925.80	67555.00	5477480.80	0.00	0.0
A130 OBS. SER OFF - EQUIP FOR DISABLED	32549.52	0.00	32549.52	32549.52	0.00	32549.52	0.00	0.0
B002 REGULATIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0
B003.4 RESTRUCTURED PRIVATE LINE	34531218.60	3982320.00	38513538.60	34531218.60	3982320.00	38513538.60	0.00	0.0
B005 CHGS APPL. UNDER SPECIAL COND.	3433440.00	333840.00	3767280.00	3433440.00	333840.00	3767280.00	0.00	0.0
B007 DIGITAL NETWORK SERVICE	28319109.00	2618122.00	30937231.00	28319109.00	2618122.00	30937231.00	0.00	0.0
B103 OBSOLETE SERVICE OFFERINGS - CHAN	6921880.68	268008.11	7189888.79	6921880.68	268008.11	7189888.79	0.00	0.0
B104 OBSOLETE SERVICE OFFERINGS - EQP	1474.08	529.92	2004.00	1474.08	529.92	2004.00	0.00	0.0
B106 OBS. DATAPHONE DIGITAL SERVICE	782738.40	2418.00	785156.40	782738.40	2418.00	785156.40	0.00	0.0
E003 CARRIER COMMON LINE ACCESS	111565308.00	0.00	111565308.00	111565308.00	0.00	111565308.00	0.00	0.0
E004 CARRIER ACCESS CAPACITY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0
E005 ORDERING OPTIONS	0.00	179280.00	179280.00	0.00	179280.00	179280.00	0.00	0.0
E006 SWITCHED ACCESS SERVICE	121576248.00	1524073.00	123100321.00	121576248.00	1524073.00	123100321.00	0.00	0.0

* Unless otherwise specified the revenue requirement used for the proposed rates is based on incremental/resource cost.

FPSC DOCKET 920260-TL
STATE: FLORIDA

MAJOR SERVICE SUMMARY
OF ANNUAL REVENUES

TAR. SEC. CATEGORY OF SERVICE	PRESENT RECURRING REVENUE	PRESENT NON-RECURRING REVENUE	PRESENT REVENUE TOTAL	PROPOSED RECURRING REVENUE	PROPOSED NON-RECURRING REVENUE	PROPOSED REVENUE TOTAL	\$ REVENUE CHANGE	% REVENUE CHANGE
E007 SPECIAL ACCESS SERVICE	12538248.00	1688515.00	14226763.00	12538248.00	1688515.00	14226763.00	0.00	0.0
E008 BILLING AND COLLECTION SERVICES	11875764.00	0.00	11875764.00	11875764.00	0.00	11875764.00	0.00	0.0
E009 DIRECTORY ASSISTANCE SERVICES	4389912.00	0.00	4389912.00	4389912.00	0.00	4389912.00	0.00	0.0
E013 ADD. ENG./LABOR/MISC CHARGES	696.00	215346.00	216042.00	696.00	215346.00	216042.00	0.00	0.0
E018 OPERATOR SERVICES ACCESS	549708.00	0.00	549708.00	549708.00	0.00	549708.00	0.00	0.0
GRAND TOTAL	1956680808.72	105716821.47	2062397630.19	1956680808.72	105716821.47	2062397630.19	0.00	0.0

* Unless otherwise specified the revenue requirement used for the proposed rates is based on incremental/resource cost.

Structural Tariff Changes

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL

Schedule A-5b
Page 1 of 1
Witness Responsible

This schedule is not applicable since Southern Bell is not proposing any rate changes with this May 1 submission.

Index of Intrastate Rate Base and Income Statement Adjustments
For Rate Case Purposes
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1991

Schedule A-6a
Page 1 of 3
Witness Responsible

Check Whether Data is:
Historic ☒ or Projected ☐
Average ☒ or Year End ☐

Operations Effect

Line No.	Entry No.	Description	Rate Base Effect	Revenues	Expenses	Oper. Taxes	Income Taxes	Total	Total NOI Effect	Increased (decr.) Revenue Requirements	Portion Affecting Interim Period	Method to Define Interim Portion
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
		1 Excess Plug Ins	1,227	0	0	0	0	0	1,227	(2,028)	N/A	N/A
		2 WECD Tax Credits	(3,096)	0	0	0	0	0	(3,096)	5,117	N/A	N/A
		3 BellSouth Services	(2,636)	3,138	0	0	0	3,138	502	(830)	N/A	N/A
		4 ENFIA	139	(11)	(415)	(33)	191	256	395	(653)	N/A	N/A
		5 Other Rate Base Adj.	(487)	0	0	0	0	0	(487)	805	N/A	N/A
		6 Out of Period Rev & Setl (Ind Co)	0	1,268	0	16	471	781	781	(1,291)	N/A	N/A
		7 Out of Period Expenses	0	0	2,470	0	(902)	(1,568)	(1,568)	2,591	N/A	N/A
		8 Out of Period MR & FR Taxes	0	0	0	(1,124)	1,847	(723)	(723)	1,195	N/A	N/A
		9 Oth Out of Period Revenues	0	2,851	0	34	1,149	1,668	1,668	(2,757)	N/A	N/A
		10 1992 Depreciation	(783)	0	(16,871)	0	7,046	9,825	9,042	(14,944)	N/A	N/A
		11 1993 Depreciation	(1,877)	0	(40,444)	0	16,890	23,554	21,677	(35,825)	N/A	N/A
		12 Other Reg./Monreg. Adjustments	0	0	1,273	0	(452)	(821)	(821)	1,357	N/A	N/A

Index of Intrastate Rate Base and Income Statement Adjustments
For Rate Case Purposes
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1991

Schedule A-6a
Page 2 of 3
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Entry No.	Description	Operations Effect						Total NOI Effect	Increased (decr.) Revenue Requirements	Portion Affecting Interim Period	Method to Define Interim Portion
			Rate Base Effect	Revenues	Expenses	Oper. Taxes	Income Taxes	Total				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
		13 Yellow Page Profits	0	0	0	0	0	0	0	0	N/A	N/A
		14 Gains on Sale of Property	0	(286)	(167)	(3)	(44)	(72)	(72)	118	N/A	N/A
		15 Inc Rel to Temp Cash Inv	0	1	0	0	0	1	1	(2)	N/A	N/A
		16 Int Reconcil & AFUDC Debt	0	0	0	0	2,790	(2,790)	(2,790)	4,611	N/A	N/A
		17 Interest Imputation	0	0	0	0	(1,704)	1,704	1,704	(2,816)	N/A	N/A
		18 Lobbying Expense	0	0	(530)	0	199	331	331	(547)	N/A	N/A
		19 Corporate Advertising Expense	0	0	(29)	0	11	18	18	(30)	N/A	N/A
		20 Abandoned Projects	0	0	675	0	(254)	(421)	(421)	696	N/A	N/A
		21 Casualty Expense	0	0	(61)	0	23	38	38	(63)	N/A	N/A
		22 Other Regulatory Adj	0	0	(1,855)	0	698	1,157	1,157	(1,912)	N/A	N/A
		23 SPF 1991-1992	(4,489)	31	13,404	976	(6,056)	(8,293)	(12,783)	21,126	N/A	N/A
		24 SPF 1992-1993	(4,489)	31	13,404	976	(6,056)	(8,293)	(12,783)	21,126	N/A	N/A
		25 DEM 1991-1992	(1,932)	8	5,887	401	(2,684)	(3,596)	(5,529)	9,137	N/A	N/A

Index of Intrastate Rate Base and Income Statement Adjustments
For Rate Case Purposes
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1991

Schedule A-6a
Page 3 of 3
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Entry No.	Description	Operations Effect						Total NOI Effect	Increased (decr.) Revenue Requirements	Portion Affecting Interim Period	Method to Define Interim Portion
			Rate Base Effect	Revenues	Expenses	Oper. Taxes	Income Taxes	Total				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	26	DEM 1992-1993	(975)	4	2,944	201	(1,343)	(1,798)	(2,773)	4,583	N/A	N/A
	27	USF 91-92	0	0	(3,634)	0	1,368	2,266	2,266	(3,745)	N/A	N/A
	28	USF 92-93	0	0	(1,935)	0	728	1,207	1,207	(1,995)	N/A	N/A
	29	SFAS 106 DPEBS	(130)	0	2,776	0	(1,045)	(1,731)	(1,861)	3,075	N/A	N/A
	30	Reorganization	2,108	(7,439)	(21,042)	705	4,849	8,049	10,157	(16,786)	N/A	N/A
	31	Bellcore Inv & Divid	(153)	183	0	2	68	113	(41)	67	N/A	N/A
	32	Reverse ENFIA	(139)	1	415	33	(191)	(256)	(395)	653	N/A	N/A
	33	Expiring Amortizations	0	(21,478)	0	(262)	(7,984)	(13,232)	(13,232)	21,868	N/A	N/A
	34	1992 Impact of Represcription	(28)	0	(611)	0	255	356	328	(541)	N/A	N/A
	35	1993 Impact of Represcription	892	0	19,235	0	(7,800)	(11,435)	(10,543)	17,423	N/A	N/A
	Total		(16,849)	(21,688)	(25,111)	1,923	2,068	(568)	(17,417)	28,785	N/A	N/A

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 1 of 36
Witness Responsible

Check Whether Data Is:

Historic [X] or Projected [] Entry # 0
Average [X] or Year End [] Description Unadjusted

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company ‡		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		1,347,886	0	1,347,886	0	0	0	1,347,886
2. Interstate		786,127	786,127	0	0	0	0	0
3. InterLATA		274,884	0	274,884	271,133	258,635	12,498	3,751
4. IntraLATA		346,847	0	346,847	330,812	0	330,812	16,035
5. Miscellaneous Revenue (1)		252,709	(2,163)	254,872	11,542	15,984	(4,442)	243,330
6. Operating Expenses		2,162,313	530,135	1,632,178	392,218	177,031	215,187	1,239,960
7. Other Taxes		154,262	31,753	122,509	25,312	9,742	15,570	97,197
8. SIT (2)		29,911	14,724	15,187	13,699	5,241	8,458	1,488
9. FIT (3)		123,611	47,446	76,165	48,193	21,477	26,716	27,972
Subtotal - Net								
11. Operating Income		538,356	159,906	378,450	134,065	61,128	72,937	244,385
12. Plant-In-Service		8,762,002	2,361,224	6,400,778	1,479,152	744,792	734,360	4,921,626
13. Depreciation Reserve		3,207,528	892,163	2,315,365	535,179	272,006	263,173	1,780,186
14. Plant Under Construction		55,546	14,955	40,591	9,382	4,719	4,663	31,209
15. Property for Future Use		327	88	239	55	28	27	184
16. Materials & Supplies (4)		(18,497)	(7,644)	(10,853)	(2,521)	(984)	(1,537)	(8,332)
17. Total Investment		5,591,850	1,476,460	4,115,390	950,889	476,549	474,340	3,164,501
18. Subtotal - Net								
19. Operating Income		N/A	N/A	N/A	N/A	N/A	N/A	N/A
20. Total Net Operating Income		N/A	N/A	378,450	134,065	61,128	72,937	244,385
21. Total Revenue Requirement		N/A	N/A	N/A	N/A	N/A	N/A	N/A

‡ Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule A-6b

Page 2 of 36

Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Item # 1
Description Excess Plug Ins

Line Effect No. On	(3 + 4)		(5 + 8)		(6 + 7)		Intrastate Toll	
	Total Company *	Interstate Toll	Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		0	0	0	0	0	0	0
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		0	0	0	0	0	0	0
9. FIT (3)		0	0	0	0	0	0	0
Subtotal - Net								
Operating Income		0	0	0	0	0	0	0
12. Plant-In-Service	(17,950)	(4,726)	(13,224)	(3,144)	(1,439)	(1,705)	(10,080)	
13. Depreciation Reserve	0	0	0	0	0	0	0	0
14. Plant Under Construction	0	0	0	0	0	0	0	0
15. Property for Future Use	0	0	0	0	0	0	0	0
16. Materials & Supplies (4)	0	0	0	0	0	0	0	0
17. Total Investment	(17,950)	(4,726)	(13,224)	(3,144)	(1,439)	(1,705)	(10,080)	
18. Subtotal - Net								
19. Operating Income	N/A	N/A	1,227	N/A	N/A	N/A	N/A	N/A
20. Total Net Operating Income	N/A	N/A	1,227	N/A	N/A	N/A	N/A	N/A
21. Total Revenue Requirement	N/A	N/A	(2,028)	N/A	N/A	N/A	N/A	N/A

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b

Page 3 of 36

Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Item # 2
Description WECD Tax Credits

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company *		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		0	0	0	0	0	0	0
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		0	0	0	0	0	0	0
9. FIT (3)		0	0	0	0	0	0	0
Subtotal - Net								
11. Operating Income		0	0	0	0	0	0	0
12. Plant-In-Service		66,957	18,397	48,560	11,263	5,804	5,459	37,297
13. Depreciation Reserve		21,004	5,810	15,194	3,534	1,831	1,703	11,660
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		45,953	12,587	33,366	7,729	3,973	3,756	25,637
18. Subtotal - Net								
19. Operating Income		N/A	N/A	(3,096)	(717)	(369)	(349)	(2,379)
20. Total Net Operating Income		N/A	N/A	(3,096)	(717)	(369)	(349)	(2,379)
21. Total Revenue Requirement		N/A	N/A	5,117	1,185	609	576	3,932

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules:

Recap Schedules:

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b

Page 4 of 36

Witness Responsible

Check Whether Data Is: Item # 3
Historic [X] or Projected [] Description BellSouth Services
Average [X] or Year End []

Line Effect No. On	(3 + 4)		(5 + 8)		(6 + 7)		Intrastate Toll	
	Total Company *	Interstate Toll	Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1. Local Revenue	3,138	0	3,138	0	0	0	0	3,138
2. Interstate	1,147	1,147	0	0	0	0	0	0
3. InterLATA	0	0	0	0	0	0	0	0
4. IntraLATA	0	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)	0	0	0	0	0	0	0	0
6. Operating Expenses	0	0	0	0	0	0	0	0
7. Other Taxes	0	0	0	0	0	0	0	0
8. SIT (2)	0	0	0	0	0	0	0	0
9. FIT (3)	0	0	0	0	0	0	0	0
Subtotal - Net								
10. Operating Income	4,285	1,147	3,138	0	0	0	0	3,138
12. Plant-In-Service	38,783	10,381	28,402	0	0	0	0	28,402
13. Depreciation Reserve	0	0	0	0	0	0	0	0
14. Plant Under Construction	0	0	0	0	0	0	0	0
15. Property for Future Use	0	0	0	0	0	0	0	0
16. Materials & Supplies (4)	0	0	0	0	0	0	0	0
17. Total Investment	38,783	10,381	28,402	0	0	0	0	28,402
18. Subtotal - Net								
19. Operating Income	N/A	N/A	(2,636)	0	0	0	0	(2,636)
20. Total Net Operating Income	N/A	N/A	502	0	0	0	0	502
21. Total Revenue Requirement	N/A	N/A	(830)	0	0	0	0	(830)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 5 of 36
Witness Responsible

Check Whether Data Is: Item # 4
Historic [X] or Projected [] Description ENFIA
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll			(8)
		Total Company #		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local	
		(2)	(3)	(4)	(5)	(6)	(7)		
1. Local Revenue		0	0	0	0	0	0	0	0
2. Interstate		1	1	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		(1)	0	(1)	(1)	(1)	0	0	0
6. Operating Expenses		0	415	(415)	(415)	(415)	0	0	0
7. Other Taxes		0	33	(33)	(33)	(33)	0	0	0
8. SIT (2)		0	(27)	27	27	27	0	0	0
9. FIT (3)		0	(164)	164	164	164	0	0	0
Subtotal - Net									
Operating Income		0	(256)	256	256	256	0	0	0
12. Plant-In-Service		0	2,397	(2,397)	(2,397)	(2,397)	0	0	0
13. Depreciation Reserve		0	934	(934)	(934)	(934)	0	0	0
14. Plant Under Construction		0	18	(18)	(18)	(18)	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	16	(16)	(16)	(16)	0	0	0
17. Total Investment		0	1,497	(1,497)	(1,497)	(1,497)	0	0	0
18. Subtotal - Net									
Operating Income		N/A	N/A	139	139	139	0	0	0
20. Total Net Operating Income		N/A	N/A	395	395	395	0	0	0
21. Total Revenue Requirement		N/A	N/A	(653)	(653)	(653)	0	0	0

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule A-6b

Page 6 of 36

Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Item # 5
Description Other Rate Base Adj.

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company #		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		0	0	0	0	0	0	0
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		0	0	0	0	0	0	0
9. FIT (3)		0	0	0	0	0	0	0
Subtotal - Net								
Operating Income		0	0	0	0	0	0	0
12. Plant-In-Service		674	100	575	155	78	77	420
13. Depreciation Reserve		(4,653)	22	(4,675)	(1,086)	(552)	(534)	(3,589)
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		5,327	78	5,250	1,241	630	611	4,009
18. Subtotal - Net								
19. Operating Income		N/A	N/A	(487)	(115)	(58)	(57)	(372)
20. Total Net Operating Income		N/A	N/A	(487)	(115)	(58)	(57)	(372)
21. Total Revenue Requirement		N/A	N/A	805	190	97	94	615

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule A-6b

Page 7 of 36

Witness Responsible

Check Whether Data Is:

Historic [X] or Projected []

Average [X] or Year End []

Item #

6

Description Out of Period Rev & Setl (Ind Co)

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company #		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		732	0	732	732	732	0	0
4. IntraLATA		536	0	536	536	0	536	0
5. Miscellaneous Revenue (1)		0	0	0	(23)	(13)	(10)	23
6. Operating Expenses		0	0	0	0	0	0	0
7. Other Taxes		16	0	16	16	9	7	0
8. SIT (2)		69	0	69	69	40	29	0
9. FIT (3)		402	0	402	402	232	170	0
Subtotal - Net								
Operating Income		781	0	781	758	438	320	23
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		0	0	0	0	0	0	0
18. Subtotal - Net								
Operating Income		N/A	N/A	0	0	0	0	0
20. Total Net Operating Income		N/A	N/A	781	758	438	320	23
21. Total Revenue Requirement		N/A	N/A	(1,291)	(1,253)	(724)	(529)	(38)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b

Page 8 of 36

Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Item # 7
Description Out of Period Expenses

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company \$		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		3,630	1,160	2,470	568	245	323	1,902
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		(194)	(62)	(132)	(30)	(13)	(17)	(102)
9. FIT (3)		(1,134)	(364)	(770)	(177)	(76)	(101)	(593)
Subtotal - Net								
Operating Income		(2,302)	(734)	(1,568)	(361)	(156)	(205)	(1,207)
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		0	0	0	0	0	0	0
18. Subtotal - Net								
Operating Income		N/A	N/A	0	0	0	0	0
20. Total Net Operating Income		N/A	N/A	(1,568)	(361)	(156)	(205)	(1,207)
21. Total Revenue Requirement		N/A	N/A	2,591	597	258	339	1,995

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 9 of 36
Witness Responsible

Check Whether Data Is: Item # 8
Historic [X] or Projected [] Description Out of Period MR & FR Taxes
Average [X] or Year End []

Line Effect No. On	(3 + 4)		(5 + 8)		(6 + 7)		Intrastate Toll	
	Total Company #	Interstate Toll	Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1. Local Revenue	0	0	0	0	0	0	0	0
2. Interstate	0	0	0	0	0	0	0	0
3. InterLATA	0	0	0	0	0	0	0	0
4. IntraLATA	0	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)	0	0	0	0	0	0	0	0
6. Operating Expenses	0	0	0	0	0	0	0	0
7. Other Taxes	0	1,124	(1,124)	420	8	412	(1,544)	
8. SIT (2)	4,712	249	4,463	154	71	83	4,309	
9. FIT (3)	(3,443)	(827)	(2,616)	(501)	(273)	(228)	(2,115)	
Subtotal - Net								
Operating Income	(1,269)	(546)	(723)	(73)	194	(267)	(650)	
12. Plant-In-Service	0	0	0	0	0	0	0	
13. Depreciation Reserve	0	0	0	0	0	0	0	
14. Plant Under Construction	0	0	0	0	0	0	0	
15. Property for Future Use	0	0	0	0	0	0	0	
16. Materials & Supplies (4)	0	0	0	0	0	0	0	
17. Total Investment	0	0	0	0	0	0	0	
18. Subtotal - Net								
Operating Income	N/A	N/A	0	0	0	0	0	
20. Total Net Operating Income	N/A	N/A	(723)	(73)	194	(267)	(650)	
21. Total Revenue Requirement	N/A	N/A	1,195	121	(321)	441	1,074	

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

Schedule A-6b
Page 10 of 36
Witness Responsible

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Check Whether Data Is: Item # 9
Historic [X] or Projected [] Description Oth Out of Period Revenues
Average [X] or Year End []

Line Effect No. On	(3 + 4)		(5 + 8)		Intrastate Toll			Local (8)
	Total Company #	Interstate Toll	Total Intrastate	Intrastate Toll	InterLATA	IntraLATA		
(1)	(2)	(3)	(4)	(5)	(6)	(7)		
1. Local Revenue	2,093	0	2,093	0	0	0	0	2,093
2. Interstate	0	0	0	0	0	0	0	0
3. InterLATA	(922)	0	(922)	(922)	(922)	0	0	0
4. IntraLATA	0	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)	1,680	0	1,680	0	0	0	0	1,680
6. Operating Expenses	0	0	0	0	0	0	0	0
7. Other Taxes	34	0	34	(11)	(11)	0	0	45
8. SIT (2)	168	0	168	(50)	(50)	0	0	218
9. FIT (3)	981	0	981	(293)	(293)	0	0	1,274
Subtotal - Net								
Operating Income	1,668	0	1,668	(568)	(568)	0	0	2,236
12. Plant-In-Service	0	0	0	0	0	0	0	0
13. Depreciation Reserve	0	0	0	0	0	0	0	0
14. Plant Under Construction	0	0	0	0	0	0	0	0
15. Property for Future Use	0	0	0	0	0	0	0	0
16. Materials & Supplies (4)	0	0	0	0	0	0	0	0
17. Total Investment	0	0	0	0	0	0	0	0
18. Subtotal - Net								
Operating Income	N/A	N/A	0	0	0	0	0	0
20. Total Net Operating Income	N/A	N/A	1,668	(568)	(568)	0	0	2,236
21. Total Revenue Requirement	N/A	N/A	(2,757)	939	939	0	0	(3,695)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 11 of 36
Witness Responsible

Check Whether Data Is: Item # 10
Historic [X] or Projected [] Description 1992 Depreciation
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company #		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		(22,966)	(6,095)	(16,871)	(4,047)	(1,844)	(2,203)	(12,824)
7. Other Taxes		0	0	0	0	0	0	0
8. SJT (2)		577	153	424	101	46	55	323
9. FIT (3)		9,014	2,392	6,622	1,589	724	865	5,033
Subtotal - Net								
10. Operating Income		13,375	3,550	9,825	2,357	1,074	1,283	7,468
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		(11,483)	(3,048)	(8,435)	(2,023)	(922)	(1,101)	(6,412)
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		11,483	3,048	8,435	2,023	922	1,101	6,412
18. Subtotal - Net								
19. Operating Income		N/A	N/A	(783)	(188)	(86)	(102)	(595)
20. Total Net Operating Income		N/A	N/A	9,042	2,169	988	1,181	6,873
21. Total Revenue Requirement		N/A	N/A	(14,944)	(3,585)	(1,634)	(1,952)	(11,359)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b

Page 12 of 36

Witness Responsible

Check Whether Data Is: Item # 11
Historic [X] or Projected [] Description 1993 Depreciation
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company *		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		(52,217)	(11,773)	(40,444)	(8,114)	(3,676)	(4,438)	(32,330)
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		1,311	296	1,015	203	92	111	812
9. FIT (3)		20,497	4,622	15,875	3,185	1,443	1,742	12,690
Subtotal - Net								
10. Operating Income		30,409	6,855	23,554	4,726	2,141	2,585	18,828
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		(26,108)	(5,886)	(20,222)	(4,057)	(1,838)	(2,219)	(16,165)
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		26,108	5,886	20,222	4,057	1,838	2,219	16,165
18. Subtotal - Net								
19. Operating Income		N/A	N/A	(1,877)	(376)	(171)	(206)	(1,500)
20. Total Net Operating Income		N/A	N/A	21,677	4,350	1,970	2,379	17,328
21. Total Revenue Requirement		N/A	N/A	(35,825)	(7,188)	(3,256)	(3,932)	(28,637)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 13 of 36
Witness Responsible

Check Whether Data Is: Item # 12
Historic [X] or Projected [] Description Other Req./Nonreq. Adjustments
Average [X] or Year End []

Line Effect No. On	(1)	{3 + 4} Total Company #	Interstate Toll	(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll		
		(2)	(3)	(4)	(5)	InterLATA	IntraLATA	Local
						(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		1,795	522	1,273	368	188	180	905
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		(99)	(70)	(29)	(10)	(5)	(5)	(19)
9. FIT (3)		(577)	(154)	(423)	(121)	(62)	(59)	(302)
Subtotal - Net								
Operating Income		(1,119)	(298)	(821)	(237)	(121)	(116)	(584)
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		0	0	0	0	0	0	0
18. Subtotal - Net								
Operating Income		N/A	N/A	0	0	0	0	0
20. Total Net Operating Income		N/A	N/A	(821)	(237)	(121)	(116)	(584)
21. Total Revenue Requirement		N/A	N/A	1,357	392	200	192	965

* Total Company column is total regulated.

- (1) Net of Uncollectibles.
- (2) Includes current expense and current deferred.
- (3) Includes current expense and current deferred, net of ITC.
- (4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 14 of 36
Witness Responsible

Check Whether Data Is: Item # 13
Historic [X] or Projected [] Description Yellow Page Profits
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company #		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		0	0	0	0	0	0	0
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		0	0	0	0	0	0	0
9. FIT (3)		0	0	0	0	0	0	0
Subtotal - Net								
10. Operating Income		0	0	0	0	0	0	0
11. Plant-In-Service		0	0	0	0	0	0	0
12. Depreciation Reserve		0	0	0	0	0	0	0
13. Plant Under Construction		0	0	0	0	0	0	0
14. Property for Future Use		0	0	0	0	0	0	0
15. Materials & Supplies (4)		0	0	0	0	0	0	0
16. Total Investment		0	0	0	0	0	0	0
17. Subtotal - Net								
18. Operating Income		N/A	N/A	0	0	0	0	0
19. Total Net Operating Income		N/A	N/A	0	0	0	0	0
20. Total Revenue Requirement		N/A	N/A	0	0	0	0	0

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 15 of 36
Witness Responsible

Check Whether Data Is: Item # 14
Historic [X] or Projected [] Description Gains on Sale of Property
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company ‡		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		(291)	0	(291)	0	0	0	(291)
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		5	0	5	0	0	0	5
6. Operating Expenses		(167)	0	(167)	0	0	0	(167)
7. Other Taxes		(3)	0	(3)	0	0	0	(3)
8. SIT (2)		(7)	0	(7)	0	0	0	(7)
9. FIT (3)		(37)	0	(37)	0	0	0	(37)
Subtotal - Net								
Operating Income		(72)	0	(72)	0	0	0	(72)
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		0	0	0	0	0	0	0
18. Subtotal - Net								
Operating Income		N/A	N/A	0	0	0	0	0
20. Total Net Operating Income		N/A	N/A	(72)	0	0	0	(72)
21. Total Revenue Requirement		N/A	N/A	118	0	0	0	118

‡ Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 16 of 36
Witness Responsible

Check Whether Data Is: Item # 15
Historic [X] or Projected [] Description Inc Rel to Temp Cash Inv
Average [X] or Year End []

Line Effect No. On	(3 + 4) Total Company \$	Interstate Toll	(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			Local (8)
					InterLATA (6)	IntraLATA (7)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)		(8)
1. Local Revenue		1	0	1	0	0	0	1
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		0	0	0	0	0	0	0
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		0	0	0	0	0	0	0
9. FIT (3)		0	0	0	0	0	0	0
Subtotal - Net								
10. Operating Income		1	0	1	0	0	0	1
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		0	0	0	0	0	0	0
18. Subtotal - Net								
19. Operating Income	N/A	N/A	0	0	0	0	0	0
20. Total Net Operating Income	N/A	N/A	1	0	0	0	0	1
21. Total Revenue Requirement	N/A	N/A	(2)	0	0	0	0	(2)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 17 of 36
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Item # 16
Description Int Reconcil & AFUDC Debt

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company #		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		0	0	0	0	0	0	0
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		408	0	408	0	0	0	408
9. FIT (3)		2,382	0	2,382	0	0	0	2,382
Subtotal - Net								
Operating Income		(2,790)	0	(2,790)	0	0	0	(2,790)
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		0	0	0	0	0	0	0
18. Subtotal - Net								
Operating Income		N/A	N/A	0	0	0	0	0
20. Total Net Operating Income		N/A	N/A	(2,790)	0	0	0	(2,790)
21. Total Revenue Requirement		N/A	N/A	4,611	0	0	0	4,611

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule A-6b

Page 18 of 36

Witness Responsible

Check Whether Data Is:

Historic [X] or Projected []

Average [X] or Year End []

Item #

17

Description Interest Imputation

Line Effect No. On	(3 + 4) Total Company #	Interstate Toll	(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			Local
					InterLATA	IntraLATA		
(1)	(2)	(3)	(4)	(5)	(6)	(7)		(8)
1. Local Revenue	0	0	0	0	0	0	0	0
2. Interstate	0	0	0	0	0	0	0	0
3. InterLATA	0	0	0	0	0	0	0	0
4. IntraLATA	0	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)	0	0	0	0	0	0	0	0
6. Operating Expenses	0	0	0	0	0	0	0	0
7. Other Taxes	0	0	0	0	0	0	0	0
8. SIT (2)	(249)	0	(249)	0	0	0	0	(249)
9. FIT (3)	(1,455)	0	(1,455)	0	0	0	0	(1,455)
10. Subtotal - Net								
Operating Income	1,704	0	1,704	0	0	0	0	1,704
12. Plant-In-Service	0	0	0	0	0	0	0	0
13. Depreciation Reserve	0	0	0	0	0	0	0	0
14. Plant Under Construction	0	0	0	0	0	0	0	0
15. Property for Future Use	0	0	0	0	0	0	0	0
16. Materials & Supplies (4)	0	0	0	0	0	0	0	0
17. Total Investment	0	0	0	0	0	0	0	0
18. Subtotal - Net								
Operating Income	N/A	N/A	0	0	0	0	0	0
20. Total Net Operating Income	N/A	N/A	1,704	0	0	0	0	1,704
21. Total Revenue Requirement	N/A	N/A	(2,816)	0	0	0	0	(2,816)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 19 of 36
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Item # 18
Description Lobbying Expense

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company \$ (2)		Total Intrastate (4)	Intrastate Toll (5)	InterLATA (6)	IntraLATA (7)	Local (8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		(530)	0	(530)	(124)	(56)	(68)	(406)
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		29	0	29	7	3	4	22
9. FIT (3)		170	0	170	40	18	22	130
Subtotal - Net								
Operating Income		331	0	331	77	35	42	254
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		0	0	0	0	0	0	0
18. Subtotal - Net								
19. Operating Income		N/A	N/A	0	0	0	0	0
20. Total Net Operating Income		N/A	N/A	331	77	35	42	254
21. Total Revenue Requirement		N/A	N/A	(547)	(127)	(58)	(69)	(420)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b

Page 20 of 36

Witness Resoosible

Check Whether Data Is: Item # 19
Historic [X] or Projected [] Description Corporate Advertising Expense
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company # (2)		Total Intrastate (4)	Intrastate Toll (5)	InterLATA (6)	IntraLATA (7)	Local (8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		(29)	0	(29)	(7)	(3)	(4)	(22)
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		2	0	2	0	0	0	2
9. FIT (3)		9	0	9	2	1	1	7
Subtotal - Net								
Operating Income		18	0	18	5	2	3	13
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		0	0	0	0	0	0	0
18. Subtotal - Net								
19. Operating Income		N/A	N/A	0	0	0	0	0
20. Total Net Operating Income		N/A	N/A	18	5	2	3	13
21. Total Revenue Requirement		N/A	N/A	(30)	(8)	(3)	(5)	(21)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 21 of 36
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Item # 20
Description Abandoned Projects

Line Effect No. On	(3 + 4)		(5 + 8)	(6 + 7)	Intrastate Toll		
	Total Company \$	Interstate Toll	Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue	0	0	0	0	0	0	0
2. Interstate	0	0	0	0	0	0	0
3. InterLATA	0	0	0	0	0	0	0
4. IntraLATA	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)	0	0	0	0	0	0	0
6. Operating Expenses	675	0	675	147	66	81	528
7. Other Taxes	0	0	0	0	0	0	0
8. SIT (2)	(37)	0	(37)	(8)	(4)	(4)	(29)
9. FIT (3)	(217)	0	(217)	(47)	(21)	(26)	(170)
Subtotal - Net							
Operating Income	(421)	0	(421)	(92)	(41)	(51)	(329)
12. Plant-In-Service	0	0	0	0	0	0	0
13. Depreciation Reserve	0	0	0	0	0	0	0
14. Plant Under Construction	0	0	0	0	0	0	0
15. Property for Future Use	0	0	0	0	0	0	0
16. Materials & Supplies (4)	0	0	0	0	0	0	0
17. Total Investment	0	0	0	0	0	0	0
18. Subtotal - Net							
Operating Income	N/A	N/A	0	0	0	0	0
20. Total Net Operating Income	N/A	N/A	(421)	(92)	(41)	(51)	(329)
21. Total Revenue Requirement	N/A	N/A	696	152	68	84	544

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b

Page 22 of 36

Witness Resoonsible

Check Whether Data Is: Item # 21
Historic [X] or Projected [] Description Casualty Expense
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)		(5 + 8)		(6 + 7)		Intrastate Toll	
		Total Company #	Interstate Toll	Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local	
		(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1. Local Revenue		0	0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0	0
6. Operating Expenses		(61)	0	(61)	(15)	(7)	(8)	(46)	
7. Other Taxes		0	0	0	0	0	0	0	0
8. SIT (2)		3	0	3	0	0	0	3	
9. FIT (3)		20	0	20	5	2	3	15	
10. Subtotal - Net									
11. Operating Income		38	0	38	10	5	5	28	
12. Plant-In-Service		0	0	0	0	0	0	0	0
13. Depreciation Reserve		0	0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0	0
17. Total Investment		0	0	0	0	0	0	0	0
18. Subtotal - Net									
19. Operating Income		N/A	N/A	0	0	0	0	0	0
20. Total Net Operating Income		N/A	N/A	38	10	5	5	28	
21. Total Revenue Requirement		N/A	N/A	(63)	(17)	(8)	(8)	(46)	

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 23 of 36
Witness Responsible

Check Whether Data Is: Item # 22
Historic [X] or Projected [] Description Other Regulatory Adj
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company *		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		(1,855)	0	(1,855)	(434)	(197)	(237)	(1,421)
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		102	0	102	24	11	13	78
9. FIT (3)		596	0	596	139	63	76	457
Subtotal - Net								
Operating Income		1,157	0	1,157	271	123	148	886
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		0	0	0	0	0	0	0
18. Subtotal - Net								
Operating Income		N/A	N/A	0	0	0	0	0
20. Total Net Operating Income		N/A	N/A	1,157	271	123	148	886
21. Total Revenue Requirement		N/A	N/A	(1,912)	(448)	(203)	(245)	(1,464)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule A-6b

Page 24 of 36

Witness Responsible

Check Whether Data Is:

Historic [X] or Projected []

Average [X] or Year End []

Item #

23

Description SPF 1991-1992

Line Effect No. On	(3 + 4) Total Company #	Interstate Toll	(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll		
					InterLATA	IntraLATA	Local
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue	0	0	0	0	0	0	0
2. Interstate	0	0	0	0	0	0	0
3. InterLATA	0	0	0	0	0	0	0
4. IntraLATA	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)	0	(31)	31	0	0	0	31
6. Operating Expenses	0	(13,404)	13,404	0	0	0	13,404
7. Other Taxes	0	(976)	976	0	0	0	976
8. SIT (2)	0	789	(789)	0	0	0	(789)
9. FIT (3)	0	5,267	(5,267)	0	0	0	(5,267)
Subtotal - Net							
10. Operating Income	0	8,293	(8,293)	0	0	0	(8,293)
12. Plant-In-Service	0	(77,478)	77,478	0	0	0	77,478
13. Depreciation Reserve	0	(30,206)	30,206	0	0	0	30,206
14. Plant Under Construction	0	(598)	598	0	0	0	598
15. Property for Future Use	0	(2)	2	0	0	0	2
16. Materials & Supplies (4)	0	(506)	506	0	0	0	506
17. Total Investment	0	(48,378)	48,378	0	0	0	48,378
18. Subtotal - Net							
19. Operating Income	N/A	N/A	(4,489)	0	0	0	(4,489)
20. Total Net Operating Income	N/A	N/A	(12,783)	0	0	0	(12,783)
21. Total Revenue Requirement	N/A	N/A	21,126	0	0	0	21,126

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 25 of 36
Witness Responsible

Check Whether Data Is: Item # 24
Historic [X] or Projected [] Description SPF 1992-1993
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company *		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	(31)	31	0	0	0	31
6. Operating Expenses		0	(13,404)	13,404	0	0	0	13,404
7. Other Taxes		0	(976)	976	0	0	0	976
8. SIT (2)		0	789	(789)	0	0	0	(789)
9. FIT (3)		0	5,267	(5,267)	0	0	0	(5,267)
10. Subtotal - Net								
11. Operating Income		0	8,293	(8,293)	0	0	0	(8,293)
12. Plant-In-Service		0	(77,478)	77,478	0	0	0	77,478
13. Depreciation Reserve		0	(30,206)	30,206	0	0	0	30,206
14. Plant Under Construction		0	(598)	598	0	0	0	598
15. Property for Future Use		0	(2)	2	0	0	0	2
16. Materials & Supplies (4)		0	(506)	506	0	0	0	506
17. Total Investment		0	(48,378)	48,378	0	0	0	48,378
18. Subtotal - Net								
19. Operating Income		N/A	N/A	(4,489)	0	0	0	(4,489)
20. Total Net Operating Income		N/A	N/A	(12,783)	0	0	0	(12,783)
21. Total Revenue Requirement		N/A	N/A	21,126	0	0	0	21,126

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b

Page 26 of 36

Witness Responsible

Check Whether Data Is: Item # 25
Historic [X] or Projected [] Description DEM 1991-1992
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company #		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	(8)	8	(2)	(2)	0	10
6. Operating Expenses		0	(5,887)	5,887	(1,440)	(1,136)	(304)	7,327
7. Other Taxes		0	(401)	401	(98)	(77)	(21)	499
8. SIT (2)		0	345	(345)	85	67	18	(430)
9. FIT (3)		0	2,339	(2,339)	572	451	121	(2,911)
Subtotal - Net								
10. Operating Income		0	3,596	(3,596)	879	693	186	(4,475)
12. Plant-In-Service		0	(31,874)	31,874	(7,788)	(6,143)	(1,645)	39,662
13. Depreciation Reserve		0	(11,297)	11,297	(2,760)	(2,177)	(583)	14,057
14. Plant Under Construction		0	(246)	246	(60)	(47)	(13)	306
15. Property for Future Use		0	(1)	1	0	0	0	1
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		0	(20,824)	20,824	(5,088)	(4,013)	(1,075)	25,912
18. Subtotal - Net								
19. Operating Income		N/A	N/A	(1,932)	472	372	100	(2,405)
20. Total Net Operating Income		N/A	N/A	(5,529)	1,351	1,065	286	(6,880)
21. Total Revenue Requirement		N/A	N/A	9,137	(2,233)	(1,761)	(472)	11,370

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 27 of 36
Witness Responsible

Check Whether Data Is: Item # 26
Historic [X] or Projected [] Description DEM 1992-1993
Average [X] or Year End []

Line Effect No. On	(3 + 4) Total Company \$	Interstate Toll	(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll			Local
					InterLATA	IntraLATA		
(1)	(2)	(3)	(4)	(5)	(6)	(7)		(8)
1. Local Revenue	0	0	0	0	0	0	0	0
2. Interstate	0	0	0	0	0	0	0	0
3. InterLATA	0	0	0	0	0	0	0	0
4. IntraLATA	0	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)	0	(4)	4	(1)	(1)	0	5	
6. Operating Expenses	0	(2,944)	2,944	(721)	(568)	(153)	3,665	
7. Other Taxes	0	(201)	201	(49)	(39)	(10)	250	
8. SIT (2)	0	173	(173)	42	33	9	(215)	
9. FIT (3)	0	1,170	(1,170)	285	225	60	(1,455)	
Subtotal - Net								
10. Operating Income	0	1,798	(1,798)	442	348	94	(2,240)	
12. Plant-In-Service	0	(16,035)	16,035	(3,896)	(3,071)	(825)	19,931	
13. Depreciation Reserve	0	(5,648)	5,648	(1,381)	(1,089)	(292)	7,029	
14. Plant Under Construction	0	(123)	123	(30)	(24)	(6)	153	
15. Property for Future Use	0	0	0	0	0	0	0	
16. Materials & Supplies (4)	0	0	0	0	0	0	0	
17. Total Investment	0	(10,510)	10,510	(2,545)	(2,006)	(539)	13,055	
18. Subtotal - Net								
19. Operating Income	N/A	N/A	(975)	236	186	50	(1,212)	
20. Total Net Operating Income	N/A	N/A	(2,773)	678	534	144	(3,452)	
21. Total Revenue Requirement	N/A	N/A	4,583	(1,121)	(883)	(238)	5,704	

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 28 of 36
Witness Responsible

Check Whether Data Is: Item # 27
Historic [X] or Projected [] Description USF 91-92
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company # (2)		Total Intrastate (4)	Intrastate Toll (5)	InterLATA (6)	IntraLATA (7)	Local (8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		0	3,634	(3,634)	0	0	0	(3,634)
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		0	(200)	200	0	0	0	200
9. FIT (3)		0	(1,168)	1,168	0	0	0	1,168
10. Subtotal - Net								
11. Operating Income		0	(2,266)	2,266	0	0	0	2,266
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		0	0	0	0	0	0	0
18. Subtotal - Net								
19. Operating Income		N/A	N/A	0	0	0	0	0
20. Total Net Operating Income		N/A	N/A	2,266	0	0	0	2,266
21. Total Revenue Requirement		N/A	N/A	(3,745)	0	0	0	(3,745)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b

Page 29 of 36

Witness Responsible

Check Whether Data Is: Item # 28
Historic [X] or Projected [] Description USF 92-93
Average [X] or Year End []

Line Effect No. On	(3 + 4) Total Company #	Interstate Toll	(5 + 8) Total Intrastate	(6 + 7) Intrastate Toll	Intrastate Toll		
					InterLATA	IntraLATA	Local
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue	0	0	0	0	0	0	0
2. Interstate	0	0	0	0	0	0	0
3. InterLATA	0	0	0	0	0	0	0
4. IntraLATA	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)	0	0	0	0	0	0	0
6. Operating Expenses	0	1,935	(1,935)	0	0	0	(1,935)
7. Other Taxes	0	0	0	0	0	0	0
8. SIT (2)	0	(106)	106	0	0	0	106
9. FIT (3)	0	(622)	622	0	0	0	622
Subtotal - Net							
Operating Income	0	(1,207)	1,207	0	0	0	1,207
12. Plant-In-Service	0	0	0	0	0	0	0
13. Depreciation Reserve	0	0	0	0	0	0	0
14. Plant Under Construction	0	0	0	0	0	0	0
15. Property for Future Use	0	0	0	0	0	0	0
16. Materials & Supplies (4)	0	0	0	0	0	0	0
17. Total Investment	0	0	0	0	0	0	0
18. Subtotal - Net							
19. Operating Income	N/A	N/A	0	0	0	0	0
20. Total Net Operating Income	N/A	N/A	1,207	0	0	0	1,207
21. Total Revenue Requirement	N/A	N/A	(1,995)	0	0	0	(1,995)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b

Page 30 of 36

Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Item # 29
Description SFAS 106 OPEBS

Line Effect No. On	(3 + 4)		(5 + 8)	(6 + 7)	Intrastate Toll		
	Total Company \$	Interstate Toll	Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue	0	0	0	0	0	0	0
2. Interstate	0	0	0	0	0	0	0
3. InterLATA	0	0	0	0	0	0	0
4. IntraLATA	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)	0	0	0	0	0	0	0
6. Operating Expenses	3,633	857	2,776	687	287	401	2,089
7. Other Taxes	0	0	0	0	0	0	0
8. SIT (2)	(200)	(47)	(153)	(38)	(16)	(22)	(115)
9. FIT (3)	(1,167)	(275)	(892)	(221)	(92)	(129)	(671)
Subtotal - Net							
Operating Income	(2,266)	(535)	(1,731)	(428)	(179)	(250)	(1,303)
12. Plant-In-Service	152	40	112	26	13	13	86
13. Depreciation Reserve	19	4	15	3	2	2	11
14. Plant Under Construction	0	0	0	0	0	0	0
15. Property for Future Use	0	0	0	0	0	0	0
16. Materials & Supplies (4)	1,775	476	1,299	300	151	148	999
17. Total Investment	1,908	512	1,396	322	163	160	1,074
18. Subtotal - Net							
Operating Income	N/A	N/A	(130)	(30)	(15)	(15)	(100)
20. Total Net Operating Income	N/A	N/A	(1,861)	(458)	(194)	(264)	(1,402)
21. Total Revenue Requirement	N/A	N/A	3,075	757	321	437	2,317

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Schedule A-6b

Company Southern Bell Telephone & Telegraph Co.

Page 31 of 36

Docket No. 920260-TL

Witness Responsible

Test Year 1991

Check Whether Data Is: Item # 30
Historic [X] or Projected [] Description Reorganization
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company #		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		(5,043)	0	(5,043)	0	0	0	(5,043)
2. Interstate		(1,147)	(1,147)	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		(2,680)	(284)	(2,396)	(171)	(141)	(30)	(2,225)
6. Operating Expenses		(27,947)	(6,905)	(21,042)	(5,814)	(2,225)	(3,589)	(15,228)
7. Other Taxes		780	75	705	145	56	89	560
8. SIT (2)		1,064	313	751	312	116	196	439
9. FIT (3)		5,822	1,724	4,098	1,754	646	1,109	2,344
10. Subtotal - Net								
11. Operating Income		11,411	3,362	8,049	3,431	1,267	2,165	4,618
12. Plant-In-Service		(30,241)	(7,691)	(22,550)	(4,527)	(2,362)	(2,165)	(18,023)
13. Depreciation Reserve		938	255	683	158	80	78	525
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		837	321	516	114	107	7	402
17. Total Investment		(30,342)	(7,625)	(22,717)	(4,571)	(2,335)	(2,235)	(18,146)
18. Subtotal - Net								
19. Operating Income		N/A	N/A	2,108	424	217	207	1,684
20. Total Net Operating Income		N/A	N/A	10,157	3,855	1,483	2,372	6,302
21. Total Revenue Requirement		N/A	N/A	(16,786)	(6,372)	(2,451)	(3,920)	(10,414)

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 32 of 36
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Item # 31
Description Belcore Inv & Divid

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company *		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		254	71	183	43	22	21	140
6. Operating Expenses		0	0	0	0	0	0	0
7. Other Taxes		3	1	2	1	0	0	2
8. SIT (2)		14	4	10	2	1	1	8
9. FIT (3)		79	21	58	14	7	7	44
Subtotal - Net								
.. Operating Income		158	45	113	26	13	13	86
12. Plant-In-Service		2,260	607	1,653	0	0	0	1,653
13. Depreciation Reserve		0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		2,260	607	1,653	0	0	0	1,653
18. Subtotal - Net								
19. Operating Income		N/A	N/A	(153)	0	0	0	(153)
20. Total Net Operating Income		N/A	N/A	(41)	26	13	13	(67)
21. Total Revenue Requirement		N/A	N/A	67	(44)	(22)	(21)	111

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 33 of 36
Witness Responsible

Check Whether Data Is: Item # 32
Historic [X] or Projected [] Description Reverse ENFIA
Average [X] or Year End []

Line Effect No. On	(3 + 4)		(5 + 8)		(6 + 7)		Intrastate Toll		Local (8)
	Total Company # (1)	Interstate Toll (2)	Total Intrastate (3)	Intrastate Toll (4)	InterLATA (5)	IntraLATA (6)	InterLATA (7)	IntraLATA (7)	
1. Local Revenue		0	0	0	0	0	0	0	0
2. Interstate		(1)	(1)	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		1	0	1	1	1	0	0	0
6. Operating Expenses		0	(415)	415	415	415	0	0	0
7. Other Taxes		0	(33)	33	33	33	0	0	0
8. SIT (2)		0	27	(27)	(25)	(25)	0	(2)	(2)
9. FIT (3)		0	164	(164)	(144)	(144)	0	(20)	(20)
Subtotal - Net									
Operating Income		0	256	(256)	(278)	(278)	0	22	22
12. Plant-In-Service		0	(2,397)	2,397	2,397	2,397	0	0	0
13. Depreciation Reserve		0	(934)	934	934	934	0	0	0
14. Plant Under Construction		0	(18)	18	18	18	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	(16)	16	16	16	0	0	0
17. Total Investment		0	(1,497)	1,497	1,497	1,497	0	0	0
18. Subtotal - Net									
19. Operating Income	N/A	N/A	(139)	(139)	(139)	(139)	0	0	0
20. Total Net Operating Income	N/A	N/A	(395)	(417)	(417)	(417)	0	22	22
21. Total Revenue Requirement	N/A	N/A	653	689	689	689	0	(36)	(36)

* Total Company column is total regulated.

- (1) Net of Uncollectibles.
- (2) Includes current expense and current deferred.
- (3) Includes current expense and current deferred, net of ITC.
- (4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 34 of 36
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Item # 33
Description Expiring Amortizations

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company *		Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local
		(2)	(3)	(4)	(5)	(6)	(7)	(8)
1. Local Revenue		(21,869)	0	(21,869)	0	0	0	(21,869)
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		391	0	391	0	0	0	391
6. Operating Expenses		0	0	0	0	0	0	0
7. Other Taxes		(262)	0	(262)	0	0	0	(262)
8. SIT (2)		(1,167)	0	(1,167)	0	0	0	(1,167)
9. FIT (3)		(6,817)	0	(6,817)	0	0	0	(6,817)
Subtotal - Net								
10. Operating Income		(13,232)	0	(13,232)	0	0	0	(13,232)
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		0	0	0	0	0	0	0
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		0	0	0	0	0	0	0
18. Subtotal - Net								
19. Operating Income		N/A	N/A	0	0	0	0	0
20. Total Net Operating Income		N/A	N/A	(13,232)	0	0	0	(13,232)
21. Total Revenue Requirement		N/A	N/A	21,868	0	0	0	21,868

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 35 of 36
Witness Responsible

Check Whether Data Is: Item # 34
Historic [X] or Projected [] Description 1992 Impact of Represcription
Average [X] or Year End []

Line Effect No. On	(1)	(3 + 4)	Interstate Toll	(5 + 8)	(6 + 7)	Intrastate Toll		
		Total Company # (2)		Total Intrastate (4)	Intrastate Toll (5)	InterLATA (6)	IntraLATA (7)	Local (8)
1. Local Revenue		0	0	0	0	0	0	0
2. Interstate		0	0	0	0	0	0	0
3. InterLATA		0	0	0	0	0	0	0
4. IntraLATA		0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)		0	0	0	0	0	0	0
6. Operating Expenses		(6,298)	(5,687)	(611)	(3,559)	(1,857)	(1,702)	2,948
7. Other Taxes		0	0	0	0	0	0	0
8. SIT (2)		158	143	15	90	47	43	(75)
9. FIT (3)		2,472	2,232	240	1,397	729	668	(1,157)
Subtotal - Net								
Operating Income		3,668	3,312	356	2,072	1,081	991	(1,716)
12. Plant-In-Service		0	0	0	0	0	0	0
13. Depreciation Reserve		(3,149)	(2,843)	(306)	(1,779)	(928)	(851)	1,473
14. Plant Under Construction		0	0	0	0	0	0	0
15. Property for Future Use		0	0	0	0	0	0	0
16. Materials & Supplies (4)		0	0	0	0	0	0	0
17. Total Investment		3,149	2,843	306	1,779	928	851	(1,473)
18. Subtotal - Net								
19. Operating Income		N/A	N/A	(28)	(165)	(86)	(79)	137
20. Total Net Operating Income		N/A	N/A	328	1,907	995	912	(1,579)
21. Total Revenue Requirement		N/A	N/A	(541)	(3,151)	(1,644)	(1,507)	2,610

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Analysis of Each
Rate Case Adjustment
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule A-6b
Page 36 of 36
Witness Responsible

Check Whether Data Is: Item # 35
Historic [X] or Projected [] Description 1993 Impact of Represcription
Average [X] or Year End []

Line Effect No. On	(3 + 4)		(5 + 8)		(6 + 7)		Intrastate Toll	
	Total Company *	Interstate Toll	Total Intrastate	Intrastate Toll	InterLATA	IntraLATA	Local	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1. Local Revenue	0	0	0	0	0	0	0	0
2. Interstate	0	0	0	0	0	0	0	0
3. InterLATA	0	0	0	0	0	0	0	0
4. IntraLATA	0	0	0	0	0	0	0	0
5. Miscellaneous Revenue (1)	0	0	0	0	0	0	0	0
6. Operating Expenses	25,773	6,538	19,235	4,631	2,136	2,495	14,604	
7. Other Taxes	0	0	0	0	0	0	0	0
8. SIT (2)	(647)	411	(1,058)	(254)	(117)	(137)	(804)	
9. FIT (3)	(9,944)	(3,202)	(6,742)	(1,623)	(748)	(875)	(5,119)	
Subtotal - Net								
Operating Income	(15,182)	(3,747)	(11,435)	(2,754)	(1,271)	(1,483)	(8,681)	
12. Plant-In-Service	0	0	0	0	0	0	0	0
13. Depreciation Reserve	12,887	3,270	9,617	2,316	1,068	1,248	7,301	
14. Plant Under Construction	0	0	0	0	0	0	0	0
15. Property for Future Use	0	0	0	0	0	0	0	0
16. Materials & Supplies (4)	0	0	0	0	0	0	0	0
17. Total Investment	(12,887)	(3,270)	(9,617)	(2,316)	(1,068)	(1,248)	(7,301)	
18. Subtotal - Net								
19. Operating Income	N/A	N/A	892	215	99	116	678	
20. Total Net Operating Income	N/A	N/A	(10,543)	(2,539)	(1,172)	(1,367)	(8,003)	
21. Total Revenue Requirement	N/A	N/A	17,423	4,196	1,937	2,259	13,227	

* Total Company column is total regulated.

(1) Net of Uncollectibles.

(2) Includes current expense and current deferred.

(3) Includes current expense and current deferred, net of ITC.

(4) Includes Cash Working Capital.

Supporting Schedules: B-1b, B-2a, B-2b, C-2b

Recap Schedules: A-6a

Rate Base Summary
Per Books
(000)

Schedule B-1a
Page 1 of 1
Witness Responsible

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☒ or Year End ☐

Line No.	Rate Base Component (1)	(3 + 4) Total Company (2)	Interstate Toll (3)	(5 + 8) Total Intrastate (4)	(6 + 7) Intrastate Toll (5)	Intrastate Toll		
						InterLATA (6)	IntraLATA (7)	Local (8)
1.	Plant in Service	\$8,762,002	\$2,361,224	\$6,400,778	\$1,479,152	\$744,792	\$734,360	\$4,921,626
2.	Less Reserve for							
3.	Accumulated							
4.	Depreciation	3,207,528	892,163	2,315,365	535,179	272,006	263,173	1,780,186
5.	Net Plant in Service	5,554,474	1,469,061	4,085,413	943,973	472,786	471,187	3,141,440
6.	Plus Short-Term Plant							
7.	Under Construction on							
8.	which no Interest Was							
9.	Charged	55,546	14,955	40,591	9,382	4,719	4,663	31,209
10.	Plus Property Held for							
11.	Future Telephone Use	327	88	239	55	28	27	184
12.	Plus Working Capital							
13.	Allowance	(18,497)	(7,644)	(10,853)	(2,521)	(984)	(1,537)	(8,332)
14.	Other Items							
15.	Rate Base	5,591,850	1,476,460	4,115,390	950,889	476,549	474,340	3,164,501

Supporting Schedules: A-2d, A-2e, C-1a

Recap Schedules: B-2a, B-2b

Rate Base Summary
Adjusted
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket 920260-TL
Test Year 1991

Schedule B-1b
Page 1 of 1
Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☒ or Year End ☐

Line No.	Rate Base Component (1)	(3 + 4) Total Company (2)	Interstate Toll (3)	(5 + 8) Total Intrastate (4)	(6 + 7) Intrastate Toll (5)	Intrastate Toll		
						InterLATA (6)	IntraLATA (7)	Local (8)
1.	Plant in Service	8,822,637	2,175,466	6,647,171	1,471,241	737,672	733,569	5,175,930
2.	Less Reserve for							
3.	Accumulated							
4.	Depreciation	3,196,983	812,390	2,384,592	528,104	267,481	260,623	1,856,488
5.	Net Plant in Service	5,625,655	1,363,076	4,262,578	943,137	470,191	472,946	3,319,441
6.	Plus Short-Term Plant							
7.	Under Construction on							
8.	which no Interest Was							
9.	Charged	55,546	13,390	42,156	9,292	4,648	4,644	32,864
10.	Plus Property Held for							
11.	Future Telephone Use	327	83	244	55	28	27	189
12.	Plus Working Capital							
13.	Allowance	(15,885)	(7,859)	(8,026)	(2,108)	(726)	(1,382)	(5,919)
14.	Other Items	0	0	0	0	0	0	0
15.	Rate Base	5,665,643	1,368,691	4,296,952	950,376	474,141	476,235	3,346,576

Supporting Schedules: A-6a, A-6b, B-2a, B-2b, C-1b

Recap Schedules: A-1a, A-2a, A-2b, A-2d, A-2e

920260-TL


Southern Bell

A. M. Lombardo
Assistant Vice President-Regulatory Relations

150 South Monroe Street
Suite 400
Tallahassee, Florida 32301

May 1, 1992

Mr. Steve C. Tribble
Director, Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32301

Re: Minimum Filing Requirements

Dear Mr. Tribble:

BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company ("Southern Bell") hereby submits the attached Minimum Filing Requirements ("MFRs") pursuant to FPSC Order 25552, in Docket No. 911109-TL.

Each set of Southern Bell's MFR filing with the Commission is contained in three (3) three-ring binders with the exception of four special "full" copies. The four "full" copies Southern Bell is filing are contained in eight three-ring binder sets. In addition to the information contained in the three volume set, the special "full" sets contain complete copies of the following Schedules:

- * Schedule B-5a Monthly Operating Reports
- * Schedule C-24h Microfiche Copy of monthly cost studies
- * Schedule C-24i Traffic and revenue settlements agreements

These schedules have been included in only a limited number of sets as agreed upon in our letter to you dated April 15, 1992. The schedules are available to the Public Couns

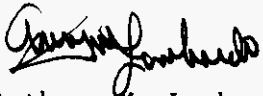
DOCUMENT NUMBER-DATE

04494 MAY -6 1992

FPSC-RECORDS/REPORTING

In the event additional information is needed to fulfill the MFR filing requirements, please contact me as soon as possible.

Sincerely,

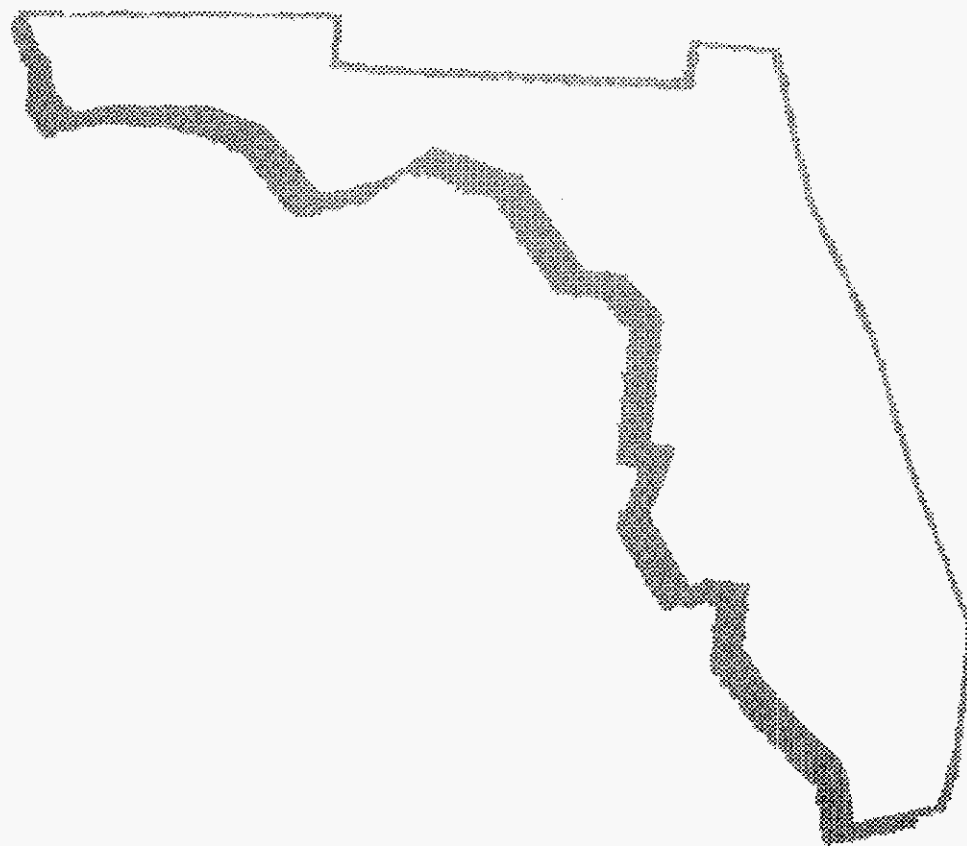
A handwritten signature in black ink, appearing to read "Anthony M. Lombardo". The signature is stylized with a large, looped initial "A" and a cursive "Lombardo".

Anthony M. Lombardo

cc: Office of the Public Counsel
Harris R. Anthony
R. Douglas Lackey

Attachments

MINIMUM FILING REQUIREMENTS
FOR SOUTHERN BELL - FLORIDA
VOLUME I





Southern Bell

A. W. "Wayne" Tubaugh
Manager - Network

Suite 400
150 South Monroe Street
Tallahassee, Florida 32301
(904) 222-1201

May 5, 1992

Mr. Walter D'Haeseleer, Director
Division of Communications
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

In our minimum filing requirement in Docket 920260-TL filed on May 1, 1992, under Schedule F2 we advised you that the Demand and Facility Charts were available for review. To expedite the review of our filing we have attached Four (4) copies of the Demand and Facility Charts in Volumes 8, 9, and 10. The attached Volumes 8, 9, and 10 contain the D & F Charts for North Florida, South Florida, Southeast and Central Florida, respectively.

Should you have any questions please call Wayn Tubaugh at (904) 222-1201.

Sincerely,

for
A. W. Tubaugh

Summary of Adjustments to Rate Base
(Total Company)
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1991

Schedule B-2a
Page 1 Of 3
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Entry No.	Description	Plant in Service	Depr. Reserve	Plant Under Construction	Property for Future Use	Materials & Supplies	Cash Working Capital	Total Investment Rate Base	Effect on NOI
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Unadjusted	8,762,002	3,207,528	55,546	327	38,514	(57,011)	5,591,850	N/A
	1	Excess Plug Ins	(17,950)	0	0	0	0	0	(17,950)	N/A
	2	WECD Tax Credits	66,957	21,004	0	0	0	0	45,953	N/A
	3	BellSouth Services	38,783	0	0	0	0	0	38,783	N/A
	4	ENFIA	0	0	0	0	0	0	0	N/A
	5	Other Rate Base Adj.	674	(4,653)	0	0	0	0	5,327	N/A
	6	Out of Period Rev & Setl	0	0	0	0	0	0	0	N/A
	7	Out of Period Expenses	0	0	0	0	0	0	0	N/A
	8	Out of Period MR & FR Tax	0	0	0	0	0	0	0	N/A
	9	Out of Period Revenue	0	0	0	0	0	0	0	N/A
	10	1992 Depreciation	0	(11,483)	0	0	0	0	11,483	N/A
	11	1993 Depreciation	0	(26,108)	0	0	0	0	26,108	N/A
	12	Other Reg./Nonreg. Adjust	0	0	0	0	0	0	0	N/A

Summary of Adjustments to Rate Base
(Total Company)
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1991

Schedule B-2a
Page 2 of 3
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Entry No.	Description	Plant in Service	Depr. Reserve	Plant Under Construction	Property for Future Use	Materials & Supplies	Cash Working Capital	Total Investment Rate Base	Effect on NOI
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	13	Yellow Page Profits	0	0	0	0	0	0	0	N/A
	14	Gains on Sale of Property	0	0	0	0	0	0	0	N/A
	15	Inc Rel to Temp Cash Inv	0	0	0	0	0	0	0	N/A
	16	Int Reconcil & AFUDC Debt	0	0	0	0	0	0	0	N/A
	17	Interest Imputation	0	0	0	0	0	0	0	N/A
	18	Lobbying Expense	0	0	0	0	0	0	0	N/A
	19	Corporate Advertising Exp	0	0	0	0	0	0	0	N/A
	20	Abandoned Projects	0	0	0	0	0	0	0	N/A
	21	Casualty Expense	0	0	0	0	0	0	0	N/A
	22	Other Regulatory Adj	0	0	0	0	0	0	0	N/A
	23	SPF 1991-1992	0	0	0	0	0	0	0	N/A
	24	SPF 1992-1993	0	0	0	0	0	0	0	N/A
	25	DEM 1991-1992	0	0	0	0	0	0	0	N/A

Summary of Adjustments to Rate Base
(Total Company)
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1991

Schedule B-2a
Page 3 of 3
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Entry No.	Description	Plant in Service	Depr. Reserve	Plant Under Construction	Property for Future Use	Materials & Supplies	Cash Working Capital	Total Investment Rate Base	Effect on NOI
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	26	DEM 1992-1993	0	0	0	0	0	0	0	N/A
	27	USF 91-92	0	0	0	0	0	0	0	N/A
	28	USF 92-93	0	0	0	0	0	0	0	N/A
	29	SFAS 106 OPEBS	152	19	0	0	0	1,775	1,908	N/A
	30	Reorganization	(30,241)	938	0	0	6,540	(5,703)	(30,342)	N/A
	31	Bellcore Inv & Divid	2,260	0	0	0	0	0	2,260	N/A
	32	Reverse ENFIA	0	0	0	0	0	0	0	N/A
	33	Expiring Amortizations	0	0	0	0	0	0	0	N/A
	34	1992 Impact of Represcrip	0	(3,149)	0	0	0	0	3,149	N/A
	35	1993 Impact of Represcrip	0	12,887	0	0	0	0	(12,887)	N/A
Adjusted Results			8,822,637	3,196,983	55,546	327	45,054	(60,939)	5,665,643	

Summary of Adjustments to Rate Base
(Intrastate)
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1991

Schedule B-2b
Page 1 of 3
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Entry No.	Description	Plant in Service	Depr. Reserve	Plant Under Construction	Property for Future Use	Materials & Supplies	Cash Working Capital	Total Investment Rate Base	Effect on NDI
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Unadjusted	6,400,778	2,315,365	40,591	239	27,570	(38,423)	4,115,390	N/A
	1	Excess Plug Ins	(13,224)	0	0	0	0	0	(13,224)	1,227
	2	WECO Tax Credits	48,560	15,194	0	0	0	0	33,366	(3,096)
	3	BellSouth Services	28,402	0	0	0	0	0	28,402	(2,636)
	4	ENFIA	(2,397)	(934)	(18)	0	0	(16)	(1,497)	139
	5	Other Rate Base Adj.	575	(4,675)	0	0	0	0	5,250	(487)
	6	Out of Period Rev & Setl	0	0	0	0	0	0	0	0
	7	Out of Period Expenses	0	0	0	0	0	0	0	0
	8	Out of Period MR & FR Tax	0	0	0	0	0	0	0	0
	9	Out of Period Revenue	0	0	0	0	0	0	0	0
	10	1992 Depreciation	0	(8,435)	0	0	0	0	8,435	(783)
	11	1993 Depreciation	0	(20,222)	0	0	0	0	20,222	(1,877)
	12	Other Reg./Nonreg. Adjust	0	0	0	0	0	0	0	0

Supporting Schedules: A-2a, A-2b, A-2d, A-2e, A-6a, A-6b, C-1a, C-1b

Recap Schedules: A-1a, B-1a, B-1b

Summary of Adjustments to Rate Base
(Intrastate)
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1991

Schedule B-2b
Page 2 of 3
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Entry No.	Description	Plant in Service	Depr. Reserve	Plant Under Construction	Property for Future Use	Materials & Supplies	Cash Working Capital	Total Investment Rate Base	Effect on NOI
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	13	Yellow Page Profits	0	0	0	0	0	0	0	0
	14	Gains on Sale of Property	0	0	0	0	0	0	0	0
	15	Inc Rel to Temp Cash Inv	0	0	0	0	0	0	0	0
	16	Int Reconcil & AFUDC Debt	0	0	0	0	0	0	0	0
	17	Interest Imputation	0	0	0	0	0	0	0	0
	18	Lobbying Expense	0	0	0	0	0	0	0	0
	19	Corporate Advertising Exp	0	0	0	0	0	0	0	0
	20	Abandoned Projects	0	0	0	0	0	0	0	0
	21	Casualty Expense	0	0	0	0	0	0	0	0
	22	Other Regulatory Adj	0	0	0	0	0	0	0	0
	23	SPF 1991-1992	77,478	30,206	598	2	506	0	48,378	(4,489)
	24	SPF 1992-1993	77,478	30,206	598	2	506	0	48,378	(4,489)
	25	DEM 1991-1992	31,874	11,297	246	1	0	0	20,824	(1,932)

Supporting Schedules: A-2a, A-2b, A-2d, A-2e, A-6a, A-6b, C-1a, C-1b

Recap Schedules: A-1a, B-1a, B-1b

Summary of Adjustments to Rate Base
(Intrastate)
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1991

Schedule B-2b
Page 3 of 3
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Entry No.	Description	Plant in Service	Depr. Reserve	Plant Under Construction	Property for Future Use	Materials & Supplies	Cash Working Capital	Total Investment Rate Base	Effect on NOI
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	26	DEM 1992-1993	16,035	5,648	123	0	0	0	10,510	(975)
	27	USF 91-92	0	0	0	0	0	0	0	0
	28	USF 92-93	0	0	0	0	0	0	0	0
	29	SFAS 106 OPEBS	112	15	0	0	0	1,299	1,396	(130)
	30	Reorganization	(22,550)	683	0	0	4,682	(4,166)	(22,717)	2,108
	31	Bellcore Inv & Divid	1,653	0	0	0	0	0	1,653	(153)
	32	Reverse ENFIA	2,397	934	18	0	0	16	1,497	(139)
	33	Expiring Amortizations	0	0	0	0	0	0	0	0
	34	1992 Impact of Represcrip	0	(306)	0	0	0	0	306	(28)
	35	1993 Impact of Represcrip	0	9,617	0	0	0	0	(9,617)	892
		Adjusted Results	6,647,171	2,384,592	42,156	244	33,264	(41,290)	4,296,952	(16,849)

Supporting Schedules: A-2a, A-2b, A-2d, A-2e, A-6a, A-6b, C-1a, C-1b

Recap Schedules: A-1a, B-1a, B-1b

Comparative Balance Sheets
for the Test Period
and Prior Year

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3a
Page 1 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Total Southern Bell 1990	1991	Difference (3-2)	% Change
	(1)	(2)	(3)	(4)	
1	CURRENT ASSETS				
2	1130 Cash	44,395,415	54,597,697	10,202,282	23%
3	1140 Special Cash Deposits	4,978,020	3,512,304	(1,465,716)	-29%
4	1150 Working Cash Advance	1,464,875	953,205	(511,670)	-35%
5	1160 Temporary Investments	(1,250,000)	0	1,250,000	100%
6	1180 Telecomm. Accounts Receivable	1,075,139,886	1,053,770,855	(21,369,031)	-2%
7	1181 Telecomm. Accounts Rec. Allowance	(50,100,139)	(49,911,280)	188,859	0%
8	1190 Other Accounts Receivable	56,515,290	61,463,322	4,948,032	9%
9	1191 Accounts Receivable Allowance-Other	0	0	0	0%
10	1200 Notes Receivable	367,739	248,626	(119,113)	-32%
11	1201 Notes Receivable Allowance	0	0	0	0%
12	1210 Interest and Dividends Receivable	4,514,115	4,778,631	264,516	6%
13	1220 Material and Supplies	145,226,748	143,795,718	(1,431,031)	-1%
14	1290 Prepaid Rents	988,396	794,801	(193,595)	-20%
15	1300 Prepaid Taxes	3,611,587	2,884,835	(726,752)	-20%
16	1310 Prepaid Insurance	3,024,710	5,920,779	2,896,069	96%
17	1320 Prepaid Directory Expenses	0	0	0	0%
18	1330 Other Prepayments	9,895,573	6,704,747	(3,190,826)	-32%
19	1350 Other Current Assets	1,211,935	480	(1,211,455)	-100%
20	TOTAL CURRENT ASSETS	1,299,984,151	1,289,514,721	(10,469,429)	-1%
21					
22	NONCURRENT ASSETS				
23	1401 Investments in Affiliated Co. †	121,519,242	101,332,028	(20,187,213)	-17%
24	1402 Inv. In Nonaffiliated Co.	1,973,198	1,631,414	(341,784)	-17%
25	1406 Nonregulated Investments	0	0	0	0%
26	1407 Unamortized Debt Issuance Expense	151,344,514	146,896,016	(4,448,498)	-3%
27	1408 Sinking Funds	0	0	0	0%
28	1410 Other Noncurrent Assets	35,012,098	15,214,557	(19,797,541)	-57%
29	1438 Deferred Maint. & Retire.	13,182,349	4,381,851	(8,800,498)	-67%
30	1439 Deferred Charges	255,159,572	226,172,793	(28,986,778)	-11%
31	1500 Other Jurisdictional Assets - Net	0	0	0	0%
32	TOTAL NONCURRENT ASSETS	578,190,974	495,628,660	(82,562,314)	-14%
33					

† Account 1401 for 1991 has been adjusted to remove \$1,104,177 investment in BCI.

Supporting Schedules:

Recap Schedules: B-3b, B-6c

Comparative Balance Sheets
for the Test Period
and Prior Year

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3a
Page 2 of 4
Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☒ or Year End ☐

Line No.	Description	Total Southern Bell 1990	1991	Difference (3-2)	% Change
---	-----	-----	-----	-----	-----
	(1)	(2)	(3)	(4)	
34	TELEPHONE PLANT IN SERVICE				
35	2001 Telecomm. Plant in Service	20,241,967,923	20,558,402,730	316,434,807	2%
36	2002 Property Held for Future Use	1,253,595	701,374	(552,221)	-44%
37	2003 Plant under Construction - Short Term	137,790,859	126,435,587	(11,355,272)	-8%
38	2004 Plant under Construction - Long Term	62,088,813	67,843,824	5,755,011	9%
39	2005 Plant Adjustment	771,513	330,648	(440,864)	-57%
40	2006 Nonoperating Plant	18,922,241	18,439,441	(482,800)	-3%
41	2007 Goodwill	0	0	0	0%
42	SUBTOTAL	20,462,794,944	20,772,153,605	309,358,661	2%
43	LESS:				
44	3100 Acc. Depreciation	(7,228,457,026)	(7,371,348,973)	(142,891,947)	-2%
45	3200 Acc. Depreciation - Held for Future Use	(28,396)	(21,376)	7,020	25%
46	3300 Acc. Depreciation - Nonoperating	(7,405,232)	(8,018,850)	(613,618)	-8%
47	3410 Acc. Amort. - Capitalized Leases	(47,856,304)	(10,005,102)	37,851,202	79%
48	3420 Acc. Amort. - Leasehold Improvements	(16,468,811)	(18,353,145)	(1,884,334)	-11%
49	3500 Acc. Amort. Intangible	0	0	0	0%
50	3600 Acc. Amort. - Other	0	0	0	0%
51	SUBTOTAL	(7,300,215,769)	(7,407,747,445)	(107,531,676)	-1%
52	NET TELEPHONE PLANT IN SERVICE	13,162,579,175	13,364,406,160	201,826,985	2%
53					
54	TOTAL ASSETS	15,040,754,299	15,149,549,541	108,795,241	1%

Comparative Balance Sheets
for the Test Period
and Prior Year

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3a
Page 3 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Total Southern Bell 1990	1991	Difference (3-2)	% Change
	(1)	(2)	(3)	(4)	
55	CURRENT LIABILITIES				
56	4010 Accounts Payable	573,661,620	547,212,776	(26,468,844)	-5%
57	4020 Notes Payable	444,459,583	527,902,083	83,442,500	19%
58	4030 Advanced Billing and Payments	164,210,674	168,550,937	4,340,263	3%
59	4040 Customers' Deposits	91,038,496	103,698,552	12,660,056	14%
60	4050 Current Maturities - Long Term	0	0	0	0%
61	4060 Current Maturities - Capital Leases	9,610,493	4,752,968	(4,857,525)	-51%
62	4070 Income Taxes - Accrued	72,968,155	70,119,852	(2,848,303)	-4%
63	4080 Other Taxes - Accrued	121,781,068	115,004,023	(6,777,045)	-6%
64	4100 Net Current Deferred Op. Inc. Taxes	1,165,035	(9,461,814)	(10,626,849)	-912%
65	4110 Net Current Def. Nonop. Inc. Taxes	151,971	684,540	532,569	350%
66	4120 Other Accrued Liabilities	400,979,752	418,375,517	17,395,765	4%
67	4130 Other Long-Term Debt	24,014,227	22,337,537	(1,676,690)	-7%
68	TOTAL CURRENT LIABILITIES	1,904,061,075	1,969,176,972	65,115,897	3%
69					
70	LONG-TERM DEBT				
71	4210 Funded Debt	3,600,000,000	3,600,000,000	0	0%
72	4220 Premium on Long-Term Debt	393,667	355,889	(37,778)	-10%
73	4230 Discount on Long-Term Debt	(40,292,300)	(39,068,106)	1,224,195	3%
74	4240 Recquired Debt	0	0	0	0%
75	4250 Obligations under Capital Leases	18,521,557	12,931,821	(5,589,736)	-30%
76	4260 Advanced from Affiliated Companies	0	0	0	0%
77	4270 Other Long-Term Debt	956,610	756,093	(200,517)	-21%
78	TOTAL LONG-TERM DEBT	3,579,579,534	3,574,975,697	(4,603,837)	0%
79					

Comparative Balance Sheets
for the Test Period
and Prior Year

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3a
Page 4 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Total Southern Bell 1990	1991	Difference (3-2)	% Change
---	-----	-----	-----	-----	-----
	(1)	(2)	(3)	(4)	
80	OTHER LIABILITIES AND DEFERRED CREDITS				
81	4310 Other Long-Term Liabilities	81,188,727	211,224,645	130,035,918	160%
82	4320 Unamortized Operating ITC - Net	480,603,471	412,013,433	(68,590,038)	-14%
83	4330 Unamortized Nonoperating ITC - Net	231	21	(210)	-91%
84	4340 Net Noncur. Def. Oper. Income Taxes	2,358,495,367	2,269,899,670	(88,595,697)	-4%
85	4350 Net Noncur. Def. Nonoper. Income Taxes	55,362	178,581	123,218	223%
86	4360 Other Deferred Credits	112,355,588	116,211,093	3,855,505	3%
87	4370 Other Juris. Liab. & Def. Credits	0	0	0	0%
88	TOTAL OTHER LIAB. & DEF. CREDITS	3,032,698,747	3,009,527,444	(23,171,303)	-1%
89					
90	STOCKHOLDER'S EQUITY				
91	4510 Capital Stock *	4,294,605,803	4,293,518,414	(1,087,389)	0%
92	4520 Additional Paid-in Capital	0	9,239	9,239	100%
93	4530 Treasury Stock	0	0	0	0%
94	4540 Other Capital	0	3,464	3,464	100%
95	4550 Retained Earnings **	2,229,809,140	2,302,338,311	72,529,171	3%
96					
97	TOTAL STOCKHOLDER'S EQUITY	6,524,414,943	6,595,869,428	71,454,485	1%
98					
99	TOTAL LIABILITIES AND EQUITY	15,040,754,299	15,149,549,541	108,795,242	1%

* Account 4510 in 1991 has been adjusted to remove \$1,087,389 equity impact of BCI.
** Account 4550 in 1991 has been adjusted to remove \$16,788 equity impact of BCI.

Supporting Schedules:

Recap Schedules:

Comparative Balance Sheets
for the Test Period
and Prior Year
(Florida)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3a
Page 1 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Florida Data		Difference	% Change
		1990	1991	(3-2)	
	(1)	(2)	(3)	(4)	
1	CURRENT ASSETS				
2	1130 Cash	18,724,203	22,799,798	4,075,595	22%
3	1140 Special Cash Deposits	2,099,529	1,466,725	(632,804)	-30%
4	1150 Working Cash Advance	617,826	398,055	(219,771)	-36%
5	1160 Temporary Investments	(527,200)	0	527,200	100%
6	1180 Telecomm. Accounts Receivable	453,450,834	440,050,844	(13,399,990)	-3%
7	1181 Telecomm. Accounts Rec. Allowance	(21,130,227)	(20,842,767)	287,460	1%
8	1190 Other Accounts Receivable	23,835,880	25,666,858	1,830,978	8%
9	1191 Accounts Receivable Allowance-Other	0	0	0	0%
10	1200 Notes Receivable	155,097	103,825	(51,272)	-33%
11	1201 Notes Receivable Allowance	0	0	0	0%
12	1210 Interest and Dividends Receivable	1,903,872	1,995,539	91,667	5%
13	1220 Material and Supplies	34,823,271	38,514,118	3,690,847	11%
14	1290 Prepaid Rents	416,866	331,906	(84,960)	-20%
15	1300 Prepaid Taxes	1,523,222	1,204,696	(318,526)	-21%
16	1310 Prepaid Insurance	1,275,702	2,472,496	1,196,794	94%
17	1320 Prepaid Directory Expenses	0	0	0	0%
18	1330 Other Prepayments	4,173,555	2,799,878	(1,373,677)	-33%
19	1350 Other Current Assets	511,145	201	(510,944)	-100%
20	TOTAL CURRENT ASSETS	521,853,575	516,962,172	(4,891,403)	-1%
21					
22	NONCURRENT ASSETS				
23	1401 Investments in Affiliated Co.	51,251,937	42,315,884	(8,936,053)	-17%
24	1402 Inv. in Nonaffiliated Co.	832,216	681,272	(150,944)	-18%
25	1406 Nonregulated Investments	0	0	0	0%
26	1407 Unamortized Debt Issuance Expense	63,831,039	61,343,238	(2,487,801)	-4%
27	1408 Sinking Funds	0	0	0	0%
28	1410 Other Noncurrent Assets	14,766,697	6,353,543	(8,413,154)	-57%
29	1438 Deferred Maint. & Retire.	5,559,785	1,829,845	(3,729,940)	-67%
30	1439 Deferred Charges	107,616,062	94,448,929	(13,167,133)	-12%
31	1500 Other Jurisdictional Assets - Net	0	0	0	0%
32	TOTAL NONCURRENT ASSETS	243,857,736	206,972,711	(36,885,025)	-15%
33					

Note: This balance sheet is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Comparative Balance Sheets
for the Test Period
and Prior Year
(Florida)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3a
Page 2 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Florida Data		Difference (3-2)	% Change
		1990	1991		
	(1)	(2)	(3)	(4)	
34	TELEPHONE PLANT IN SERVICE				
35	2001 Telecomm. Plant in Service	8,719,460,227	8,762,002,309	42,542,082	0%
36	2002 Property Held for Future Use	706,399	327,030	(379,369)	-54%
37	2003 Plant under Construction - Short Term	53,799,440	55,546,355	1,746,915	3%
38	2004 Plant under Construction - Long Term	26,891,208	32,913,441	6,022,233	22%
39	2005 Plant Adjustment	0	0	0	0%
40	2006 Nonoperating Plant	7,980,641	7,700,243	(280,398)	-4%
41	2007 Goodwill	0	0	0	0%
42	SUBTOTAL	8,808,837,915	8,858,489,378	49,651,463	1%
43	LESS:				
44	3100 Acc. Depreciation	(3,145,744,969)	(3,197,682,101)	(51,937,132)	-2%
45	3200 Acc. Depreciation - Held for Future Use	(24,685)	(14,154)	10,531	43%
46	3300 Acc. Depreciation - Nonoperating	(3,123,229)	(3,348,642)	(225,413)	-7%
47	3410 Acc. Amort. - Capitalized Leases	(12,376,321)	(3,331,642)	9,044,680	73%
48	3420 Acc. Amort. - Leasehold Improvements	(6,556,614)	(6,500,461)	56,153	1%
49	3500 Acc. Amort. Intangible	0	0	0	0%
50	3600 Acc. Amort. - Other	0	0	0	0%
51	SUBTOTAL	(3,167,825,818)	(3,210,876,999)	(43,051,181)	-1%
52	NET TELEPHONE PLANT IN SERVICE	5,641,012,097	5,647,612,379	6,600,282	0%
53					
54	TOTAL ASSETS	6,406,723,408	6,371,547,262	(35,176,146)	-1%

Note: This balance sheet is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Supporting Schedules:

Recap Schedules:

Comparative Balance Sheets
for the Test Period
and Prior Year
(Florida)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3a
Page 3 of 4
Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☒ or Year End ☐

Line No.	Description	Florida Data		Difference	% Change
		1990	1991	(3-2)	
	(1)	(2)	(3)	(4)	
55	CURRENT LIABILITIES				
56	4010 Accounts Payable	241,955,873	228,514,048	(13,441,825)	-6%
57	4020 Notes Payable	187,455,206	220,449,974	32,994,768	18%
58	4030 Advanced Billing and Payments	69,257,469	70,386,253	1,128,784	2%
59	4040 Customers' Deposits	49,502,236	53,423,096	3,920,860	8%
60	4050 Current Maturities - Long Term	0	0	0	0%
61	4060 Current Maturities - Capital Leases	4,053,320	1,984,822	(2,068,498)	-51%
62	4070 Income Taxes - Accrued	30,775,038	29,281,793	(1,493,245)	-5%
63	4080 Other Taxes - Accrued	51,362,365	48,025,258	(3,337,107)	-6%
64	4100 Net Current Deferred Op. Inc. Taxes	(7,306,730)	(13,160,576)	(5,853,846)	-80%
65	4110 Net Current Def. Monop. Inc. Taxes	64,095	285,861	221,766	346%
66	4120 Other Accrued Liabilities	169,117,158	174,712,081	5,594,923	3%
67	4130 Other Long-Term Debt	10,128,237	9,328,074	(800,163)	-8%
68	TOTAL CURRENT LIABILITIES	806,364,267	823,230,684	16,866,418	2%
69					
70	LONG-TERM DEBT				
71	4210 Funded Debt	1,518,335,450	1,503,346,795	(14,988,655)	-1%
72	4220 Premium on Long-Term Debt	166,033	148,618	(17,415)	-10%
73	4230 Discount on Long-Term Debt	(16,993,674)	(16,314,698)	678,976	4%
74	4240 Recquired Debt	0	0	0	0%
75	4250 Obligations under Capital Leases	7,811,649	5,400,281	(2,411,368)	-31%
76	4260 Advanced from Affiliated Companies	0	0	0	0%
77	4270 Other Long-Term Debt	403,460	315,741	(87,719)	-22%
78	TOTAL LONG-TERM DEBT	1,509,722,918	1,492,896,737	(16,826,181)	-1%
79					

Note: This balance sheet is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Supporting Schedules:

Recap Schedules:

Comparative Balance Sheets
for the Test Period
and Prior Year
(Florida)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3a
Page 4 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Florida Data		Difference (3-2)	% Change
		1990	1991		
	(1)	(2)	(3)	(4)	
80	OTHER LIABILITIES AND DEFERRED CREDITS				
81	4310 Other Long-Term Liabilities	34,242,145	88,206,637	53,964,492	158%
82	4320 Unamortized Operating ITC - Net	226,835,042	194,002,681	(32,832,361)	-14%
83	4330 Unamortized Nonoperating ITC - Net	97	9	(88)	-91%
84	4340 Net Noncur. Def. Oper. Income Taxes	1,041,518,121	980,314,693	(61,203,428)	-6%
85	4350 Net Noncur. Def. Nonoper. Income Taxes	23,349	74,575	51,226	219%
86	4360 Other Deferred Credits	47,387,076	48,529,326	1,142,250	2%
87	4370 Other Juris. Liab. & Def. Credits	0	0	0	0%
88	TOTAL OTHER LIAB. & DEF. CREDITS	1,350,005,830	1,311,127,921	(38,877,909)	-3%
89					
90	STOCKHOLDER'S EQUITY				
91	4510 Capital Stock	1,811,292,287	1,792,957,541	(18,334,746)	-1%
92	4520 Additional Paid-in Capital	0	3,858	3,858	100%
93	4530 Treasury Stock	0	0	0	0%
94	4540 Other Capital	0	1,447	1,447	100%
95	4550 Retained Earnings	940,443,961	961,448,036	21,004,075	2%
96					
97	TOTAL STOCKHOLDER'S EQUITY	2,751,736,248	2,754,410,882	2,674,634	0%
98					
99	Allocation Adjustment	(11,105,854)	(10,118,961)	986,893	9%
100					
101	TOTAL LIABILITIES AND EQUITY	6,406,723,408	6,371,547,262	(35,176,146)	-1%

Note: This balance sheet is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Supporting Schedules:

Recap Schedules:

Separated Balance Sheets
for the Test Period and Prior Year
1991 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule 6-3b
Page 1 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated \$	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	Local
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	CURRENT ASSETS								
2	1130 Cash	54,597,697	22,799,798	6,119,155	16,680,643	3,849,767	1,906,631	1,943,136	12,830,876
3	1140 Special Cash Deposits	3,512,304	1,466,725	393,649	1,073,076	247,658	122,655	125,003	825,418
4	1150 Working Cash Advance	953,205	398,055	106,833	291,222	67,212	33,287	33,925	224,010
5	1160 Temporary Investments	0	0	0	0	0	0	0	0
6	1180 Telecom. Accounts Receivable	1,053,770,855	440,050,844	118,103,654	321,947,190	74,302,997	36,799,212	37,503,785	247,644,193
7	1181 Telecom. Accounts Rec. Allowance	(49,911,280)	(20,842,767)	(5,593,915)	(15,248,852)	(3,519,320)	(1,742,974)	(1,776,346)	(11,729,532)
8	1190 Other Accounts Receivable	61,463,322	25,666,858	6,888,635	18,778,223	4,333,873	2,146,389	2,187,484	14,444,350
9	1191 Accounts Receivable Allowance-Other	0	0	0	0	0	0	0	0
10	1200 Notes Receivable	248,626	103,825	27,865	75,960	17,531	8,682	8,849	58,429
11	1201 Notes Receivable Allowance	0	0	0	0	0	0	0	0
12	1210 Interest and Dividends Receivable	4,778,631	1,995,539	535,575	1,459,964	336,949	166,877	170,072	1,123,015
13	1220 Material and Supplies	143,795,718	38,514,118	10,944,107	27,570,011	6,347,781	2,855,429	3,492,352	21,222,230
14	1290 Prepaid Rents	794,801	331,906	89,079	242,827	56,043	27,756	28,287	186,784
15	1300 Prepaid Taxes	2,884,835	1,204,696	323,324	881,372	203,414	100,743	102,671	677,958
16	1310 Prepaid Insurance	5,920,779	2,472,496	663,584	1,808,912	417,483	206,762	210,721	1,391,429
17	1320 Prepaid Directory Expenses	0	0	0	0	0	0	0	0
18	1330 Other Prepayments	6,704,747	2,799,878	751,449	2,048,429	472,762	234,140	238,622	1,575,667
19	1350 Other Current Assets	480	201	54	147	34	17	17	113
20	TOTAL CURRENT ASSETS	1,289,514,721	516,962,172	139,353,048	377,609,124	87,134,184	42,865,606	44,268,578	290,474,940
21									
22	NONCURRENT ASSETS								
23	1401 Investments in Affiliated Co. **	101,332,028	42,315,884	11,357,007	30,958,877	7,145,077	3,538,662	3,606,415	23,813,800
24	1402 Inv. in Nonaffiliated Co.	1,631,414	681,272	182,844	498,428	115,033	56,971	58,062	383,395
25	1406 Nonregulated Investments	0	0	0	0	0	0	0	0
26	1407 Unamortized Debt Issuance Expense	146,896,016	61,343,238	16,463,690	44,879,548	10,357,863	5,129,823	5,228,040	34,521,685
27	1408 Sinking Funds	0	0	0	0	0	0	0	0
28	1410 Other Noncurrent Assets	15,214,557	6,353,543	1,705,204	4,648,339	1,072,801	531,314	541,487	3,575,538
29	1438 Deferred Maint. & Retire.	4,381,851	1,829,845	491,105	1,338,740	308,971	153,021	155,950	1,029,769
30	1439 Deferred Charges	226,172,793	94,448,929	25,348,806	69,100,123	15,947,790	7,898,283	8,049,507	53,152,333
31	1500 Other Jurisdictional Assets - Net	0	0	0	0	0	0	0	0
32	TOTAL NONCURRENT ASSETS	495,628,660	206,972,711	55,548,656	151,424,055	34,947,535	17,308,074	17,639,461	116,476,520
33									

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

** Total Southern Bell has been adjusted to remove \$1,104,177 investment in BCI.

Separated Balance Sheets
for the Test Period and Prior Year
1991 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3b
Page 2 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated \$	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	Local
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
34	TELEPHONE PLANT IN SERVICE								
35	2001 Telecomm. Plant in Service	20,558,402,730	8,762,002,309	2,361,224,046	6,400,778,263	1,479,152,095	734,359,898	744,792,197	4,921,626,168
36	2002 Property Held for Future Use	701,374	327,030	88,132	238,898	55,199	27,436	27,763	183,699
37	2003 Plant under Construction - Short Term	126,435,587	55,546,355	14,955,380	40,590,975	9,381,888	4,662,672	4,719,216	31,209,087
38	2004 Plant under Construction - Long Term	67,843,824	32,913,441	8,860,265	24,053,176	5,559,278	2,761,646	2,797,632	18,493,898
39	2005 Plant Adjustment	330,648	0	0	0	0	0	0	0
40	2006 Nonoperating Plant	18,439,441	7,700,243	2,066,640	5,633,603	1,300,193	643,932	656,261	4,333,410
41	2007 Goodwill	0	0	0	0	0	0	0	0
42	SUBTOTAL	20,772,153,605	8,858,489,378	2,387,194,463	6,471,294,915	1,495,448,653	742,455,584	752,993,069	4,975,846,262
43	LESS:								
44	3100 Acc. Depreciation	(7,371,348,973)	(3,197,682,101)	(889,865,235)	(2,307,816,865)	(533,494,071)	(262,255,281)	(271,238,789)	(1,774,322,795)
45	3200 Acc. Depreciation - Held for Future Use	(21,376)	(14,154)	(3,819)	(10,335)	(2,388)	(1,185)	(1,203)	(7,947)
46	3300 Acc. Depreciation - Nonoperating	(8,018,850)	(3,348,642)	(898,730)	(2,449,912)	(565,421)	(280,030)	(285,391)	(1,884,491)
47	3410 Acc. Amort. - Capitalized Leases	(10,005,102)	(3,331,642)	(777,459)	(2,554,183)	(570,307)	(310,674)	(259,633)	(1,983,876)
48	3420 Acc. Amort. - Leasehold Improvements	(18,353,145)	(6,500,461)	(1,516,922)	(4,983,539)	(1,112,742)	(606,166)	(506,577)	(3,870,797)
49	3500 Acc. Amort. Intangible	0	0	0	0	0	0	0	0
50	3600 Acc. Amort. - Other	0	0	0	0	0	0	0	0
51	SUBTOTAL	(7,407,747,445)	(3,210,876,999)	(893,062,165)	(2,317,814,834)	(535,744,929)	(263,453,336)	(272,291,592)	(1,782,069,906)
52	NET TELEPHONE PLANT IN SERVICE	13,364,406,160	5,647,612,379	1,494,132,298	4,153,480,081	959,703,724	479,002,248	480,701,477	3,193,776,356
53									
54	TOTAL ASSETS	15,149,549,541	6,371,547,262	1,689,034,002	4,682,513,260	1,081,785,443	539,175,928	542,609,516	3,600,727,816

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Separated Balance Sheets
for the Test Period and Prior Year
1991 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3b
Page 3 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated \$	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		Local
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
55	CURRENT LIABILITIES								
56	4010 Accounts Payable	547,212,776	228,514,048	61,330,059	167,183,989	38,584,810	19,109,466	19,475,344	128,599,179
57	4020 Notes Payable	527,902,083	220,449,974	59,165,771	161,284,203	37,223,184	18,435,109	18,788,075	124,061,019
58	4030 Advanced Billing and Payments	168,550,937	70,386,253	18,890,712	51,495,541	11,884,785	5,886,044	5,998,741	39,610,756
59	4040 Customers' Deposits	103,698,552	53,423,096	14,338,031	39,085,065	9,020,540	4,467,502	4,553,038	30,064,525
60	4050 Current Maturities - Long Term	0	0	0	0	0	0	0	0
61	4060 Current Maturities - Capital Leases	4,752,968	1,984,822	532,699	1,452,123	335,139	165,981	169,158	1,116,984
62	4070 Income Taxes - Accrued	70,119,852	29,281,793	7,858,834	21,422,959	4,944,258	2,448,687	2,495,571	16,478,701
63	4080 Other Taxes - Accrued	115,004,023	48,025,258	12,889,325	35,135,933	8,109,110	4,016,108	4,093,002	27,026,823
64	4100 Net Current Deferred Op. Inc. Taxes	(9,461,814)	(13,160,576)	(3,291,680)	(9,868,896)	(2,292,787)	(1,180,991)	(1,111,796)	(7,576,109)
65	4110 Net Current Def. Nonop. Inc. Taxes	684,540	285,861	76,721	209,140	48,268	23,905	24,363	160,872
66	4120 Other Accrued Liabilities	418,375,517	174,712,081	46,890,343	127,821,738	29,500,299	14,610,282	14,890,017	98,321,439
67	4130 Other Long-Term Debt	22,337,537	9,328,074	2,503,528	6,824,546	1,575,054	780,059	794,995	5,249,492
68	TOTAL CURRENT LIABILITIES	1,969,176,972	823,230,684	221,184,343	602,046,341	138,932,660	68,762,152	70,170,508	463,113,681
69									
70	LONG-TERM DEBT								
71	4210 Funded Debt	3,600,000,000	1,503,346,795	403,477,807	1,099,868,988	253,841,513	125,717,238	128,124,275	846,027,475
72	4220 Premium on Long-Term Debt	355,889	148,618	39,887	108,731	25,094	12,428	12,666	83,637
73	4230 Discount on Long-Term Debt	(39,068,106)	(16,314,698)	(4,378,643)	(11,936,055)	(2,754,752)	(1,364,315)	(1,390,437)	(9,181,303)
74	4240 Reacquired Debt	0	0	0	0	0	0	0	0
75	4250 Obligations under Capital Leases	12,931,821	5,400,281	1,449,362	3,950,919	911,842	451,598	460,244	3,039,077
76	4260 Advanced from Affiliated Companies	0	0	0	0	0	0	0	0
77	4270 Other Long-Term Debt	756,093	315,741	84,741	231,000	53,313	26,404	26,909	177,687
78	TOTAL LONG-TERM DEBT	3,574,975,697	1,492,896,737	400,673,154	1,092,223,583	252,077,010	124,843,353	127,233,657	840,146,573
79									

‡ This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Separated Balance Sheets
for the Test Period and Prior Year
1991 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3b
Page 4 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated \$	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	Local
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
80	OTHER LIABILITIES AND DEFERRED CREDITS								
81	4310 Other Long-Term Liabilities	211,224,645	88,206,637	23,673,460	64,533,177	14,893,773	7,376,272	7,517,501	49,639,404
82	4320 Unamortized Operating ITC - Net	412,013,433	194,002,681	48,734,746	145,267,935	33,512,098	16,667,965	16,844,133	111,755,837
83	4330 Unamortized Nonoperating ITC - Net	21	9	2	7	2	1	1	5
84	4340 Net Noncur. Def. Oper. Income Taxes	2,269,899,670	980,314,693	245,193,093	735,121,599	170,786,825	87,970,524	82,816,301	564,334,774
85	4350 Net Noncur. Def. Nonoper. Income Taxes	178,581	74,575	20,015	54,560	12,592	6,236	6,356	41,968
86	4360 Other Deferred Credits	116,211,093	48,529,326	13,024,610	35,504,716	8,194,222	4,058,260	4,135,962	27,310,494
87	4370 Other Juris. Liab. & Def. Credits	0	0	0	0	0	0	0	0
88	TOTAL OTHER LIAB. & DEF. CREDITS	3,009,527,444	1,311,127,921	330,645,926	980,481,994	227,399,512	116,079,258	111,320,254	753,082,482
89									
90	STOCKHOLDER'S EQUITY								
91	4510 Capital Stock **	4,293,518,414	1,792,957,541	481,205,388	1,311,752,153	302,742,559	149,935,911	152,806,648	1,009,009,594
92	4520 Additional Paid-in Capital	9,239	3,858	1,035	2,823	652	323	329	2,171
93	4530 Treasury Stock	0	0	0	0	0	0	0	0
94	4540 Other Capital	3,464	1,447	388	1,059	244	121	123	815
95	4550 Retained Earnings @	2,302,338,311	961,448,036	258,039,559	703,408,477	162,341,402	80,401,007	81,940,396	541,067,074
96									
97	TOTAL STOCKHOLDER'S EQUITY	6,595,869,428	2,754,410,882	739,246,370	2,015,164,512	465,084,857	230,337,362	234,747,496	1,550,079,654
98									
99	Allocation Adjustment	0	(10,118,961)	(2,715,791)	(7,403,170)	(1,708,596)	(846,197)	(862,399)	(5,694,574)
100									
101	TOTAL LIABILITIES AND EQUITY	15,149,549,541	6,371,547,262	1,689,034,002	4,682,513,260	1,081,785,443	539,175,928	542,609,516	3,600,727,816

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

** Total Southern Bell Account 4510 has been adjusted to remove \$1,087,389 equity impact of BCI.

@ Total Southern Bell Account 4550 has been adjusted to remove \$16,788 equity impact of BCI.

Accounts for which no separations procedures exist and for which direct assignment cannot be made have been separated using net investment, comprising net plant, materials and supplies, less deferred income taxes and unamortized investment tax credit.

Separated Balance Sheets
for the Test Period and Prior Year
1990 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3b
Page 1 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated ‡	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	Local
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	CURRENT ASSETS								
2	1130 Cash	44,395,415	18,724,203	5,302,370	13,421,833	3,379,613	1,706,500	1,673,113	10,042,220
3	1140 Special Cash Deposits	4,978,020	2,099,529	594,550	1,504,979	378,953	191,348	187,605	1,126,026
4	1150 Working Cash Advance	1,464,875	617,826	174,958	442,868	111,514	56,308	55,206	331,354
5	1160 Temporary Investments	(1,250,000)	(527,200)	(149,294)	(377,906)	(95,156)	(48,048)	(47,108)	(282,750)
6	1180 Telecomm. Accounts Receivable	1,075,139,886	453,450,834	128,409,415	325,041,419	81,845,322	41,326,927	40,518,395	243,196,097
7	1181 Telecomm. Accounts Rec. Allowance	(50,100,139)	(21,130,227)	(5,983,714)	(15,146,513)	(3,813,887)	(1,925,782)	(1,888,105)	(11,332,626)
8	1190 Other Accounts Receivable	56,515,290	23,835,880	6,749,908	17,085,972	4,302,243	2,172,372	2,129,871	12,783,729
9	1191 Accounts Receivable Allowance-Other	0	0	0	0	0	0	0	0
10	1200 Notes Receivable	367,739	155,097	43,921	111,176	27,994	14,135	13,859	83,182
11	1201 Notes Receivable Allowance	0	0	0	0	0	0	0	0
12	1210 Interest and Dividends Receivable	4,514,115	1,903,872	539,144	1,364,728	343,638	173,516	170,122	1,021,090
13	1220 Material and Supplies	145,226,748	34,823,271	10,304,182	24,519,089	6,107,886	2,790,257	3,317,629	18,411,203
14	1290 Prepaid Rents	988,396	416,866	118,049	298,817	75,242	37,993	37,249	223,575
15	1300 Prepaid Taxes	3,611,587	1,523,222	431,350	1,091,872	274,932	138,824	136,108	816,940
16	1310 Prepaid Insurance	3,024,710	1,275,702	361,257	914,445	230,257	116,266	113,991	684,188
17	1320 Prepaid Directory Expenses	0	0	0	0	0	0	0	0
18	1330 Other Prepayments	9,895,573	4,173,555	1,181,878	2,991,677	753,303	380,372	372,931	2,238,374
19	1350 Other Current Assets	1,211,935	511,145	144,747	366,398	92,259	46,585	45,674	274,139
20	TOTAL CURRENT ASSETS	1,299,984,151	521,853,575	148,222,721	373,630,854	94,014,113	47,177,573	46,836,540	279,616,741
21									
22	NONCURRENT ASSETS								
23	1401 Investments in Affiliated Co.	121,519,242	51,251,937	14,513,660	36,738,277	9,250,686	4,671,036	4,579,650	27,487,591
24	1402 Inv. In Nonaffiliated Co.	1,973,198	832,216	235,669	596,547	150,210	75,847	74,363	446,337
25	1406 Nonregulated Investments	0	0	0	0	0	0	0	0
26	1407 Unamortized Debt Issuance Expense	151,344,514	63,831,039	18,075,844	45,755,195	11,521,143	5,817,479	5,703,664	34,234,052
27	1408 Sinking Funds	0	0	0	0	0	0	0	0
28	1410 Other Noncurrent Assets	35,012,098	14,766,697	4,181,673	10,585,024	2,665,306	1,345,818	1,319,488	7,919,718
29	1438 Deferred Maint. & Retire.	13,182,349	5,559,785	1,574,435	3,985,350	1,003,510	506,712	496,798	2,981,840
30	1439 Deferred Charges	255,159,572	107,616,062	30,475,003	77,141,059	19,424,093	9,807,990	9,616,103	57,716,966
31	1500 Other Jurisdictional Assets - Net	0	0	0	0	0	0	0	0
32	TOTAL NONCURRENT ASSETS	578,190,974	243,857,736	69,056,284	174,801,452	44,014,948	22,224,882	21,790,066	130,786,504
33									

‡ This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Separated Balance Sheets
for the Test Period and Prior Year
1990 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-3b
Page 2 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated \$	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	Local
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
34	TELEPHONE PLANT IN SERVICE								
35	2001 Telecomm. Plant in Service	20,241,967,923	8,719,460,227	2,473,990,855	6,245,469,372	1,555,671,924	782,074,492	773,597,432	4,689,797,448
36	2002 Property Held for Future Use	1,253,595	706,399	199,910	506,489	126,219	63,732	62,487	380,270
37	2003 Plant under Construction - Short Term	137,790,859	53,799,440	15,230,387	38,569,053	9,611,018	4,850,275	4,760,743	28,958,035
38	2004 Plant under Construction - Long Term	62,088,813	26,891,208	7,613,182	19,278,026	4,813,861	2,438,311	2,375,550	14,464,165
39	2005 Plant Adjustment	771,513	0	0	0	0	0	0	0
40	2006 Nonoperating Plant	18,922,241	7,980,641	2,259,979	5,720,662	1,440,460	727,345	713,115	4,280,202
41	2007 Goodwill	0	0	0	0	0	0	0	0
42	SUBTOTAL	20,462,794,944	8,808,837,915	2,499,294,313	6,309,543,602	1,571,663,482	790,154,155	781,509,327	4,737,880,120
43	LESS:								
44	3100 Acc. Depreciation	(7,228,457,026)	(3,145,744,969)	(930,910,935)	(2,214,834,034)	(545,569,612)	(268,914,345)	(276,655,267)	(1,669,264,422)
45	3200 Acc. Depreciation - Held for Future Use	(28,396)	(24,685)	(6,984)	(17,701)	(4,402)	(2,216)	(2,186)	(13,299)
46	3300 Acc. Depreciation - Nonoperating	(7,405,232)	(3,123,229)	(884,444)	(2,238,785)	(563,725)	(284,647)	(279,078)	(1,675,060)
47	3410 Acc. Amort. - Capitalized Leases	(47,856,304)	(12,376,321)	(3,010,613)	(9,365,709)	(2,225,807)	(1,229,420)	(996,387)	(7,139,902)
48	3420 Acc. Amort. - Leasehold Improvements	(16,468,811)	(6,556,614)	(1,594,935)	(4,961,679)	(1,179,167)	(651,311)	(527,857)	(3,782,512)
49	3500 Acc. Amort. Intangible	0	0	0	0	0	0	0	0
50	3600 Acc. Amort. - Other	0	0	0	0	0	0	0	0
51	SUBTOTAL	(7,300,215,769)	(3,167,825,818)	(936,407,910)	(2,231,417,908)	(549,542,713)	(271,081,938)	(278,460,775)	(1,681,875,195)
52	NET TELEPHONE PLANT IN SERVICE	13,162,579,175	5,641,012,097	1,562,886,403	4,078,125,694	1,022,120,769	519,072,217	503,048,552	3,056,004,925
53									
54	TOTAL ASSETS	15,040,754,299	6,406,723,408	1,780,165,408	4,626,558,000	1,160,149,830	588,474,672	571,675,158	3,466,408,170

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Separated Balance Sheets
for the Test Period and Prior Year
1990 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-7L
Test Year 1991

Schedule B-3b
Page 3 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated *	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	Local
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
55	CURRENT LIABILITIES								
56	4010 Accounts Payable	573,681,620	241,955,873	68,517,709	173,438,164	43,671,673	22,051,548	21,620,125	129,766,491
57	4020 Notes Payable	444,459,583	187,455,206	53,084,065	134,371,141	33,834,609	17,084,427	16,750,182	100,536,532
58	4030 Advanced Billing and Payments	164,210,674	69,257,469	19,612,515	49,644,954	12,500,583	6,312,037	6,188,546	37,144,371
59	4040 Customers' Deposits	91,038,496	49,502,236	14,018,175	35,484,061	8,934,875	4,511,570	4,423,305	26,549,186
60	4050 Current Maturities - Long Term	0	0	0	0	0	0	0	0
61	4060 Current Maturities - Capital Leases	9,610,493	4,053,320	1,147,830	2,905,490	731,601	369,414	362,187	2,173,889
62	4070 Income Taxes - Accrued	72,968,155	30,775,038	8,714,957	22,060,081	5,554,721	2,804,797	2,749,924	16,505,360
63	4080 Other Taxes - Accrued	121,781,068	51,362,365	14,544,931	36,817,434	9,270,618	4,681,100	4,589,518	27,546,816
64	4100 Net Current Deferred Op. Inc. Taxes	1,165,035	(7,306,730)	(1,866,933)	(5,439,797)	(1,367,436)	(712,465)	(654,971)	(4,072,361)
65	4110 Net Current Def. Nonop. Inc. Taxes	151,971	64,095	18,151	45,944	11,569	5,842	5,727	34,375
66	4120 Other Accrued Liabilities	400,979,752	169,117,158	47,891,048	121,226,110	30,524,695	15,413,121	15,111,574	90,701,415
67	4130 Other Long-Term Debt	24,014,227	10,128,237	2,868,141	7,260,096	1,828,090	923,075	905,015	5,432,006
68	TOTAL CURRENT LIABILITIES	1,904,061,075	806,364,267	228,550,589	577,813,678	145,495,598	73,444,466	72,051,132	432,318,080
69									
70	LONG-TERM DEBT								
71	4210 Funded Debt	3,600,000,000	1,518,335,450	429,966,278	1,088,369,172	274,051,000	138,379,145	135,671,855	814,318,172
72	4220 Premium on Long-Term Debt	393,667	166,033	47,018	119,015	29,968	15,132	14,836	89,047
73	4230 Discount on Long-Term Debt	(40,292,300)	(16,993,674)	(4,812,314)	(12,181,360)	(3,067,263)	(1,548,782)	(1,518,481)	(9,114,097)
74	4240 Recquired Debt	0	0	0	0	0	0	0	0
75	4250 Obligations under Capital Leases	18,521,557	7,811,649	2,212,124	5,599,525	1,409,959	711,944	698,015	4,189,566
76	4260 Advanced from Affiliated Companies	0	0	0	0	0	0	0	0
77	4270 Other Long-Term Debt	956,610	403,460	114,253	289,207	72,822	36,771	36,051	216,385
78	TOTAL LONG-TERM DEBT	3,579,579,554	1,509,722,918	427,527,359	1,082,195,559	272,496,486	137,594,210	134,902,276	809,699,073
79									

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Separated Balance Sheets
for the Test Period and Prior Year
1990 Data

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Company
Docket No. 920260-TL
Test Year 1991

Schedule B-36
Page 4 of 4
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Southern Bell Total Company	Florida Regulated *	Interstate Toll	(6 + 9)	(7 + 8)	Intrastate Toll		
					Total Intrastate	Intrastate Toll	IntraLATA	InterLATA	Local
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
80	OTHER LIABILITIES AND DEFERRED CREDITS								
81	4310 Other Long-Term Liabilities	81,188,727	34,242,145	9,696,782	24,545,363	6,180,514	3,120,785	3,059,729	18,364,849
82	4320 Unamortized Operating ITC - Net	480,603,471	226,835,042	58,748,848	168,086,194	37,834,090	18,660,407	19,173,683	130,252,104
83	4330 Unamortized Nonoperating ITC - Net	231	97	27	70	18	9	9	52
84	4340 Net Noncur. Def. Oper. Income Taxes	2,358,495,367	1,041,518,121	266,116,978	775,401,143	194,917,453	101,556,331	93,361,122	580,483,690
85	4350 Net Noncur. Def. Monoper. Income Taxes	55,562	23,349	6,612	16,737	4,214	2,128	2,086	12,523
86	4360 Other Deferred Credits	112,355,588	47,387,076	13,419,198	33,967,878	8,553,100	4,318,797	4,234,303	25,414,778
87	4370 Other Juris. Liab. & Def. Credits	0	0	0	0	0	0	0	0
88	TOTAL OTHER LIAB. & DEF. CREDITS	3,032,698,747	1,350,005,830	347,988,445	1,002,017,385	247,489,389	127,658,457	119,830,932	754,527,996
89									
90	STOCKHOLDER'S EQUITY								
91	4510 Capital Stock	4,294,605,803	1,811,292,267	512,926,575	1,298,365,712	326,928,061	165,078,856	161,849,205	971,437,651
92	4520 Additional Paid-in Capital	0	0	0	0	0	0	0	0
93	4530 Treasury Stock	0	0	0	0	0	0	0	0
94	4540 Other Capital	0	0	0	0	0	0	0	0
95	4550 Retained Earnings	2,229,809,140	940,443,961	266,317,426	674,126,535	169,744,840	85,710,856	84,033,984	504,381,695
96									
97	TOTAL STOCKHOLDER'S EQUITY	6,524,414,943	2,751,736,248	779,244,001	1,972,492,247	496,672,901	250,789,712	245,883,189	1,475,819,346
98									
99	Allocation Adjustment	0	(11,105,854)	(3,144,985)	(7,960,869)	(2,004,544)	(1,012,173)	(992,371)	(5,956,325)
100									
101	TOTAL LIABILITIES AND EQUITY	15,040,754,299	6,406,723,408	1,780,165,408	4,626,558,000	1,160,149,830	588,474,672	571,675,158	3,466,408,170

* This column is calculated by allocating certain accounts to Florida which are recorded only at the Company level. It is included for information purposes only and should not be considered to be an official financial report.

Plant Investment By Accounts and Subaccounts
Test Year, Historical and Projected Data
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-4a
Page 1 of 1
Witness Responsible

Check Whether Data Is:

Historic (X) or Projected ()

Average () or Year End (X)

Line No.	FCC Acct No.	Account	1988	1989	Percent Increase (Decrease)	1990	Percent Increase (Decrease)	1991	Percent Increase (Decrease)	1992	Percent Increase (Decrease)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	2001	TELEPHONE PLANT IN SERVICE	8,117,726	8,570,195	5.57%	8,619,775	0.58%	8,959,496	3.94%	9,266,001	3.42%
2	2111	Land	48,665	48,644	-0.04%	49,204	1.15%	49,494	0.59%	50,893	2.83%
3	2112-5	Veh. & Garage Work Equip.	48,091	41,222	-14.28%	31,961	-22.47%	33,413	4.54%	32,496	-2.74%
4	2116	Other Work Equipment	59,045	59,448	0.68%	61,400	3.28%	68,404	11.41%	75,822	10.84%
5	2121	Buildings	571,244	588,599	3.04%	608,720	3.42%	623,284	2.39%	640,338	2.74%
6	2122-3	Off. Furniture and Equip.	157,484	161,641	2.64%	155,774	-3.63%	71,057	-54.38%	73,526	3.47%
7	2124	General Purpose Computers	198,794	207,351	4.30%	244,140	17.74%	346,622	41.98%	356,387	2.82%
8		SubTotal (Lines 2-7)	1,083,322	1,106,904	2.18%	1,151,199	4.00%	1,192,275	3.57%	1,229,462	3.12%
9	2210	CO - Switching	1,279,505	1,400,779	9.48%	1,500,368	7.11%	1,563,193	4.19%	1,611,768	3.11%
10	2220	Operator Systems	17,756	18,786	5.80%	29,779	58.51%	35,088	17.83%	35,471	1.09%
11	2230	CO - Transmission	1,294,624	1,409,275	8.86%	1,557,036	10.48%	1,662,263	6.76%	1,717,650	3.33%
12	2311	Station Apparatus	304	357	17.37%	604	69.50%	700	15.90%	726	3.65%
13	2321	Customer Premises Wiring	420,176	419,948	-0.05%	0	-100.00%	0	0.00%	0	0.00%
14	2341	Large PBX	4,228	5,240	23.94%	5,561	6.13%	6,041	8.64%	6,140	1.63%
15	2351	Public Tele. Equipment	75,327	78,310	3.96%	79,740	1.83%	72,928	-8.54%	74,214	1.76%
16	2362	Other Terminal Equipment	71,443	80,438	12.59%	87,045	8.21%	93,822	7.79%	96,661	3.03%
17	2411	Poles	101,190	105,754	4.51%	109,843	3.87%	114,418	4.17%	117,953	3.09%
18	2421	Aerial Cables	544,610	571,173	4.88%	595,786	4.31%	625,273	4.95%	648,760	3.76%
19	2422	Underground Cable	811,420	837,752	3.25%	863,612	3.09%	869,491	0.68%	900,409	3.56%
20	2423	Buried Cables	1,763,804	1,867,764	5.89%	1,963,701	5.14%	2,033,373	3.55%	2,111,144	3.82%
21	2431	Aerial Wires	4,260	4,324	1.50%	4,374	1.16%	4,413	0.90%	4,539	2.85%
22	2441	Conduit Systems	554,741	577,463	4.10%	594,890	3.02%	615,558	3.47%	634,589	3.09%
23		Other Cable and Wire	49,609	50,271	1.33%	51,602	2.65%	51,349	-0.49%	53,113	3.44%
24	2681	Capital Leases	25,617	22,336	-12.81%	11,619	-47.98%	6,331	-45.51%	8,929	41.04%
25	2682	Leasehold Improvements	15,790	13,321	-15.64%	13,016	-2.29%	12,980	-0.28%	14,473	11.50%
26	2690	Intangibles	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
27		SubTotal (Lines 8-24)	8,117,726	8,570,195	5.57%	8,619,775	0.58%	8,959,496	3.94%	9,266,001	3.42%
28	2002	Property Held For Future Use	481	392	-18.60%	555	41.57%	236	-57.53%	555	135.59%
29	2003	TPUC - Short Term	50,719	51,983	2.49%	57,464	10.54%	34,044	-40.76%	95,935	181.80%
30	2004	TPUC - Long Term	15,967	34,724	117.47%	30,656	-11.71%	18,311	-40.27%	42,094	129.88%
31		SubTotal (Lines 25-28)	8,184,894	8,657,294	5.77%	8,708,450	0.59%	9,012,088	3.49%	9,404,585	4.36%
32	2005	Telephone Plant Adjustment	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
33	2006	Nonoperating Plant	12,838	13,540	5.47%	12,824	-5.29%	13,527	5.49%	11,840	-12.47%
34	2007	Goodwill	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
35		Total	8,197,732	8,670,834	5.77%	8,721,273	0.58%	9,025,615	3.49%	9,416,425	4.33%

Supporting Schedules: B-4b

Recap Schedules:

Plant Investment By Accounts and Subaccounts

Test Year, Historical and Projected Data
(000)

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-4b
Page 1 of 1
Witness Responsible

Check Whether Data Is:
Historic (X) or Projected ()
Average () or Year End (X)

Line No.	FCC Acct No.	Account	Test Year													JANUARY 1992 *
			DECEMBER 1990	JANUARY 1991	FEBRUARY 1991	MARCH 1991	APRIL 1991	MAY 1991	JUNE 1991	JULY 1991	AUGUST 1991	SEPTEMBER 1991	OCTOBER 1991	NOVEMBER 1991	DECEMBER 1991	
		(1)														
1	2001	TELEPHONE PLANT IN SERVICE	8,619,775	8,654,204	8,704,201	8,742,711	8,778,771	8,832,387	8,854,245	8,890,686	8,917,419	8,939,407	8,963,881	8,981,379	8,959,498	9,009,098
2	2111	Land	49,204	49,224	49,238	49,239	49,243	48,970	48,971	48,976	48,984	49,044	49,427	49,380	49,494	49,482
3	2112-5	Veh. & Garage Work Equip.	31,981	31,542	31,545	32,265	32,713	32,573	32,519	32,549	32,584	32,550	32,715	33,107	33,413	31,595
4	2116	Other Work Equipment	61,400	61,459	61,376	61,485	61,782	62,068	62,218	62,695	63,625	63,997	64,167	64,825	66,404	73,720
5	2121	Buildings	608,720	609,038	610,461	609,381	611,113	611,925	613,498	614,359	616,860	617,837	618,570	619,119	623,284	622,585
6	2122-3	Off. Furniture and Equip.	165,774	78,313	75,384	75,085	74,784	74,774	74,820	73,606	73,172	72,636	71,502	71,135	71,067	71,487
7	2124	General Purpose Computers	244,140	317,128	323,873	333,047	329,372	329,583	328,772	330,161	332,471	338,440	337,706	336,248	348,622	348,506
8		SubTotal (Lines 2-7)	1,151,199	1,144,704	1,151,857	1,180,803	1,159,007	1,159,872	1,180,598	1,182,345	1,167,697	1,174,504	1,174,387	1,173,813	1,192,275	1,195,375
9	2210	CO - Switching	1,500,368	1,506,104	1,511,879	1,516,473	1,522,181	1,540,888	1,537,564	1,545,278	1,547,112	1,548,528	1,552,085	1,555,903	1,563,193	1,567,081
10	2220	Operator Systems	29,779	29,784	29,798	31,312	31,360	32,214	34,264	34,413	34,531	35,349	35,384	34,585	35,088	34,488
11	2230	CO - Transmission	1,557,036	1,569,363	1,587,237	1,600,491	1,617,177	1,632,678	1,647,858	1,661,925	1,667,884	1,670,093	1,678,395	1,688,174	1,682,263	1,670,028
12	2311	Station Apparatus	804	806	810	850	862	867	869	869	878	882	898	898	700	708
13	2321	Customer Premises Wiring	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	2341	Large PBX	5,581	5,584	5,529	5,539	5,788	5,823	5,940	5,973	5,951	5,881	5,942	6,015	6,041	5,969
15	2351	Public Tele. Equipment	79,740	79,982	80,087	79,748	80,110	79,714	77,319	77,242	78,945	78,040	75,893	74,093	72,928	72,167
16	2362	Other Terminal Equipment	87,045	87,621	88,080	88,274	88,863	90,032	90,634	91,317	91,776	92,165	92,467	93,031	93,822	93,981
17	2411	Poles	109,843	110,213	110,672	110,913	111,265	111,698	112,055	112,494	112,928	113,308	113,792	114,089	114,418	114,882
18	2421	Aerial Cables	595,788	604,796	607,968	610,915	613,653	616,217	618,231	620,363	622,317	624,149	626,533	627,763	628,273	630,772
19	2422	Underground Cable	883,812	885,856	888,521	870,886	872,284	874,810	874,873	875,598	877,659	879,536	880,282	879,489	889,491	875,445
20	2423	Buried Cables	1,983,701	1,971,472	1,981,487	1,989,846	1,998,865	2,004,879	2,010,981	2,018,069	2,026,384	2,032,291	2,039,556	2,043,559	2,033,373	2,052,612
21	2431	Aerial Wires	4,374	4,377	4,383	4,385	4,395	4,394	4,400	4,401	4,403	4,405	4,405	4,400	4,413	4,413
22	2441	Conduit Systems	594,890	596,896	598,933	600,516	603,030	604,841	606,195	607,825	609,595	611,179	612,969	614,498	615,558	616,994
23		Other Cable and Wire	51,802	51,700	51,762	51,800	51,893	51,788	51,758	51,798	51,854	51,892	51,959	51,822	51,349	51,840
24	2681	Capital Leases	11,619	12,083	12,801	7,196	7,248	8,888	7,729	8,821	8,821	8,528	8,505	8,505	6,331	8,881
25	2682	Leasehold Improvements	13,016	13,101	13,129	13,188	13,212	13,211	13,198	13,154	12,882	12,880	12,832	12,841	12,980	14,071
26	2690	Intangibles	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		SubTotal (Lines 8-24)	8,619,775	8,654,204	8,704,201	8,742,711	8,778,771	8,832,387	8,854,245	8,890,686	8,917,419	8,939,407	8,963,881	8,981,379	8,959,498	9,009,098
28	2002	Property Held For Future Use	555	555	624	689	189	189	188	188	188	249	307	307	236	236
29	2003	TPUC - Short Term	57,464	56,278	55,402	56,656	75,204	67,216	69,412	68,340	58,448	45,731	41,987	25,240	34,044	33,633
30	2004	TPUC - Long Term	30,856	32,567	32,088	39,244	40,330	43,342	42,938	43,834	47,088	23,289	25,317	5,506	18,311	21,293
31		SubTotal (Lines 25-28)	8,708,450	8,743,604	8,792,313	8,849,299	8,894,495	8,943,135	8,966,783	9,003,049	9,023,140	9,008,677	9,031,472	8,992,432	9,012,088	9,064,257
32	2005	Telephone Plant Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	2006	Nonoperating Plant	12,824	12,868	12,868	12,868	13,406	13,788	13,788	13,788	13,748	13,589	13,303	13,988	13,527	13,248
34	2007	Goodwill	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35		Total	8,721,273	8,756,273	8,804,981	8,861,968	8,907,901	8,956,902	8,980,551	9,018,817	9,038,868	9,022,296	9,044,775	9,008,398	9,025,815	9,077,506

* Amounts for January are actual

Supporting Schedules:

Recap Schedules:

Explanation of Changes in Plant Investment*

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule B-4c

Page 1 of 1

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☒ or Year End ☒

Line No.	Account Number	Description	Increase in Amount From 1990 to 1991		Explanation*
			Dollars	Percent	
	(1)	(2)	(3)	(4)	(5)
1.	2124	General Purpose Computers	102,482,525	41.98 %	\$79 Million transferred from Corporate Communications. Various mainframe additions and processor upgrades.
2.	2220	Operator Systems	5,308,957	17.83 %	Installation of Digital Automatic Intercept System (DAIS) and Traffic Operator Position System (TOPS).
3.	2311	Station Apparatus	96,102	15.90 %	Increase in E911 investment.

Average Annual Access Line Growth Rate

<u>Period</u>	<u>Average Access Lines</u>	<u>Annual Percent Increase (Decrease)</u>
		(3)
Test Year - 3	4,096,329	
Test Year - 2	4,310,989	5.24 %
Test Year - 1	4,511,804	4.66 %
Test Year	4,663,857	3.37 %

Average Growth Rate for the Entire Period **4.62 %**

* Explain all percentage changes which exceed the annual access line growth rate plus 10%

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL

Schedule B-5a
Page 1 of 1
Witness Responsible

This schedule contains Southern Bell's Monthly Operating Reports. These reports have been provided in a limited number of copies in Volumes 4 and 5.

Official Forecast

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1991

Schedule B-5b
Page 1 of 1
Witness Responsible

Check Whether Data Is:
Historic ☐ or Projected ☒
Average ☒ or Year End ☐

The official forecast is provided on the following pages as an Attachment, pages 1 through 14.

Supporting Schedules:

Recap Schedules:

Corporate Budget 04/21/92 20:58
BELLSOUTH TELECOMMUNICATIONS, INC. - EXECUTIVE OVERVIEW \$(000)

02/10/92 TRACKING BDGT OF 92

FLORIDA

Report: EXEC
Data Source: A10207F

YR92

SELECTED FINANCIAL INFORMATION

Net Income	357,704
% Change	
Return To Equity	13.14
Net Construction (excl AFUDC)	665,070
Construction Expend (incl MR AFUDC)	669,900
Total Operating Revenues	3,273,954
Per Avg Access Line	681.47
Total Operating Expenses	2,515,000
Less Depr Per Avg Access Line	374.03
Employees - Average	17,135
- EOP	17,088
- Per 10,000 Access Lines	35.7

SELECTED DEMAND INFORMATION

Access Lines - Average	4,804,242
% Change	
- Net Gain	150,000
Access Min of Use - Inter (Mil)	14,444
% Change	
- Intra (Mil)	4,706
% Change	

SELECTED DEPRECIATION INFORMATION

Total FR Regulatory Actions	(28,229)
FCC Regulatory Actions - Combined	0
- FR	
PSC Regulatory Actions - Combined	(38,527)
- FR	(28,229)
FR EOP Depreciation Reserve Ratio	41.28

SELECTED SEPARATIONS INFORMATION

Non-Regulated - Net Income	2,545
Interstate - FR Net Income	110,546
% Change	
Return to Equity	15.64
Regulatory Return	12.70
Intrastate - FR Net Income	244,614
% Change	
Return to Equity	12.25
Return on Avg Tot Cap	10.49
Stretch - Net Operating Revenue	0
Net Income	0

Corporate Budget 04/21/92 11:05
SOUTHERN BELL - INTRASTATE RETURN ON EQUITY CALCULATION \$(000)
02/10/92 TRACKING BDGT OF 92
FLORIDA

Report: ROE
Data Source: A10207F

	YR92	YR93	YR94
** COMPANY CAPITAL STRUCTURE **			
DEBT	3,932,661		
EQUITY	6,562,718		
...TOTAL DEBT AND EQUITY	10,495,379		
** % DISTRIBUTION OF D & E **			
DEBT	.374704		
EQUITY	.625296		
** STATE RATE BASE AS DISTRIBUTED ON COMPANY D & E **			
DEBT	1,251,904		
EQUITY	2,089,143		
...TOTAL DEBT AND EQUITY	3,341,046		
** COST OF D & E **			
DEBT	8.634280		
EQUITY	11.506900		
...TOTAL DEBT AND EQUITY	10.432600		
** SOURCE OF INCOME **			
DEBT	108,161		
EQUITY	240,396		
...TOTAL DEBT AND EQUITY	348,557		
=====			
** RATE BASE ELEMENTS **			
2001	6,688,318		
2003	85,890		
2004 (SC ONLY)	0		
2002	393		
2005	0		
1220	32,684		
3110+3200+3420+3410	(2,664,952)		
4100+4340	(684,235)		
4320 (PRE '71)	0		
WORKING CAPITAL	(64,263)		
CUSTOMER DEPOSITS	(39,252)		
ACCOUNTS PAYABLE	0		
AVG BSSI INVESTMENT	2,262		

RATE BASE BEFORE PSC ADJ	3,356,843		
PSC ADJ	(15,797)		

RATE BASE AFTER PSC ADJ	3,341,046		
=====			
** COST OF DEBT CALCULATED ON COMPANY BASIS **			
INTEREST DEDUCTIONS	367,044		
LESS: INT NOT REL TO CAPITA	27,487		
ST INTEREST	0		

NET INTEREST	339,557		
=====			
** OPERATING INCOME **			
NET OPERATING REVENUE	530,768		
- TAXES	132,659		
+ STATE NON OPERATING	141		
+ FEDERAL NON OPERATING	826		
+ SPECIAL CHARGES (7370)	5,856		
+ EXTRAORDINARY ITEMS	(85,600)		
- TAXES ON EXTRAORDINARY	(30,750)		

NET OPERATING INCOME	350,082		
LESS: CUSTOMER DEP INTEREST	3,006		
ADD: PSC ADJ	1,520		
INTEREST SYNCH	(833)		
IDC (SC ONLY)	0		
BSSI DIVIDENDS	769		

ADJUSTED OPERATING INCOME	348,557		
=====			

Corporate Budget 04/21/92 11:05

SOUTHERN BELL - INTRASTATE RETURN ON EQUITY CALCULATION \$(000)
02/10/92 TRACKING BDGT OF 92
FLORIDA

Report: ROE
Data Source: A10207F

	JAN92	FEB92	MAR92	APR92	MAY92	JUN92	JUL92	AUG92	SEP92	OCT92	NOV92	DEC92	YR92
** COMPANY CAPITAL STRUCTURE **													
DEBT	4,034,443	3,954,401	3,972,466	3,945,835	3,963,618	3,968,517	3,953,401	3,857,015	3,853,120	3,860,471	3,892,741	3,935,905	3,932,661
EQUITY	6,570,377	6,557,467	6,569,937	6,574,947	6,563,508	6,556,668	6,554,499	6,559,779	6,561,131	6,561,441	6,561,485	6,561,379	6,562,718
...TOTAL DEBT AND EQUITY	10,604,820	10,511,868	10,542,403	10,520,782	10,527,126	10,525,185	10,507,900	10,416,794	10,414,251	10,421,912	10,454,226	10,497,284	10,495,379
** % DISTRIBUTION OF D & E **													
DEBT	.380435	.376184	.376808	.375051	.376515	.377050	.376231	.370269	.369985	.370419	.372361	.374945	.374704
EQUITY	.619565	.623816	.623192	.624949	.623485	.622950	.623769	.629731	.630015	.629581	.627639	.625055	.625296
** STATE RATE BASE AS DISTRIBUTED ON COMPANY D & E **													
DEBT	1,295,520	1,268,459	1,269,083	1,262,896	1,264,845	1,261,599	1,254,074	1,230,139	1,225,262	1,225,568	1,232,663	1,242,536	1,251,904
EQUITY	2,109,846	2,103,447	2,098,896	2,104,364	2,094,505	2,084,578	2,079,178	2,092,147	2,086,389	2,083,034	2,077,739	2,071,379	2,089,143
...TOTAL DEBT AND EQUITY	3,405,366	3,371,906	3,367,979	3,367,259	3,359,350	3,345,977	3,333,252	3,322,286	3,311,651	3,308,602	3,310,403	3,313,916	3,341,046
** COST OF D & E **													
DEBT	.711895	.714520	.713889	.720126	.719898	.719715	.720266	.723694	.723803	.723539	.722422	.721054	.8.634280
EQUITY	8.608960	10.570200	11.332200	12.174300	11.460100	7.423620	10.164300	11.610800	11.507800	17.938100	12.199200	13.358800	11.506900
...TOTAL DEBT AND EQUITY	.715314	.818277	.857509	.904110	.866488	.656747	.799534	.877271	.871969	1.209140	.907058	.950563	10.432600
** SOURCE OF INCOME **													
DEBT	9,223	9,063	9,060	9,094	9,106	9,080	9,033	8,902	8,868	8,867	8,905	8,959	108,161
EQUITY	15,136	18,528	19,821	21,349	20,003	12,895	17,611	20,243	20,008	31,138	21,122	22,542	240,396
...TOTAL DEBT AND EQUITY	24,359	27,592	28,881	30,444	29,108	21,975	26,644	29,145	28,877	40,006	30,027	31,501	348,557
** RATE BASE ELEMENTS **													
2001	6,605,189	6,603,139	6,625,583	6,653,737	6,669,601	6,677,121	6,684,961	6,697,127	6,719,810	6,742,620	6,769,979	6,810,952	6,688,318
2003	46,919	75,043	81,578	82,291	83,445	88,512	98,003	105,383	103,700	99,029	90,268	76,513	85,890
2004 (SC ONLY)	0	0	0	0	0	0	0	0	0	0	0	0	0
2002	284	403	403	403	403	403	403	403	403	403	403	403	393
2005	0	0	0	0	0	0	0	0	0	0	0	0	0
1220	33,461	33,133	32,391	32,874	34,077	34,069	33,133	32,320	31,819	31,985	31,854	31,094	32,684
3110+3200+3420+3410	(2,499,343)	(2,535,113)	(2,570,172)	(2,602,400)	(2,628,167)	(2,654,246)	(2,684,200)	(2,714,923)	(2,747,126)	(2,764,911)	(2,777,657)	(2,801,164)	(2,664,952)
4100+4340	(704,932)	(700,508)	(694,793)	(689,998)	(687,366)	(684,327)	(680,639)	(676,882)	(672,945)	(673,180)	(674,180)	(671,074)	(684,235)
4320 (PRE '71)	0	0	0	0	0	0	0	0	0	0	0	0	0
WORKING CAPITAL	(48,504)	(51,331)	(54,364)	(57,286)	(60,142)	(62,903)	(65,738)	(68,430)	(71,202)	(74,132)	(77,090)	(80,038)	(64,263)
CUSTOMER DEPOSITS	(39,563)	(39,330)	(39,117)	(38,833)	(38,972)	(39,118)	(39,135)	(39,171)	(39,263)	(39,668)	(39,633)	(39,229)	(39,252)
ACCOUNTS PAYABLE	0	0	0	0	0	0	0	0	0	0	0	0	0
AVG BSSI INVESTMENT	27,652	2,268	2,268	2,269	2,268	2,264	2,260	2,256	2,252	2,254	2,256	2,256	2,262
RATE BASE BEFORE PSC ADJ	3,421,163	3,387,703	3,383,776	3,383,056	3,375,147	3,361,774	3,349,049	3,338,083	3,327,448	3,324,399	3,326,200	3,329,713	3,356,843
PSC ADJ	(15,797)	(15,797)	(15,797)	(15,797)	(15,797)	(15,797)	(15,797)	(15,797)	(15,797)	(15,797)	(15,797)	(15,797)	(15,797)
RATE BASE AFTER PSC ADJ	3,405,366	3,371,906	3,367,979	3,367,259	3,359,350	3,345,977	3,333,252	3,322,286	3,311,651	3,308,602	3,310,403	3,313,916	3,341,046
** COST OF DEBT CALCULATED ON COMPANY BASIS **													
INTEREST DEDUCTIONS	30,419	29,943	32,024	30,048	30,186	32,224	30,094	29,496	31,501	29,501	29,642	31,966	367,044
LESS: INT NOT REL TO CAPITA	1,698	1,688	3,665	1,633	1,652	3,662	1,619	1,583	3,612	1,569	1,520	3,586	27,487
ST INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	0
NET INTEREST	28,721	28,255	28,359	28,415	28,534	28,562	28,475	27,913	27,889	27,932	28,122	28,380	339,557
** OPERATING INCOME **													
NET OPERATING REVENUE	36,916	41,717	42,866	46,516	44,449	33,253	40,748	44,781	43,921	63,470	44,939	47,191	530,768
- TAXES	8,059	9,698	13,211	11,611	10,873	6,677	9,542	11,087	10,473	18,809	11,528	11,091	132,659
+ STATE NON OPERATING	(11)	(17)	533	(12)	(15)	(9)	(6)	(6)	(10)	(8)	(287)	(11)	141
+ FEDERAL NON OPERATING	(66)	(97)	3,115	(72)	(85)	(50)	(33)	(38)	(59)	(47)	(1,676)	(66)	826
+ SPECIAL CHARGES (7370)	244	341	297	264	304	196	145	159	225	187	3,252	244	5,856
+ EXTRAORDINARY ITEMS	(7,135)	(7,135)	(7,135)	(7,135)	(7,135)	(7,135)	(7,135)	(7,135)	(7,135)	(7,135)	(7,135)	(7,115)	(85,600)
- TAXES ON EXTRAORDINARY	(2,551)	(2,551)	(2,551)	(2,576)	(2,576)	(2,576)	(2,585)	(2,585)	(2,585)	(2,473)	(2,574)	(2,567)	(30,750)
NET OPERATING INCOME	24,440	27,662	29,016	30,525	29,222	22,154	26,762	29,258	29,054	40,131	30,139	31,720	350,082
LESS: CUSTOMER DEP INTEREST	251	236	221	236	258	251	251	265	258	265	243	273	3,006
ADD: PSC ADJ	127	127	127	127	127	127	127	127	127	127	127	123	1,520
INTEREST SYNCH	43	38	(234)	27	18	(248)	5	26	(238)	13	4	(261)	(833)
IDC (SC ONLY)	0	0	0	0	0	0	0	0	0	0	0	0	0
BSSI DIVIDENDS	0	0	193	0	0	193	0	0	191	0	0	192	769
ADJUSTED OPERATING INCOME	24,359	27,592	28,881	30,444	29,108	21,975	26,644	29,145	28,877	40,006	30,027	31,501	348,557

Corporate Budget 04/21/92 11:06
SOUTHERN BELL - INTRASTATE ROE SUPPLEMENTAL CALCULATION - \$(000)

02/10/92 TRACKING BDGT OF 92

FLORIDA

Report: ROESUP
Data Source: A10207F

YR92

```

****STATE REVENUES****
FR LOCAL REVENUES          1,489,149
FR INTER ACCESS            748,908
FR INTRA ACCESS            307,809
FR LONG DISTANCE           314,980
FR MISCELLANEOUS           411,634
FR UNCOLLECTIBLE           45,811
....FR TOTAL REVENUES      3,226,669

INTRA LOCAL REVENUES       1,489,149
INTRA INTER ACCESS         0
INTRA INTRA ACCESS         307,809
INTRA LONG DISTANCE        314,490
INTRA MISCELLANEOUS        289,993
INTRA UNCOLLECTIBLE        43,751
....INTRASTATE REVENUES    2,357,690

****STATE EXPENSES****
FR DEPRECIATION            718,053
FR TAX OTH THAN INC        177,473
FR OTHER EXPENSES          1,572,189
....FR TOTAL EXPENSES      2,467,715

INTRA DEPRECIATION         163,768
INTRA TAX OTH THAN INC     34,332
INTRA OTHER EXPENSES       1,134,725
....INTRASTATE EXPENSES    1,826,922

FR SIT                     34,448
...INTRA SIT               23,582
FR FIT                     163,253
...INTRA FIT               109,076
STATE NON-OP TAXES         181
...INTRA STATE NON-OP TAXES 141
FED NON-OP TAXES           1,062
...INTRA FED NON-OP TAXES  826
OTHER EXPENSE              18,510
...INTRA OTHER EXPENSE     14,162
INTEREST NOT REL TO CAP    12,576
...INTRA INTEREST NOT REL TO 9,364

****COMPANY DEBT STRUCTURE****
FR COMPANY ST DEBT         347,183
FR COMPANY LT DEBT         3,585,478

COMPANY SHORT TERM INTEREST 0

****STATE DEBT STRUCTURE****
FR STATE ST DEBT           144,128
INTRASTATE ST DEBT         106,002

FR STATE LT DEBT           1,487,253
INTRASTATE LT DEBT         1,093,832

****STATE DEFERRED TAXES****
FR TOTAL DEFERRED TAXES    907,458
INTRASTATE DEFERRED TAXES  684,235

****STATE CUSTOMER DEPOSITS****
CUSTOMER DEPOSITS          53,274
INTRASTATE CUSTOMER DEPOSITS 39,252

****J D I C****
FR COMPANY AVG JDIC        353,374

```

Corporate Budget 04/21/92 11:06

SOUTHERN BELL - INTRASTATE ROE SUPPLEMENTAL CALCULATION - \$(000)

02/10/92 TRACKING BDGT OF 92

FLORIDA

Report: ROESUP
Data Source: A10207F

	JAN92	FEB92	MAR92	APR92	MAY92	JUN92	JUL92	AUG92	SEP92	OCT92	NOV92	DEC92	YR92
****STATE REVENUES****													
FR LOCAL REVENUES	121,030	121,455	121,966	123,205	123,284	123,062	124,166	125,243	125,755	126,009	126,787	127,187	1,489,149
FR INTER ACCESS	65,949	63,369	67,368	61,728	61,053	59,848	59,835	60,603	60,271	62,511	62,072	64,301	748,908
FR INTRA ACCESS	23,113	25,510	24,068	26,210	25,516	25,241	24,722	25,630	26,385	26,365	27,454	27,595	307,809
FR LONG DISTANCE	27,601	27,067	28,074	26,965	26,703	26,406	26,160	26,473	25,661	24,251	24,814	24,805	314,980
FR MISCELLANEOUS	33,688	32,599	34,366	34,620	32,963	34,642	34,623	33,354	35,162	35,426	34,470	35,721	411,634
FR UNCOLLECTIBLE	3,693	3,709	3,759	3,809	3,809	3,809	3,829	3,849	3,893	3,913	3,890	3,890	45,811
....FR TOTAL REVENUES	267,688	266,291	272,083	268,919	265,710	265,390	265,677	267,454	269,385	270,669	271,684	275,719	3,226,669
INTRA LOCAL REVENUES													
INTRA LOCAL REVENUES	121,030	121,455	121,966	123,205	123,284	123,062	124,166	125,243	125,755	126,009	126,787	127,187	1,489,149
INTRA INTER ACCESS	0	0	0	0	0	0	0	0	0	0	0	0	0
INTRA INTRA ACCESS	23,113	25,510	24,068	26,210	25,516	25,241	24,722	25,630	26,385	26,365	27,454	27,595	307,809
INTRA LONG DISTANCE	27,561	27,027	28,034	26,924	26,662	26,365	26,119	26,432	25,620	24,210	24,773	24,763	314,490
INTRA MISCELLANEOUS	23,207	23,253	23,871	24,098	23,859	24,089	24,062	24,105	24,634	24,771	25,008	25,036	289,993
INTRA UNCOLLECTIBLE	3,527	3,542	3,590	3,638	3,638	3,638	3,657	3,676	3,676	3,718	3,737	3,714	43,751
....INTRASTATE REVENUES	191,384	193,703	194,349	196,799	195,683	195,119	195,412	197,734	198,718	197,637	200,285	200,867	2,357,690
****STATE EXPENSES****													
FR DEPRECIATION	60,894	61,692	62,036	61,983	62,249	62,874	61,771	61,890	62,177	39,708	60,698	60,081	718,053
FR TAX OTH THAN INC	14,790	14,790	14,790	14,790	14,790	14,790	14,789	14,788	14,788	14,788	14,788	14,792	177,473
FR OTHER EXPENSES	132,734	128,500	127,923	126,274	126,964	140,221	130,932	128,603	130,916	133,408	133,313	132,400	1,572,189
....FR TOTAL EXPENSES	208,418	204,982	204,749	203,047	204,003	217,885	207,492	205,281	207,881	187,904	208,799	207,273	2,467,715
INTRA DEPRECIATION													
INTRA DEPRECIATION	13,826	13,924	14,007	14,077	14,120	14,161	13,180	13,218	13,259	13,299	13,332	13,366	163,768
INTRA TAX OTH THAN INC	2,861	2,861	2,861	2,861	2,861	2,861	2,861	2,861	2,861	2,860	2,860	2,861	34,332
INTRA OTHER EXPENSES	95,899	92,717	91,955	90,879	91,609	101,659	94,582	92,792	94,392	96,272	96,496	95,475	1,134,725
....INTRASTATE EXPENSES	154,468	151,986	151,483	150,283	151,234	161,866	154,664	152,954	154,797	134,167	155,346	153,676	1,826,922
FR SIT													
FR SIT	2,745	2,545	3,645	2,971	2,836	2,410	2,622	2,797	2,697	3,643	2,782	2,755	34,448
...INTRA SIT	1,668	1,618	2,295	2,058	2,040	1,787	1,815	1,989	1,886	2,730	1,930	1,768	23,582
FR FIT	11,918	12,738	17,861	14,128	12,728	7,772	11,684	13,060	12,564	20,652	13,828	14,320	163,253
...INTRA FIT	6,391	8,080	10,915	9,553	8,833	4,890	7,727	9,098	8,587	16,079	9,598	9,323	109,076
STATE NON-OP TAXES	(15)	(21)	688	(16)	(19)	(11)	(7)	(8)	(13)	(10)	(371)	(15)	181
...INTRA STATE NON-OP TAXES	(11)	(17)	533	(12)	(15)	(9)	(6)	(6)	(10)	(8)	(287)	(11)	141
FED NON-OP TAXES	(85)	(125)	4,018	(93)	(110)	(65)	(43)	(49)	(77)	(61)	(2,164)	(85)	1,062
...INTRA FED NON-OP TAXES	(66)	(97)	3,115	(72)	(85)	(50)	(33)	(38)	(59)	(47)	(1,676)	(66)	826
OTHER EXPENSE	1,225	1,353	1,295	1,253	1,305	1,164	1,096	1,116	1,201	1,153	5,122	1,227	18,510
...INTRA OTHER EXPENSE	933	1,032	989	957	996	887	835	916	916	878	3,951	937	14,162
INTEREST NOT REL TO CAP	743	723	1,618	723	753	1,658	743	763	1,668	763	733	1,688	12,576
...INTRA INTEREST NOT REL TO	553	538	1,205	538	561	1,235	553	568	1,242	568	546	1,257	9,364
****COMPANY DEBT STRUCTURE****													
FR COMPANY ST DEBT	596,006	515,870	533,842	309,587	329,741	334,538	319,318	222,829	218,831	226,079	258,245	301,307	347,183
FR COMPANY LT DEBT	3,438,437	3,438,531	3,438,624	3,636,248	3,633,877	3,633,979	3,634,083	3,634,186	3,634,289	3,634,392	3,634,496	3,634,598	3,585,478
COMPANY SHORT TERM INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	0
****STATE DEBT STRUCTURE****													
FR STATE ST DEBT	248,020	214,552	222,103	128,822	137,140	138,933	132,369	92,197	90,402	93,466	106,877	124,652	144,128
INTRASTATE ST DEBT	182,691	157,990	163,512	94,815	100,909	102,196	97,331	67,763	66,415	68,671	78,536	91,570	106,002
FR STATE LT DEBT	1,430,858	1,430,098	1,430,625	1,513,078	1,511,338	1,509,189	1,506,461	1,503,662	1,501,372	1,502,531	1,504,172	1,503,652	1,487,253
INTRASTATE LT DEBT	1,053,965	1,053,083	1,053,222	1,113,643	1,112,053	1,110,128	1,107,705	1,105,162	1,103,004	1,103,939	1,105,309	1,104,590	1,093,832
****STATE DEFERRED TAXES****													
FR TOTAL DEFERRED TAXES	929,736	924,868	918,214	912,762	910,270	907,263	903,577	899,964	896,117	896,416	896,978	893,332	907,458
INTRASTATE DEFERRED TAXES	704,932	700,508	694,793	689,998	687,366	684,327	680,639	676,882	672,945	673,180	674,180	671,074	684,235
****STATE CUSTOMER DEPOSITS****													
CUSTOMER DEPOSITS	53,691	53,376	53,086	52,701	52,891	53,091	53,116	53,166	53,291	53,841	53,791	53,241	53,274
INTRASTATE CUSTOMER DEPOSITS	39,563	39,330	39,117	38,833	38,972	39,118	39,135	39,171	39,263	39,668	39,633	39,229	39,252
****J D I C****													
FR COMPANY AVG JDIC	377,841	373,382	368,916	364,457	360,001	355,536	351,067	346,605	342,140	337,848	333,564	329,128	353,374

Corporate Budget 02/11/92 11:24
BELLSOUTH TELECOMMUNICATIONS INC. - INCOME STATEMENT \$(000)
02/10/92 TRACKING BGD FOR 92
FLORIDA

Report: 1S8ST
Data Source: A10207F

	YR92
01 LOCAL SERVICE REVENUE	1,489,149
02 NETWORK ACC REV-INTER	748,908
03 NETWORK ACC REV-INTRA	307,809
04 LONG DISTANCE REV	314,980
05 MISCELLANEOUS REV	413,404
06 INTERCOMPANY OPER REV	
07 TOTAL OPTG REV	3,274,250
08 NETWORK SUPPORT	5,794
09 GENERAL SUPPORT	148,423
10 CENTRAL OFF SWITCHING	100,338
11 OPERATOR SYSTEMS	860
12 CENTRAL OFF TRANS	43,177
13 INFORM ORIG TERM	68,938
14 CABLE AND WIRE FACIL	192,664
15 OTHER PROP & NETWK	248,701
16 CUSTOMER ASSISTANCE	326,034
17 COST OF SERVICES	1,134,930
18 DEPR & AMORT	718,053
19 MARKETING	101,797
20 CORPORATE	371,943
21 TAXES OTHER THAN INC	177,473
22 SELL GEN & ADM	651,213
23 OTHER EXPENSES	11,100
24 TOTAL OPER EXPENSE	2,515,296
25 NET OPERATING REV	758,954
26 OTHER (INCOME) -NET	14,299
27 AFUDC	4,830
28 INTEREST DEDUCTIONS	153,067
29 INTEREST EXP - NET	148,237
30 INC BEF INCOME TAX	625,016
31 FEDERAL INC TAXES	163,253
32 STATE & LOCAL INC TAX	34,448
33 TOTAL INCOME TAXES	197,701
34 EXTRAORDINARY ITEMS	-108,510
35 INC TAX ON EXTRA ITEMS	-38,898
36 NET INCOME	357,704
37 DEDUCT FOR DIVIDENDS	0
38 BALANCE	357,704
39 AVG TOTAL CAPITAL	4,520,829
40 AVG EQUITY CAPITAL	2,722,321
41 RETURN ON AVG TOT CAP	11.02
42 RTE	13.14
43 PRE TAX INT COVERAGE	4.37
45 OPERATING RATIO	76.82

Corporate Budget 03/19/92 10:50
BELLSOUTH TELECOMMUNICATIONS, INC. - SEPARATED INCOME STATEMENT \$ (000)
Q2/10/92 TRACKING BDGT OF 92
FLORIDA

Report: SEPBST

Data Source: A10207F

YR92

*****FR TOTALS*****

LOCAL SERVICE REVENUE	1,489,149
NETWORK ACC REV-INTER	748,908
NETWORK ACC REV-INTRA	307,809
LONG DISTANCE REVENUE	314,980
MISCELLANEOUS REVENUE	413,404
INTERCOMPANY OPER REV	
....TOTAL OPTG REVENUE	3,274,250

DEPRECIATION	718,053
TAXES OTH THAN INC	177,473
ALL OTHER	1,619,770
....TOTAL OPTG EXPENSE	2,515,296

....NET OPERATING REVENUE	758,954
---------------------------	---------

OTHER (INCOME) - NET	14,299
AFUDC	4,830
INTEREST DEDUCTIONS	153,067

....INCOME BEFORE INC TAX	625,016
---------------------------	---------

FEDERAL INCOME TAXES	163,253
STATE AND LOCAL INC TAX	34,448
TOTAL INCOME TAXES	197,701

EXTRAORDINARY ITEMS	-108,510
INCOME TAX ON EXTRA ITEMS	-38,898

....NET INCOME	357,704
....INCOME AVAIL FOR RETU	498,195

R T E	13.14
RETURN ON AVG TOT CAP	11.02

AVERAGE EQUITY CAPITAL	2,722,321
AVERAGE TOTAL CAPITAL	4,520,829

Corporate Budget 03/19/92 10:50
BELLSOUTH TELECOMMUNICATIONS, INC. - SEPARATED INCOME STATEMENT \$ (000)
02/10/92 TRACKING BDGT OF 92

FLORIDA

Report: SEPBST

Data Source: A10207F

YR92

*****DEREGULATED*****

LOCAL SERVICE REVENUE	0
NETWORK ACC REV-INTER	0
NETWORK ACC REV-INTRA	0
LONG DISTANCE REVENUE	0
MISCELLANEOUS REVENUE	96,227
INTERCOMPANY OPER REV	0
....TOTAL OPTG REVENUE	96,227

DEPRECIATION	4,632
TAXES OTH THAN INC	598
ALL OTHER	86,021
....TOTAL OPTG EXPENSE	91,251

....NET OPERATING REVENUE	4,973
---------------------------	-------

OTHER (INCOME) - NET
AFUDC

INTEREST DEDUCTIONS	893
---------------------	-----

....INCOME BEFORE INC TAX	4,080
---------------------------	-------

FEDERAL INCOME TAXES	1,311
STATE AND LOCAL INC TAX	224
TOTAL INCOME TAXES	1,535

EXTRAORDINARY ITEMS

INCOME TAX ON EXTRA ITEMS	0
---------------------------	---

....NET INCOME	2,545
----------------	-------

....INCOME AVAIL FOR RETU	3,437
---------------------------	-------

R T E	14.24
-------	-------

RETURN ON AVG TOT CAP	11.79
-----------------------	-------

AVERAGE EQUITY CAPITAL	17,868
------------------------	--------

AVERAGE TOTAL CAPITAL	29,147
-----------------------	--------

Corporate Budget 03/19/92 10:50
BELLSOUTH TELECOMMUNICATIONS, INC. - SEPARATED INCOME STATEMENT \$ (000)
02/10/92 TRACKING BDGT OF 92
FLORIDA

Report: SEPBST

Data Source: A10207F

YR92

*****INTERSTATE*****

LOCAL SERVICE REVENUE	0
NETWORK ACC REV-INTER	748,908
NETWORK ACC REV-INTRA	0
LONG DISTANCE REVENUE	490
MISCELLANEOUS REVENUE	27,184
INTERCOMPANY OPER REV	
....TOTAL OPTG REVENUE	776,582

DEPRECIATION	163,768
TAXES OTH THAN INC	34,332
ALL OTHER	353,210
....TOTAL OPTG EXPENSE	551,309

....NET OPERATING REVENUE	223,213
---------------------------	---------

OTHER (INCOME) - NET	3,215
AFUDC	1,248
INTEREST DEDUCTIONS	38,862

....INCOME BEFORE INC TAX	188,814
---------------------------	---------

FEDERAL INCOME TAXES	52,865
STATE AND LOCAL INC TAX	10,642
TOTAL INCOME TAXES	63,507

....NET INCOME	110,546
....REGULATORY INCOME	149,701
....INCOME AVAIL FOR RETU	146,196

R T E	15.64
REGULATORY RETURN	12.70
RETURN ON AVG TOT CAP	12.52

AVERAGE EQUITY CAPITAL	706,903
REGULATORY RATE BASE	1,178,731
AVERAGE TOTAL CAPITAL	1,167,535

Corporate Budget 03/19/92 10:50
BELLSOUTH TELECOMMUNICATIONS, INC. - SEPARATED INCOME STATEMENT \$ (000)
02/10/92 TRACKING BDGT OF 92
FLORIDA

Report: SEPBST

Data Source: A10207F

YR92

*****INTRASTATE*****

LOCAL SERVICE REVENUE	1,489,149
NETWORK ACC REV-INTER	0
NETWORK ACC REV-INTRA	307,809
LONG DISTANCE REVENUE	314,490
MISCELLANEOUS REVENUE	289,993
INTERCOMPANY OPER REV	
....TOTAL OPTG REVENUE	2,401,441

DEPRECIATION	549,653
TAXES OTH THAN INC	142,544
ALL OTHER	1,178,476
....TOTAL OPTG EXPENSE	1,870,673

....NET OPERATING REVENUE 530,768

OTHER (INCOME) - NET	11,084
AFUDC	3,582
INTEREST DEDUCTIONS	113,312

....INCOME BEFORE INC TAX 432,123

FEDERAL INCOME TAXES	109,076
STATE AND LOCAL INC TAX	23,582
TOTAL INCOME TAXES	132,659

EXTRAORDINARY ITEMS	-85,600
INCOME TAX ON EXTRA ITEMS	-30,750

....NET INCOME	244,614
....INCOME AVAIL FOR RETU	348,562

R T E	12.25
RETURN ON AVG TOT CAP	10.49

AVERAGE EQUITY CAPITAL	1,997,550
AVERAGE TOTAL CAPITAL	3,324,148

BELLSOUTH TELECOMMUNICATIONS, INC. - SEPARATED INCOME STATEMENT \$ (000)
02/10/92 TRACKING BDGT OF 92 AND PLAN VIEW OF 93 - 94
FLORIDA

Report: SEPBST
 Data Source: A10207F

	JAN92	FEB92	MAR92	APR92	MAY92	JUN92	JUL92	AUG92	SEP92	OCT92	NOV92	DEC92	YR92
	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
*****FR TOTALS*****													
LOCAL SERVICE REVENUE	121,030	121,455	121,966	123,205	123,284	123,062	124,166	125,243	125,755	126,009	126,787	127,187	1,489,149
NETWORK ACC REV-INTER	65,949	63,369	67,368	61,728	61,053	59,848	59,835	60,603	60,271	62,511	62,072	64,301	748,908
NETWORK ACC REV-INTRA	23,113	25,510	24,068	26,210	25,516	25,241	24,722	25,630	26,385	26,365	27,454	27,595	307,809
LONG DISTANCE REVENUE	27,601	27,067	28,074	26,965	26,703	26,406	26,160	26,473	25,661	24,251	24,814	24,805	314,980
MISCELLANEOUS REVENUE	33,831	32,746	34,514	34,768	33,111	34,790	34,771	33,502	35,310	35,574	34,618	35,869	413,404
INTERCOMPANY OPER REV													
....TOTAL OPTG REVENUE	271,524	270,147	275,990	272,876	269,667	269,347	269,654	271,451	273,382	274,710	275,745	279,757	3,274,250
DEPRECIATION	60,894	61,692	62,036	61,983	62,249	62,874	61,771	61,890	62,177	39,708	60,698	60,081	718,053
TAXES OTH THAN INC	14,790	14,790	14,790	14,790	14,790	14,790	14,789	14,788	14,788	14,788	14,788	14,792	177,473
ALL OTHER	136,570	132,356	131,830	130,231	130,921	144,178	134,909	132,600	134,913	137,449	137,374	136,438	1,619,770
....TOTAL OPTG EXPENSE	212,254	208,838	208,656	207,004	207,960	221,842	211,469	209,278	211,878	191,945	212,860	211,311	2,515,296
....NET OPERATING REVENUE	59,270	61,309	67,335	65,872	61,707	47,506	58,185	62,173	61,504	82,765	62,885	68,446	758,954
OTHER (INCOME) - NET	28	28	13,148	28	28	309	28	28	309	28	28	309	14,299
AFUDC	156	262	344	383	432	491	519	506	489	478	423	347	4,830
INTEREST DEDUCTIONS	12,642	12,426	13,372	12,507	12,586	13,490	12,523	12,295	13,179	12,294	12,347	13,406	153,067
....INCOME BEFORE INC TAX	46,812	49,173	67,454	53,776	49,581	34,815	46,208	50,412	49,124	70,977	50,989	55,696	625,016
FEDERAL INCOME TAXES	11,918	12,738	17,861	14,128	12,728	7,772	11,684	13,060	12,564	20,652	13,828	14,320	163,253
STATE AND LOCAL INC TAX	2,745	2,545	3,645	2,971	2,836	2,410	2,622	2,797	2,697	3,643	2,782	2,755	34,448
TOTAL INCOME TAXES	14,663	15,283	21,506	17,099	15,564	10,181	14,307	15,857	15,261	24,295	16,610	17,075	197,701
EXTRAORDINARY ITEMS	-8,833	-8,833	-8,833	-8,833	-8,833	-8,833	-9,256	-9,256	-9,256	-9,256	-9,256	-9,232	-108,510
INCOME TAX ON EXTRA ITEMS	-3,155	-3,155	-3,155	-3,180	-3,180	-3,180	-3,340	-3,340	-3,340	-3,227	-3,328	-3,320	-38,898
....NET INCOME	26,471	28,212	40,270	31,023	28,364	18,981	25,986	28,638	27,946	40,653	28,452	32,709	357,704
....INCOME AVAIL FOR RETU	38,370	39,915	52,024	42,807	40,197	30,813	37,766	40,170	39,457	52,184	40,066	44,427	498,195
R T E	11.62	12.41	17.68	13.61	12.47	8.36	11.48	12.66	12.37	17.98	12.57	14.46	13.14
RETURN ON AVG TOT CAP	10.03	10.53	13.69	11.29	10.60	8.15	10.02	10.78	10.61	14.01	10.72	11.85	11.02
AVERAGE EQUITY CAPITAL	2,734,171	2,727,275	2,733,393	2,735,898	2,729,778	2,722,979	2,717,080	2,714,140	2,710,489	2,712,632	2,715,535	2,714,476	2,722,321
AVERAGE TOTAL CAPITAL	4,592,117	4,548,795	4,560,785	4,550,261	4,548,523	4,539,161	4,521,760	4,473,645	4,463,702	4,468,260	4,484,438	4,498,501	4,520,829

NOTICE: NOT FOR USE OR DISCLOSURE OUTSIDE THE
 BELLSOUTH REGION EXCEPT UNDER WRITTEN AGREEMENT.

BELLSOUTH TELECOMMUNICATIONS, INC. - SEPARATED INCOME STATEMENT \$ (000)
02/10/92 TRACKING BDOY OF 92 AND PLAN VIEW OF 93 - 94
FLORIDA

Report: SEPBST
 Data Source: A10207F

	JAN92	FEB92	MAR92	APR92	MAY92	JUN92	JUL92	AUG92	SEP92	OCT92	NOV92	DEC92	YR92
*****DEREGULATED*****													
LOCAL SERVICE REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
NETWORK ACC REV-INTER	0	0	0	0	0	0	0	0	0	0	0	0	0
NETWORK ACC REV-INTRA	0	0	0	0	0	0	0	0	0	0	0	0	0
LONG DISTANCE REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
MISCELLANEOUS REVENUE	7,841	7,891	7,910	7,937	7,966	7,998	8,026	8,060	8,092	8,139	8,174	8,193	96,227
INTERCOMPANY OPER REV	0	0	0	0	0	0	0	0	0	0	0	0	0
....TOTAL OPTG REVENUE	7,841	7,891	7,910	7,937	7,966	7,998	8,026	8,060	8,092	8,139	8,174	8,193	96,227
DEPRECIATION	378	379	381	382	384	385	387	388	390	391	393	394	4,632
TAXES OTH THAN INC	49	49	49	49	49	50	50	50	50	51	51	51	598
ALL OTHER	7,051	6,883	7,510	7,244	6,941	7,151	7,169	7,075	7,329	7,328	6,883	7,460	86,021
....TOTAL OPTG EXPENSE	7,478	7,311	7,940	7,675	7,374	7,586	7,606	7,513	7,769	7,770	7,327	7,905	91,251
....NET OPERATING REVENUE	363	580	-30	262	592	412	420	547	323	369	847	288	4,973
OTHER (INCOME) - NET													
AFUDC													
INTEREST DEDUCTIONS	73	73	73	74	74	74	75	75	75	75	76	76	893
....INCOME BEFORE INC TAX	290	507	-103	188	518	338	345	472	248	294	771	212	4,080
FEDERAL INCOME TAXES	93	163	-33	60	166	109	111	152	80	94	248	68	1,311
STATE AND LOCAL INC TAX	16	28	-6	10	28	19	19	26	14	16	42	12	224
TOTAL INCOME TAXES	109	191	-39	71	195	127	130	178	93	111	290	80	1,535
EXTRAORDINARY ITEMS													
INCOME TAX ON EXTRA ITEMS	0	0	0	0	0	0	0	0	0	0	0	0	0
....NET INCOME	181	316	-64	117	323	211	215	294	155	183	481	132	2,545
....INCOME AVAIL FOR RETU	254	389	9	191	397	285	290	369	230	258	557	208	3,437
R T E	12.23	21.37	-4.34	7.90	21.76	14.13	14.37	19.62	10.32	12.23	32.27	8.93	14.24
RETURN ON AVG TOT CAP	10.42	16.09	.36	7.90	16.35	11.66	11.86	15.20	9.47	10.63	23.00	8.62	11.79
AVERAGE EQUITY CAPITAL	17,754	17,753	17,767	17,809	17,819	17,909	17,966	18,004	17,982	17,999	17,880	17,764	17,868
AVERAGE TOTAL CAPITAL	29,227	29,029	29,080	29,068	29,150	29,319	29,373	29,160	29,113	29,160	29,059	28,991	29,147

NOTICE: NOT FOR USE OR DISCLOSURE OUTSIDE THE
 BELLSOUTH REGION EXCEPT UNDER WRITTEN AGREEMENT.

Corporate Budget 03/19/92 10:50

BELLSOUTH TELECOMMUNICATIONS, INC. - SEPARATED INCOME STATEMENT \$ (000)
02/10/92 TRACKING BDGT OF 92 AND PLAN VIEW OF 93 - 94
FLORIDA

Report: SEPBST
Data Source: A10207f

	JAN92	FEB92	MAR92	APR92	MAY92	JUN92	JUL92	AUG92	SEP92	OCT92	NOV92	DEC92	YR92
*****INTERSTATE*****													
LOCAL SERVICE REVENUE	0	0	0	0	0	0	0	0	0	0	0	0	0
NETWORK ACC REV-INTER	65,949	63,369	67,368	61,728	61,053	59,848	59,835	60,603	60,271	62,511	62,072	64,301	748,908
NETWORK ACC REV-INTRA	0	0	0	0	0	0	0	0	0	0	0	0	0
LONG DISTANCE REVENUE	40	40	40	41	41	41	41	41	41	41	41	42	490
MISCELLANEOUS REVENUE	2,783	1,602	2,733	2,733	1,286	2,703	2,683	1,337	2,584	2,664	1,436	2,640	27,184
INTERCOMPANY OPER REV													
....TOTAL OPTG REVENUE	68,772	65,011	70,141	64,502	62,380	62,592	62,559	61,981	62,896	65,216	63,549	66,983	776,582
DEPRECIATION	13,826	13,924	14,007	14,077	14,120	14,161	13,180	13,218	13,259	13,299	13,332	13,366	163,768
TAXES OTH THAN INC	2,861	2,861	2,861	2,861	2,861	2,861	2,861	2,861	2,861	2,860	2,860	2,861	34,332
ALL OTHER	29,928	29,048	28,605	28,300	28,563	31,559	29,330	28,884	29,343	29,956	30,082	29,613	353,210
....TOTAL OPTG EXPENSE	46,615	45,832	45,473	45,237	45,544	48,580	45,371	44,963	45,463	46,116	46,274	45,841	551,309
....NET OPERATING REVENUE	21,991	19,012	24,499	19,094	16,666	13,841	17,016	16,845	17,260	18,925	17,099	20,966	223,213
OTHER (INCOME) - NET	6	6	2,956	6	6	70	6	6	70	6	6	69	3,215
AFUDC	40	68	89	99	112	127	134	131	126	124	109	90	1,248
INTEREST DEDUCTIONS	3,210	3,155	3,396	3,175	3,195	3,426	3,179	3,121	3,346	3,120	3,134	3,404	38,862
....INCOME BEFORE INC TAX	18,828	15,931	24,147	16,024	13,588	10,611	13,978	13,861	14,110	15,935	14,081	17,721	188,814
FEDERAL INCOME TAXES	5,434	4,495	6,979	4,515	3,728	2,773	3,846	3,810	3,897	4,479	3,982	4,929	52,865
STATE AND LOCAL INC TAX	1,061	899	1,355	903	768	604	789	782	797	897	810	976	10,642
TOTAL INCOME TAXES	6,495	5,394	8,334	5,417	4,496	3,377	4,635	4,592	4,695	5,375	4,792	5,905	63,507
....NET INCOME	11,239	9,443	14,718	9,512	7,998	6,140	7,977	7,903	8,048	9,193	7,922	10,453	110,546
....REGULATORY INCOME	14,297	13,172	16,047	12,548	11,963	9,425	11,058	11,745	11,241	12,232	12,394	13,576	149,701
....INCOME AVAIL FOR RETN	14,259	12,413	17,702	12,503	11,001	9,143	10,966	10,828	10,969	12,118	10,869	13,426	146,196
R T E	19.08	16.05	24.95	16.10	13.56	10.43	13.56	13.43	13.68	15.62	13.45	17.74	15.64
REGULATORY RETURN	14.50	13.37	16.28	12.72	12.14	9.59	11.27	11.99	11.49	12.51	12.68	13.85	12.70
RETURN ON AVG TOT CAP	14.49	12.72	18.08	12.79	11.25	9.36	11.26	11.23	11.38	12.57	11.23	13.82	12.52
AVERAGE EQUITY CAPITAL	707,028	705,830	707,911	709,051	707,991	706,752	705,906	705,980	705,891	706,296	706,856	707,274	706,903
REGULATORY RATE BASE	1,183,596	1,182,298	1,182,618	1,183,921	1,182,751	1,179,642	1,177,267	1,175,669	1,174,230	1,172,973	1,173,307	1,176,498	1,178,731
AVERAGE TOTAL CAPITAL	1,180,836	1,170,700	1,174,670	1,172,824	1,173,274	1,171,748	1,168,411	1,157,386	1,156,254	1,157,172	1,161,041	1,165,861	1,167,535

NOTICE: NOT FOR USE OR DISCLOSURE OUTSIDE THE
BELLSOUTH REGION EXCEPT UNDER WRITTEN AGREEMENT.

BELLSOUTH TELECOMMUNICATIONS, INC. - SEPARATED INCOME STATEMENT \$ (000)
02/10/92 TRACKING BDGT OF 92 AND PLAN VIEW OF 93 - 94
FLORIDA

Report: SEPBST
Data-Source: A10207F

	JAN92	FEB92	MAR92	APR92	MAY92	JUN92	JUL92	AUG92	SEP92	OCT92	NOV92	DEC92	YR92
*****INTRASTATE*****													
LOCAL SERVICE REVENUE	121,030	121,455	121,966	123,205	123,284	123,062	124,166	125,243	125,755	126,009	126,787	127,187	1,489,149
NETWORK ACC REV-INTER	0	0	0	0	0	0	0	0	0	0	0	0	0
NETWORK ACC REV-INTRA	23,113	25,510	24,068	26,210	25,516	25,241	24,722	25,630	26,385	26,365	27,454	27,595	307,809
LONG DISTANCE REVENUE	27,561	27,027	28,034	26,924	26,662	26,365	26,119	26,432	25,620	24,210	24,773	24,763	314,490
MISCELLANEOUS REVENUE	23,207	23,253	23,871	24,098	23,859	24,089	24,062	24,105	24,634	24,771	25,008	25,036	289,993
INTERCOMPANY OPER REV													
....TOTAL OPTG REVENUE	194,911	197,245	197,939	200,437	199,321	198,757	199,069	201,410	202,394	201,355	204,022	204,581	2,401,441
DEPRECIATION	46,690	47,390	47,648	47,525	47,745	48,328	48,204	48,284	48,528	26,018	46,973	46,321	549,653
TAXES OTH THAN INC	11,880	11,880	11,880	11,880	11,880	11,879	11,878	11,877	11,877	11,877	11,877	11,880	142,544
ALL OTHER	99,425	96,259	95,545	94,517	95,247	105,297	98,239	96,469	98,068	99,991	100,233	99,189	1,178,476
....TOTAL OPTG EXPENSE	157,995	155,528	155,073	153,921	154,872	165,504	158,321	156,630	158,473	137,885	159,083	157,390	1,870,673
....NET OPERATING REVENUE	36,916	41,717	42,866	46,516	44,449	33,253	40,748	44,781	43,921	63,470	44,939	47,191	530,768
OTHER (INCOME) - NET	22	22	10,192	22	22	239	22	22	239	22	22	240	11,084
AFUDC	116	194	255	284	320	364	385	375	363	355	314	258	3,582
INTEREST DEDUCTIONS	9,359	9,198	9,903	9,258	9,317	9,990	9,269	9,099	9,758	9,099	9,137	9,926	113,312
....INCOME BEFORE INC TAX	27,694	32,735	43,411	37,564	35,475	23,866	31,886	36,078	34,766	54,748	36,137	37,763	432,123
FEDERAL INCOME TAXES	6,391	8,080	10,915	9,553	8,833	4,890	7,727	9,098	8,587	16,079	9,598	9,323	109,076
STATE AND LOCAL INC TAX	1,668	1,618	2,295	2,058	2,040	1,787	1,815	1,989	1,886	2,730	1,930	1,768	23,582
TOTAL INCOME TAXES	8,059	9,698	13,211	11,611	10,873	6,677	9,542	11,087	10,473	18,809	11,528	11,091	132,659
EXTRAORDINARY ITEMS	-7,135	-7,135	-7,135	-7,135	-7,135	-7,135	-7,135	-7,135	-7,135	-7,135	-7,135	-7,115	-85,600
INCOME TAX ON EXTRA ITEMS	-2,551	-2,551	-2,551	-2,576	-2,576	-2,576	-2,585	-2,585	-2,585	-2,473	-2,574	-2,567	-30,750
....NET INCOME	15,051	18,453	25,616	21,394	20,043	12,630	17,794	20,441	19,743	31,277	20,049	22,124	244,614
....INCOME AVAIL FOR RETU	23,857	27,113	34,314	30,113	28,799	21,385	26,510	28,973	28,259	39,807	28,640	30,793	348,562
R T E	8.99	11.05	15.31	12.78	12.00	7.58	10.71	12.33	11.93	18.88	12.08	13.34	12.25
RETURN ON AVG TOT CAP	8.46	9.71	12.27	10.79	10.33	7.69	9.57	10.58	10.34	14.56	10.43	11.18	10.49
AVERAGE EQUITY CAPITAL	2,009,389	2,003,692	2,007,716	2,009,038	2,003,969	1,998,319	1,993,209	1,990,157	1,986,616	1,988,337	1,990,799	1,989,438	1,997,550
AVERAGE TOTAL CAPITAL	3,382,054	3,349,066	3,357,035	3,348,370	3,346,098	3,338,094	3,323,976	3,287,098	3,278,335	3,281,928	3,294,338	3,303,649	3,324,148

NOTICE: NOT FOR USE OR DISCLOSURE OUTSIDE THE
BELLSOUTH REGION EXCEPT UNDER WRITTEN AGREEMENT.

FLORIDA PUBLIC SERVICE COMMISSION
Company: Southern Bell Telephone & Telegraph
Docket No. 920260-TL
Test Year: 1991

Schedule B-Sc
Page 1 of 1
Witness Responsible_____

REQUEST: A copy of the most recent audited financial statements of the applicant
and the parent company (i.e. , annual report to stockholder) if available.

RESPONSE: See attached for BellSouth Telecommunications Form 10-K and BellSouth's Annual
Report for 1991. No 1991 Form 10-K was created for Southern Bell Telephone
and Telegraph Company (4 state operations).

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 1991

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____
Commission file number 1-1049

BELLSOUTH TELECOMMUNICATIONS, INC.

A Georgia
Corporation

I.R.S. Employer No.
58-0436120

675 West Peachtree Street, N. E., Atlanta, Georgia 30375

Telephone number:
404 529-8611

Securities registered pursuant to Section 12(b) of the Act:

None.

Securities registered pursuant to Section 12(g) of the Act:

None.

At February 28, 1992, one share of Common Stock was outstanding.

**THE REGISTRANT, A WHOLLY-OWNED SUBSIDIARY OF BELLSOUTH CORPORATION,
MEETS THE CONDITIONS SET FORTH IN GENERAL INSTRUCTION J(1)(a) AND (b) OF FORM 10-K
AND IS THEREFORE FILING THIS FORM WITH REDUCED DISCLOSURE FORMAT PURSUANT
TO GENERAL INSTRUCTION J(2).**

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [NOT APPLICABLE]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No _____

DOCUMENTS INCORPORATED BY REFERENCE:

None.

TABLE OF CONTENTS

<u>Item</u>		<u>Page</u>
PART I		
1.	Business	1
2.	Properties	9
3.	Legal Proceedings	10
4.	Submission of Matters to a Vote of Shareholders (Omitted pursuant to General Instruction J(2))	
PART II		
5.	Market for Registrant's Common Equity and Related Shareholder Matters (Inapplicable) . . .	
6.	Selected Financial Data	11
7.	Management's Discussion and Analysis of Financial Condition and Results of Operations (Abbreviated pursuant to General Instruction J(2))	11
8.	Consolidated Financial Statements	20
9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure . .	30
PART III		
10.	Directors and Executive Officers of the Registrant (Omitted pursuant to General Instruction J(2))	
11.	Executive Compensation (Omitted pursuant to General Instruction J(2))	
12.	Security Ownership of Certain Beneficial Owners and Management (Omitted pursuant to General Instruction J(2))	
13.	Certain Relationships and Related Transactions (Omitted pursuant to General Instruction J(2))	
PART IV		
14.	Exhibits, Financial Statement Schedules, and Reports on Form 8-K	30

PART I

ITEM 1. BUSINESS

General

South Central Bell Telephone Company ("South Central Bell") was incorporated in 1967 under the laws of the State of Delaware and Southern Bell Telephone and Telegraph Company ("Southern Bell") was incorporated in 1879 under the laws of the State of New York. On December 31, 1983, pursuant to a consent decree approved by the United States District Court for the District of Columbia (the "D. C. District Court") entitled "Modification of Final Judgment" (the "MFJ") settling antitrust litigation brought by the United States Department of Justice (the "Justice Department") in 1974, American Telephone and Telegraph Company ("AT&T") transferred to BellSouth Corporation ("BellSouth") its 100% ownership of South Central Bell and Southern Bell. On the same date, South Central Bell and Southern Bell were reincorporated through mergers into Georgia corporations. Effective January 1, 1984, ownership of BellSouth was divested from AT&T and BellSouth became a publicly traded company.

Effective at midnight December 31, 1991, South Central Bell and BellSouth Services Incorporated (a jointly-owned service subsidiary of South Central Bell and Southern Bell) merged with and into Southern Bell and Southern Bell's name was changed to BellSouth Telecommunications, Inc. ("BellSouth Telecommunications"). During 1991, BellSouth also reorganized under South Central Bell and Southern Bell its business telecommunications, nationwide computer systems, parts and maintenance and nationwide customer premises equipment and maintenance operations. BellSouth Telecommunications will continue to use the names South Central Bell and Southern Bell for various purposes.

BellSouth Telecommunications provides predominantly tariffed telecommunications services to approximately 68% of the population and 51% of the territory within Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. These areas were previously served by South Central Bell and Southern Bell.

BellSouth Telecommunications has its principal executive offices at 675 West Peachtree Street, N.E., Atlanta, Georgia 30375 (telephone number 404 529-8611).

Modification of Final Judgment

Pursuant to the MFJ, AT&T divested the 22 wholly-owned operating telephone companies (the "Operating Telephone Companies"), including South Central Bell and Southern Bell, that were included in the former Bell System. The ownership of such 22 Operating Telephone Companies was transferred by AT&T to seven holding companies (the "Holding Companies"), including BellSouth. All territory in the continental United States served by the Operating Telephone Companies was divided into geographical areas termed "Local Access and Transport Areas" ("LATAs"). These LATAs are generally centered on a city or other identifiable community of interest.

The MFJ defines the permissible scope of the Operating Telephone Companies' post-divestiture business activities, and the D. C. District Court retained jurisdiction over its construction, implementation, modification and enforcement. Under the MFJ, the Operating Telephone Companies may provide local exchange, exchange access, information access and toll telecommunications services within a LATA. Although prohibited from providing service between LATAs, the Operating Telephone Companies provide exchange access services that link a subscriber's telephone or other equipment in one of their LATAs to the transmission facilities of carriers (the "Interexchange Carriers"), which provide toll telecommunications services between different LATAs. The Operating Telephone Companies may market, but not manufacture, customer premises equipment ("CPE"), which is defined in the MFJ as equipment used on customers' premises to originate, route or terminate telecommunications. A similar restriction applies to the manufacture or provision of "telecommunications equipment", which is defined in the MFJ as including equipment used by carriers to provide telecommunications services. The Holding Companies are lobbying the United States Congress to remove the equipment manufacturing restrictions. (See "Legislation"). The MFJ restriction that precludes the Holding Companies from producing information services content was lifted by the D. C. District Court during 1991 but the decision

* The provisions of the MFJ are equally applicable to the Holding Companies.

has been appealed to the United States Court of Appeals for the District of Columbia Circuit (the "D. C. Circuit Court"). Legislation has been introduced in the United States Congress to reimpose restrictions on the Holding Companies' provision of information services. (See "Legislation").

The MFJ requires the Operating Telephone Companies to provide, upon a bona fide request by any Interexchange Carrier or information service provider, exchange access, information access and exchange services for such access that will be equal to that provided to AT&T in quality, type and price. BellSouth Telecommunications believes it is in compliance with this requirement.

Business Operations

Approximately 86%, 86% and 87% of BellSouth Telecommunications' operating revenues for the years ended December 31, 1991, 1990 and 1989 were from wire-line telecommunications services and the remainder of revenues was principally from directory publishing fees, billing and collection services, CPE sales and rental of facilities.

BellSouth Business Systems, Inc. ("BellSouth Business Systems"), a subsidiary of BellSouth Telecommunications, was created during 1991 for the purpose of serving primarily the needs of business customers through a single entity. The principal companies that comprise BellSouth Business Systems are BellSouth Communications, Inc., BellSouth Communication Systems, Inc. ("BellSouth Communications Systems") and Dataserv, Inc. ("Dataserv"). Respectively, these companies provide sales support within traditional telephone operating company service areas; sell, install and maintain CPE; and maintain and provide parts and integration services for computer and data processing equipment. BellSouth Communications Systems and Dataserv provide service to locations outside the nine-state BellSouth Telecommunications' region.

In the aggregate, access revenue, revenue from billing and collection activities and rental of facilities comprised approximately 31%, 32% and 33% of 1991, 1990, and 1989 operating revenues, respectively. The majority of revenues were from services provided to AT&T, BellSouth Telecommunications largest customer.

Telephone Company Operations

BellSouth Telecommunications provides services, which include local exchange, exchange access and intraLATA toll services, within each of the 38 LATAs in its combined nine-state operating area. (See "Local and Toll Services" and "Access Services"). The tables below set forth the following: network access lines in service at December 31 for the last five years; access lines in each state at December 31, 1991; and the annual percentage increase in access lines in each state at December 31 for the last four years.

		Millions				
		1991	1990	1989	1988	1987
Network Access						
Lines in Service:						
Residence		12.9	12.6	12.3	12.0	11.6
Business		4.9	4.6	4.4	4.2	3.9
Other . . . . .		.3	.3	.3	.2	.2
Total		<u>18.1</u>	<u>17.5</u>	<u>17.0</u>	<u>16.4</u>	<u>15.7</u>

	Millions	Percent Access Line Increase			
	Access Lines 1991	1991	1990	1989	1988
States					
Alabama	1.6	2.8	3.5	2.0	5.5
Florida	4.7	3.3	3.7	5.3	5.3
Georgia	2.9	4.2	3.4	4.0	4.8
Kentucky	1.0	3.1	1.8	2.0	2.8
Louisiana	1.9	1.9	2.7	1.1	1.3
Mississippi	1.0	2.8	2.9	1.9	3.2
North Carolina	1.8	3.0	2.7	4.5	5.0
South Carolina	1.1	2.8	3.5	4.4	4.5
Tennessee	2.1	3.2	3.5	1.5	3.4
Total Lines/Increase	18.1	3.2	3.2	3.4	4.2

Approximately 54% of such lines were in 49 metropolitan areas, each having a population of 125,000 or more, and about 26% were in other metropolitan areas having populations in excess of 25,000 but less than 125,000. Many localities and some sizable areas in the states in which BellSouth Telecommunications operates are served by non-affiliated telephone companies, which had approximately 29% of the network access lines in such states on December 31, 1991. BellSouth Telecommunications does not furnish local exchange, exchange access or toll services in the areas served by such companies.

The following table reflects access minutes of use and toll message volume for the last five years.

	Millions				
	1991	1990	1989	1988	1987
Access Minutes of Use: *					
Interstate	47,208.7	44,867.9	41,415.7	37,422.0	33,913.6
Intrastate	13,217.8	12,101.7	11,271.5	10,349.1	9,324.3
Toll Messages*	1,389.9	1,459.6	1,463.0	1,377.9	1,275.6

The number of intraLATA toll messages carried by BellSouth Telecommunications has declined, primarily because of the effect of expanded local calling area plans and resale by competitors of toll services obtained from BellSouth Telecommunications. Toll message volumes are expected to decline further upon implementation of additional intraLATA toll competition being authorized in many of the states served by BellSouth Telecommunications. (See "Competition").

Local And Toll Services

Charges for local services for the years ended December 31, 1991, 1990, and 1989 accounted for approximately \$5,846.2, \$5,664.6 and \$5,446.7 million, respectively, of BellSouth Telecommunications' operating revenues. Local services operations provide lines from telephone exchange offices to subscribers' premises for the origination and termination of telecommunications including the following: basic local telephone service provided through the regular switching network; dedicated private line facilities for voice and special services, such as transport of data, radio and video and foreign exchange services; switching services for customers' internal communications through facilities owned by BellSouth Telecommunications; services for data transport that include managing and configuring special service networks; and dedicated low or high capacity public or private digital networks. Other local services revenue is derived from intercept and directory assistance, coin telephones and various special and custom calling services.

* Prior period operating data is often revised at later dates to reflect the most current information. The above information reflects the latest data available for Access Minutes of Use and Toll Messages for the periods indicated.

BellSouth Telecommunications has the ability to offer certain enhanced services through its network. Such offerings include various forms of data and voice transmission, voice messaging and storage services and gateway communications between customers and information services providers. The extent to which these offerings can be profitably provided will depend on the degree of market acceptance and the resolution of various issues still pending before the Federal Communications Commission (the "FCC") regarding each company's offering of both enhanced and basic network services on an integrated basis. (See "Federal Regulatory and Interstate Rates").

BellSouth Telecommunications provides intraLATA toll services within, but not between, its 38 LATAs. Such toll services provided approximately \$1,373.7, \$1,565.4 and \$1,628.9 million of BellSouth Telecommunications' operating revenues for the years ended December 31, 1991, 1990 and 1989, respectively. These services include the following: intraLATA service beyond the local calling area; Wide Area Telecommunications Service ("WATS" or "800" services) for customers with highly concentrated demand; and special services, such as transport of data, radio and video.

State Regulation and Intrastate Rates

BellSouth Telecommunications is subject to state regulatory authorities in each state in which it provides telecommunications services with respect to intrastate rates, services and other issues.

Traditionally, BellSouth Telecommunications' rates were set in each state in its service areas at levels which were anticipated to generate revenues sufficient to cover its allowed expenses and to provide an opportunity to earn a stated return on its capital investment. BellSouth Telecommunications' primary regulatory focus is directed towards modifying the regulatory process to reflect the increasingly competitive telecommunications environment. Modified forms of regulation have been approved in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, South Carolina and Tennessee.

Under a typical form of alternative regulation, economic incentives are provided to lower costs and increase productivity through the potential availability of "shared" earnings over a benchmark rate of return. Generally, when levels above targeted returns are reached, earnings are "shared" by providing refunds or rate reductions to customers. The amounts of any such excess which may be retained under some plans depend upon attaining mandated service standards, certain productivity improvement provisions or both. Under some plans, if earnings fall below a targeted minimum, additional earnings required to return to the bottom of the allowed range can be obtained through rate increases. Sharing plans are generally subject to renewal after two or three years, and may be subject to modification prior to renewal.

Despite the potential advantages offered by sharing plans, substantial rate reductions have been incurred in connection with their adoption and operation. Of the states in which these types of plans were in place during 1991, BellSouth Telecommunications achieved sharings levels above the targeted rates of return in Alabama, Kentucky and Mississippi.

Alabama. A plan, adopted by the Alabama Public Service Commission (the "Alabama Commission") has been in effect in Alabama since December 1988. The plan provides for a return on average capital* in the range of 11.65% to 12.30%. If earnings exceed 12.30%, sharing with customers may range from 0% to 50%, depending upon whether certain service and efficiency requirements are met. In November 1990, the Alabama Commission extended the plan through 1993 without additional rate reduction. During 1991, BellSouth Telecommunications achieved a rate of return that required revenues to be returned to customers beginning January 1, 1992 in the amount of \$11.6 million.

Florida. In October 1988, the Florida Public Service Commission ("Florida Commission") approved a plan providing for a return on equity* of 11.5% to 16%. Earnings from 14% to 16% would be shared 40% by BellSouth Telecommunications and 60% by customers. BellSouth Telecommunications' return on equity may not exceed 16% after sharing. In December 1990, the Florida Commission approved an extension of the Florida plan through 1992 without significant modification or further rate reductions. Also, pursuant to the plan, the

* As defined in the plan for this state.

Florida Commission ordered a credit to customers in the amount of \$3.74 million per month beginning in 1992 until it makes a decision on the permanent disposition of 1992 revenues. Hearings will be held in the Fall of 1992 to determine whether the current plan should be continued or changed.

Georgia. In December 1990, the Georgia Public Service Commission ordered BellSouth Telecommunications to reduce rates by \$149 million annually, approved institution of county-wide calling and agreed to a three year plan. The plan provides that BellSouth Telecommunications may retain all earnings up to a 14% return on equity*. Subject to the attainment of service standards and productivity improvement provisions, BellSouth Telecommunications may retain a portion of earnings between 14% and 16%. The plan also provides for a reduction of rates if earnings exceed 14% return on equity, even if the service standards and productivity improvement provisions are fully met. The amount of any sharing and rate adjustments would depend upon attaining service standards and productivity improvement. The plan's provisions are considerably more stringent than under the plan proposed by BellSouth Telecommunications, and its sharing criteria may not be reasonably attainable.

Kentucky. In April 1991, the Kentucky Public Service Commission (the "Kentucky Commission") voted to modify and extend the 1988 sharing plan through May 1994. Under the modified plan, BellSouth Telecommunications may earn a return on average total capital* in the range 10.99% to 11.61%. Earnings above 11.61% are subject to sharing. If the return on average total capital falls below 10.99%, 50% of the shortfall may be recovered from customers, and if the return falls below 9.49%, 75% of the shortfall may be recovered. During 1991, BellSouth Telecommunications achieved a return on average total capital in the sharing level above the targeted return of 11.61%, which resulted in rate reductions to customers. The Kentucky Commission has ordered BellSouth Telecommunications to reduce rates beginning March 1992 in the amounts of \$42.6 million and \$10.4 million for intraLATA toll and interexchange access, respectively. These rate reductions also include the expiration of inside wire amortization and depreciation reserve deficiency amortization expense.

Louisiana. In 1989, the Louisiana Public Service Commission (the "Louisiana Commission") reduced BellSouth Telecommunications' authorized rate of return on equity* from 14.75% to 12.75% and ordered it to reduce rates by \$35.4 million in annual effect and refund \$36.4 million of previously collected revenues deemed in excess of the newly established rate of return. In 1991, the Louisiana Commission ordered BellSouth Telecommunications to further reduce its rates by \$55.0 million and refund \$32.1 million. The 1991 order also established an equity return range of 11.75% to 12.75% as part of a new sharing plan ordered by the Louisiana Commission. BellSouth Telecommunications appealed the orders and, following a January 1992 Louisiana Supreme Court ruling to the effect that substantial parts of the 1989 order were invalid, the Louisiana Commission in February 1992 adopted a settlement order regarding the 1989 and the 1991 orders.

The settlement provides that BellSouth Telecommunications will credit customers with \$55.0 million, reduce rates in the amount of \$31.4 million and operate under a sharing plan that will allow a return on capital in the range of 10.7% to 11.7%, and will provide for sharing of earnings above 11.7% and below 12.7%. BellSouth Telecommunications has accrued an amount in excess of this anticipated rate reduction. The Louisiana Commission has ordered that this excess be excluded from earnings in determining the rate of return.

Mississippi. In June 1990, the Mississippi Public Service Commission (the "Mississippi Commission") authorized implementation of a plan that includes a return on average net investment* ranging from 10.74% to 11.74% and provides that earnings above 11.74% and shortfalls below 10.74% would be shared with customers on a 50/50 basis. Rate reductions totaling \$22.8 million on an annual basis were required prior to implementation of the plan. During 1991, BellSouth Telecommunications achieved a rate of return that required revenues to be shared with customers. Accordingly, certain intrastate rates and access charges were reduced by \$2.8 million, effective January 1, 1992.

North Carolina. In 1989, legislation was enacted in North Carolina authorizing the North Carolina Public Service Commission to consider alternative forms of regulation. No specific proposal has been approved or is pending.

* As defined in the plan for this state.

South Carolina. In August 1991, the South Carolina Public Service Commission (the "South Carolina Commission") authorized implementation of a plan that includes a return on equity* ranging from 12.0% to 16.5%. Earnings between the return range of 14.0% to 16.5% will be shared 50/50 with customers while the disposition of earnings above 16.5%, before sharing, will be determined by the South Carolina Commission. The plan provided for BellSouth Telecommunications to reduce its rates by \$2.3 million on an annual basis before implementation of the plan.

Tennessee. In August 1990, the Tennessee Public Service Commission adopted a sharing plan which provides for a return on average net investment* ranging from 11.0% to 12.2% with \$157 million of BellSouth Telecommunications' revenues over the three year period 1990-92 to be applied to technological enhancements, ongoing Commission projects and rate reductions. BellSouth Telecommunications would retain all earnings inside the target range and share earnings outside the target range up to 16.2% depending upon the attainment of certain measurable levels of service quality. Challenges to the sharing plan are pending before the courts. All earnings above 16.2% return on average net investment must be used to benefit ratepayers. Should the return on average net investment fall below 11.0%, BellSouth Telecommunications would share a portion of the earnings shortfall depending upon the attainment of certain measurable levels of service quality.

Access Services

BellSouth Telecommunications provides access services by connecting the communications networks of Interexchange Carriers with the equipment and facilities of subscribers. These connections are provided by linking these carriers and subscribers through the public switched network of BellSouth Telecommunications or through dedicated private lines furnished by BellSouth Telecommunications.

Access charges, which are payable both by Interexchange Carriers and subscribers, provided approximately \$3,724.8, \$3,753.7 and \$3,643.8 million of BellSouth Telecommunications' operating revenues for the years ended December 31, 1991, 1990 and 1989, respectively. These charges are designed to recover the costs of the common and dedicated facilities and switching equipment used to connect their networks with the telephone company's local network. In addition, an interstate monthly subscriber line access charge of \$3.50 per line per month applies to single-line business and residential customers. The interstate subscriber access charge for multi-line business customers varies by state but cannot exceed \$6.00 per line per month.

Federal Regulation and Interstate Rates

In October 1990, the FCC authorized an alternative to rate of return regulation called "price caps", effective January 1, 1991, which is mandatory for certain local exchange carriers, including BellSouth Telecommunications. In contrast to regulation which limits the rate of return that can be achieved, price caps limits the prices telephone companies can charge for their services. The price cap plan limits aggregate price changes to the rate of inflation minus a productivity offset, plus or minus exogenous cost changes recognized by the FCC. The FCC expects price cap regulation to provide local exchange carriers with enhanced incentives to increase productivity and efficiency.

Concurrently with the implementation of price caps, the FCC reduced the allowed rate of return on interstate operations from 12.0% to 11.25%. This action resulted in rate reductions of approximately \$57.5 million in 1991. The Operating Telephone Companies and other local exchange carriers appealed the FCC's rate of return decision to the D.C. Circuit Court, where it remains pending.

Those local exchange carriers, including BellSouth Telecommunications, which operate under price caps are allowed to elect annually by April 1 a productivity offset factor of 3.3% or 4.3%. If the lower offset is chosen, such carriers will be allowed to earn up to a 12.25% overall rate of return without sharing. If such carriers earn between 12.25% and 16.25%, half of the earnings in this range will be flowed through to customers in the form of a lower price cap index in the following year. All earnings over 16.25% would be flowed through to customers. If such carriers elect a 4.3% productivity offset, all earnings below 13.25% may be retained, earnings up to

* As defined in the plan for this state.

17.25% would be shared and earnings over 17.25% would be flowed through to customers. BellSouth Telecommunications elected the 3.8% productivity offset factor for the annual period beginning January 1, 1991. During the first year under price caps, BellSouth reached the sharing level. The price caps plan is subject to review the fourth year after implementation.

State regulatory commissions have jurisdiction over charges related to the provision of access to the Interexchange Carriers to complete intrastate telecommunications. The state commissions have authorized BellSouth Telecommunications to collect access charges from the Interexchange Carriers and, in several states, from subscribers.

Open Network Architecture ("ONA") plans, permitting all users of the basic network to interconnect to specific basic network functions and interfaces on an unbundled and equal access basis for the provision of enhanced services, will eliminate the FCC requirement that certain enhanced telecommunications services be offered only through a separate subsidiary. The plans may be implemented when ONA tariffs filed with the FCC become effective and are filed with the states in which ONA services will be offered and the FCC is notified by the company that it is prepared to offer the ONA services described in its plan.

In October 1991, the FCC proposed allowing local exchange carriers to offer video dial tone for transmitting video services. This service would allow local exchange carrier customers to have access through the network to a multitude of video services such as educational programs and pay per view television. There is substantial opposition to such plans from cable television and other information services providers, and its future is unclear.

Billing And Collection Services

BellSouth Telecommunications provides, under contract and/or tariff, billing and collection services for certain long distance services of AT&T and several other Interexchange Carriers. The agreement with AT&T has been extended through 1996, subject to the right of AT&T to assume billing and collection for certain of its services prior to the expiration of the agreement. Revenues from such services are expected to decrease as AT&T assumes more direct billing for its own services.

Operator Services

Directory assistance and local and toll operator services are provided by BellSouth Telecommunications in its service areas. Toll operator services include alternate billing arrangements, such as collect calls, third number billing, person-to-person and calling card calls; dialing instructions; pre-billed credit; and rate information. In addition, directory assistance is provided for some Interexchange Carriers which do not provide such services for their own customers.

Competition

BellSouth Telecommunications is subject to increasing competition in the areas of telecommunications services described above. Regulatory, legislative and judicial actions and technological developments have expanded the types of available services and products and the number of companies which may offer them. Increasingly, this competition is from large companies which have substantial capital, technological and marketing resources.

Many services traditionally provided exclusively by local telephone companies in the past have been deregulated, detariffed or otherwise opened for competition. In one example, some carriers and other customers with concentrated, high usage characteristics are utilizing telecommunications links which bypass the switched networks of BellSouth Telecommunications. BellSouth Telecommunications is presently vulnerable to bypass to the extent that its access charges are not based on the cost of providing service. BellSouth Telecommunications supports pricing policies that would permit lower carrier access charges by more fully recovering directly from the customer those costs attributable to a subscriber line.

Although BellSouth Telecommunications believes that bypass has already occurred to some degree in its nine-state area, it is difficult to quantify the lost revenues since customers are not required to report to the

telephone companies the components of their telecommunications systems. In general, telephone company telecommunications services in highly concentrated population and business areas may be more vulnerable to bypass.

A number of firms compete with BellSouth Telecommunications for intraLATA toll business by reselling toll services obtained at bulk rates from BellSouth Telecommunications or, subject to the approval of the applicable state public utility commission, providing toll services over their own facilities. Commissions in Alabama, Florida, Kentucky and Louisiana have authorized the latter type of intraLATA toll calling, whereby the Interexchange Carriers are assigned a five digit access code ("10XXX") which customers may dial to place intraLATA toll calls through facilities of such Interexchange Carriers. The Mississippi Commission has given notice of its intent to implement this type of toll competition in the future, and, while not specifically authorizing 10XXX intraLATA competition, the Tennessee Commission has required local exchange carriers to unblock 10XXX access for facilities based carriers. The Georgia and North Carolina Commissions have dockets pending in which they will consider authorizing either this type of competition or implementing other procedures which could intensify competition for intraLATA toll business.

The long range effect of competition on the provision of telecommunications services and equipment will depend on further technological advances, regulatory actions at the state and federal levels, decisions with respect to the MFJ and possible state and federal legislation.

Depreciation

BellSouth Telecommunications believes that in the past, the rates of depreciation of fixed assets authorized by the FCC and state regulatory commissions were inadequate to recover fixed asset costs in a timely fashion, as increasingly frequent technological changes and the effects of increased competition reduced their economic useful lives. A portion of the reserve deficiency created by the past inadequate depreciation has been identified and amortization of that amount has been authorized by the FCC and many of the state commissions. Amortization of this portion of the reserve deficiency will be complete in 1992. Represcription of depreciation rates by the FCC was authorized for BellSouth Telecommunications in 1989 for four of its states and in 1990 for five of its states. The next depreciation rate represcription is expected to be authorized in 1992 and 1993. As competition increases in both the exchange access and local exchange markets, the economic lives of related properties should continue to decrease.

Other Business Operations

Directory Publishing Fees

Certain of the billed revenues from directory advertising operations of BellSouth Advertising & Publishing Corporation, a wholly-owned subsidiary of BellSouth, are paid as fees to BellSouth Telecommunications for publishing rights and other services in its franchise areas. Such fees amounted to approximately \$580, \$549 and \$518 million in 1991, 1990 and 1989, respectively.

Selling, Leasing and Maintaining Equipment

BellSouth Telecommunications sells, leases and maintains CPE, computers and related office equipment. The Holding Companies, AT&T and other substantial enterprises compete in the provision of CPE and other services and products.

Legislation

A number of bills are pending in the United States Congress which, if enacted, would significantly affect BellSouth Telecommunications' business operations and opportunities. There is substantial opposition to such legislation and the likelihood of passage is unclear.

Information Services — During 1991 the Holding Companies' request for partial relief under the MFJ eliminating the restriction on their provision of information services was granted by the D. C. District Court. However, appeals have been filed to reverse the decision, and legislation has been introduced in Congress to

restrict the Holding Companies' offering of information services. Such services could include electronic publishing, two-way video, voice-recognition, enhanced electronic gateways and telephone signals for the hearing impaired. The proposed legislation mandates the attainment of certain network quality standards, the provision of services through a separate subsidiary and the codification in legislation of manufacturing and interLATA restrictions contained in the MFJ. The United States House of Representatives (the "House") and the United States Senate (the "Senate") bills would require that substantial local exchange carrier competition be a precondition to the provision of certain information services by the Operating Companies in their service territories.

Manufacture of Equipment — In June 1991, the Senate passed a manufacturing relief bill that would allow the Holding Companies to manufacture telecommunications equipment and CPE as long as certain domestic manufacturing provisions were met. A companion bill has been introduced in the House, but no vote has been taken.

Research and Development

The services and products of BellSouth Telecommunications are in a highly technological field. BellSouth Telecommunications has expended approximately \$42.0, \$40.7 and \$52.0 million in 1991, 1990 and 1989, respectively, on company-sponsored research and development activities. The majority of this activity is conducted at Bell Communications Research, Inc. ("Bellcore"), one-seventh of which is owned by BellSouth, through BellSouth Telecommunications, with the remainder owned by the other Holding Companies. Bellcore provides research and development and other services for its owners and is the central point of contact for coordinating the Federal government's telecommunications requirements relating to national security and emergency preparedness.

Employees

On December 31, 1991, 1990, and 1989 BellSouth Telecommunications employed approximately 82,200, 88,500 and 89,000 persons, respectively. About 70% of these employees at December 31, 1991 were represented by the Communications Workers of America (the "CWA"), which is affiliated with the AFL-CIO. Contracts with the CWA extend through August 8, 1992. During 1991, BellSouth Telecommunications reduced its management work force by approximately 4,100 employees who accepted offers pursuant to two voluntary early retirement programs.

ITEM 2. PROPERTIES

General

The properties of BellSouth Telecommunications do not lend themselves to description by character and location of principal units. At December 31, 1991, connecting lines not on customers' premises, the majority of which are on or under public roads, highways or streets and the remainder being on or under private property, represented 46% of BellSouth Telecommunications' investment in telephone plant; central office equipment represented 36%; land and buildings (occupied principally by central offices) represented 7%; and embedded intrasystem wiring, substantially all of which is on the premises of customers, represented 3%.

Substantially all of the installations of central office equipment and administrative offices are located in buildings and on land owned by BellSouth Telecommunications. Many garages, business offices and telephone service centers are in leased quarters.

BellSouth Telecommunications' customers are now served by electronic switching systems that provide a wider variety of services than their mechanical predecessors. The BellSouth Telecommunications network is in transition from an analog to a digital network, which provides capabilities for BellSouth Telecommunications to furnish advanced data transmission and information management services. As of December 31, 1991, approximately 98% of BellSouth Telecommunications' circuits between switching offices were fully digital.

Property Additions

Property additions include gross additions to property, plant and equipment having an estimated service life of one year or more, plus the incidental costs of preparing the asset for its intended use. In the case of

constructed assets, an amount related to the cost of debt and equity used in the construction of an asset is capitalized as part of the asset when the construction period is in excess of one year. Property additions also include assets acquired by means of entering into a capital lease agreement, gross additions to operating lease equipment and reused materials.

Significant additions to property, plant and equipment will be required to meet the demand for telecommunications services and to further improve such services. The level of property additions indicated below is expected to be maintained in the near future. The total investment in telephone plant has increased from about \$30,978 million at January 1, 1987 to about \$37,155 million at December 31, 1991, including the effects of retirements and property transferred at divestiture, but not including deductions of accumulated depreciation at either date.

BellSouth Telecommunications' property additions since January 1, 1987, were approximately as follows:

	—Millions—
1987	\$2,976
1988	\$2,959
1989	\$3,036
1990	\$3,026
1991	\$2,890

BellSouth Telecommunications projects property additions to be approximately \$2,889 million for 1992. In 1991, BellSouth Telecommunications generated substantially all of its funds for property additions internally; substantially all of such property additions are expected to be financed through internally generated funds in 1992.

The continued modernization of the BellSouth Telecommunications' telecommunications network is necessary to meet the needs of customers and competitive demands. Population and economic expansion is projected by BellSouth Telecommunications in certain growth centers within its nine-state area during the next five to ten years. Expansion of the network will be needed to accommodate such projected growth.

ITEM 3. LEGAL PROCEEDINGS

The MFJ and the related Plan of Reorganization provide for the recognition and payment of liabilities by AT&T and the Operating Telephone Companies that are attributable to pre-divestiture events but that did not become certain until after divestiture. These contingent liabilities relate principally to litigation and other claims with respect to the former Bell System's rates, taxes, contracts and torts (including business torts, such as alleged violations of the antitrust laws). Contingent liabilities that are attributable to pre-divestiture events are shared by AT&T and the Operating Telephone Companies in accordance with formulae prescribed by the Plan, whether or not an entity was a party to the proceeding and regardless of whether an entity was dismissed from the proceeding by virtue of settlement or otherwise.

BellSouth Telecommunications' share of these liabilities to date has not been material to its financial position or results of operations for any period. While complete assurance cannot be given as to the outcome of any contingent liabilities, in the opinion of BellSouth Telecommunications, any financial impact to which BellSouth Telecommunications is subject is not expected to be material in amount to the financial position of BellSouth Telecommunications.

PART II

ITEM 6. SELECTED FINANCIAL AND OPERATING DATA

	1991	1990	1989 (In Millions)	1988	1987
Operating Revenues	\$ 12,768	\$ 12,762	\$ 12,346	\$ 12,027	\$ 11,476
Operating Expenses	10,046	9,859	9,419	9,068	8,307
Operating Income	2,722	2,903	2,927	2,959	3,169
Interest Expense	650	626	652	636	597
Other Income, net	1	27	21	17	34
Provision for Income Taxes	647	708	691	731	1,013
Extraordinary Loss, net of tax	—	—	(22)	—	—
Net Income	<u>\$ 1,426</u>	<u>\$ 1,596</u>	<u>\$ 1,583</u>	<u>\$ 1,609</u>	<u>\$ 1,593</u>
Total Assets	\$ 26,322	\$ 26,511	\$ 26,447	\$ 25,977	\$ 25,304
Property Additions	\$ 2,890	\$ 3,055	\$ 3,036	\$ 2,959	\$ 2,976
Long-Term Debt	\$ 6,403	\$ 6,440	\$ 6,433	\$ 6,356	\$ 6,205
Ratio of Earnings to Fixed Charges*	3.86	4.23	4.15	4.28	4.87
Return to Average Common Equity	12.49%	14.13%	14.40%	15.34%	15.91%
Debt Ratio	38.17%	37.83%	38.38%	38.54%	40.46%
Access Minutes of Use: #					
Interstate	47,208.7	44,867.9	41,415.7	37,422.0	33,913.6
Intrastate	13,217.8	12,101.7	11,271.5	10,349.1	9,324.3
Toll Messages #	1,389.9	1,459.6	1,463.0	1,377.9	1,275.6
Network Access Lines in Service:					
Residence	12.9	12.6	12.3	12.0	11.6
Business	4.9	4.6	4.4	4.2	3.9
Other . . . . .	.3	.3	.3	.2	.2
Total	<u>18.1</u>	<u>17.5</u>	<u>17.0</u>	<u>16.4</u>	<u>15.7</u>

* For the purpose of this ratio: (i) earnings have been calculated by adding net income, interest expense, income taxes and such portion of rental expense representative of the interest factor on such rentals; (ii) fixed charges are comprised of total interest expense and such portion of rental expense.

Prior period operating data is often revised at later dates to reflect the most current information. The above information reflects the latest data available for Access Minutes of Use and Toll Messages for the periods indicated.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION (Dollars in Millions)

RESULTS OF OPERATIONS — 1991 RESULTS COMPARED TO 1990

BellSouth Telecommunications, Inc. ("BellSouth Telecommunications") reported net income of \$1,425.8 for the year ended December 31, 1991, a decrease of \$170.2 (10.7%) compared to 1990. The decrease in net income from 1990 is primarily attributable to rate reductions, lower toll message volumes, a one-time charge associated with an early retirement program, increased competition and a slowing of the economy in the Southeast. (See "Operating Environment and Trends of the Business".)

OPERATING REVENUES

During 1991, BellSouth Telecommunications experienced rate reductions in the local service, intrastate access and toll categories of service as a result of various actions by state regulatory commissions. In addition, BellSouth Telecommunications experienced rate reductions in interstate access revenues in certain categories of service. See ("Operating Environment and Trends of the Business".)

See "Business Volumes".

	<u>1991</u>	<u>1990</u>	<u>% Change</u>
Local Service	\$5,846.2	\$5,664.6	3.2%

Local service revenues reflect amounts billed to customers for local exchange services, which include access to the network and secondary central office feature services, such as custom calling features and custom dialing packages. (Paging and other mobile service revenues and revenues from cellular interconnection have been reclassified to Other operating revenues for both periods presented.)

The increase in 1991 revenues of \$181.6 (3.2%) reflects the addition of 552,600 access lines during the current year. The 1991 increase is also attributable to revenue shifts from toll to local due to expanded local calling area plans which increased local service revenue by \$74.0 and an increase in secondary central office services of \$62.3 over 1990. The increase in these services is due to an increase in access lines, the number of services being offered and demand from existing customers. In addition, private line revenues, primarily in voice grade and digital transmission services, increased \$33.8 principally as a result of revenue adjustments from toll to local. These increases were partially offset by a refund in Florida of \$63.9 which had previously been deferred in Other operating revenues.

	<u>1991</u>	<u>1990</u>	<u>% Change</u>
Interstate Access	\$2,858.1	\$2,841.9	0.6%

Interstate access revenues result from the provision of access services to interexchange carriers to provide telecommunications services between states. Interstate access revenues increased \$16.2 (0.6%) in 1991 primarily attributable to increased access demand of 5.2% in minutes of use and growth in end user charges attributable to an increasing access line base. This growth was partially offset by rate reductions of approximately \$108.0 and the impact of net settlements of \$33.6 with independent telephone companies and the National Exchange Carriers Association. In connection with price cap regulation, \$15.9 in revenues has been deferred to reflect an estimated sharing obligation (see "Operating Environment and Trends of the Business").

	<u>1991</u>	<u>1990</u>	<u>% Change</u>
Intrastate Access	\$ 866.7	\$ 911.8	(4.9%)

Intrastate access revenues result from the provision of access services to interexchange carriers which provide telecommunications services between LATAs within a state. Revenues decreased \$45.1 (4.9%) in 1991 primarily as a result of rate reductions of \$66.4, of which \$34.7 relates to the full year impact from regulation plans implemented in the latter part of 1990 in Florida and Georgia and \$25.7 relates to revenue deferrals ordered by the Louisiana Commission. These rate reductions were partially offset by a 9.2% increase in minutes of use over the comparable 1990 period.

	<u>1991</u>	<u>1990</u>	<u>% Change</u>
Toll	\$1,373.7	\$1,565.4	(12.2%)

Toll revenues are received from the provision of long-distance services within (but not between) LATAs. These services include intraLATA service beyond the local calling area; Wide Area Telecommunications Service ("WATS" or "800" services) for customers with highly concentrated demand; and special services, such as transport of voice, data and video.

Toll revenues decreased \$191.7 (12.2%) in 1991 due primarily to decreases in toll messages of 69.7 million. The decrease in toll messages is a result of expanded local calling area plans implemented in nearly all states, strong competition due to the resale by competitors of toll services obtained from BellSouth Telecommunications, and the economy.

The 1991 decrease also reflects rate reductions primarily associated with the full year impact from regulation plans implemented in the latter part of 1990 in Florida and Georgia totaling \$72.1 as well as revenue deferrals of \$25.7 for rate reductions ordered by the Louisiana Commission. These decreases were partially offset by increases totaling \$11.0 in optional calling plans, primarily WATS Saver plans, over the comparable 1990 period.

	<u>1991</u>	<u>1990</u>	<u>% Change</u>
Other	\$1,822.7	\$1,778.0	2.5%

Other operating revenues include revenues from publishing rights fees, billing and collection services, paging and other mobile services, customer premises equipment sales and maintenance services and provision of parts and maintenance services for computer equipment.

Revenues increased \$44.7 (2.5%) from 1990 levels primarily due to the reclassification of a revenue deferral of \$63.9 in Florida, as described in Local Service, and an increase in right to publish fees associated with BellSouth Advertising & Publishing Corporation of \$31.5. These increases were partially offset by a decrease in billing and collection services of \$51.8 performed by BellSouth Telecommunications on behalf of certain Interexchange Carriers. Further decreases in the volume of billing and collection fees are expected in the future due to interexchange carriers assuming more direct billing for their own services. A decrease in customer premises equipment and parts and maintenance revenue also negatively impacted other operating revenues.

OPERATING EXPENSES

Operating expenses increased \$186.8 (1.9%) during 1991 primarily in selling, general and administrative expense and depreciation expense offset by a decrease in cost of services and products expense.

	<u>1991</u>	<u>1990</u>	<u>% Change</u>
Cost of Services and Products	\$4,905.1	\$4,941.7	(0.7%)

Cost of services and products includes operating expenses associated with network support and maintenance of telecommunications property, plant and equipment, material and supplies expense, cost of tangible goods sold and other expenses associated with the cost of providing services. Cost of services and products decreased \$36.6 (0.7%) during 1991 primarily due to a decrease in costs of products associated with customer premises equipment sales and expenses associated with parts and maintenance service. These decreases were partially offset by increased levels of right to use license fees for the purchase of certain software for central office switching.

	<u>1991</u>	<u>1990</u>	<u>% Change</u>
Depreciation	\$2,819.1	\$2,738.2	3.0%

Depreciation expense increased \$80.9 (3.0%) during 1991. The primary contributor to the 1991 increase was growth in property, plant and equipment since December 1990. Authorized increases in North Carolina and Alabama, as well as represeted rates in Tennessee and Georgia, also contributed to the increase. The increase was partially offset due to regulatory impacts such as the reserve deficiency and inside wire amortizations.

	<u>1991</u>	<u>1990</u>	<u>% Change</u>
Selling, General and Administrative	\$2,321.6	\$2,179.1	6.5%

Selling, general and administrative expenses include operating expenses related to sales activities such as salaries, commissions, benefits, travel, marketing and advertising expenses. Also included is amortization of intangibles, research and development costs and provision for uncollectibles.

Selling, general and administrative expenses increased \$142.5 (6.5%) as compared to 1990 primarily due to special termination benefit expenses of \$67.8 associated with an early retirement program (see Note E). This

increase was partially reduced by offsetting secondary effects (i.e., salaries, benefits, etc.) related to the early retirement program. Also contributing to the increase was a \$33.6 higher provision for uncollectibles than in 1990 and an increase in marketing costs associated with advertising.

	<u>1991</u>	<u>1990</u>	<u>% Change</u>
Interest Expense	\$649.8	\$626.2	3.8%

Interest expense includes interest on debt, certain other accrued liabilities and capital leases, offset by allowance for funds used during construction, which is capitalized as a cost of installing equipment and constructing plant. Interest expense increased \$23.6 (3.8%) in 1991 over 1990. (See Note J.)

	<u>1991</u>	<u>1990</u>	<u>% Change</u>
Other Income, net	\$.9	\$ 27.4	(96.7%)

Other income, which primarily includes interest and dividend income, decreased \$26.5 (96.7%) during 1991 mainly due to the inclusion in 1990 of a refund accrual from the Internal Revenue Service for interest income associated with previously taxed customer deposits.

	<u>1991</u>	<u>1990</u>	<u>% Change</u>
Provision for Income Taxes	\$646.9	\$707.9	(8.6%)

Income tax expense decreased \$61.0 (8.6%) in 1991 primarily due to a decrease in income before income taxes partially offset by a higher effective tax rate, primarily caused by a decrease in the amortization of investment tax credits.

BellSouth Telecommunication's effective tax rates were 31.2% and 30.7% in 1991 and 1990, respectively. A reconciliation of the statutory Federal income tax rates to these effective tax rates is provided in Note G. A discussion of the prospective impact of Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes," also is included therein.

OPERATING ENVIRONMENT AND TRENDS OF THE BUSINESS

Regulatory Environment. In providing telecommunications services, BellSouth Telecommunications is subject to regulation from both state and federal regulators with respect to rates, services and other issues. BellSouth Telecommunication's primary regulatory focus is directed towards modifying this regulatory process to reflect the increasingly competitive telecommunications environment.

State Regulation

Eight of the nine states in which BellSouth Telecommunications operates are now under some form of regulation other than traditional rate of return regulation. The eight states are Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, South Carolina and Tennessee. These state plans are designed to provide BellSouth Telecommunications with economic incentives to improve cost control and general efficiency in the form of shared earnings over a benchmark rate of return. All plans have a scheduled 2-3 year duration. BellSouth Telecommunications attained the earnings sharing range in Alabama, Kentucky and Mississippi in 1991.

Federal Regulation

At the national level, BellSouth Telecommunications has been operating under price caps regulation since January 1, 1991. In contrast to regulation which limits the rate of return that can be achieved, price caps limits the prices telephone companies can charge for use of their services. As in the state plans, price caps allows for the sharing of earnings over a benchmark range of earnings. This benchmark is dependent upon the productivity offset factor chosen annually by the carrier. During the first year under price caps, BellSouth Telecommunications reached the sharing level and \$15.9 in revenues has been deferred to reflect an estimated sharing obligation. Although this represents a benefit to the ratepayers, BellSouth Telecommunications has not been provided as much flexibility in the pricing of its services as originally anticipated under the new plan. Price caps is an evolving plan in terms of implementation and is subject to review in the fourth year after implementation.

Economy. The nine-state Southeast region in which BellSouth Telecommunications' wireline telephone business operates experienced slow economic growth in 1991. The rate of regional population growth slowed from earlier decades, but the Southeast continues to grow faster than the nation. However, although population growth in Florida and Georgia continues to exceed the national average, population growth rate in the other states averages substantially less than the national rate.

Volumes of Business. Growth in business volumes continued to increase in 1991 over the prior year period, but the rate of growth has continued to decline from that of prior years, due in part to the effects of the slowing rates of regional population growth, the recession and competition.

The number of access lines in service increased by 552,600 over 1990, representing a 3.2% increase, the same rate of increase for 1990 over 1989. While the number of access lines in service continues to increase over comparable prior year periods, the rate of growth in access lines is not increasing, attributable in part to the slowing rate of regional population growth.

Access minutes of use represent the volume of traffic carried by interexchange carriers between LATAs, both interstate and intrastate, using BellSouth Telecommunications' local facilities. Total access minutes increased 3,456.9 million or 6.1% over 1990 but at a slower growth rate than has previously been experienced. This slower growth rate is due in part to the slowing of the economy and a maturing market for certain services (i.e., "800" and "900" service). The growth rate has also been impacted by the migration of interexchange carriers to categories of service that have a lower fixed charge as opposed to a volume-driven charge. (See "Competition".)

Toll messages decreased 33.6 million (2.6%) for Message Telecommunications Service and 36.1 million (19.9%) for WATS compared to 1990. This volume decrease reflects strong competition in WATS services in most states. In addition, all of BellSouth Telecommunications' state commissions are moving toward the use of expanded local calling areas, which decreases toll volume without a commensurate increase in local service revenues, and have authorized or are considering intraLATA toll competition, which will also shift revenues from toll to access but not at commensurate rates. The erosion of toll revenues is expected to continue, even after the recession abates.

Competition. BellSouth Telecommunications faces increasing competition in virtually all aspects of its business. Advances in technology, as well as regulatory, legislative and judicial actions, have expanded the types of services and products available in the market as well as the number of alternative providers offering such services. These trends are expected to continue over the next decade at an increasing rate in the near future. WATS messages have already been adversely affected by competition as evidenced by a decreasing growth rate. Technological developments will dictate the type of network that telecommunications carriers will deploy in the future, thus indicating a strong need for continuing evolutionary changes in the regulatory environment. The development of an information rich telecommunications infrastructure will most likely increase the number of providers and number of alternative technologies available in the market place. In addition, the development of new technologies is expected to compete with BellSouth Telecommunications' wireline network. BellSouth Telecommunications continues to advocate changes in regulatory, legislative and judicial constraints. These changes are necessary for BellSouth Telecommunications to compete effectively with the new service providers. BellSouth Telecommunications' ability to meet this growing competition depends to a great extent on the actions of regulators and legislators and its ability to adapt its business and operations to the now developing competitive markets.

The FCC has responded to competition by introducing price caps regulation which provides incentives to reduce costs, improve efficiency and introduce innovative services. Price caps was also intended to facilitate investment in telecommunications infrastructure.

The FCC has indicated that competition in the local exchange is a priority issue for 1992 and, as such, the FCC has issued a Notice of Proposed Rulemaking on "expanded interconnection" for interstate special access and a Notice of Inquiry regarding interstate switched access. Expanded interconnection would allow competitive access providers and others to physically place equipment within the central office or within a designated

distance from the central office of the local exchange carrier. In addition, several states outside BellSouth Telecommunications' service territory have reduced regulatory barriers to competition, and this trend is expected to continue.

Competition is not only influenced by regulation and technology but also by legislative action. Currently, there are numerous legislative efforts under way in Congress related to the provision of information services and the manufacture of telephone equipment. The outcomes and impacts of these efforts cannot be determined at this time.

BellSouth Telecommunications currently accounts for the economic effects of regulation under SFAS 71, "Accounting for the Effects of Certain Types of Regulation." A key criterion for applicability is that it must be reasonable to assume that rates set by regulators to recover specific costs can be charged to and collected from customers. Because of the rapid increasing competition in the telecommunications industry, BellSouth Telecommunications' business environment is subject to rapid and unanticipated changes. If competition in the marketplace were to increase so that BellSouth Telecommunications could not charge prices based on cost, regardless of regulatory action, SFAS 71 would no longer be applicable. The subsequent effect on BellSouth Telecommunications' financial statements could be significant depending upon the nature, magnitude and timing of the marketplace changes.

OTHER MATTERS

Accounting Pronouncements. In December 1990, the Financial Accounting Standards Board issued SFAS 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions," which BellSouth Telecommunications is required to adopt by 1993. The statement requires employers, among other things, to accrue the cost of providing postretirement benefits other than pensions during the period employees are expected to earn the benefit. Upon adoption, SFAS 106 permits employers the option of recognizing the unfunded and unrecognized accumulated postretirement benefit obligation (transition obligation) immediately or over the average remaining service period of active plan participants. The employer may elect a 20-year amortization period if the average remaining service period is shorter.

Currently, BellSouth plans to adopt SFAS 106 effective January 1993. Because BellSouth's other postretirement benefit plans are subject to bargaining in 1992 and certain application methods have not been determined, a final estimate of the effect of implementing SFAS 106 on BellSouth Telecommunications' statement of position and operations is not available. However, it is anticipated that BellSouth's transition benefit obligation will be between \$1.4 and \$2.0 billion, while the postretirement expense is expected to be less than two times the projected 1993 expense under the current accounting method. The structure of BellSouth's benefit plans does not permit disaggregation of plan information on an individual company basis. Due to regulation, the effect on income will depend on the ratemaking treatment authorized.

CWA Contracts. In August 1992, contracts between BellSouth Telecommunications and the Communications Workers of America ("CWA") will expire. BellSouth Telecommunications will begin negotiations with representatives of the CWA prior to the expiration of the contract. The outcome of these proceedings cannot be determined at this time.

Environmental Issues. BellSouth Telecommunications is subject to a number of environmental proceedings as a result of the operations of its subsidiaries and shared liability provisions in the Plan of Reorganization, related to the Modification of Final Judgment. As a result, BellSouth Telecommunications expects that it will be required to expend capital funds to remedy certain facilities. Such expenditures are not expected to be material in amount to BellSouth Telecommunications' operating results or financial condition.

SUBSEQUENT EVENTS

Summary Tax Assessment. During 1987, the Internal Revenue Service ("IRS") made a summary assessment requiring South Central Bell and Southern Bell to pay an aggregate of approximately \$91 for certain contested issues for the tax years 1979 and 1980. Written notice was received in 1992 from the Appeals Division

of the IRS that a refund was approved by the Congressional Joint Committee on Taxation. BellSouth Telecommunications anticipates a net income increase of about \$30.0 in the first quarter of 1992 representing interest due BellSouth Telecommunications on the summary assessment deposited with the IRS in 1987.

Revenues Subject to Possible Refund. In 1989, the Louisiana Public Service Commission reduced BellSouth Telecommunications' authorized rate of return on equity from 14.75% to 12.75% and ordered it to reduce rates by \$35.4 in annual effect and refund \$36.4 of previously collected revenues deemed in excess of the newly established rate of return. In 1991, the Commission ordered BellSouth Telecommunications to further reduce its rates by \$55.0 and refund \$32.1. The 1991 order also established an equity return range of 11.75% to 12.75% as part of a new sharing plan ordered by the Commission. BellSouth Telecommunications appealed the orders and, following a January 1992 Louisiana Supreme Court ruling to the effect that substantial parts of the 1989 order were invalid, the Commission, in February 1992, adopted a settlement order regarding the 1989 and 1991 orders.

The settlement provides that BellSouth Telecommunications will credit customers with \$55.0, reduce rates in the amount of \$31.4 and operate under a sharing plan that will allow a return on capital in the range of 10.7% to 11.7%, without rate adjustment and sharing up to 12.7%. BellSouth Telecommunications has accrued an amount in excess of this anticipated rate reduction. The Commission has ordered that this excess be excluded from earnings in determining the rate of return for the purpose of this plan.

Report of Management

These financial statements have been prepared in conformity with generally accepted accounting principles and have been audited by Coopers & Lybrand, independent accountants, whose report is contained herein.

The integrity and objectivity of the data in these financial statements, including estimates and judgments relating to matters not concluded by the end of the year, are the responsibility of the management of BellSouth Telecommunications. Management has also prepared all other information included in this Annual Report unless indicated otherwise.

Management maintains a system of internal accounting controls which is continuously reviewed and evaluated. However, there are inherent limitations that should be recognized in considering the assurances provided by any system of internal accounting controls. The concept of reasonable assurance recognizes that the cost of a system of internal accounting controls should not exceed, in management's judgment, the benefits to be derived. Management believes that BellSouth Telecommunications' system does provide reasonable assurance that the transactions are executed in accordance with management's general or specific authorizations and are recorded properly to maintain accountability for assets and to permit the preparation of financial statements in conformity with generally accepted accounting principles. Management also believes that this system provides reasonable assurance that access to assets is permitted only in accordance with management's authorizations, that the recorded accountability for assets is compared with the existing assets at reasonable intervals and that appropriate action is taken with respect to any differences. Management also seeks to assure the objectivity and integrity of its financial data by the careful selection of its managers, by organizational arrangements that provide an appropriate division of responsibility and by communications programs aimed at assuring that its policies, standards and managerial authorities are understood throughout the organization. Management is also aware that changes in operating strategy and organizational structure can give rise to disruptions in internal controls. Special attention is given to controls while the changes are being implemented.

Management maintains a strong internal auditing program that independently assesses the effectiveness of the internal controls and recommends possible improvements thereto. In addition, as part of its audit of these financial statements, Coopers & Lybrand completed a review of the accounting controls to establish a basis for reliance thereon in determining the nature, timing and extent of audit tests to be applied. Management has considered the internal auditor's and Coopers & Lybrand's recommendations concerning the system of internal control and has taken actions that we believe are cost-effective in the circumstances to respond appropriately to these recommendations. Management believes that as of December 31, 1991, the system of internal controls was adequate to accomplish the objectives discussed herein.

Management also recognizes its responsibility for fostering a strong ethical climate so that BellSouth Telecommunications' affairs are conducted according to the highest standards of personal and corporate conduct. This responsibility is characterized and reflected in BellSouth's "Personal Responsibility" booklet, which is distributed to, and acknowledged in writing by, all employees. BellSouth Telecommunications maintains a program to assess compliance with these policies.

B. FRANKLIN SKINNER

Chairman and Chief Executive Officer

February 3, 1992

LARRY L. SCHOOLAR

Vice President and Comptroller

February 3, 1992

Audit Committee Chairman's Letter

The Audit Committee of the Board of Directors consists of four independent Directors who are neither officers nor employees of BellSouth Telecommunications. The Committee is responsible for oversight of the internal controls of the Company and the objectivity of its financial reporting. The Audit Committee met five times during 1991 and reviewed with the Director — Internal Auditing, Coopers & Lybrand and management, the various audit activities and plans, together with the results of selected internal audits. The Audit Committee also reviewed the financial reporting process and the adequacy of internal controls. The Audit Committee recommended the appointment of Coopers & Lybrand as the independent accountants and considered factors relating to their independence. The Director — Internal Auditing and Coopers & Lybrand met privately with the Audit Committee on occasion to encourage confidential discussions as to any auditing matters.

LLOYD C. ELAM

Chairman, Audit Committee

February 3, 1992

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

REPORT OF INDEPENDENT ACCOUNTANTS

BellSouth Telecommunications, Inc.
Atlanta, Georgia

We have audited the accompanying consolidated financial statements and financial statement schedules of BellSouth Telecommunications, Inc. and Subsidiaries listed in Item 14(a) of the Form 10-K. These financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial statement schedules based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of BellSouth Telecommunications, Inc. and Subsidiaries as of December 31, 1991 and 1990, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1991, in conformity with generally accepted accounting principles. In addition, in our opinion, the financial statement schedules referred to above, when considered in relation to the basic financial statements taken as a whole, present fairly, in all material respects, the information required to be included therein.

COOPERS & LYBRAND

Atlanta, Georgia
February 3, 1992

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in the registration statement of BellSouth Telecommunications, Inc. on Form S-3 (File No. 33-29545) of our report dated February 3, 1992, on our audits of the consolidated financial statements and financial statement schedules of BellSouth Telecommunications, Inc. listed in Item 14(a) of this Form 10-K.

COOPERS & LYBRAND

Atlanta, Georgia
February 3, 1992

BELLSOUTH TELECOMMUNICATIONS, INC.
CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS
(In Millions)

	For the Years Ended December 31,		
	1991	1990	1989
Operating Revenues:			
Local service	\$ 5,846.2	\$ 5,664.6	\$ 5,446.7
Interstate access	2,858.1	2,841.9	2,801.2
Intrastate access	866.7	911.8	842.6
Toll	1,373.7	1,565.4	1,628.9
Other	1,822.7	1,778.0	1,626.3
Total Operating Revenues	<u>12,767.4</u>	<u>12,761.7</u>	<u>12,345.7</u>
Operating Expenses:			
Cost of services and products	4,905.1	4,941.7	4,587.9
Depreciation	2,819.1	2,738.2	2,734.2
Selling, general and administrative	2,321.6	2,179.1	2,097.2
Total Operating Expenses	<u>10,045.8</u>	<u>9,859.0</u>	<u>9,419.3</u>
Net Operating Revenues	2,721.6	2,902.7	2,926.4
Interest Expense (Note H)	649.8	626.2	651.6
Other Income, net . . . . .	.9	27.4	21.0
Income Before Income Taxes and Extraordinary Loss	2,072.7	2,303.9	2,295.8
Provision for Income Taxes (Note G)	646.9	707.9	691.0
Income Before Extraordinary Loss	1,425.8	1,596.0	1,604.8
Extraordinary Loss on Early Extinguishment of Debt, net of tax (Note D)	—	—	(22.3)
Net Income	<u>\$ 1,425.8</u>	<u>\$ 1,596.0</u>	<u>\$ 1,582.5</u>
Retained Earnings:			
At beginning of year	\$ 3,970.6	\$ 3,770.2	\$ 3,519.7
Add: Net Income	1,425.8	1,596.0	1,582.5
Deduct: Dividends declared	(1,412.9)	(1,395.6)	(1,332.0)
At end of year	<u>\$ 3,983.5</u>	<u>\$ 3,970.6</u>	<u>\$ 3,770.2</u>

Note: Certain amounts in the prior period consolidated income statements have been reclassified to conform to the current year's presentation.

The accompanying notes are an integral part of these financial statements.

BELLSOUTH TELECOMMUNICATIONS, INC.
CONSOLIDATED BALANCE SHEETS
(In Millions)

	December 31,	
	1991	1990
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 135.4	\$ 103.5
Current receivables, net of allowance for uncollectibles of \$85.0 and \$79.6 . . .	1,880.5	1,926.0
Material and supplies	341.5	398.4
Other current assets	49.1	68.6
Total Current Assets	<u>2,406.5</u>	<u>2,496.5</u>
Investments in and advances to affiliate	31.1	31.3
Property, Plant and Equipment, net (Note B)	23,241.7	23,239.2
Deferred Charges and Other Assets	642.2	744.1
Total Assets	<u>\$26,321.5</u>	<u>\$26,511.1</u>
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current Liabilities:		
Debt maturing within one year (Note D)	\$ 852.4	\$ 706.6
Accounts payable	943.8	1,046.6
Other current liabilities (Note C)	1,737.9	1,696.2
Total Current Liabilities	<u>3,534.1</u>	<u>3,449.4</u>
Long-Term Debt (Note D)	6,402.7	6,440.3
Deferred Credits and Other Liabilities:		
Accumulated deferred income taxes	3,769.4	4,040.3
Unamortized investment tax credits	692.2	800.9
Other liabilities and deferred credits	500.6	379.6
Total Deferred Credits and Other Liabilities	<u>4,962.2</u>	<u>5,220.8</u>
Shareholder's Equity:		
Common stock, one share, no par value	7,345.1	7,345.1
Paid-in Capital	93.9	84.9
Retained earnings	3,983.5	3,970.6
Total Shareholder's Equity	<u>11,422.5</u>	<u>11,400.6</u>
Total Liabilities and Shareholder's Equity	<u>\$26,321.5</u>	<u>\$26,511.1</u>

The accompanying notes are an integral part of these financial statements.

BELLSOUTH TELECOMMUNICATIONS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Millions)

	For the Years Ended December 31,		
	1991	1990	1989
Cash Flows from Operating Activities:			
Net income	\$ 1,425.8	\$ 1,596.0	\$ 1,582.5
Adjustments to net income:			
Extraordinary loss, net of tax	—	—	22.3
Depreciation	2,819.1	2,738.2	2,734.2
Provision for losses on bad debts	157.3	126.7	121.8
Deferred income taxes and unamortized investment tax credits	(406.3)	(263.2)	(94.7)
Allowance for funds used during construction	(18.1)	(17.6)	(15.9)
Net change in current receivables	(111.8)	(39.6)	(220.8)
Net change in material and supplies	(59.8)	(59.3)	(58.0)
Net change in accounts payable and other current liabilities	(32.7)	(108.9)	198.7
Net change in deferred charges and other assets	134.4	87.3	(6.7)
Net change in other liabilities and deferred credits	120.9	141.0	24.2
Other reconciling items, net	1.5	14.9	(44.9)
Net cash provided by operating activities	<u>4,030.3</u>	<u>4,215.5</u>	<u>4,242.7</u>
Cash Flows from Investing Activities:			
Capital expenditures	(2,747.3)	(2,938.4)	(2,986.5)
Proceeds from disposals of property, plant and equipment	55.9	70.9	89.5
Acquisition of Hughes Telephone Company	—	—	(7.7)
Other investing activities, net	(2.1)	.6	(.6)
Net cash used in investing activities	<u>(2,693.5)</u>	<u>(2,866.9)</u>	<u>(2,905.3)</u>
Cash Flows from Financing Activities:			
Proceeds of short-term debt	13,579.3	14,641.3	14,119.2
Repayment of short-term debt	(13,431.8)	(14,626.8)	(13,967.1)
Advances from parent	—	48.3	9.8
Repayment of advances from parent	—	—	(69.3)
Proceeds of long-term debt	—	—	580.0
Repayment of long-term debt	(28.9)	(63.5)	(542.9)
Payment of call premium (Refinancing)	—	—	(30.1)
Payment of capital lease obligations	(18.8)	(33.1)	(36.8)
Equity investment of parent	9.8	25.6	10.0
Dividends paid to parent	(1,414.5)	(1,333.9)	(1,376.4)
Net cash used in financing activities	<u>(1,304.9)</u>	<u>(1,342.1)</u>	<u>(1,303.6)</u>
Net Increase in Cash and Cash Equivalents	31.9	6.5	33.8
Cash and Cash Equivalents at Beginning of Period	103.5	97.0	63.2
Cash and Cash Equivalents at End of Period	<u>\$ 135.4</u>	<u>\$ 103.5</u>	<u>\$ 97.0</u>

The accompanying notes are an integral part of these financial statements.

BELLSOUTH TELECOMMUNICATIONS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in Millions)

Note A Accounting Policies

Basis of Presentation — BellSouth Telecommunications, Inc. ("BellSouth Telecommunications") is a wholly-owned subsidiary of BellSouth Corporation ("BellSouth"). Effective at midnight December 31, 1991, South Central Bell Telephone Company ("South Central Bell") and BellSouth Services Incorporated ("BellSouth Services") (a jointly-owned service subsidiary of South Central Bell and Southern Bell Telephone and Telegraph Company ("Southern Bell")) merged with and into Southern Bell and Southern Bell's name changed to BellSouth Telecommunications. The accompanying financial statements reflect the operations of South Central Bell, Southern Bell, BellSouth Services, and several smaller affiliated companies transferred to BellSouth Telecommunications as though the merger and such transfers had occurred on January 1, 1989. BellSouth Telecommunications maintains substantially all of its accounts and records in accordance with the Uniform System of Accounts prescribed by the Federal Communications Commission ("FCC") and makes certain adjustments necessary to present the accompanying financial statements in accordance with generally accepted accounting principles applicable to regulated entities. Such principles differ in certain respects from those used by unregulated entities, but are required to appropriately reflect the financial and economic effects of regulation and the rate-making process. Significant differences resulting from the application of these principles are disclosed elsewhere in these Notes to Consolidated Financial Statements where appropriate.

Cash and Cash Equivalents — BellSouth Telecommunications considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Investments with an original maturity of over three months to one year are not considered cash equivalents and, if any, are included as temporary cash investments on the consolidated balance sheets.

Property, Plant and Equipment — The investment in property, plant and equipment and materials dedicated to providing telecommunications services is stated at original cost. Depreciation is based on the remaining life method of depreciation and straight-line composite rates determined on the basis of equal life groups of certain categories of telephone plant acquired in a given year. Depreciation expense also includes amortization of certain classes of telephone plant and identified depreciation reserve deficiencies over periods allowed by regulatory authorities. When depreciable plant is disposed of, the original cost less net salvage value is charged to accumulated depreciation.

Material and Supplies — New and reusable material is carried in inventory principally at average original cost, except that specific costs are used in the case of large individual items. Nonreusable material is carried at estimated salvage value.

Maintenance and Repairs — The cost of maintenance and repairs of plant, including the cost of replacing minor items not effecting substantial betterments, is charged to operating expenses.

Allowance for Funds Used During Construction — Regulatory authorities allow BellSouth Telecommunications to accrue interest as a cost of constructing certain plant and as an item of income (interest charged during construction). Such income is not realized in cash currently but will be realized over the service life of the related plant as the resulting higher depreciation expense and plant investment are recovered in the form of increased revenues.

Income Taxes — BellSouth Telecommunications is included in the consolidated Federal income tax return filed by BellSouth and its subsidiaries. Deferred income taxes are provided to reflect the effect of timing differences in the recognition of revenues and expenses for financial and income tax reporting purposes, except where regulatory authority dictates flow-through accounting. Timing differences result primarily from the use of accelerated methods and shorter lives in computing depreciation for tax purposes. The cumulative net amount of tax timing differences for which deferred income taxes had not been provided at December 31, 1991, due to flow-through accounting, was \$641.1.

For financial reporting purposes, BellSouth Telecommunications is amortizing deferred investment tax credits earned prior to the 1986 repeal of the investment tax credit and also some transitional credits earned after the repeal. The credits are being amortized as a reduction to the provision for income taxes over the estimated useful lives of the assets to which the credits relate.

Note B Property, Plant and Equipment — Property, plant and equipment is summarized as follows at December 31:

	1991	1990
Land	\$ 154.1	\$ 152.1
Building and building improvements	2,464.4	2,372.0
Operating and other equipment	717.7	539.2
Furniture and fixtures	1,958.0	1,770.4
Central office equipment	13,182.3	12,467.9
Outside plant	17,050.8	16,340.8
Station equipment	1,267.2	1,399.1
Capital leases	70.4	59.9
Plant under construction	264.6	394.3
Other	25.5	286.6
Total Property, Plant and Equipment	37,155.0	35,782.3
Less: Accumulated Depreciation	13,913.3	12,543.1
Total property, plant and equipment, net	<u>\$23,241.7</u>	<u>\$23,239.2</u>

Note C Other Current Liabilities — Other current liabilities are summarized as follows at December 31:

	1991	1990
Taxes accrued	\$ 321.5	\$ 227.6
Advanced billing and customer deposits	427.2	423.4
Dividends payable to parent	170.0	171.6
Salaries and wages payable	237.5	271.9
Interest and rents accrued	237.0	208.5
Compensated absences	272.6	296.7
Other	72.1	96.5
Total other current liabilities	<u>\$1,737.9</u>	<u>\$1,696.2</u>

Note D Debt

Long-Term: Long-term debt is summarized as follows at December 31:

Description	Interest Rates	Maturities	1991	1990
Debentures:	3¼% - 6¼%	1993-2004	\$ 675.0	\$ 675.0
	7% - 8¼%	1999-2017	2,785.0	2,785.0
	8¼% - 10¼%	2001-2029	2,925.0	2,925.0
			6,385.0	6,385.0
Capital leases and other			67.9	106.8
Unamortized discount, net			(50.2)	(51.5)
Total			<u>\$6,402.7</u>	<u>\$6,440.3</u>

Maturities of long-term debt outstanding at December 31, 1991 are summarized below:

	1992	1993	1994	1995	1996	Thereafter	Total
Maturities	<u>\$31.1</u>	<u>\$83.3</u>	<u>\$8.8</u>	<u>\$34.3</u>	<u>\$2.0</u>	<u>\$6,324.4</u>	<u>\$6,483.9</u>

In 1989, \$600.0 of Forty Year 8½% Debentures, due August 1, 2029, were sold primarily to refinance \$536.1 of long-term debt. Expenses of approximately \$22.3 associated with the refinancing were charged to income as an extraordinary item.

Debt Maturing Within One Year: Debt maturing within one year is included as debt in BellSouth Telecommunications' computation of debt ratios and consisted of the following at December 31:

<u>Description</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>
Advances and Notes Payable:			
Advances from BellSouth	\$ —	\$ —	\$ 12.3
Commercial paper (a)	821.3	674.2	661.2
Current Maturities of Long-term Debt	31.1	32.5	54.4
Total	<u>\$852.4</u>	<u>\$706.7</u>	<u>\$727.9</u>
	<u>1991</u>	<u>1990</u>	<u>1989</u>
Advances from BellSouth:			
Maximum amount outstanding during the period	\$ —	\$ —	\$ 63.6
Average amount outstanding during the period (b)	\$ —	\$ —	\$ 3.0
Weighted average interest rate	—	—	8.78%
Weighted average interest rate during the period (c)	—	—	14.96%
Commercial Paper:			
Maximum amount outstanding during the period	\$910.0	\$756.5	\$780.0
Average amount outstanding during the period (b)	\$746.1	\$642.1	\$604.8
Weighted average interest rate	4.69%	8.42%	8.86%
Weighted average interest rate during the period (c)	6.0%	8.28%	9.35%

(a) Due in 270 days or less.

(b) Determined by computing the average face amount of monthly ending balances in each category.

(c) Determined by dividing the average monthly face amount described in (b) into aggregate related interest expense.

BellSouth Telecommunications has committed credit lines aggregating \$1,050.9 with various banks which are maintained generally to support commercial paper borrowings. There were no borrowings under the committed lines at December 31, 1991. BellSouth Telecommunications also maintains uncommitted lines of credit of \$60.0. There are no significant commitment fees or requirements for compensating balances associated with any lines of credit.

Note E Pension Plan and Other Postretirement Benefits

Pension Plans — Substantially all employees of BellSouth Telecommunications are covered by noncontributory defined benefit pension plans sponsored by BellSouth. Plans covering salaried employees generally provide benefits based on years of credited service and employees' average compensation for a specified period. Pension benefits for hourly employees generally are based on specified benefit amounts and years of service. BellSouth Telecommunications' funding policy is to make contributions to trust funds with the objective of accumulating sufficient assets to pay all pension benefits for which BellSouth Telecommunications is liable. Contributions are actuarially determined using the aggregate cost method, an acceptable funding method under the Employee Retirement Income Security Act of 1974 ("ERISA"), subject to ERISA and Internal Revenue Service limitations. Pension plan assets consist primarily of equity securities and fixed income investments.

Net periodic pension cost is computed in accordance with Statement of Financial Accounting Standards ("SFAS") 87, "Employers' Accounting for Pensions". Accordingly, net periodic pension cost is determined using

a different actuarial cost method and different actuarial assumptions than those used for funding purposes. Pension cost computed under SFAS 87 includes the effect of anticipated future improvements to the pension plans that are consistent with past practice.

Pension cost recognized in 1991, 1990 and 1989 was \$133.4, \$117.8 and \$141.8, respectively. SFAS 87 requires certain disclosures to be made with respect to the components of net periodic pension cost for the period and a reconciliation of the funded status of the plan with amounts reported in the balance sheets. Such disclosures are not presented because the structure of the BellSouth plans does not permit disaggregation of relevant plan information on an individual company basis.

The projected benefit obligation for 1991 and 1990 was determined using a discount rate of 7.75% for 1991 and 8% for 1990 and an assumed rate of compensation increase of 5.7%. The expected long-term rate of return on plan assets was 8.0% for 1991 and 1990. Accrued pension cost at December 31, 1991, of \$271.5 is included in Other Liabilities and Deferred Credits. Accrued pension cost at December 31, 1990, of \$92.7 consists of \$160.0 included in Other Liabilities and Deferred Credits, net of prepaid pension cost of \$67.3 included in Deferred Charges and Other Assets.

BellSouth Telecommunications offered special early retirement options to management employees in 1991 and 1990. In July 1991, approximately 3,000 managers elected to retire under a special voluntary early retirement offer. All employees who elected to retire under this option agreed to voluntarily separate from employment on or before October 31, 1991 and became immediately service pension eligible. The 1990 offer was accepted by 1,100 management employees who were service pension eligible and elected, by December 31, 1990, to voluntarily separate from employment on or before April 30, 1991. In addition, managers retiring under both the 1991 and 1990 early retirement offers had the option in 1991 of accepting the present value of their pension benefits as a lump-sum payment instead of an annuity. Electing employees were eligible to receive certain benefits, including a special payment equivalent to five percent of their base pay times full years of service (not to exceed 100% of base pay), net of certain offsets. The retirement options were accounted for in accordance with SFAS 88, "Employers' Accounting for Settlements and Curtailments of Defined Benefit Pension Plans and for Termination Benefits." Accordingly, BellSouth Telecommunications recognized expense of \$68.1 in 1991 and \$14.0 in 1990.

Postretirement Benefits Other Than Pensions — BellSouth Telecommunications also provides certain health care and life insurance benefits to substantially all employees that retire from BellSouth Telecommunications eligible for a service or disability pension benefit. The cost of providing health care and life insurance benefits for both active and retired employees was \$507.0, \$465.5 and \$441.7 in 1991, 1990 and 1989, respectively. Included in these costs were \$155.7, \$145.6 and \$79.3 in 1991, 1990 and 1989, respectively, for postretirement health care benefits other than those provided on a pay-as-you-go basis. At December 31, 1991, there were approximately 38,900 retirees and 82,200 active employees eligible to receive these benefits.

During 1989, the costs of providing postretirement health care benefits were accrued and funded over the working lives of active employees. Certain retiree benefits, however, were recognized on a pay-as-you-go basis. Beginning in 1990, BellSouth Telecommunications began to accrue and fund for both active and retired employees represented under the collective bargaining agreement into a separate tax advantaged trust. These contributions are funded over the working lives of active employees and the remaining lives of the retirees. Costs for nonrepresented employees continue to be accrued and funded as in 1989. Postretirement life insurance benefit costs are accrued and funded over the working lives of active employees based on that group's historical claims experience.

In December 1990, the Financial Accounting Standards Board ("the Board") issued SFAS 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions," which BellSouth Telecommunications is required to adopt by 1993. The statement requires employers, among other things, to accrue the cost of providing postretirement benefits other than pensions during the period employees are expected to earn the benefit.

Currently, BellSouth plans to adopt SFAS 106, effective January 1993. Because these other postretirement benefit plans are subject to bargaining in 1992 and certain application methods have not been determined, a

final estimate of the effect of implementing SFAS 106 on BellSouth Telecommunications' statement of position and operations is not available. However, it is anticipated that BellSouth's transition benefit obligation will be between \$1.4 and \$2.0 billion, while the postretirement expense is expected to be less than two times the projected 1993 expense under the current accounting method. The structure of BellSouth's benefit plans does not permit disaggregation of plan information on an individual company basis. Due to regulation, the effect on the financial statements will depend on the ratemaking treatment authorized.

Note F Leases — BellSouth Telecommunications has entered into operating leases for facilities and equipment used in operations. Rental expenses under operating leases were \$224.4, \$264.5 and \$234.6 for 1991, 1990 and 1989, respectively. Capital leases currently in effect are not significant. The following table summarizes the approximate minimum rentals under noncancelable operating leases in effect at December 31, 1991:

	1992	1993	1994	1995	1996	Thereafter	Total
Minimum Rentals	<u>\$110.8</u>	<u>\$95.6</u>	<u>\$73.7</u>	<u>\$60.0</u>	<u>\$49.8</u>	<u>\$459.2</u>	<u>\$849.1</u>

Note G Income Taxes — The provision for income taxes is summarized as follows:

	1991	1990	1989
Federal:			
Current	\$ 908.9	\$ 843.1	\$ 660.6
Deferred, net	(276.5)	(140.2)	22.8
Investment tax credits, net	(108.8)	(128.4)	(125.2)
	<u>523.6</u>	<u>574.5</u>	<u>558.2</u>
State:			
Current	152.8	132.2	119.1
Deferred, net	(29.5)	1.2	13.7
	<u>123.3</u>	<u>133.4</u>	<u>132.8</u>
Total	<u>\$ 646.9</u>	<u>\$ 707.9</u>	<u>\$ 691.0</u>
Amortization of investment tax credits	<u>\$ 105.3</u>	<u>\$ 126.5</u>	<u>\$ 125.2</u>

The components of deferred tax, net, resulting from timing differences in the recognition of revenue and expense items for tax and financial reporting purposes, were as follows:

	1991	1990	1989
Property, plant and equipment	\$(130.2)	\$ (10.4)	\$ 57.5
Pension benefits	(61.3)	(40.9)	(15.5)
Other timing differences	(114.5)	(87.7)	(5.5)
Total	<u>\$(306.0)</u>	<u>\$(139.0)</u>	<u>\$ 36.5</u>

A reconciliation of the Federal statutory income tax rate to BellSouth Telecommunications' effective tax rate follows:

	1991	1990	1989
Federal statutory tax rate	34.0 %	34.0 %	34.0 %
State income taxes, net of Federal income tax benefit	3.8 %	3.7 %	3.6 %
Amortization of investment tax credits	(5.1)%	(5.5)%	(5.4)%
Miscellaneous items, net	(1.5)%	(1.5)%	(2.1)%
Effective tax rate	<u>31.2 %</u>	<u>30.7 %</u>	<u>30.1 %</u>

In February 1992, the Board issued SFAS 109, "Accounting for Income Taxes," which requires companies to compute deferred income taxes using a liability approach rather than the deferred method previously required under Accounting Principles Board Opinion No. 11. This statement is required to be adopted in 1993.

Based on preliminary evaluations using provisions contained in the Board's related Exposure Draft, BellSouth Telecommunications does not anticipate a significant impact to expense or net income as a result of implementing SFAS 109. However, BellSouth Telecommunications is currently evaluating the provisions of the new statement and is unable to predict with any certainty what impact, if any, adoption of the proposed statement would have on its net income or financial position. Since BellSouth Telecommunications is subject to accounting rules applicable to regulated entities, the ultimate financial impact of the new statement will depend on the future regulatory treatment.

Note H Additional Income Statement Data

	<u>1991</u>	<u>1990</u>	<u>1989</u>
Interest Expense:			
Long-term debt	\$533.9	\$534.2	\$545.5
Notes payable	48.6	59.6	56.7
Other	67.3	32.4	49.4
Total	<u>\$649.8</u>	<u>\$626.2</u>	<u>\$651.6</u>
Depreciation of telephone plant as a percentage of average depreciable telephone plant	<u>7.8%</u>	<u>7.7%</u>	<u>8.1%</u>

In the aggregate, access revenue, revenue from billing and collection activities and rental of facilities were approximately 31%, 32% and 33% of revenues for 1991, 1990 and 1989, respectively. Substantially all of such revenues were from services provided to American Telephone and Telegraph Company, BellSouth Telecommunications' largest customer.

Note I Supplemental Cash Flow Information — The following supplemental information is presented in accordance with the provisions of SFAS 95, "Statement of Cash Flows":

	<u>1991</u>	<u>1990</u>	<u>1989</u>
Cash paid for Interest and Income Taxes:			
Interest	<u>\$634.1</u>	<u>\$602.7</u>	<u>\$626.0</u>
Income taxes	<u>\$992.7</u>	<u>\$928.1</u>	<u>\$814.5</u>
Net assets transferred related to formation of BellSouth Telecommunications	<u>\$ (0.8)</u>	<u>\$ 27.4</u>	<u>\$ 16.7</u>

Note J Transactions with Affiliates — BellSouth Telecommunications has a contractual agreement with BellSouth Advertising & Publishing Corporation ("BAPCO"), an affiliated company, wherein BAPCO publishes certain telephone directories and in return pays BellSouth Telecommunications a publishing rights fee in its franchise area. For the years ended December 31, 1991, 1990 and 1989, these fees, included in Other operating revenue, were \$580.1, \$549.0, and \$518.2, respectively.

Note K Quarterly Financial Information (Unaudited) — In the following summary of quarterly financial information, all adjustments necessary for a fair presentation of each period have been included:

	<u>Total Operating Revenues</u>	<u>Operating Income</u>	<u>Net Income</u>
Calendar quarter:			
<u>1991</u>			
1st	\$ 3,161.1	\$ 708.3	\$ 372.8
2nd	3,195.7	676.3	348.4
3rd	3,233.8	657.1	337.4
4th	3,176.8	679.9	367.2
Total	<u>\$12,767.4</u>	<u>\$2,721.6</u>	<u>\$1,425.8</u>
<u>1990</u>			
1st	\$ 3,175.3	\$ 763.1	\$ 413.4
2nd	3,226.8	775.3	424.8
3rd	3,150.8	682.3	368.4
4th	3,208.8	682.0	389.4
Total	<u>\$12,761.7</u>	<u>\$2,902.7</u>	<u>\$1,596.0</u>

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

No change in accountants or disagreements on the adoption of appropriate accounting standards or financial disclosure have occurred during the periods included in this report.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

a. Documents filed as a part of the report:

	<u>Page(s)</u>
(1) Financial Statements:	
Selected Financial and Operating Data	11
Management's Discussion and Analysis of Results of Operations	11-17
Report of Management	18
Audit Committee Chairman's Letter	19
Report of Independent Accountants	20
Consolidated Statements of Income	21
Consolidated Balance Sheets	22
Consolidated Statements of Cash Flows	23
Notes to Consolidated Financial Statements	24-30
(2) Financial Statement Schedules:	
V. — Property, Plant and Equipment	33-36
VI. — Accumulated Depreciation	37-40
VIII. — Allowance for Uncollectibles	41
X. — Supplementary Income Statement Information	42

Financial statement schedules other than those listed above have been omitted because the required information is contained in the financial statements and notes thereto or because such schedules are not required or applicable.

(3) Exhibits:

Exhibits identified in parentheses below, on file with the SEC, are incorporated herein by reference as exhibits hereto.

<u>Exhibit Number</u>	
3a	— Restated Articles of Incorporation of BellSouth Telecommunications, Inc.
3d	— Bylaws of BellSouth Telecommunications, Inc.
4	— Form of Supplemental Indenture. (Exhibit 4-e to Registration Statement No. 33-29545).
10	— Agreement Concerning Contingent Liabilities, Tax Matters and Termination of Certain Agreements among BellSouth and each of its telephone subsidiaries and AT&T and its affiliates dated as of November 1, 1983. (Exhibit 10h to Form 10-K for the year ended December 31, 1983, File No. 1-1049).
12	— Computation of Ratio of Earnings to Fixed Charges. (Exhibit 12-b to Registration Statement No. 33-29545).
25	— Powers of Attorney.

b. Reports on Form 8-K:

BellSouth Telecommunications, Inc. — Completion of the merger between South Central Bell Telephone Company, Southern Bell Telephone and Telegraph Company and BellSouth Services Incorporated into a single entity named BellSouth Telecommunications, Inc. Date of report December 31, 1991.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BellSouth Telecommunications, Inc.

/s/ LARRY L. SCHOOLAR

Larry L. Schoolar
Vice President and Comptroller
March 3, 1992

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

PRINCIPAL EXECUTIVE OFFICER:

B. Franklin Skinner*
Chairman and Chief Executive Officer

PRINCIPAL FINANCIAL OFFICER AND PRINCIPAL ACCOUNTING OFFICER:

Larry L. Schoolar*
Vice President and Comptroller

DIRECTORS:

F. Duane Ackerman*
Irving W. Bailey II*
James H. Blanchard*
Gray D. Boone*
J. Hyatt Brown*
Armando M. Codina*
Edward E. Crutchfield, Jr.*
Frank R. Day*
Lloyd C. Elam*
William W. Gaston*

Lawrence L. Gellerstedt, Jr.*
John W. Harris*
Mark C. Hollis*
Thomas H. Meeker*
Joe M. Rodgers*
B. Franklin Skinner*
O. Stanley Smith, Jr.*
Hall W. Thompson*
Jane S. Willson*
Charles J. Zwick*

*By: /s/ LARRY L. SCHOOLAR

Larry L. Schoolar
(Individually and as Attorney-In-Fact)
March 3, 1992

BELLSOUTH TELECOMMUNICATIONS, INC.
SCHEDULE V — PROPERTY, PLANT AND EQUIPMENT
(In Millions)

Year Ended December 31, 1991

COL. A	COL. B	COL. C	COL. D	COL. E	COL. F
Classification	Balance at Beginning of Period	Additions at Cost (a)	Retirements (b)	Other Changes (c)	Balance at End of Period
Land & Land Improvements	\$ 152.1	\$ 0.8	\$ 0.0	\$ 1.2	\$ 154.1
Buildings and Building Improvements	2,315.1	25.9	(8.9)	53.4	2,385.5
Leasehold Improvements	56.9	.9	(1.7)	22.8	78.9
Operating & Other Equipment	539.2	86.5	(34.7)	126.7	717.7
Furniture and Fixtures	1,770.4	143.3	(214.9)	259.2	1,958.0
Central Office Equipment	12,467.9	201.7	(798.6)	1,311.3	13,182.3
Outside Plant	16,340.8	674.2(f)	(240.5)	276.3	17,050.8
Station Equipment	1,399.1	52.0	(189.1)	5.2	1,267.2
Capital Leases	59.9	22.7	(55.0)	42.8	70.4
Construction in Progress	394.3	1,682.0(h)	.7	(1,812.4)	264.6
Other Plant	286.6	0.3	(0.4)	(261.0)	25.5
Total Property, Plant and Equipment	<u>\$35,782.3</u>	<u>\$2,890.3</u>	<u>\$(1,543.1)</u>	<u>\$ 25.5</u>	<u>\$37,155.0</u>

The notes on Sheet 4 are an integral part of this schedule.

BELLSOUTH TELECOMMUNICATIONS, INC.
SCHEDULE V — PROPERTY, PLANT AND EQUIPMENT
(In Millions)

Year Ended December 31, 1990

COL. A	COL. B	COL. C	COL. D	COL. E	COL. F
Classification	Balance at Beginning of Period	Additions at Cost (a)	Retirements (b)	Other Changes	Balance at End of Period
Land & Land Improvements	\$ 149.3	\$ 3.0	\$ (0.2)	\$ 0.0	\$ 152.1
Buildings and Building Improvements	2,240.1	84.7	(9.4)	(0.3)	2,315.1
Leasehold Improvements	55.6	4.8	(3.5)	0.0	56.9
Operating & Other Equipment	534.1	50.2	(44.7)	(0.4)	539.2
Furniture and Fixtures	1,643.3	288.9	(161.5)	(0.3)	1,770.4
Central Office Equipment	11,720.0	1,545.8(e)	(794.8)	(3.1)	12,467.9
Outside Plant	15,556.6	987.6(f)	(194.5)	(8.9)	16,340.8
Station Equipment	2,163.0	70.9	(834.4)	(0.4)	1,399.1
Capital Leases	93.2	8.7	(42.0)	0.0	59.9
Construction in Progress	414.9	(18.6)	(2.0)	0.0	394.3
Other Plant (d)	249.9	28.9	(37.2)	45.0	286.6
Total Property, Plant and Equipment	<u>\$34,820.0</u>	<u>\$3,054.9</u>	<u>\$(2,124.2)</u>	<u>\$ 31.6</u>	<u>\$35,782.3</u>

The notes on Sheet 4 are an integral part of this schedule.

BELLSOUTH TELECOMMUNICATIONS, INC.
SCHEDULE V — PROPERTY, PLANT AND EQUIPMENT
(In Millions)

Year Ended December 31, 1989

COL. A	COL. B	COL. C	COL. D	COL. E	COL. F
Classification(g)	Balance at Beginning of Period	Additions at Cost (a)	Retirements (b)	Other Changes	Balance at End of Period
Land & Land Improvements	\$ 147.3	\$ 3.0	\$ (1.0)	\$ 0.0	\$ 149.3
Buildings and Building Improvements	2,176.4	79.1	(15.2)	(0.2)	2,240.1
Leasehold Improvements	54.1	6.3	(5.2)	0.4	55.6
Operating & Other Equipment	530.8	53.4	(55.9)	5.8	534.1
Furniture and Fixtures	1,542.0	258.1	(167.3)	10.5	1,643.3
Central Office Equipment	10,885.1	1,486.7(e)	(655.2)	3.4	11,720.0
Outside Plant	14,782.8	938.2(f)	(173.4)	9.0	15,556.6
Station Equipment	2,320.7	81.8	(239.8)	0.3	2,163.0
Capital Leases	97.7	12.0	(16.5)	0.0	93.2
Construction in Progress	303.3	114.1	(2.5)	0.0	414.9
Other Plant (d)	36.3	3.0	(5.2)	215.8	249.9
Total Property, Plant and Equipment	<u>\$32,876.5</u>	<u>\$3,035.7</u>	<u>\$(1,337.2)</u>	<u>\$ 245.0</u>	<u>\$34,820.0</u>

The notes on Sheet 4 are an integral part of this schedule.

BELLSOUTH TELECOMMUNICATIONS, INC.

NOTES TO SCHEDULE V — PROPERTY, PLANT AND EQUIPMENT

For the Years Ended December 31, 1991, 1990 and 1989

- (a) Additions shown include: (1) the original cost (estimated if not known) of reused material, which is concurrently credited to material and supplies, and (2) interest charged construction.
- (b) Items of telephone plant when retired or sold are deducted from the property accounts at the amounts at which they are included therein, estimated if not known.
- (c) Amounts in COL. E. — Other Changes for the year ended December 31, 1991 represent primarily the reclassification of beginning balances of property, plant and equipment for all BellSouth Telecommunications, Inc. companies other than South Central Bell and Southern Bell to conform to current year presentation. Amounts for the years ended December 31, 1990 and 1989 have not been restated because detailed activity was not available.
- (d) Amounts represent primarily operating equipment, data processing equipment, aircraft, capital leases, furniture and fixtures and leasehold improvements.
- (e) The material components of additions to Central Office Equipment are analog switching equipment, digital electronic switching equipment and circuit equipment.
- (f) The material components of additions to Outside Plant are aerial, underground and buried cable, and conduit systems.
- (g) Amounts were restated at December 31, 1990 to conform to presentation established beginning with such year end.
- (h) The material components of Construction in Progress are Central Office Equipment, Outside Plant and Data Processing Equipment.

BELLSOUTH TELECOMMUNICATIONS, INC.
SCHEDULE VI — ACCUMULATED DEPRECIATION
(In Millions)

Year Ended December 31, 1991

COL. A	COL. B	COL. C	COL. D	COL. E	COL. F
<i>Classification</i>	Balance at Beginning of Period	Additions Charged to Expense(a)	Retirements	Other Changes (b)	Balance at End of Period
Buildings and Building Improvements	\$ 528.3	\$ 52.4	\$ (11.9)	\$.8	\$ 569.6
Leasehold Improvements	30.7	8.2	(2.3)	5.7	42.3
Operating & Other Equipment	205.4	62.8	(30.5)	66.3	304.0
Furniture and Fixtures	696.1	265.7	(155.0)	49.2	856.0
Central Office Equipment	4,032.5	1,158.4(e)	(784.5)	(0.4)	4,406.0
Outside Plant	6,149.8	857.8(f)	(267.5)	(0.3)	6,739.8
Station Equipment	1,039.2	68.8	(176.0)	1.2	933.2
Capital Leases	31.6	17.8	(59.5)	36.0	25.9
Depreciation Reserve Imbalance (c)	(299.2)	273.1	0.0	62.6	36.5
Other Plant	128.7	0.0	0.0	(128.7)	0.0
Total Accumulated Depreciation	<u>\$12,543.1</u>	<u>\$2,765.0</u>	<u>\$(1,487.2)</u>	<u>\$ 92.4</u>	<u>\$13,913.3</u>

The notes on Sheet 4 are an integral part of this schedule.

BELLSOUTH TELECOMMUNICATIONS, INC.
SCHEDULE VI — ACCUMULATED DEPRECIATION
(In Millions)

Year Ended December 31, 1990

COL. A	COL. B	COL. C	COL. D	COL. E	COL. F
Classification	Balance at Beginning of Period	Additions Charged to Expense(a)	Retirements	Other Changes	Balance at End of Period
Buildings and Building Improvements	\$ 487.7	\$ 53.1	\$ (12.6)	\$ 0.1	\$ 528.3
Leasehold Improvements	26.8	7.9	(3.9)	(0.1)	30.7
Operating & Other Equipment	197.4	48.6	(42.1)	1.5	205.4
Furniture and Fixtures	622.1	218.1	(148.4)	4.3	696.1
Central Office Equipment	3,689.0	1,081.0(e)	(758.9)	21.4	4,032.5
Outside Plant	5,522.8	838.1(f)	(205.0)	(6.1)	6,149.8
Station Equipment	1,698.7	166.4	(828.4)	2.5	1,039.2
Capital Leases	57.7	15.5	(42.0)	.4	31.6
Depreciation Reserve Imbalance (c)	(566.8)	267.5	0.0	0.1	(299.2)
Other Plant (d)	109.4	31.4	(33.5)	21.4	128.7
Total Accumulated Depreciation . .	<u>\$11,844.8</u>	<u>\$2,727.6</u>	<u>\$(2,074.8)</u>	<u>\$ 45.5</u>	<u>\$12,543.1</u>

The notes on Sheet 4 are an integral part of this schedule.

BELLSOUTH TELECOMMUNICATIONS, INC.
SCHEDULE VI — ACCUMULATED DEPRECIATION
(In Millions)

Year Ended December 31, 1989

COL. A	COL. B	COL. C	COL. D	COL. E	COL. F
Classification(g)	Balance at Beginning of Period	Additions Charged to Expense(a)	Retirements	Other Changes	Balance at End of Period
Buildings and Building Improvements	\$ 450.6	\$ 52.7	\$ (15.8)	\$ 0.2	\$ 487.7
Leasehold Improvements	20.6	11.4	(5.1)	(0.1)	26.8
Operating & Other Equipment	192.8	48.6	(51.4)	7.4	197.4
Furniture and Fixtures	560.0	191.8	(148.9)	19.2	622.1
Central Office Equipment	3,240.1	1,007.0(e)	(609.6)	51.5	3,689.0
Outside Plant	4,898.1	768.1(f)	(182.9)	39.5	5,522.8
Station Equipment	1,696.6	231.9	(232.0)	2.2	1,698.7
Capital Leases	53.2	18.7	(16.5)	2.3	57.7
Depreciation Reserve Imbalance (c)	(827.1)	351.4	0.0	(91.1)	(566.8)
Other Plant (d)	13.5	1.1	0.0	94.8	109.4
Total Accumulated Depreciation . .	<u>\$10,298.4</u>	<u>\$2,682.7</u>	<u>\$(1,262.2)</u>	<u>\$ 125.9</u>	<u>\$11,844.8</u>

The notes on Sheet 4 are an integral part of this schedule.

BELLSOUTH TELECOMMUNICATIONS, INC.

NOTES TO SCHEDULE VI — ACCUMULATED DEPRECIATION

For the Years Ended December 31, 1991, 1990 and 1989

- (a) Depreciation as stated in the statements of income includes certain minor amounts which are not credited to this account.
- (b) Amounts in COL. E — Other Changes for the year ended December 31, 1991 represent primarily the reclassification of beginning balances of accumulated depreciation of all BellSouth Telecommunications, Inc. companies other than South Central Bell and Southern Bell to conform to current year presentation. Amounts for the years ended December 31, 1990 and 1989 have not been restated because detailed activity was not available.
- (c) Classification authorized by the FCC and state regulatory commissions to improve capital recovery.
- (d) Amounts represent primarily operating equipment, data processing equipment, aircraft, capital leases, furniture and fixtures and leasehold improvements.
- (e) The material components of additions to Central Office Equipment are analog switching equipment, digital electronic switching equipment and circuit equipment.
- (f) The material components of additions to Outside Plant are aerial, underground and buried cable, and conduit systems.
- (g) Amounts were restated at December 31, 1990 to conform to presentation established beginning with such year end.

BELLSOUTH TELECOMMUNICATIONS, INC.
SCHEDULE VIII — VALUATION AND QUALIFYING ACCOUNTS
(In Millions)

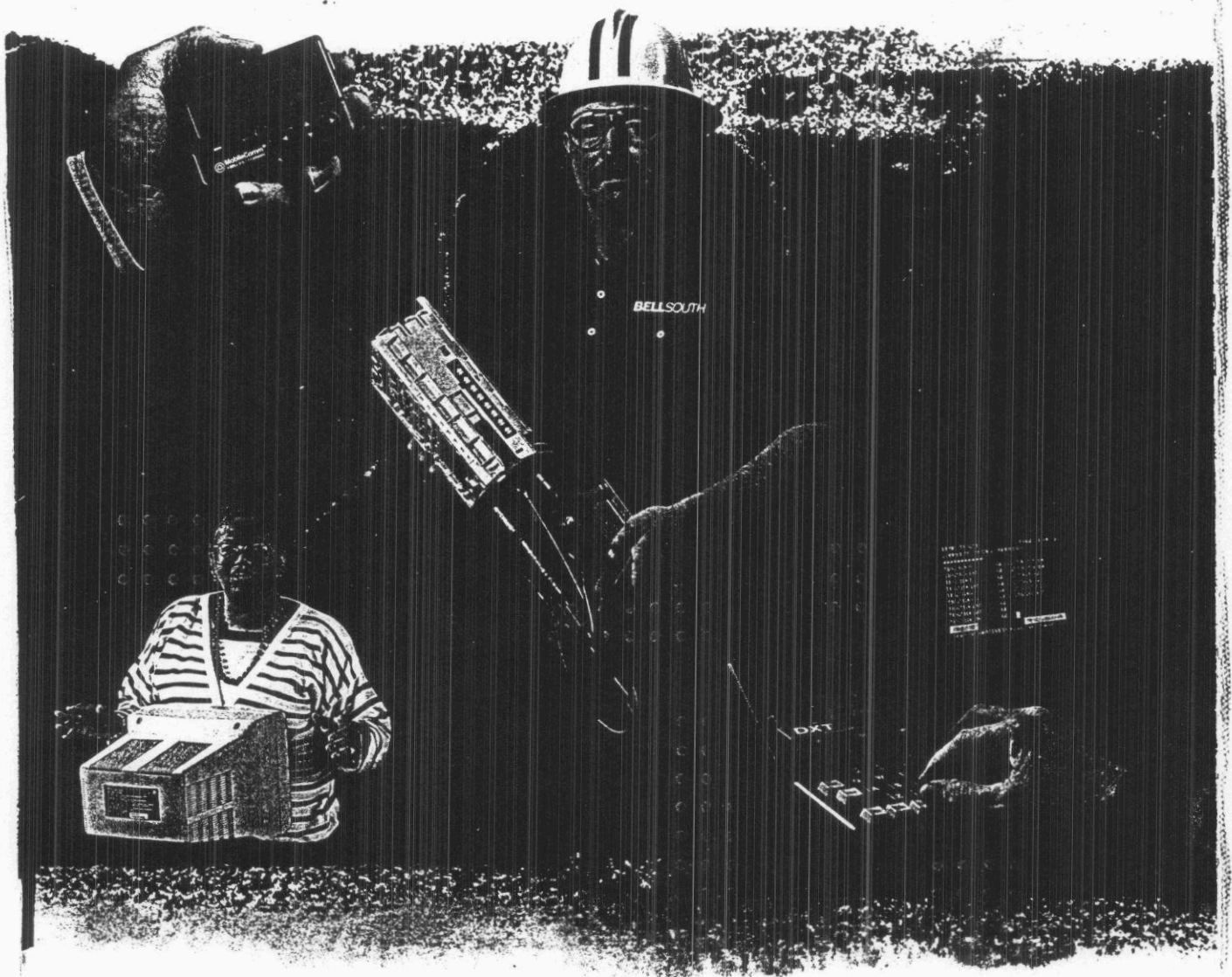
Allowance for Uncollectibles

<u>COL. A</u>	<u>COL. B</u>	<u>COL. C</u>		<u>COL. D</u>	<u>COL. E</u>
<u>Description</u>	<u>Balance at Beginning of Period</u>	<u>Additions</u>		<u>Deductions (c)</u>	<u>Balance at End of Period</u>
		<u>Charged to Expense (a)</u>	<u>Charged to Other Accounts (b)</u>		
Year Ended December 31,					
1991	\$79.6	139.8	141.7	276.1	\$85.0
1990	\$82.7	107.5	112.1	222.7	\$79.6
1989	\$60.1	111.5	94.0	182.9	\$82.7

- (a) Provision for uncollectibles as stated in the statements of income includes certain minor uncollectible items which are written off directly and not credited to the allowance account.
- (b) Amounts include increases to this account for anticipated uncollectibles related to purchased receivables and for recoveries of amounts previously written off.
- (c) Amounts written off as uncollectible.

BELLSOUTH TELECOMMUNICATIONS, INC.
SCHEDULE X — SUPPLEMENTARY INCOME STATEMENT INFORMATION
For the Three Years Ended December 31, 1991
(In Millions)

<u>Column A</u> <u>Item</u>	<u>Column B</u> <u>Charged to Costs or Expenses</u>		
	<u>1991</u>	<u>1990</u>	<u>1989</u>
Maintenance	<u>\$2,349.7</u>	<u>\$2,677.6</u>	<u>\$2,436.9</u>
Taxes, Other Than Income and Payroll-related			
Property	\$ 399.1	\$ 382.9	\$ 334.2
Gross receipts	137.7	134.7	135.6
Other	24.9	23.5	22.1
Total Taxes, Other Than Income and Payroll-related	<u>\$ 561.7</u>	<u>\$ 541.1</u>	<u>\$ 491.9</u>



Managing Change: BellSouth Answers The Tough Questions

Chairman's Message

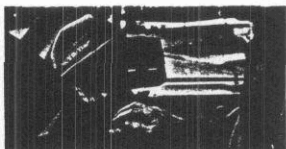
BellSouth's strategies strike the right balance between short-term earnings and sustainable long-term growth.

PAGE 2

Managing Change: BellSouth Answers the Tough Questions

Global competition and Information Age technologies are creating opportunities to extend BellSouth's leadership.

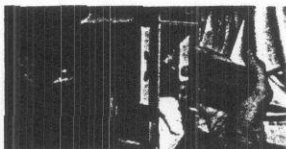
PAGE 5



What are the long-term prospects for earnings?

They're promising because BellSouth is investing in the future of telecommunications.

PAGE 6



What are you doing to respond to competition?

We're meeting the needs of the customer with cost-effective wireline and wireless telecommunications solutions.

PAGE 10



What are you doing to cut costs?

We're reducing staff, streamlining our organization, improving productivity and deploying efficient technologies.

PAGE 14



Why are you investing so aggressively in mobile communications and in other countries?

A changing world creates new markets, and BellSouth is targeting the best long-term opportunities.

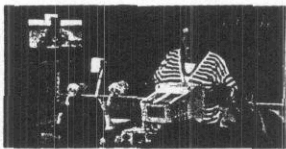
PAGE 18



What are you doing to grow the core business?

Information services and a dynamic approach to marketing our leading edge network will foster new services and attract new customers.

PAGE 22



Why are education and the environment so important to BellSouth?

The vitality of our business is directly related to the prosperity of our region and the skills of our people.

PAGE 26

Financial Section

Management analyzes the major issues affecting BellSouth's 1991 operational results and financial condition.

PAGE 29

About the Cover: BellSouth is managing the changes that are swirling through our industry. At the center of these changes are employees such as David Garrett, facility technician, who is pictured holding an instrument that converts fiber-optic light pulses into electrical signals for transmitting voice and data over traditional copper wires.

BELLSOUTH AT A GLANCE

BELLSOUTH CORPORATION

BellSouth Corporation is the largest of the seven Bell holding companies formed at the divestiture of AT&T in 1984. Revenues were \$14.4 billion in 1991, and, at year end, BellSouth had \$30.9 billion in assets and 18,062,000 network access lines in service. With more

than 1.3 million shareholders, the company's common stock is the second most widely held in the U.S. The corporation, headquartered in Atlanta, employs more than 96,000 people worldwide.

BELLSOUTH TELECOMMUNICATIONS, INC.

BellSouth Telecommunications, Inc. (BST) provides unified direction and support for the local telecommunications operations of BellSouth. The company does business as Southern Bell in North Carolina, South Carolina, Georgia and Florida, and as South Central Bell in Kentucky, Tennessee, Alabama, Mississippi and Louisiana. BST provides local exchange, intraLATA long distance

and interLATA long distance access services to customers over one of the most modern telecommunications networks in the world. BST's wide array of business communications solutions include network management, switched and private line voice and data services, and a full line of equipment.

BELLSOUTH ENTERPRISES, INC.

BellSouth Enterprises (BSE) companies are among the world's leaders in wireless communications and in directory advertising and publishing. These companies provide cellular telephone, paging and mobile data services in the United States and around the world.

BSE companies also are among the foremost publishers of Yellow Pages and White Pages directories in the U.S., and are the nation's largest independent sales agents for Yellow Pages advertising. BSE has operations on five continents.

SERVICE	1991 REVENUES		HIGHLIGHTS
	(IN BILS)	% OF TOTAL	
Local Exchange Voice & data transmission for residence, business, public telephone, and private line	\$5.8	40	BST serves more local telephone customers in the U.S. than any other company. We maintained our leadership in 1991 with growth in access lines of 3.2 percent, high est in the nation.
Long Distance Access	\$3.7	26	BST had more than 60 million total minutes of use in long distance access in 1991, a 6.1 percent increase in a recessionary environment. Competitive pricing has had a positive effect on volumes in this key business segment, where BST serves its biggest customers—AT&T, MCI, US Sprint and other interexchange carriers which provide interstate and intrastate long distance service.
Toll	\$1.4	10	This increasingly competitive segment of BST's regulated operations includes long distance service within, but not between, Local Access and Transport Areas, or LATAs. Toll revenues declined in 1991, reflecting increased competition in WATS (Wide Area Telecommunications Service), the expansion of local calling areas in certain markets, and the economy.
Advertising & Publishing	\$1.4	10	BSE continues to outpace industry growth in this highly competitive marketplace by creating innovative ways to serve Yellow Pages advertisers and directory users. For example, White Pages Logo will be rolled out in 88 markets in 1992. This service gives businesses increased visibility in White Pages listings.
Wireless Communications Cellular and Paging	\$0.8	5	BSE passed the million customer milestone worldwide in both cellular and paging in 1991. The company provides cellular services in 54 U.S. markets, including 13 of the top 50 metropolitan areas, and in nine other countries. Worldwide, BSE's cellular systems serve nearly 72 million POPs, or potential customers. BSE is the largest paging company in the U.S.
Other Network and Related Services	\$1.3	9	In order to give customers maximum flexibility in working with us to design their telecommunications solutions, BellSouth offers a full range of services to complement our network-based options. Major lines include customer premises equipment, wiring of systems inside buildings, and billing and collection services. Other important sources of revenue are computer parts and maintenance, national account management, and nationwide sales of advanced communication systems for voice and data.

GLOBAL

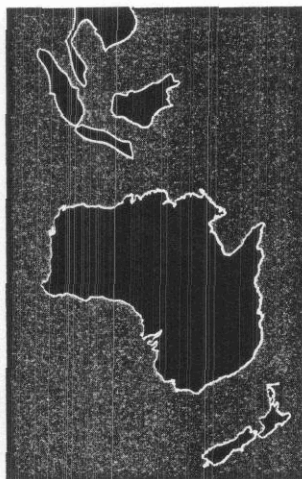
From Australia to Denmark, BellSouth is building a strong presence in countries around the world. Primary services outside the U.S. include cellular, paging, and directory advertising and publishing. Other services include software development and advanced communications applications. One of our more prominent overseas markets is Latin America,

where we have established a strong foothold in cellular in five countries. We are also a major player in Australia, where we are part of a consortium that will be providing a full range of services under the second nationwide telecommunications license.



Denmark—cellular consortium
United Kingdom—paging, mobile data*
Switzerland—paging

*Transaction pending



Australia—second nationwide telecommunications company consortium, paging
New Zealand—cellular



United States—local telephone service in nine Southeastern states, and advanced telecommunications systems, customer premises equipment, cellular, paging, mobile data, advertising and publishing in selected markets nationwide
Mexico (Guadalajara)—cellular consortium



Argentina (Buenos Aires)—cellular consortium
Chile (Santiago, Valparaiso and Vina del Mar)—cellular
Uruguay (Montevideo)—cellular consortium
Venezuela (Caracas, Valencia and Maracaibo)—cellular consortium

Other locations:
New Delhi, India—software development

Paris and Metz, France—cellular consortium, cable TV consortium

Shanghai, China—advanced communications
Bonn, Germany—business office

Brussels, Belgium—business office
Hong Kong—business office
Madrid, Spain—business office

BELLSOUTH LEADERSHIP TEAM

(left to right)

William O. McCoy
President and CEO
BellSouth Enterprises, Inc.

B. Franklin Skinner
Chairman of the Board and CEO
BellSouth Telecommunications, Inc.

John L. Clendenin
Chairman of the Board,
President and CEO
BellSouth Corporation

F. Duane Ackerman
President and COO
BellSouth Telecommunications, Inc.

Harvey R. Holding
Vice Chairman of the Board—
Finance & Administration
BellSouth Corporation

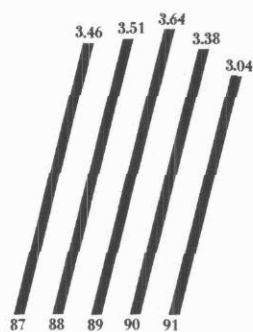


FINANCIAL HIGHLIGHTS

(Dollars in Millions, Except Per Share Amounts)

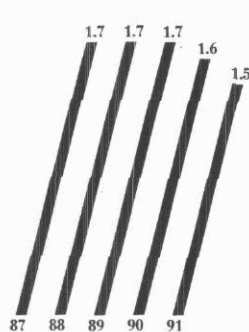
	1991	1990	1989	1988	1987
Operating Revenues	\$ 14,445.5	\$ 14,345.4	\$ 13,996.3	\$ 13,596.9	\$ 12,229.9
Operating Expenses	\$ 11,641.3	\$ 11,314.7	\$ 10,999.3	\$ 10,557.2	\$ 9,027.8
Net Income	\$ 1,471.5	\$ 1,631.5	\$ 1,741.1	\$ 1,665.5	\$ 1,664.8
Earnings Per Share	\$ 3.04	\$ 3.38	\$ 3.64	\$ 3.51	\$ 3.46
Dividends Per Share	\$ 2.76	\$ 2.68	\$ 2.52	\$ 2.36	\$ 2.20
Book Value Per Share	\$ 26.93	\$ 26.28	\$ 27.21	\$ 25.52	\$ 24.89
Weighted Average Common Shares Outstanding (millions)	484.3	482.4	477.7	474.9	481.2
Total Assets	\$ 30,941.7	\$ 30,206.8	\$ 30,049.8	\$ 28,472.4	\$ 27,416.5
Capital Expenditures	\$ 3,102.4	\$ 3,190.7	\$ 3,222.6	\$ 3,207.3	\$ 3,058.6
Return to Average Common Equity	11.3%	12.8%	13.7%	13.8%	14.2%
Debt Ratio	41.3%	40.7%	38.0%	39.8%	37.3%
Employees (end of year)	96,084	101,945	101,230	100,280	98,700
Telephone Employees (end of year)	82,245	85,967	86,728	88,801	87,560

*Earnings
per Share
(\$ per share)*



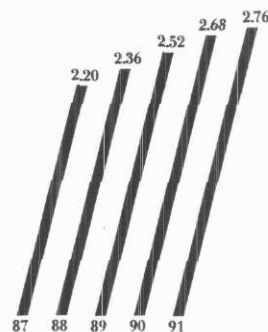
Earnings per share of \$3.04 in 1991 included one-time charges of \$0.21 (see pages 31-41).

*Net Income
(\$ in billions)*



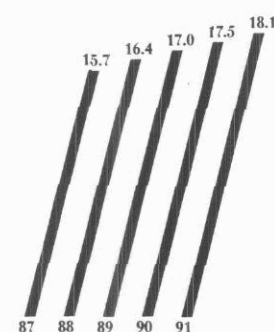
Rate reductions totaling \$327 million had a significant impact on 1991 earnings.

*Dividends
per Share
(\$ per share)*



BellSouth increased the dividend in 1991 for the seventh consecutive year.

*Access Lines
in Service
(in millions)*



Telephone access lines increased 3.2 percent during 1991, highest growth rate in the nation.

Dear Shareholders:

We're managing the changes that are sweeping our industry and bearing on BellSouth's business.

We've made tough strategic decisions that strike the right balance between short-term earnings and sustainable long-term growth. In 1991, we did so despite the lingering recession and the heavy impact of regulatory activity.

We aggressively grew our cellular operations worldwide last year—with acquisitions, through partnerships, and internally through marketing. We announced a major venture with RAM Broadcasting Corporation to develop wireless data networks around the globe. Our MobileComm subsidiary launched an innovative nationwide messaging service in the U.S. With our partners, we secured the license to become Australia's second telecommunications company.

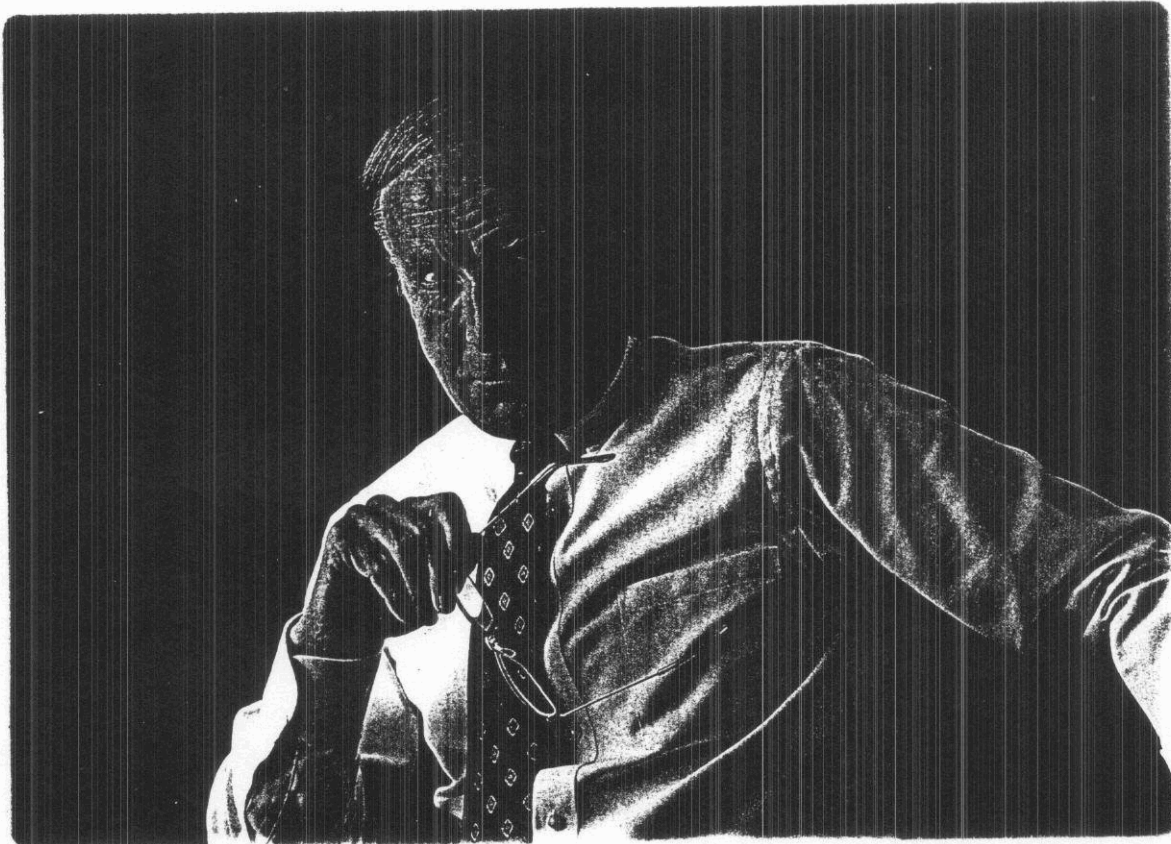
We streamlined our telephone business with the merger of three companies into one. We reduced management ranks by more than 4,000. We continued to invigorate our core wireline network with sophisticated features like Signaling System 7 and digital switches. These innovations make possible products like Caller ID and TouchStar® service in our regulated business, as well as new unregulated products like our MemoryCall® service.

Staying on the leading edge opens the way for us to get more out of the backbone of our business. We gain efficiencies on the cost side, and, on the revenue side, we continue to bring new Information Age services to our customers. That's a good equation for building value.

We strengthened the foundation for long-term growth in promising new wireless markets. We enhanced our position in key areas, both geographically and from a marketing standpoint.

Now we can offer our customers almost anything on the wireless continuum—from tone-only paging to fully featured cellular. In between are numeric and alphanumeric paging, mobile data, and innovative personal communications services—and BellSouth is moving assertively in all these markets.

Geographically, we now have as many cellular POPs, or potential customers, outside the U.S.—some 36 million in nine countries—as we do in the



John L. Clendenin
Chairman of the Board,
President and Chief
Executive Officer

54 metropolitan markets we serve in this country. We are in 13 of the top 50 U.S. markets, including No. 2 Los Angeles, an area with a proven appetite for mobile communications.

BellSouth's wireless operations contributed significantly to our financial results in 1991. Revenue from domestic mobile communications increased 38 percent, to almost \$900 million. Net income improved 50 percent, to \$57 million.

These figures show that while cellular is now well established in the U.S., it also is still clearly a growth market here. In many other countries, mobile communications are in earlier stages of development, and prospects also are excellent. Our new Australian consortium will be providing services in a cellular market that has grown twice as fast as cellular has in the U.S. Our mobile data service venture with RAM represents even more of a first-stage opportunity in the wireless world.

Investing in such opportunities, by definition, involves short-term costs. For example, costs associated with the transactions we've announced will result in dilution of about 40 cents per share in 1992, and there will be dilution next year, as well.

In addition, our dividend policy reflects the prudent strategy of financing a portion of our acquisitions through a lower rate of dividend growth. Fortunately, the strong balance sheet and healthy cash flow we have built give BellSouth the flexibility to balance our owners' short-term and long-term investment requirements in this period of industry transition.

We saw progress last year toward creating a more level playing field. In October, the U.S. District Court, culminating a long battle, allowed the Bell holding companies to provide a full range of information services. In June, under the leadership of Sen. Ernest F. Hollings (D-SC), and with the farsighted support of the Communications Workers of America, the U.S. Senate overwhelmingly passed a bill to allow the Bell holding companies to research, design, develop and manufacture telecommunications equipment.

The principles reflected in the court ruling and in the Senate action represent sound national policy. In addition, they would give BellSouth the freedom and flexibility to compete in promising new lines of business, and would allow us to better serve our customers.

But we're not out of the woods yet. The House of Representatives has not acted on manufacturing relief. In addition, opponents of our entry into information services have appealed the court's removal of the restriction, and the issue has been the target on Capitol Hill of large media companies who would like to limit consumers' choices and prevent us from competing.

That's why we have mobilized an intensive effort to make the public aware of what is at stake and to build support for keeping us in this marketplace. Many consumers and employees have written members of Congress about this issue, and we believe our owners have an interest in doing so as well.

As competition and other changes churn through our industry, BellSouth has many assets at its disposal—our people, our region, our financial stamina, our technological leadership.

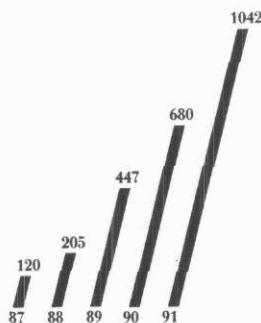
And we are clearly focused on the things we must do—and are doing—to take advantage of these strengths.



John L. Clendenin

Chairman of the Board, President and Chief Executive Officer

**BellSouth
Worldwide
Cellular
Customers**
(in thousands)



Total domestic and international cellular customers topped one million last year.

Managing Change: BellSouth Answers The Tough Questions

Markets are global. Competition is replacing monopoly. Technology is unstoppable.

The winds of change swirling through the telecommunications industry—and through your company—are powerful and persistent. These winds generate significant opportunity for growth, and they also carry a somewhat higher degree of risk.

Managing this change challenges BellSouth to balance the short-term and long-term expectations of our owners by using the many advantages our leadership gives us.

Our owners asked us what all this change will mean for them.

In the following pages, we answer.

And those answers will show you that we have the strategies, the resources and the determination to grow your company for the long term by capitalizing on the exploding demands for telecommunications around the globe.

“What are the long-term prospects for earnings?”



They're good. And here's why.

We're investing in new growth

opportunities, and re-investing in our core network. We will invest more than \$300 million in a mobile data venture with RAM Broadcasting Corporation that will open up for us a whole new market with 10 million potential customers in the U.S. alone.

We'll also invest up to \$300 million over two years in a consortium that was awarded an unprecedented license to become the second Australian telecommunications company—wireline, wireless and satellite.

In Venezuela, more than 8,000 people signed up for our mobile phone service before BellSouth's cellular consortium began connecting customers in December.

These are just three of a number of 1991 initiatives that exemplify why the long-term outlook is promising. Underlying the launch of these operations is BellSouth's clear view of what tomorrow's expanding realm of customers will be demanding.

The incredible advance of technology encourages people to see their wireline and wireless keypads not just as telephones, but as powerful terminals that offer them access to a wide range of Information Age services. BellSouth has the right marketing and regulatory strategies to complement our financial and technological strengths as the world moves further into this Information Age.

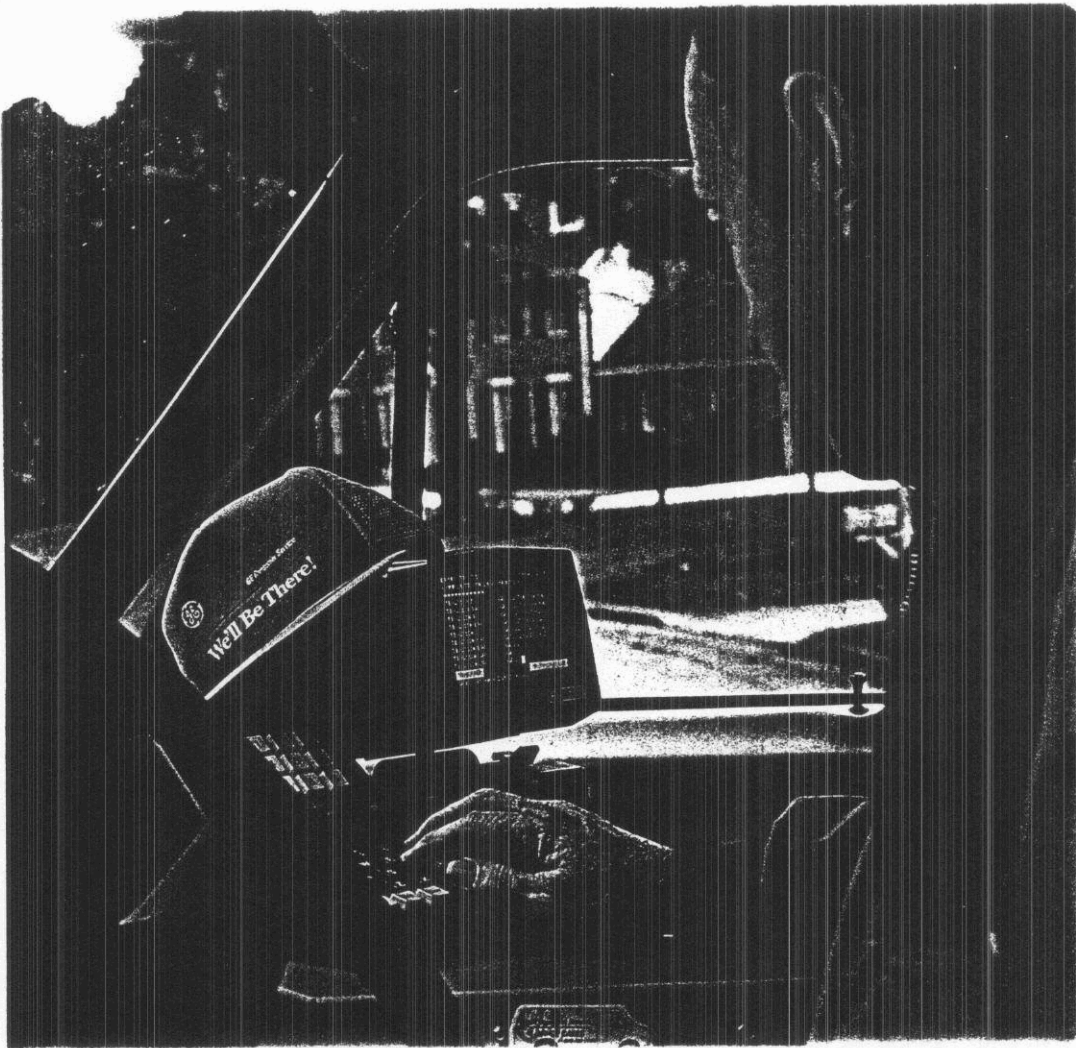
Wireless technologies undoubtedly will gain an increasing share of telecommunications traffic around the globe, and BellSouth already is one of the world's top providers of wireless services—paging, cellular, and now data.

At the same time, more customers will find more reasons to interconnect with the intelligence and capacity of our core wireline network. This should give BellSouth a pivotal position in a changing—and growing—marketplace.

Investing to capitalize on changing markets has costs in the short term. During 1991, BellSouth closed or announced acquisitions and new ventures valued at more than \$1 billion. Other factors also have affected

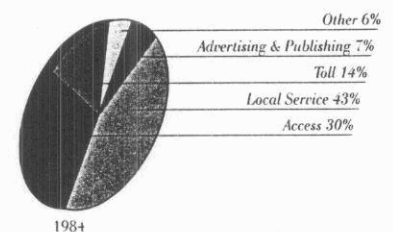
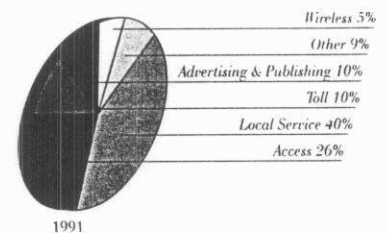
Pictured:

*BellSouth shareholder
Amos Ayala, Jo Ayala,
and their daughter,
Tiffany. The Ayala
family lives in Hoff-
man Estates, Illinois.*



BellSouth is building a solid foundation for earnings growth by investing in new sources of revenue. We recently announced the formation of mobile data networks worldwide, through a venture with RAM Broadcasting. Customers such as GE Consumer Services already are benefiting from on-site, finger-tip access to remote data sources. GE technicians are able to save time, increase productivity and improve service to their customers by tapping into a wealth of information that speeds service response.

Sources of Revenue



The changes in telecommunications are reflected in the contribution of wireless to BellSouth's revenues. This contribution has increased to 5% from less than 0.5% over the past eight years.

our recent financial performance—specifically, rate reductions, heavy competition in some parts of the business and, in 1991 especially, the economic slowdown.

When we set out on a strategic path toward the 21st century, we knew we would have to make some tough financial decisions if we were to be successful in emerging telecommunications markets. For example, dividend policy must strike a careful balance between the dividend expectations of our shareholders and the need to reinvest in the business.

Over the long term, we expect further revenue growth from the new markets we've invested in. At the same time, we are taking steps to assure that expenses remain under control.

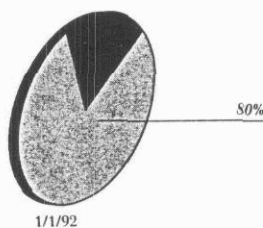
Alternative regulation is BellSouth's pragmatic strategy for moving along the continuum toward a fully competitive marketplace. At the federal level, a new alternative regulation plan indexes our prices and allows us to share with our customers the benefits of improving our efficiency. BellSouth will put this sharing into effect in 1992 based on our 1991 results.

At the state level, eight of our nine states, representing about 90 percent of our access lines, have adopted alternative regulation plans that feature sharing of profits, above specified ranges, between customers and shareholders. The most recent state to do so is Louisiana, which announced a new plan in February 1992. To date, we have shared profits with customers in three states.

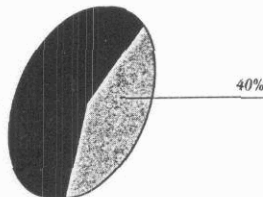
In the aggregate, these plans have impacted earnings because they have been coupled in some cases with rate reductions. But going forward, properly structured alternative plans provide an opportunity for both the customers and the company to win.

As the regulatory climate evolves and technology rushes ahead, we are making the investments—and the changes—that will earn customers' business, and keep it, over the long term.

*Access Lines
Under Alternative
Regulation*



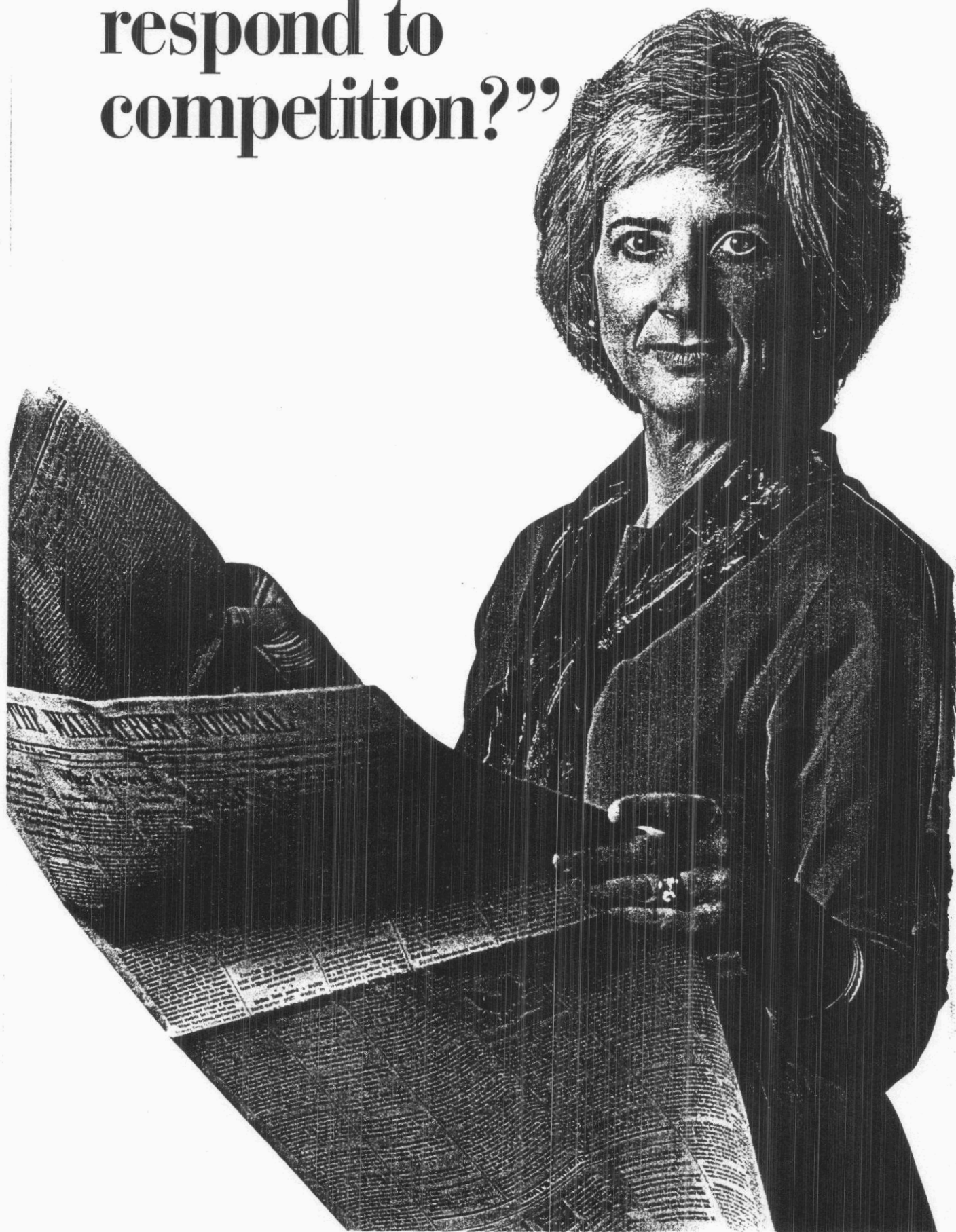
1/1/92



12/31/88

At year end, 80% of BellSouth's access lines were under state alternative regulation plans, and Louisiana adopted an alternative framework in February 1992, which will bring the total to more than 90%.

**“What are you doing to
respond to
competition?”**



We're meeting the customer's needs.

With better quality, reliability and service. With prices that define the word "value." With a flexible, creative mix of wireline and wireless services that enhance personal productivity and business profitability.

We're deploying state-of-the-art technologies, and we're working with regulators to develop frameworks that will allow us to be more responsive to customers in both services and prices.

Our Excellence Through Quality initiative is changing our culture. Employees of all BellSouth companies are learning to strengthen their ties to the customer. Excellence Through Quality is not a program, it's a philosophy—a top-to-bottom commitment to think in new ways, to understand and meet our customers' needs, to prevent rather than correct errors, and to continually improve our products and services. The Communications Workers of America has been an active partner with us in implementing this process in each of its bargaining units.

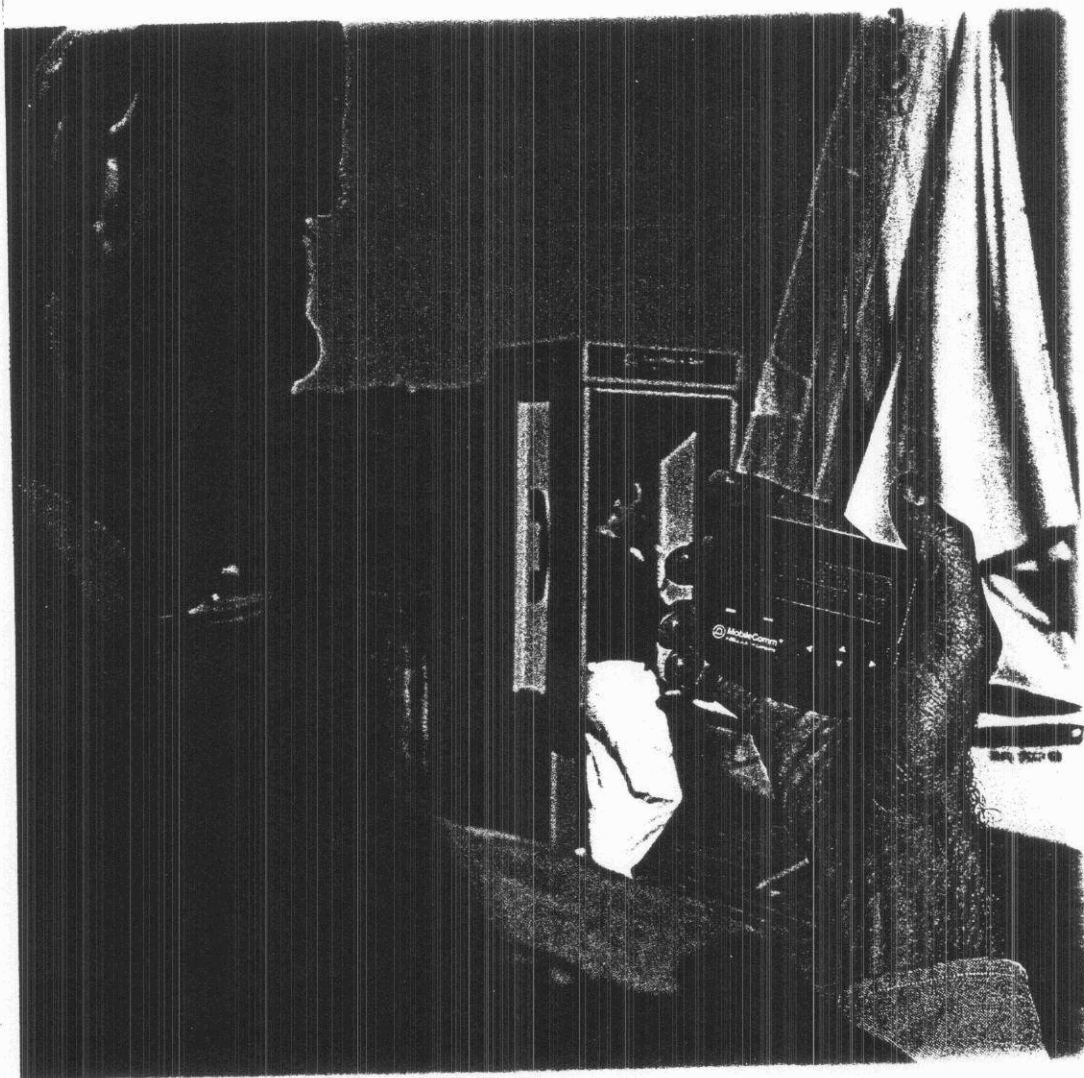
We're striving to delight the customer. In 1991 we restructured our marketing according to the special needs of consumers, businesses and long distance carriers. Our major commercial clients now have a single point of contact who can create the perfect fit between network-based and premises-based solutions for the customer. And for the thousands of companies in the Southeast that do business in several states, this new service structure means more convenience and, frequently, lower costs.

New technologies make it feasible to offer customers additional choices and greater value. And with competition rushing ahead, we are looking at our wireline network and at the exploding telecommunications marketplace in new ways.

For example, under new tariffs approved by the Federal Communications Commission in February 1992, BellSouth "unbundled" its network services. Now, network users can purchase a new variety of telecommunications features and options from us. This will enable independent

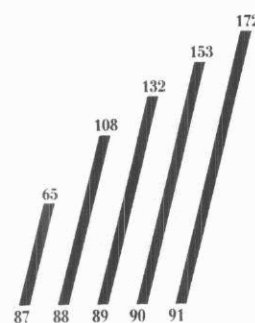
Pictured:

Ellen Davies, senior investment officer for the Office of the Treasurer of the Regents at the University of California. The University is one of BellSouth's largest shareholders.



People on the go can now receive text messages in more than 450 cities from coast to coast, even if they can't be reached by phone. MobileComm's new Nationwide Messaging service, introduced in 1991, allows customers to select zones of coverage that suit their individual needs. The introduction of this service marked the first time a Bell holding company has been associated with a wireless network of national scope. BellSouth's marketing targets business travelers by advertising Nationwide Messaging in national publications, airline in-flight magazines and on cable television.

Private Fiber Installations in the Southeast



Competition due to alternative fiber optic networks has increased steadily.

Source: Kessler Marketing Intelligence

enhanced service providers and others to develop an assortment of Information Age services, which should grow the total market.

BellSouth is superbly positioned in this competitive new world to enhance the value of our powerful network. What this means is, where once we might have seen competitors, now we see customers.

Demand for telecommunications services is exploding—and that's good news. As the overall market grows, it will give BellSouth new opportunities to market the incredible interconnection and intelligence potential of our core network.

Because the ability to communicate is essential, people are acutely aware how critical it is to have reliable telecommunications. Such heightened customer expectations are an advantage for a leader like BellSouth.

We are making our network even more reliable by deploying leading edge technologies like fiber optics. One of our fiber-based products, SMARTRingSM service, gives our customers virtually uninterrupted service through facilities diversity and redundancy. Services like SMARTRing help meet competitive inroads from bypass networks. Fiber's versatility also saves our customers money by eliminating the need to build their own networks.

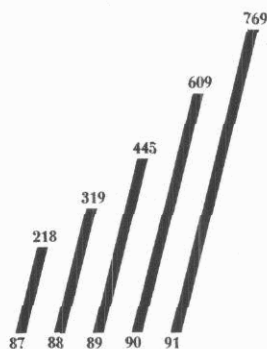
Superior service by itself is no longer enough. Customers want innovative solutions. BellSouth is listening—and delivering.

Creating a more level playing field. Overall, the movement away from monopoly and toward full competition is healthy. In the long run, consumers and shareholders alike should benefit.

An entire strategic industry is in transition, and BellSouth is constructively managing the change this foment.

We are actively engaged in the regulatory and legislative arenas to make sure that all market participants have equal ability to respond to the customer's needs. As competition inevitably intensifies, a level playing field is a must.

**BellSouth
Fiber Optic
Deployment**
(thousands of individual
fiber miles in service)



With fiber now the economic choice for most of our network, BellSouth leads the nation in cable deployed.

“What are you doing
to cut costs?”



We are taking the necessary steps to drive down the cost of doing business.

We are reducing staff, streamlining our organization and taking advantage of technology to increase productivity and to cut costs.

For example, early retirement programs that were put into effect in 1991 will help our company save money in 1992 and beyond. These voluntary programs reduced management ranks by more than 4,000 last year, or 15 percent.

Pictured:

The Buckshares Investment Club of Greenville, South Carolina. The members of the club are: (top) John Hunter and Chuck Connors; (middle) Glenda Hunter and Marie Connors; and (bottom) LaVerne Tremblay and Roy Tremblay, president.

Force management strategies helped BellSouth achieve its best annual performance since divestiture in one of the industry's key measures of productivity, telephone employees per 10,000 access lines. This important benchmark of efficiency improved 7.3 percent last year.

Even though we booked a one-time charge of approximately \$70 million associated with the second of the two early retirement programs, we limited expense growth overall in 1991 to the same rate of increase as the previous year, 2.9 percent.

This is good performance, particularly when you consider that we installed 552,600 net new access lines during the year, a 3.2 percent increase.

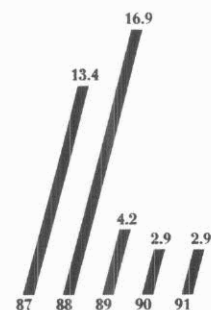
In addition to staff reductions and productivity gains, restructuring the corporation will be an important factor in long-term cost control. For most of 1991, we operated our regulated telephone business under a new unified management structure. Effective January 1, 1992, we merged our three former entities—Southern Bell, South Central Bell and BellSouth Services—into one company, BellSouth Telecommunications.

We are restructuring to make it even easier for customers to deal with us, and to cut costs by eliminating duplication, particularly in administrative and staff positions.



Fiber optics is one of the key building blocks of BellSouth's strategy to keep our telecommunications network on the leading edge. In addition to offering customers a wide variety of high quality services, fiber optics provides greater network capacity and helps to reduce maintenance expenses. Fiber is easier to maintain than copper and is more resistant to damage from moisture and lightning. Fiber is now the economic choice for most of our network, and BellSouth has installed more miles of fiber than any other Bell holding company.

Rate of Increase in Operating Expenses (%)



Operating expense growth was level in 1991, even though a one-time charge of \$70 million was included.

In BellSouth Enterprises, we began a similar move by unifying our domestic cellular operations into a new management structure, BellSouth Cellular.

Technology boosts revenue, saves expenses. BellSouth has always had a strong commitment to keeping our core telecommunications network on the leading edge. The primary reason is that state-of-the-art technologies allow us to offer our customers a greater variety of high quality services.

But technology gives BellSouth more bang for the buck, too, through greater capacity and lower maintenance expenses.

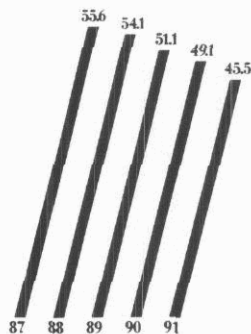
Take fiber optics, for example. Along with a host of wireless applications that will be taking shape, fiber is seen by many as one of the technologies that will dominate Information Age transmission in the future. For BellSouth customers and shareholders, however, fiber has another benefit—cost savings.

The thin glass strands of fiber are easier to maintain than copper, and require less frequent signal regeneration. Fiber is more resistant to moisture and lightning. This is a significant cost advantage in a region like BellSouth's, where densely populated coastal areas, high water tables and frequent electrical storms contribute to conditions that can damage copper.

With the price of fiber steadily coming down relative to copper, fiber is now the economic choice for most of our network. And BellSouth has more miles of this "highway of the Information Age" in place than any other Bell holding company.

So the investments in technology that help BellSouth increase revenues by delivering the services customers want also have favorable ramifications on the cost side of the business.

*Telephone
Employees
per 10,000
Access Lines
(end of period)*



This key measure of efficiency improved 7.3 percent during 1991, aided by force management programs.

**“Why are you investing
so aggressively in mobile
communications and in
other countries?”**



Growth prospects in these new markets are excellent.

Telecommunications is making the world smaller and more interdependent. This is creating new markets, and we are playing to BellSouth's strengths by targeting the best opportunities to sustain growth over the long haul.

Wireless data networks, for example, may be to computers what cellular is to phones. That's why we're forming a business venture with RAM Broadcasting Corporation to own and operate mobile data communications networks worldwide.

Our research identifies 10 million potential users of wireless data in the U.S. alone. This new technology uses radio waves to link people on the move with computer systems and data bases. Mobile data has lots of applications—computer-aided dispatch, two-way alphanumeric messaging, electronic mail, transaction processing, remote data entry and retrieval, automatic vehicle location.

We were among the pioneers in cellular in the U.S., and passed the million customer milestone worldwide in 1991. We are one of the largest paging companies in the world, and likewise crossed the million customer threshold last year. In 1991 our MobileComm subsidiary rolled out nationwide alphanumeric messaging, which lets people on the go receive text messages even if they cannot be reached by phone.

Overseas, we have focused our investments in areas with good growth potential and acceptable political risk.

In Latin America, we saw the potential early, identified five cellular opportunities, and selected excellent partners. In less than two years, BellSouth has built systems from the ground up in Argentina, Mexico, Venezuela and Uruguay, and we purchased an operation in Chile.

Because of the condition of the landline systems in Latin America, cellular often substitutes for traditional phones. As a result, average air time

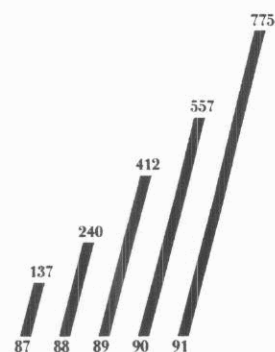
Pictured:

*James Parham,
assistant vice presi-
dent for Mellon Bank
in Pittsburgh,
Pennsylvania. Mellon
Bank is one of
BellSouth's largest
shareholders.*



Wireless communications and overseas ventures offer solid growth opportunities for BellSouth. Our biggest international venture to date was announced in November when Optus, our Australian consortium, was awarded a license to build a competitive nationwide telecommunications system. Customers will be able to access the Optus network on day one by dialing only one additional digit. BellSouth has been doing business in Australia for five years, and already is the largest provider of paging services on the continent.

**BellSouth
Wireless
Revenues**
(*\$ in millions*)



Combined revenues from cellular and paging worldwide continued to grow rapidly last year.

is considerably higher than it is in the U.S. Usage approaches as much as 400 minutes per month in Argentina, for example, compared to an estimated 160 minutes per month in the U.S. The ability to provide long distance services over our cellular facilities increases the revenue potential in other countries, as well. U.S. restrictions prohibit us from providing interLATA long distance service in our own country.

BellSouth's focused cross-border investment strategy reached further into the important Pacific Rim region in 1991. Our Australian consortium, called Optus Communications, was awarded the first general carrier's license in the world issued to build a competitive nationwide telecommunications system. BellSouth owns 24.5 percent of Optus.

Demand for telecommunications services in Australia has been expanding almost 10 percent annually, much faster than the economy as a whole. The Australian cellular market has one of the highest growth rates in the world, with two percent penetration of the population since starting in 1987. The U.S. cellular penetration rate is comparable, but it's taken about twice as long to achieve.

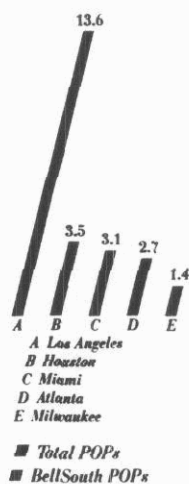
Optus will offer a full range of wireline and wireless services, including, under a U.S. waiver, BellSouth's first participation in international long distance. International roaming will be available for our cellular customers between Australia and our system in New Zealand, where we were awarded a license in 1990.

In Europe, we own 29 percent of a consortium selected last June by the Danish government to build and operate Denmark's first state-of-the-art digital mobile phone network.

With the globalization of markets, companies now routinely expect their telecommunications provider not only to give them excellent service in the U.S., but also to help them be competitive in other countries where they do business. By taking BellSouth's technical ability and market savvy abroad, we are increasingly able to be the customer's provider of choice across national boundaries.

As the world gets smaller, markets often get bigger. BellSouth's expanding horizons give our shareholders growth opportunities outside our traditional geographic strongholds.

**BellSouth's
Top Five U.S.
Cellular Markets**
(millions of potential
customers, or POPs)



BellSouth holds significant cellular interests in five of the top 25 markets in the U.S.

**“What are you doing to
grow the core business?”**



We are keeping the BellSouth network on the leading edge of technology.

We are putting that technology to work by creating more services that customers want to buy.

Like TouchStar® service, our package of enhanced features which turn a telephone into a convenient tool that gives people more security, privacy and peace of mind at a great price. Including the popular Caller ID option, BellSouth had sold some 1.9 million TouchStar features through 1991, more than any other Bell holding company by far.

Pictured:

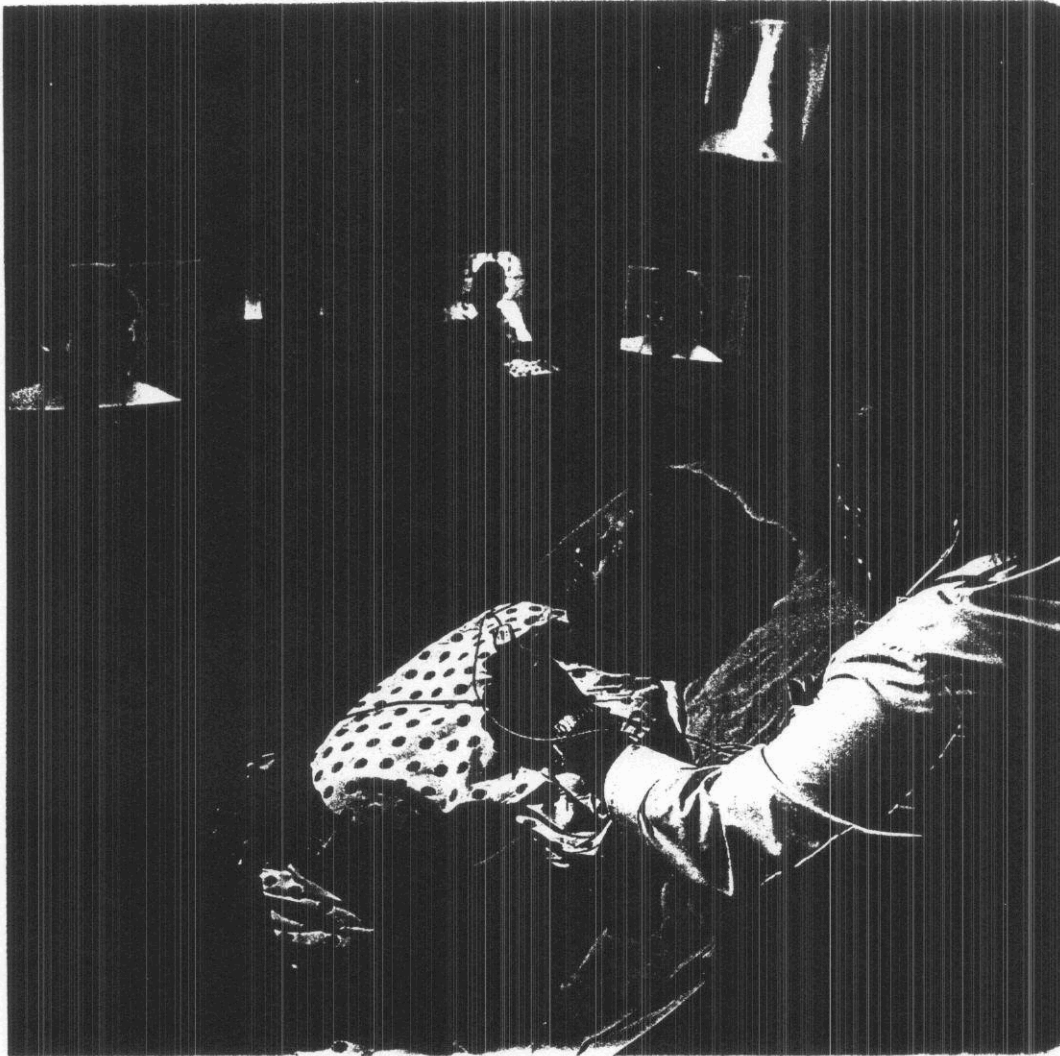
Maxine Hoskins, a member of CWA Local No. 3511 in Jackson, Mississippi, is a services technician for BellSouth Telecommunications, and a BellSouth shareholder.

We're selling more of the services made possible by technologies like ISDN—Integrated Services Digital Network. When one of the millions of members of the American Automobile Association (AAA) has car trouble, for example, BellSouth's ISDN capabilities, in conjunction with long distance carriers, help speed assistance.

From anywhere in the United States, callers to AAA's "Supernumber" service reach a central computer outside Orlando, Florida. Using the telephone keypad, members electronically file a trouble report which can be sent automatically—without operator assistance—to the AAA center best situated to dispatch aid.

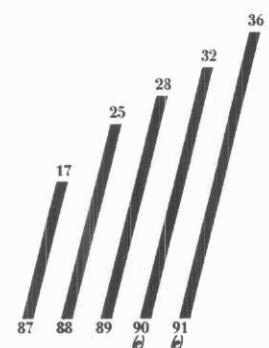
In November 1991, BellSouth Telecommunications (BST) helped take ISDN international for the first time from the Southeastern United States. BST connected the Atlanta and Tokyo offices of Fujitsu with a high-resolution facsimile service that can transmit 1,000 pages per hour, eight times faster than non-ISDN fax.

BST worked with Nippon Telegraph and Telephone Corp., AT&T and Japanese long distance carrier KDD to give Fujitsu end-to-end ISDN



Advanced applications such as telemedicine are expanding the use of BellSouth's core network. For patients at Dodge County Hospital in Eastman, Georgia, a new interactive video system brings the specialist to the patient. In many cases, telemedicine eliminates the need to travel hours to Augusta or Atlanta to see a specialist. The specialist at the remote location can see the patient, hear what the physician with the patient hears through the stethoscope and study the patient's x-rays—all over our network.

Messaging and Transaction Industry Revenues in U.S.
(\$ in billions)



Messaging and transactions exemplify the vast array of information services that create potential for revenue growth.

(e) estimated
Source: INPUT

connectivity at savings of 70 to 80 percent compared to less advanced alternatives. This is the kind of solution that creates value not only for our customers, but also for our shareholders.

BellSouth's digital Centrex offering, ESSX® service, hooked up its one millionth customer line in 1991. ESSX, a central office-based business productivity tool, provides sophisticated calling features without customers having to invest in equipment that may be less flexible to use and more costly to staff, maintain and upgrade. Since divestiture, BellSouth has a higher overall growth rate in this service than any other Bell holding company.

A lot more is on the way. The Advanced Intelligent Network (AIN) will create revenue potential by allowing us to customize services even more for each user's specific needs.

The AIN will access "behind the scenes" computer power to provide services like Area Number Calling. Using one listed phone number, this service will automatically route a business's incoming calls to the location best able to serve the customer.

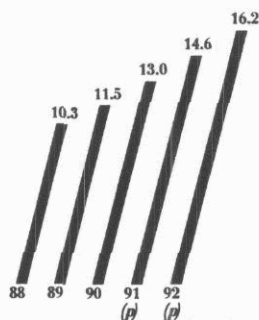
As the power of our network increases, so too will the creative uses people have for it. New customers will access the network to provide in turn an array of telecommunications and information services to still other new users.

The entire information services market is still in its infancy, and BellSouth already is moving rapidly. A federal court ruling in 1991 ended the prohibition against the Bell holding companies providing information content. We will be rolling out new concepts throughout 1992 to find out what services people want, how we can make them easy to use, and at what prices the market perceives value.

One information service already in the marketplace is CallNowSM service. This unique, cost-effective service in effect turns a business's telephone into a 24-hour-per-day sales channel. With such an important tool available at a reasonable price, small and medium-size businesses can compete more effectively and give customers better service.

We are creating a network of networks. Private networks for large customers. Cellular networks for customers on the move. Data networks to meet the ever increasing need for vital information. A cost-effective public network that will tie together other networks to deliver a host of integrated or discrete services, and to give customers what they want, when they want it.

*Industry
Revenues
from Data
Transmission
(\$ in billions)*



Industry-wide revenues from data transmission are expected to grow more than 11 percent in 1992.

(p) projected
Source: LINK resources

**“Why are education and
the environment so
important to BellSouth?”**



Taking on the tough issues today will have big payoffs.

Our tradition of community service and our concern for the future compel us to become part of the solution.

The vitality of our business is directly related to the prosperity of our region. Concentrating our efforts on education lets us have a positive impact on our own future in two ways: by ensuring that our region's work force will measure up to the demands of global competition in the Information Age; and by developing a customer base that will be comfortable with our sophisticated services.

Pictured:

BellSouth shareholders Nathan and Betty Blasko are enjoying their retirement in Lauderhill, Florida.

Since 1986 we have demonstrated our commitment through significant grants from the BellSouth Foundation, an endowed trust aimed at stimulating educational improvement in the South. Grants have funded innovative approaches to recruiting and training teachers, developing college faculty, using technology to enhance teaching and learning, and reducing the dropout rate.

Internally, our investment in education and training is based on the conviction that BellSouth's best employees for the future are the people we have today. Our BellSouth/Communications Workers of America (CWA) Employment Security PARTNERSHIP is a major commitment to this philosophy. It gives our employees an arsenal of information resources, training and personal career counseling. The PARTNERSHIP helps our people develop their careers, and helps our company grow the job skills from within that may not be available outside the business in the future.

BellSouth's environmental responsibility also tangibly demonstrates our concern. In partnership with local governments throughout the Southeast, BellSouth Advertising and Publishing recycled millions of telephone directories in 1991—diverting nearly 10 million pounds of material from landfills to the recycling mainstream. We use recycled paper in the directories themselves.



BellSouth's interactive distance education programs, like this one linking schools in Atlanta, give students the opportunity to take courses that otherwise would not be available to them. Scarce teaching resources are leveraged through technology.

Comparative Math Scores
(Avg. % correct - 13 year olds)



Scores on standardized math tests in the U.S. compare unfavorably with other countries, jeopardizing the nation's ability to compete in an increasingly technical world.

Source: Educational Testing Service

Our goal by the year 2000 is to turn most of our used directories into useful and environmentally safe products through recycling.

We're taking major steps in our workplaces to conserve precious resources, too. We recycle tons of office paper, and we use recycled paper for stationery, for our 16 million monthly bill inserts, and for virtually all BellSouth publications—including this annual report. Our extensive use of information technologies, such as electronic mail, also cuts down on the amount of paper we use.

Of course, the key to the success of all our efforts is the way individual BellSouth employees give something back to the communities where they live and work. The CWA has been especially active in a variety of local efforts. By volunteering to help the needy and neglected find hope for a better life, thousands of our people are making a difference across the Southeast. They enrich us all through their caring.

Selected Financial and Operating Data	30
Management's Discussion and Analysis of Results of Operations and Financial Condition	31
Report of Management	42
Audit Committee Chairperson's Letter	43
Report of Independent Accountants	43
Consolidated Statements of Income	44
Consolidated Balance Sheets	45
Consolidated Statements of Shareholders' Equity	46
Consolidated Statements of Cash Flows	47
Notes to Consolidated Financial Statements	48
Market and Dividend Data	62
Glossary of Selected Terms	63

SELECTED FINANCIAL AND OPERATING DATA

(In Millions, Except Per Share Amounts)

	1991	1990	1989	1988	1987
Operating Revenues	\$ 14,445	\$ 14,345	\$ 13,996	\$ 13,597	\$ 12,230
Operating Expenses	11,641	11,314	10,999	10,557	9,028
Operating Income	2,804	3,031	2,997	3,040	3,202
Interest Expense	802	774	776	699	604
Other Income, net	258	153	232	90	103
Provision for Income Taxes	753	778	758	765	1,036
Extraordinary Loss, net of tax	—	—	(22)	—	—
Accounting Change, net of tax	(35)	—	68	—	—
Net Income	\$ 1,472	\$ 1,632	\$ 1,741	\$ 1,666	\$ 1,665
Earnings Per Share	\$ 3.04	\$ 3.38	\$ 3.64	\$ 3.51	\$ 3.46
Dividends Declared Per					
Common Share	\$ 2.76	\$ 2.68	\$ 2.52	\$ 2.36	\$ 2.20
Return to Average Common Equity	11.3%	12.8%	13.7%	13.8%	14.2%
Weighted Average Common					
Shares Outstanding	484	482	478	475	481
Return on Average Total Capital	9.4%	10.4%	11.2%	11.1%	11.5%
Total Assets	\$ 30,942	\$ 30,207	\$ 30,050	\$ 28,472	\$ 27,417
Capital Expenditures	\$ 3,102	\$ 3,191	\$ 3,223	\$ 3,207	\$ 3,059
Long-Term Debt	\$ 7,745	\$ 7,781	\$ 7,055	\$ 7,031	\$ 6,320
Ratio of Earnings to Fixed Charges*	3.47	3.99	3.85	4.09	4.83
Access Minutes of Use [†] :					
Interstate	47,208.7	44,867.9	41,415.7	37,422.0	33,913.6
Intrastate	13,217.8	12,101.7	11,271.5	10,349.1	9,324.3
Toll Messages [‡]	1,389.9	1,459.6	1,463.0	1,377.9	1,275.6
Network Access Lines in Service:					
Residence	12.9	12.6	12.3	12.0	11.6
Business	4.9	4.6	4.4	4.2	3.9
Other	.3	.3	.3	.2	.2
Total	18.1	17.5	17.0	16.4	15.7

*For the purpose of this ratio: (i) earnings have been calculated by adding net income, interest expense, income taxes and such portion of rental expense representative of the interest factor on such rentals; (ii) fixed charges are comprised of total interest expense and such portion of rental expense.

[†]Prior period operating data is often revised at later dates to reflect the most current information. The above information reflects the latest data available for Access Minutes of Use and Toll Messages for the periods indicated.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

BellSouth Corporation

(Dollars in Millions, Except Per Share Amounts)

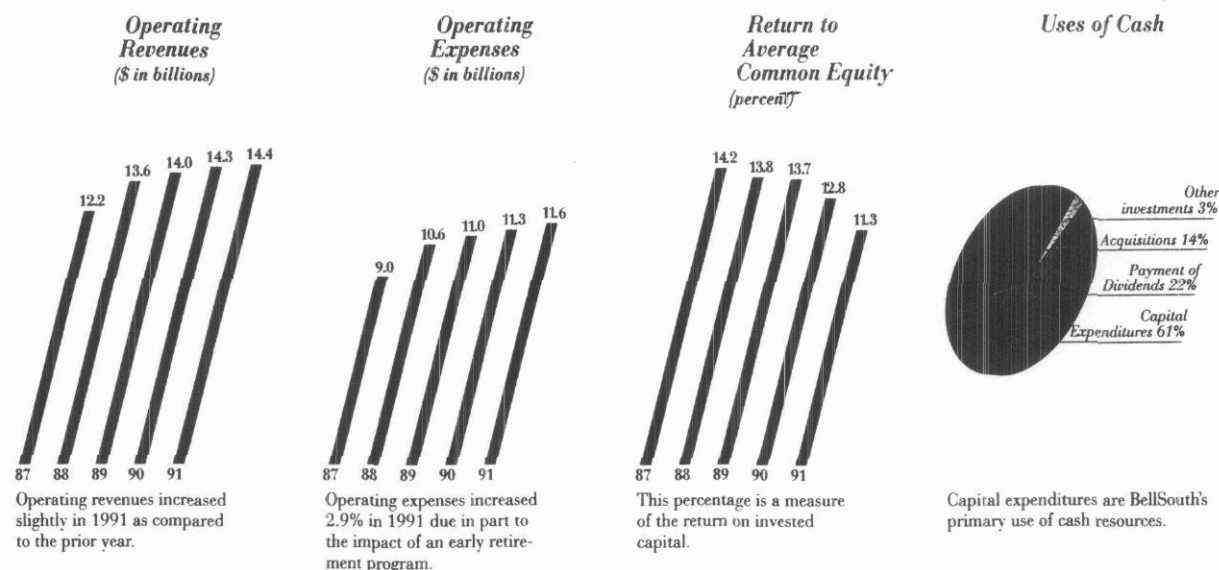
BellSouth Corporation ("BellSouth") is a holding company headquartered in Atlanta, Georgia whose operating telephone company subsidiary, BellSouth Telecommunications, Inc. ("BellSouth Telecommunications") serves, in the aggregate, 68% of the population and 51% of the territory within Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. BellSouth Telecommunications primarily provides local exchange and toll communications services within 38 court-defined geographic areas, called Local Access and Transport Areas ("LATAs"), and provides network access services to enable interLATA communications using the long-distance facilities of interexchange carriers. BellSouth Enterprises, Inc. ("BellSouth Enterprises"), another wholly-owned subsidiary, operates businesses providing domestic and international wireless communications services and advertising and publishing services and products.

Prior to January 1, 1992, the majority of the operations of BellSouth Telecommunications was conducted through South Central Bell Telephone Company ("South Central") and Southern Bell Telephone and Telegraph Company ("Southern Bell"). Effective at midnight December 31, 1991, South Central Bell and BellSouth Services Incorporated merged with and into Southern Bell and Southern Bell's name was changed to BellSouth Telecommunications. During 1991, BellSouth also reorganized under South Central Bell and Southern Bell its business telecommunications, nationwide computer systems, parts and maintenance, and nationwide customer premises equipment and maintenance operations.

RESULTS OF OPERATIONS

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Net Income	\$ 1,471.5	\$ 1,631.5	\$ 1,741.1	(9.8%)	(6.3%)
Earnings Per Share	\$ 3.04	\$ 3.38	\$ 3.64	(10.1%)	(7.1%)

Net income and earnings per share for 1991 decreased \$160.0 and \$0.34, respectively, from the previous year. Factors contributing to these decreases include rate reductions, lower toll message volumes, a one-time charge associated with an early retirement program, a change in the method of accounting for cellular service sales commissions, increased competition and a slowing of the economy in the Southeast. (See "Operating Environment and Trends of the Business".)



The results for 1990 were negatively impacted primarily by the loss on the sale of Dataserv Equipment, Inc.'s ("Dataserv Equipment") U.S. computer and data processing equipment leasing portfolio and the writedown of goodwill and subsequent sale of the overseas cellular resale operations of AirCall Communications (Holding) Limited ("AirCall"). These items, along with the \$68.4 positive impact of the BellSouth Advertising & Publishing Company financial reporting accounting change on 1989 earnings, resulted in 1990's net income and earnings per share being \$109.6 and \$0.26 lower than 1989 earnings.

REPORTING CHANGES

Effective for the period ended December 31, 1991, revenues associated with BellSouth's directory advertising and publishing services and wireless communications businesses are separately reported to improve the understandability of reported results. Paging and other mobile service revenues and revenues from cellular interconnection reported by BellSouth Telecommunications have been reclassified from local service revenues to wireless communications revenues consistent with the new format. Prior year statements of income have been reformatted to conform to the current year presentation.

OPERATING REVENUES

Operating revenues increased \$100.1 (0.7%) during 1991 compared to an increase of \$349.1 (2.5%) during 1990. Although revenues from BellSouth's wireline telephone businesses declined in 1991, a solid increase in revenues from wireless communications and new types of services produced a modest increase in total operating revenues over 1990. Traditionally, BellSouth's local, access and toll services offered by BellSouth Telecommunications have primarily accounted for increases in operating revenues; however, BellSouth is experiencing an increasing shift in the relative contributions of its revenue sources.

The 1991 increase was due predominantly to a 6.6% increase in revenues from BellSouth Enterprises, primarily from the wireless communications and directory advertising and publishing businesses. These increases were partially offset by the absence of revenues from the leasing portfolio of Dataserv Equipment, which was sold in December 1990, and from certain directory publishing operations, which were sold in January 1991 (see "Other Income, net"). The impact of rate reductions more than offset increases in revenues due to business volume increases, contributing to decreases in intrastate access and toll revenues.

The 1990 increase was primarily attributable to a 4.0% increase in local service revenues and a 4.7% increase in revenues from BellSouth Enterprises. These increases in 1990 were partially offset by a decrease in toll revenues of 3.9%. The lower rate of growth in operating revenues from local service and decline in toll service in 1990 compared to 1989 was due primarily to rate reductions, economic conditions and competition.

See "Volumes of Business."

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Local Service	\$ 5,846.2	\$ 5,664.6	\$ 5,446.7	3.2%	4.0%

Local service revenues reflect amounts billed to customers for local exchange services, which include access to the network and secondary central office feature services, such as custom calling features and custom dialing packages. The increase in 1991 revenues of \$181.6 (3.2%) compared to the \$217.9 (4.0%) increase in 1990 reflects the addition of 552,600 access lines during the current year. The 1991 increase is also attributable to revenue shifts from toll to local due to expanded local calling area plans which increased local service revenue by \$74.0 and an increase in secondary central office services of \$62.3 over 1990. The increase in these services is due to an increase in access lines, the number of services being offered and demand from existing customers. In addition, private line revenues, primarily in voice grade and digital transmission services, increased \$33.8 principally as a result of revenue adjustments from toll to local. These increases were partially offset by a refund in Florida of \$63.9 which had previously been deferred in Other Services revenues.

The revenue increase in 1990 from volume growth of 548,000 access lines was partially offset by decreases in local service revenues, primarily associated with a \$75.9 revenue reduction in Georgia pursuant to a new regulatory plan ordered by the Georgia Public Service Commission. Revenues from secondary central office services increased \$18.2 in 1990 over 1989.

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Interstate Access	\$ 2,858.1	\$ 2,841.9	\$ 2,801.2	0.6%	1.5%

Interstate access revenues result from the provision of access services to interexchange carriers to provide telecommunications services between states. Interstate access revenues increased \$16.2 (0.6%) in 1991 compared to a \$40.7 (1.5%) increase in 1990.

The increase in interstate access revenues for 1991 was primarily attributable to increased access demand of 5.2% in minutes of use and growth in end user charges attributable to an increasing access line base. This growth was partially offset by rate reductions of approximately \$108.0 and the impact of net settlements of \$33.6 with independent telephone companies and the National Exchange Carriers Association. In connection with price cap regulation, \$15.9 in revenues has been deferred to reflect an estimated sharing obligation (see "Operating Environment and Trends of the Business").

The 1990 increase was primarily attributable to an 8.3% increase in minutes of use over 1989. The effect of the increase in minutes of use was offset by lower tariffs mandated by the Federal Communications Commission ("FCC") of \$26.3 and a one-time rate reduction of \$15.7 in carrier common line charges resulting from an FCC audit. BellSouth also revised estimates of interstate access revenue liabilities following the settlement of complaints filed by certain interexchange carriers.

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Intrastate Access	\$ 866.7	\$ 911.8	\$ 842.6	(4.9%)	8.2%

Intrastate access revenues result from the provision of access services to interexchange carriers which provide telecommunications services between LATAs within a state. Revenues decreased \$45.1 (4.9%) in 1991 compared to an increase of \$69.2 (8.2%) in 1990.

The decrease in 1991 is primarily a result of rate reductions of \$66.4 of which \$34.7 relates to the full year impact from regulation plans implemented in the latter part of 1990 in Florida and Georgia and \$25.7 relates to revenue deferrals ordered by the Louisiana Commission. These rate reductions were partially offset by a 9.2% increase in minutes of use over the comparable 1990 period.

The 1990 increase was primarily attributable to an increase of 7.4% in intrastate access minutes of use over 1989, partially offset by rate reductions of \$34.1, of which \$13.4 pertained to regulation plans in Alabama, Florida, Georgia and Mississippi.

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Toll	\$ 1,373.7	\$ 1,565.4	\$ 1,628.9	(12.2%)	(3.9%)

Toll revenues are received from the provision of long-distance services within (but not between) LATAs. These services include intraLATA service beyond the local calling area; Wide Area Telecommunications Service ("WATS" or "800" services) for customers with highly concentrated demand; and special services, such as transport of voice, data and video. Toll revenues decreased \$191.7 (12.2%) in 1991 compared to a \$63.5 (3.9%) decrease in 1990.

Both the 1991 and 1990 decreases are due primarily to decreases in toll messages of 69.7 million and 3.4 million, respectively. The decrease in toll messages is a result of expanded local calling area plans implemented in nearly all states, strong competition due to the resale by competitors of toll services obtained from BellSouth Telecommunications, and the economy.

The 1991 decrease also reflects rate reductions primarily associated with the full year impact from regulation plans implemented in the latter part of 1990 in Florida and Georgia totaling \$72.1 as well as revenue deferrals of \$25.7 for rate reductions ordered by the Louisiana Commission. These decreases were partially offset by increases totaling \$11.0 in optional calling plans, primarily WATS Saver plans, over the comparable 1990 period. The expansion of local calling areas primarily in Mississippi and North Carolina reduced toll revenues \$16.9 without a commensurate increase in local service revenues in 1990 compared to 1989.

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Directory Advertising and Publishing	\$ 1,426.3	\$ 1,394.2	\$ 1,324.4	2.3%	5.3%

Directory advertising and publishing revenues include revenues derived from publishing, printing and selling advertising in, and performing related services concerning alphabetical and classified telephone directories.

Directory advertising and publishing revenues increased \$32.1 (2.3%) in 1991 compared to an increase of \$69.8 (5.3%) in 1990. The 1991 increase was primarily due to increases in prices partially offset by a decrease in revenues because of certain directory publishing and advertising operations which were sold in 1991. The 1990 increase was primarily due to an increase in both prices and volumes. Directory advertising revenue growth is expected to continue to remain fairly constant in the near term.

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Wireless Communications	\$ 774.5	\$ 557.3	\$ 412.4	39.0%	35.1%

Wireless communications revenues include the revenues from consolidated wireless communications (primarily cellular and paging) businesses within BellSouth Enterprises as well as revenues from paging and other mobile services and from cellular interconnection reported by BellSouth Telecommunications. (The unconsolidated wireless subsidiaries and business ventures within BellSouth Enterprises are accounted for under the equity method of accounting and, as such, BellSouth Enterprises' interest in the net income or loss of these affiliates is recorded in Other Income.)

The 1991 increase of \$217.2 (39.0%) over 1990 primarily resulted from the continued expansion of the customer base for wireless telecommunications services as well as increases resulting from acquisitions. The domestic cellular communications businesses added over 322,000 customers, an increase of 48.6% over 1990 (see "Operating Environment and Trends of the Business"). Worldwide cellular customers exceeded 1,041,000 at year end. Domestic paging customers increased almost 360,000 to over 920,000 at December 31, 1991. Of this increase, the acquisition of Graphic Scanning Corporation ("Graphic Scanning") during the fourth quarter of 1991 added over 320,000 paging customers. Paging customers worldwide exceeded 1,235,000.

Increases in volumes of business accounted for the \$144.9 (35.1%) increase in 1990 over 1989. BellSouth Enterprises continued to expand its customer base for wireless communications services by adding over 247,000 domestic cellular customers in 1990, a 59.0% increase over 1989.

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Other Services	\$ 1,300.0	\$ 1,410.2	\$ 1,540.1	(7.8%)	(8.4%)

Other services revenues include primarily revenues from billing and collection services provided by BellSouth Telecommunications, customer premises equipment sales and maintenance services, provision of parts and maintenance services for computer equipment as well as services provided by consolidated BellSouth Enterprises' subsidiaries other than wireless and directory publishing and advertising services. Revenues decreased \$110.2 (7.8%) in 1991 compared to a decrease of \$129.9 (8.4%) during 1990.

A decrease of \$130.1 in 1991 was due to a decline in leasing activity, primarily as a result of the sale of the leasing portfolio of Dataserv Equipment in the fourth quarter of 1990. A decrease in BellSouth Telecommunications' billing and collection fees of \$51.8 also contributed to the 1991 decrease. Further decreases in the volume of billing and collection fees are expected in the future due to interexchange carriers assuming more direct billing for their own services. These decreases were partially offset by the reclassification of a revenue deferral of \$63.9 in Florida, as described in Local Service.

The decrease in 1990 was partially due to \$78.1 in revenue deferrals related to rate orders in Tennessee and Florida. The decline in leasing activity at certain BellSouth Enterprises subsidiaries also contributed to the decrease.

OPERATING EXPENSES

Operating expenses increased \$326.6 (2.9%) during 1991 compared to an increase of \$315.4 (2.9%) during 1990. The 1991 increase was primarily in selling, general and administrative expense which was largely due to growth in the customer base in the wireless communications businesses, the impact of an early retirement program and a change in the method of accounting for cellular service sales commissions. These expenses were partially offset by a decrease in cost of services and products expense which was largely due to the sale of certain leasing operations. The 1990 increase was attributable to an increase in the cost of services and products primarily due to a reclassification of expenses from selling, general and administrative expense as well as an increase in maintenance costs related to access line growth.

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Cost of Services and Products	\$ 5,739.2	\$ 5,797.2	\$ 5,200.9	(1.0%)	11.5%

Cost of services and products includes operating expenses associated with network support and maintenance of BellSouth Telecommunications' property, plant and equipment, material and supplies expense, cost of tangible goods sold and other expenses associated with the cost of providing services. Cost of services and products decreased \$58.0 (1.0%) during 1991 compared to an increase of \$596.3 (11.5%) during 1990.

The 1991 decrease is primarily due to the absence of expenses resulting from the sale of the leasing portfolio of Dataserv Equipment and a decline in leasing activity in general. This decrease was partially offset by increased levels of right-to-use license fees for the purchase of certain software for central office switching as well as increased expenses associated with growth in the wireless communications subscriber base.

The reclassification of expenses of certain businesses within BellSouth Enterprises from selling, general and administrative expenses to cost of services and products during 1990 increased cost of services and products by approximately \$404.2 for the year. In addition, increases occurred in service and maintenance costs related to access line growth, inventory adjustments and right-to-use fees associated with software licenses. These increases were partially offset by decreases in cost of services at BellSouth Enterprises, primarily as a result of a decline in leasing activity.

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Depreciation	\$ 2,965.4	\$ 2,900.9	\$ 2,866.0	2.2%	1.2%

Depreciation expense increased \$64.5 (2.2%) in 1991 compared to \$34.9 (1.2%) in 1990. The primary contributor to the 1991 increase was growth in property, plant and equipment since December 1990. Authorized increases in North Carolina and Alabama, as well as represcribed rates in Tennessee and Georgia, also contributed to the increase. These increases were partially offset due to the absence of depreciation expense related to Dataserv Equipment as well as certain regulatory impacts such as the reserve deficiency and inside wire amortizations.

The 1990 increase is a result of increased FCC-prescribed depreciation rates and amortization schedules in all Southern Bell states beginning October 1, 1989 and in all South Central Bell states beginning January 1, 1990. Additional depreciation expense resulted from higher levels of plant and equipment to support an increased customer base. The effect of these increases was partially offset by the complete depreciation of certain switching equipment and a reduction in rates in Tennessee. The increase also reflects the inclusion in 1989 of a \$33.7 write-down of computer leasing portfolios at certain BellSouth Enterprises subsidiaries.

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Selling, General and Administrative	\$ 2,936.7	\$ 2,616.6	\$ 2,932.4	12.2%	(10.8%)

Selling, general and administrative expenses include operating expenses related to sales activities such as salaries, commissions, benefits, travel, marketing and advertising expenses. Also included is amortization of intangibles, research and development costs and provision for uncollectibles.

Approximately \$130.0 of the \$320.1 (12.2%) increase in selling, general and administrative expense was due to increased wireless communications costs associated with customer service, marketing costs, and operations costs associated with growth in the customer base. Of this increase, \$17.7 relates to the incremental impact through the third quarter of 1991 on current period operations due to a change in the method of accounting for third-party cellular service sales commissions (see Note C). Special termination benefit expenses of \$68.6 associated with an early retirement program also contributed to the increase (see Note H). This increase was partially reduced by offsetting secondary effects (i.e., salaries, benefits, etc.) related to the early retirement program. Also contributing to the increase was a \$26.6 higher provision for uncollectibles than in 1990 and an increase in marketing costs associated with advertising.

In 1990, this category of expense decreased \$315.8 (10.8%) primarily due to the reclassification of expenses of certain businesses within BellSouth Enterprises to cost of services and products (see "Cost of Services and Products"). This decrease was partially offset by approximately \$20.0 associated with the write-down of goodwill and subsequent sale of the cellular resale operations of AirCall. In addition, special termination benefits accrued with respect to an early retirement program accepted by approximately 1,150 managers increased expenses by \$14.6 (see Note H).

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Interest Expense	\$ 802.1	\$ 774.3	\$ 775.7	3.6%	(0.2%)

Interest expense includes interest on debt, certain other accrued liabilities and capital leases, offset by allowance for funds used during construction, which is capitalized as a cost of installing equipment and constructing plant. Interest expense increased \$27.8 (3.6%) in 1991 compared to a decrease of \$1.4 (0.2%) in 1990. (See Note L.)

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Other Income, net	\$ 258.2	\$ 152.8	\$ 231.4	69.0%	(34.0%)

Other income includes interest income, dividend income and earnings and losses from unconsolidated subsidiaries, business ventures and partnerships, and gains (losses) from the sale of operations.

Other income increased \$105.4 (69.0%) during 1991 compared to a decrease of \$78.6 (34.0%) during 1990. The 1991 increase is due primarily to the inclusion of a pre-tax charge of \$49.6 related to the sale of the data processing leasing portfolio of Dataserv Equipment in 1990 (see Note B). In addition, increases in earnings from unconsolidated subsidiaries and ventures, primarily in the wireless communications businesses, contributed \$39.0 to the increase. Also contributing to the increase was a gain of \$26.0 on the sale of certain directory publishing operations and a \$14.0 gain on the sale of BellSouth's interest in Rochester, N.Y.'s non-wireline cellular provider in connection with the acquisition of several of McCaw Cellular Communications, Inc.'s ("McCaw") cellular properties. These increases were partially offset by a decrease in interest income on investments of \$11.3, primarily related to lower rates on temporary cash investments.

The difference between Other income, net in 1990 and 1989 is primarily due to the \$49.6 charge noted above and the receipt in 1989 of \$89.0 in settlement payments related to the termination of BellSouth's agreement to merge its domestic cellular business with that of LIN Broadcasting Corporation. Approximately \$12.5 of these payments were reimbursements of expenses which were previously incurred. The decrease in Other income was offset by a \$50.6 increase in equity in earnings of unconsolidated subsidiaries and ventures.

	1991	1990	1989	Percent Change	
				1991 vs. 1990	1990 vs. 1989
Provision for Income Taxes	\$ 753.4	\$ 777.7	\$ 757.7	(3.1%)	2.6%

Income tax expense decreased \$24.3 (3.1%) in 1991 compared to an increase of \$20.0 (2.6%) in 1990.

The decrease in 1991 was primarily attributable to a decrease in income before income taxes partially offset by a higher effective tax rate, primarily caused by a decrease in the amortization of investment tax credits. The 1990 increase was primarily attributable to a higher effective tax rate due to certain tax adjustments and miscellaneous permanent differences.

BellSouth's effective tax rates were 33.3%, 32.3% and 30.9% in 1991, 1990 and 1989, respectively. A reconciliation of the statutory Federal income tax rates to these effective tax rates is provided in Note J. A discussion of the prospective impact of Statement of Financial Accounting Standards ("SFAS") No. 109, "Accounting for Income Taxes," also is included therein.

FINANCIAL CONDITION

BellSouth believes that its readily available sources of external financing, in addition to the funds provided from operations, will be sufficient to meet the needs of its business for the foreseeable future. Cash flow from operating activities was \$4,389.9 in 1991 compared to \$4,526.5 in 1990. BellSouth used the cash generated from its operations to substantially fund capital expenditures, and to pay dividends.

BellSouth's primary use of capital resources continues to be for capital expenditures. Expenditures for network development activities decreased \$88.3 in 1991 to \$3,102.4. Capital expenditures for 1992 are projected to be slightly higher than 1991.

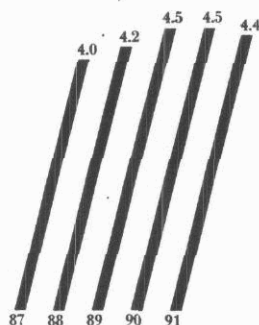
During 1991, BellSouth made several major acquisitions and investments related to wireless communications businesses totaling \$702.2, including the acquisitions of Graphic Scanning, several properties of McCaw and GTE Mobilnet Incorporated's minority interests in two cellular partnerships (see Note B). External financing for these investments was obtained from the issuance of long-term and short-term debt by BellSouth Capital Funding Corporation as well as bank loans. In connection with these and other acquisitions, BellSouth expects results for 1992 to be adversely affected by dilution of approximately 40 cents per share.

BellSouth issued shares in lieu of cash dividends under the Shareholder Dividend Reinvestment and Stock Purchase Plan ("DRSPP") using a combination of treasury stock as well as authorized but unissued shares. Prior to the second quarter of 1991, BellSouth issued common stock purchased in the open market.

Dividends paid to BellSouth's common shareholders totaled \$1,124.7 (excluding dividends under the DRSPP) in 1991 compared to \$1,272.1 in 1990. Dividends declared per share were \$2.76 in 1991, \$2.68 in 1990 and \$2.52 in 1989.

BellSouth's debt ratio increased to 41.3% as of December 31, 1991 compared to 40.7% as of December 31, 1990. The increase in the debt ratio was primarily attributable to the increase in short-term debt incurred primarily to finance BellSouth's business acquisitions. BellSouth continues to maintain the highest debt ratings from the primary bond rating agencies. BellSouth anticipates the need for fairly considerable debt requirements in the near term in order to finance previously announced acquisitions (see Note N). BellSouth continues to analyze current capital market conditions for refinancing opportunities.

Cash Flow from Operations
(\$ in billions)



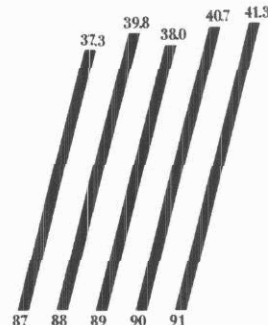
Cash flow from operations is used primarily to reinvest in the business, to pay dividends and for new business development.

Capital Expenditures
(\$ in billions)



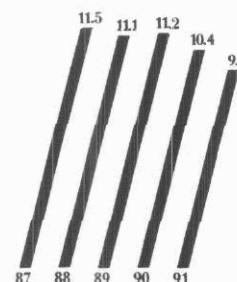
Capital expenditures in 1991 were primarily for modernization and expansion of the network.

Debt Ratio
(percent)



BellSouth's debt ratio increased slightly in 1991 due to an increase in short-term borrowings used to finance certain business acquisitions.

Return on Average Total Capital
(percent)



This percentage is a measure of the return on borrowed and invested capital.

OPERATING ENVIRONMENT AND TRENDS OF THE BUSINESS

Regulatory Environment. In providing telecommunications services, BellSouth Telecommunications is subject to regulation from both state and federal regulators with respect to rates, services and other issues. BellSouth's primary regulatory focus is directed towards modifying this regulatory process to reflect the increasingly competitive telecommunications environment.

State Regulation

Eight of the nine states in which BellSouth Telecommunications operates are now under some form of regulation other than traditional rate of return regulation. The eight states are Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, South Carolina and Tennessee. These state plans are designed to provide BellSouth Telecommunications with economic incentives to improve cost control and general efficiency in the form of shared earnings over a benchmark rate of return. All plans have a scheduled 2-3 year duration. BellSouth attained the earnings sharing range in Alabama, Kentucky and Mississippi in 1991.

Federal Regulation

At the national level, BellSouth Telecommunications has been operating under price caps regulation since January 1, 1991. In contrast to regulation which limits the rate of return that can be achieved, price caps limits the prices telephone companies can charge for use of their services. As in the state plans, price caps allows for the sharing of earnings over a benchmark range of earnings. This benchmark is dependent upon the productivity offset factor chosen annually by the carrier. During the first year under price caps, BellSouth reached the sharing level and \$15.9 in revenues has been deferred to reflect an estimated sharing obligation. Although this represents a benefit to the rate-payers, BellSouth has not been provided as much flexibility in pricing of its services as originally anticipated under the new plan. Price caps is an evolving plan in terms of implementation and is subject to review in the fourth year after implementation.

Economy. The nine-state Southeast region in which BellSouth Telecommunications' wireline telephone business operates experienced slow economic growth in 1991. The rate of regional population growth slowed from earlier decades, but the Southeast continues to grow faster than the nation. However, although population growth in Florida and Georgia continues to exceed the national average, population growth rate in the other states averages substantially less than the national rate.

The growing percentage of revenues from BellSouth Enterprises makes BellSouth's financial performance more susceptible to changes in the economy than previously, as its operations reflect the more competitive environment and greater elasticity in demands for its products and services. Nevertheless, BellSouth's wireless businesses continue to grow despite the recession, at a rate exceeding that of BellSouth Telecommunications. See "Volumes of Business."

Volumes of Business. Growth in business volumes continued to increase in 1991 over the prior year period, but the rate of growth has continued to decline from that of prior years, due in part to the effects of the slowing rates of regional population growth, the recession and competition.

The number of access lines in service increased by 552,600 over 1990, representing a 3.2% increase, the same rate of increase for 1990 over 1989. While the number of access lines in service continues to increase over comparable prior year periods, the rate of growth in access lines is not increasing, attributable in part to the slowing rate of regional population growth.

Access minutes of use represent the volume of traffic carried by interexchange carriers between LATAs, both interstate and intrastate, using BellSouth Telecommunications' local facilities. Total access minutes increased 3,456.9 million or 6.1% over 1990 but at a slower growth rate than has previously been experienced. This slower growth rate is due in part to the slowing of the economy and a maturing market for certain services (i.e., "800" and "900" service). The growth rate has also been impacted by the migration of interexchange carriers to categories of service that have a lower fixed charge as opposed to a volume-driven charge. (See "Competition.")

Toll messages decreased 33.6 million (2.6%) for Message Telecommunications Service and 36.1 million (19.9%) for WATS compared to 1990. This volume decrease reflects strong competition in WATS services in most states. In addition, all of BellSouth's state commissions are moving toward the use of expanded local calling areas, which decreases toll volume without a commensurate increase in local service revenues, and have authorized or are considering intraLATA toll competition, which will also shift revenues from toll to access but not at commensurate rates. The erosion of toll revenues is expected to continue, even after the recession abates.

BellSouth's domestic cellular business has become a significant contributor to the company's operations, primarily due to the continued expansion of the customer base for mobile communications services. Net domestic cellular customers have increased 48% to almost 986,000 at year end. The recession has not seemed to have had a large impact on customer growth; however, it appears to have affected usage. Cellular customer growth is expected to remain strong in 1992, although the rate may not match that of 1991.

Competition. BellSouth faces increasing competition in virtually all aspects of its business. Advances in technology, as well as regulatory, legislative and judicial actions, have expanded the types of services and products available in the market as well as the number of alternative providers offering such services. These trends are expected to continue over the next decade and at an increasing rate in the near future. WATS messages have already been adversely affected by competition as evidenced by a decreasing growth rate. Technological developments will dictate the type of network that telecommunications carriers will deploy in the future, thus indicating a strong need for continuing evolutionary changes in the regulatory environment. The development of an information rich telecommunications infrastructure will most likely increase the number of providers and number of alternative technologies available in the market place. In addition, the development of new technologies is expected to compete with BellSouth's wireline network. BellSouth continues to advocate changes in regulatory, legislative and judicial constraints. These changes are necessary for BellSouth to compete effectively with the new service providers. BellSouth's ability to meet this growing competition depends to a great extent on the actions of regulators and legislators and its ability to adapt its business and operations to the now developing competitive markets.

The FCC has responded to competition by introducing price caps regulation which provides incentives to reduce costs, improve efficiency and introduce innovative services. Price caps was also intended to facilitate investment in telecommunications infrastructure.

The FCC has indicated that competition in the local exchange is a priority issue for 1992 and, as such, the FCC has issued a Notice of Proposed Rulemaking on "expanded interconnection" for interstate special access and a Notice of Inquiry regarding interstate switched access. Expanded interconnection would allow competitive access providers and others to physically place equipment within the central office or within a designated distance from the central office of the local exchange carrier. In addition, several states outside BellSouth Telecommunications' service territory have reduced regulatory barriers to competition, and this trend is expected to continue.

Competition in the wireless communications markets is also expected to increase due to new technology developments such as personal communications networks ("PCN") and satellite communications as well as from both facilities-based cellular service competitors and resellers in BellSouth's markets. Recent FCC decisions indicate that additional competition may be allowed in the cellular markets or through other wireless businesses. In the past, only two carriers have been authorized to operate in a given area. The possible effect of such competition cannot be determined at present.

Competition is not only influenced by regulation and technology but also by legislative action. Currently, there are numerous legislative efforts under way in Congress related to the provision of information services and the manufacture of telephone equipment. The outcomes and impacts of these efforts cannot be determined at this time.

BellSouth's rate regulated enterprises currently account for the economic effects of regulation under SFAS 71, "Accounting for the Effects of Certain Types of Regulation." A key criterion for applicability is that it must be reasonable to assume that rates set by regulators to recover specific costs can be charged to and collected from customers. Because of the rapid increasing competition in the telecommunications industry, BellSouth's business environment is subject to rapid and unanticipated changes. If competition in the marketplace were to increase so

that BellSouth could not charge prices based on costs, regardless of regulatory action, SFAS 71 would no longer be applicable. The subsequent effect on BellSouth's financial statements could be significant depending upon the nature, magnitude and timing of the marketplace changes.

OTHER MATTERS

Accounting Pronouncements. In December 1990, the Financial Accounting Standards Board issued SFAS 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions," which BellSouth is required to adopt by 1993. The statement requires employers, among other things, to accrue the cost of providing postretirement benefits other than pensions during the period employees are expected to earn the benefit. Upon adoption, SFAS 106 permits employers the option of recognizing the unfunded and unrecognized accumulated postretirement benefit obligation (transition obligation) immediately or over the average remaining service period of active plan participants. The employer may elect a 20-year amortization period if the average remaining service period is shorter.

Currently, BellSouth plans to adopt SFAS 106 effective January 1993. Because BellSouth's other postretirement benefit plans are subject to bargaining in 1992 and certain application methods have not been determined, a final estimate of the effect of implementing SFAS 106 on the statement of position and operations is not available. However, BellSouth anticipates that the transition benefit obligation will be between \$1.4 and \$2.0 billion, while the postretirement expense is expected to be less than two times the projected 1993 expense under the current accounting method. Since BellSouth is primarily regulated, the effect on income will depend on the ratemaking treatment authorized.

CWA Contracts. In August 1992, contracts between BellSouth and the Communications Workers of America ("CWA") will expire. BellSouth will begin negotiations with representatives of the CWA prior to the expiration of the contract. The outcome of these proceedings cannot be determined at this time.

Environmental Issues. BellSouth is subject to a number of environmental proceedings as a result of the operations of its subsidiaries and shared liability provisions in the Plan of Reorganization, related to the Modification of Final Judgment. As a result, BellSouth expects that it will be required to expend capital funds to remedy certain facilities. Such expenditures are not expected to be material in amount to BellSouth's operating results or financial condition.

SUBSEQUENT EVENTS

Summary Tax Assessment. During 1987, the Internal Revenue Service ("IRS") made a summary assessment requiring South Central Bell and Southern Bell to pay an aggregate of approximately \$91 for certain contested issues for the tax years 1979 and 1980. Written notice was received in 1992 from the Appeals Division of the IRS that a refund was approved by the Congressional Joint Committee on Taxation. BellSouth anticipates a net income increase of about \$30.0 in the first quarter of 1992 representing interest due BellSouth on the summary assessment deposited with the IRS in 1987.

Revenues Subject to Possible Refund. In 1989, the Louisiana Public Service Commission reduced BellSouth Telecommunications' authorized rate of return on equity from 14.75% to 12.75% and ordered it to reduce rates by \$35.4 in annual effect and refund \$36.4 of previously collected revenues deemed in excess of the newly established rate of return. In 1991, the Commission ordered BellSouth Telecommunications to further reduce its rates by \$55.0 and refund \$32.1. The 1991 order also established an equity return range of 11.75% to 12.75% as part of a new sharing plan ordered by the Commission. BellSouth Telecommunications appealed the orders and, following a January 1992 Louisiana Supreme Court ruling to the effect that substantial parts of the 1989 order were invalid, the Commission, in February 1992, adopted a settlement order regarding the 1989 and 1991 orders.

The settlement provides that BellSouth Telecommunications will credit customers with \$55.0, reduce rates in the amount of \$31.4 and operate under a sharing plan that will allow a return on capital in the range of 10.7% to 11.7%, without rate adjustment and sharing up to 12.7%. BellSouth Telecommunications has accrued an amount in excess of this anticipated rate reduction. The Commission has ordered that this excess be excluded from earnings in determining the rate of return for the purpose of this plan.

To the Shareholders of BellSouth Corporation:


These financial statements have been prepared in conformity with generally accepted accounting principles and have been audited by Coopers & Lybrand, independent accountants, whose report is contained herein.

The integrity and objectivity of the data in the financial statements presented on pages 44 through 58, including estimates and judgments relating to matters not concluded by the end of the year, are the responsibility of the management of BellSouth. Management has also prepared all other information included in this Annual Report unless indicated otherwise.

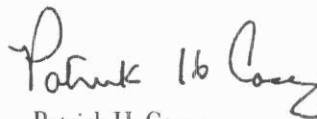
Management maintains a system of internal accounting controls which is continuously reviewed and evaluated. However, there are inherent limitations that should be recognized in considering the assurances provided by any system of internal accounting controls. The concept of reasonable assurance recognizes that the cost of a system of internal accounting controls should not exceed, in management's judgment, the benefits to be derived. Management believes that BellSouth's system does provide reasonable assurance that the transactions are executed in accordance with management's general or specific authorizations and are recorded properly to maintain accountability for assets and to permit the preparation of financial statements in conformity with generally accepted accounting principles. Management also believes that this system provides reasonable assurance that access to assets is permitted only in accordance with management's authorizations, that the recorded accountability for assets is compared with the existing assets at reasonable intervals and that appropriate action is taken with respect to any differences. Management also seeks to assure the objectivity and integrity of its financial data by the careful selection of its managers, by organizational arrangements that provide an appropriate division of responsibility and by communications programs aimed at assuring that its policies, standards and managerial authorities are understood throughout the organization. Management is also aware that changes in operating strategy and organizational structure can give rise to disruptions in internal controls. Special attention is given to controls while the changes are being implemented.

Management maintains a strong internal auditing program that independently assesses the effectiveness of the internal controls and recommends possible improvements thereto. In addition, as part of its audit of these financial statements, Coopers & Lybrand completed a review of the accounting controls to establish a basis for reliance thereon in determining the nature, timing and extent of audit tests to be applied. Management has considered the internal auditor's and Coopers & Lybrand's recommendations concerning the system of internal controls and has taken actions that it believes are cost-effective in the circumstances to respond appropriately to these recommendations. Management believes that as of December 31, 1991, the system of internal controls was adequate to accomplish the objectives discussed herein.

Management also recognizes its responsibility for fostering a strong ethical climate so that BellSouth's affairs are conducted according to the highest standards of personal and corporate conduct. This responsibility is characterized and reflected in BellSouth's "Personal Responsibility" booklet, which is distributed to, and acknowledged in writing by, all employees. BellSouth maintains a program to assess compliance with these policies and has designated an officer as Vice President-Corporate Responsibility and Compliance, reporting directly to the Chairman of the Board.



John L. Clendenin
Chairman of the Board and Chief Executive Officer



Patrick H. Casey
Vice President and Comptroller

February 3, 1992

The Audit Committee of the Board of Directors consists of three Directors who are neither officers nor employees of BellSouth Corporation. Information as to these persons, as well as the scope of duties of the Audit Committee, is provided in BellSouth's 1992 Proxy Statement. The Audit Committee met six times during 1991 and reviewed with the Chief Corporate Auditor, Coopers & Lybrand and management the various audit activities and plans, together with the results of selected internal audits. The Audit Committee also reviewed the financial reporting process and the adequacy of internal controls. The Audit Committee recommended, subject to shareholder ratification, the appointment of Coopers & Lybrand as the independent public accountants and considered factors relating to their independence. The Chief Corporate Auditor and Coopers & Lybrand met privately with the Audit Committee on occasion to encourage confidential discussions as to any auditing matters.



Phyllis Burke Davis
Chairperson, Audit Committee

February 3, 1992

REPORT OF INDEPENDENT ACCOUNTANTS

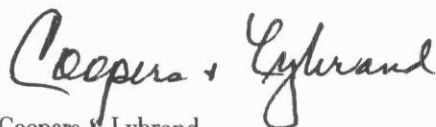
To the Shareholders
BellSouth Corporation
Atlanta, Georgia

We have audited the accompanying consolidated balance sheets of BellSouth Corporation as of December 31, 1991 and 1990, and the related consolidated statements of income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 1991. These financial statements are the responsibility of BellSouth's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of BellSouth Corporation as of December 31, 1991 and 1990, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 1991 in conformity with generally accepted accounting principles.

As discussed in Note C to the consolidated financial statements, BellSouth changed its method of accounting for third-party sales commissions in 1991 and directory publishing revenues and production expenses in 1989.



Coopers & Lybrand
Atlanta, Georgia

February 3, 1992

CONSOLIDATED STATEMENTS OF INCOME

BellSouth Corporation

(In Millions, Except Per Share Amounts)

	For the Years Ended December 31,		
	1991	1990	1989
Operating Revenues:			
Network and Related Services			
Local service	\$ 5,846.2	\$ 5,664.6	\$ 5,446.7
Interstate access	2,858.1	2,841.9	2,801.2
Intrastate access	866.7	911.8	842.6
Toll	1,373.7	1,565.4	1,628.9
Directory advertising and publishing	1,426.3	1,394.2	1,324.4
Wireless communications	774.5	557.3	412.4
Other services	1,300.0	1,410.2	1,540.1
Total Operating Revenues	<u>14,445.5</u>	<u>14,345.4</u>	<u>13,996.3</u>
Operating Expenses:			
Cost of services and products	5,739.2	5,797.2	5,200.9
Depreciation	2,965.4	2,900.9	2,866.0
Selling, general and administrative	2,936.7	2,616.6	2,932.4
Total Operating Expenses	<u>11,641.3</u>	<u>11,314.7</u>	<u>10,999.3</u>
Operating Income	2,804.2	3,030.7	2,997.0
Interest Expense (Note L)	802.1	774.3	775.7
Other Income, net (Note K)	258.2	152.8	231.4
Income Before Income Taxes,			
Extraordinary Loss and Cumulative			
Effect of Change in Method of Accounting	2,260.3	2,409.2	2,452.7
Provision for Income Taxes (Note J)	753.4	777.7	757.7
Income Before Extraordinary Loss and Cumulative			
Effect of Change in Method of Accounting	1,506.9	1,631.5	1,695.0
Extraordinary Loss on Early			
Extinguishment of Debt, net of tax (Note F)	—	—	(22.3)
Cumulative Effect of Change in Method			
of Accounting, net of tax (Note C)	(35.4)	—	68.4
Net Income	<u>\$ 1,471.5</u>	<u>\$ 1,631.5</u>	<u>\$ 1,741.1</u>
Weighted Average Common Shares Outstanding	484.3	482.4	477.7
Dividends Declared Per Common Share	\$ 2.76	\$ 2.68	\$ 2.52
Earnings Per Share:			
Income Before Extraordinary Loss and Cumulative			
Effect of Change in Method of Accounting	\$ 3.11	\$ 3.38	\$ 3.55
Extraordinary Loss on Early			
Extinguishment of Debt, net of tax	—	—	(.05)
Cumulative Effect of Change in			
Method of Accounting, net of tax	(.07)	—	.14
Net Income	<u>\$ 3.04</u>	<u>\$ 3.38</u>	<u>\$ 3.64</u>

Note: Certain amounts in the prior period consolidated income statements have been reclassified to conform to the current year's presentation.

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED BALANCE SHEETS

BellSouth Corporation

(In Millions)

	December 31,	
	1991	1990
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 327.3	\$ 290.6
Temporary cash investments	101.6	178.5
Current receivables, net of allowance for uncollectibles of \$121.1 and \$112.4	2,587.1	2,498.3
Material and supplies	365.2	417.4
Other current assets	256.3	264.7
	<u>3,637.5</u>	<u>3,649.5</u>
Investments and Advances	664.1	547.2
Property, Plant and Equipment, net (Note D)	<u>24,058.5</u>	<u>23,906.7</u>
Deferred Charges and Other Assets	898.5	1,123.3
Intangible Assets	<u>1,683.1</u>	<u>980.1</u>
Total Assets	<u>\$ 30,941.7</u>	<u>\$ 30,206.8</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Debt maturing within one year (Note F)	\$ 1,667.8	\$ 1,122.5
Accounts payable	955.6	1,037.9
Other current liabilities (Note E)	2,220.1	2,116.0
	<u>4,843.5</u>	<u>4,276.4</u>
Long-Term Debt (Note F)	<u>7,744.6</u>	<u>7,781.0</u>
Deferred Credits and Other Liabilities:		
Accumulated deferred income taxes	3,798.1	4,087.1
Unamortized investment tax credits	692.2	800.9
Other liabilities and deferred credits	758.4	595.0
	<u>5,248.7</u>	<u>5,483.0</u>
Shareholders' Equity:		
Common stock, \$1 par value (1,100,000,000 shares authorized; 486,698,141 and 481,971,590 shares outstanding at December 31, 1991 and 1990, respectively)	488.3	486.6
Paid-in capital	7,326.0	7,222.8
Retained earnings	6,112.8	5,959.8
Treasury stock, at cost (1,588,815 and 4,676,288 shares at December 31, 1991 and 1990, respectively)	(65.1)	(191.7)
Guarantee of ESOP debt (Note H)	(757.1)	(811.1)
	<u>13,104.9</u>	<u>12,666.4</u>
Total Liabilities and Shareholders' Equity	<u>\$ 30,941.7</u>	<u>\$ 30,206.8</u>

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

BellSouth Corporation

(In Millions)

	Number of Shares		Amount				
	Common Stock	Treasury Stock	Par Value	Paid-In Capital	Retained Earnings	Treasury Stock	Guarantee of ESOP Debt
Balance at December 31, 1988	464.0	22.0	\$ 486.0	\$7,169.5	\$ 5,075.4	\$ (891.5)	—
Net income					1,741.1		
Dividends declared					(1,213.1)		
Shares issued and activity associated with various employee benefit plans and a business combination	17.5	(17.3)	.2	31.1	4.1	699.8	
Balance at December 31, 1989	481.5	4.7	486.2	7,200.6	5,607.5	(191.7)	—
Net income					1,631.5		
Dividends declared					(1,291.6)		
Shares issued and activity associated with various employee benefit plans	.4		.4	22.2	4.6		
Guarantee of ESOP debt							\$ (850.0)
Reduction of ESOP debt and other related activities					7.8		38.9
Balance at December 31, 1990	481.9	4.7	486.6	7,222.8	5,959.8	(191.7)	(811.1)
Net income					1,471.5		
Dividends declared					(1,336.9)		
Shares issued under Shareholder Dividend Reinvestment and Stock Purchase Plan	4.5	(3.0)	1.5	96.9		124.5	
Shares issued and activity associated with various employee benefit plans	.3	(.1)	.2	6.3	3.6	2.1	
Reduction of ESOP debt and other related activities					14.8		54.0
Balance at December 31, 1991	486.7	1.6	\$ 488.3	\$7,326.0	\$ 6,112.8	\$ (65.1)	\$ (757.1)

Preferred Stock Authorized

BellSouth's Articles of Incorporation authorize 100 million shares of cumulative First Preferred Stock having a par value of \$1 per share, of which 30 million shares have been reserved and designated Series A for possible issuance under BellSouth's Shareholder Rights Plan. As of December 31, 1991, no preferred shares had been issued.

Shareholder Rights Plan

On November 27, 1989, BellSouth adopted a Shareholder Rights Plan by declaring a dividend of one right for each share of common stock owned of record on December 11, 1989 and to be issued thereafter. Each right entitles shareholders to buy one one-hundredth of a share of Series A First Preferred Stock for \$175 per share. The rights may be exercised only if a person or group acquires 10% of the common stock of BellSouth without the prior approval of the Board of Directors or announces a tender or exchange offer that would result in ownership of 25% or more of the common stock. If a person or group acquires 10% of BellSouth's stock without prior Board approval, other shareholders are then allowed to purchase BellSouth common stock at half price. The rights currently trade with BellSouth common stock and may be redeemed by the Board of Directors for one cent per right until they become exercisable, and thereafter under certain circumstances. The rights expire after ten years.

Guarantee of Employee Stock Ownership Plan ("ESOP") Debt

Financial reporting practices require that the amount equivalent to BellSouth's guarantee of the amortizing notes issued by its ESOP trusts be presented as a reduction to shareholders' equity, as well as an increase to debt. The amount recorded as a decrease in shareholders' equity represents the value of unallocated BellSouth common stock purchased with the proceeds of the amortizing notes. As the ESOP notes are repaid, the amount of debt guaranteed decreases, and shareholders' equity increases accordingly. (See Notes F and H.)

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

BellSouth Corporation

(In Millions)

	For the Years Ended December 31,		
	1991	1990	1989
Cash Flows from Operating Activities:			
Net income	\$ 1,471.5	\$ 1,631.5	\$ 1,741.1
Adjustments to net income:			
Change in method of accounting, net of tax	35.4	—	(68.4)
Extraordinary loss, net of tax	—	—	22.3
Depreciation	2,965.4	2,900.9	2,866.0
Amortization of intangibles	50.9	59.7	29.4
Provision for losses on bad debts	197.1	170.5	162.2
Deferred income taxes and unamortized investment tax credits	(422.6)	(278.8)	(63.2)
Pension expense in excess of (less than) funding	143.6	126.1	(46.0)
Noncash compensation expense related to ESOP benefits	28.5	14.1	—
Undistributed earnings of affiliates	(54.6)	(36.3)	(23.5)
(Gain)/Loss on sale of operations	(14.0)	49.6	—
Allowance for funds used during construction	(18.1)	(17.6)	(15.9)
Net change in current receivables	(288.0)	(258.4)	(585.5)
Net change in material and supplies	(64.5)	22.0	12.8
Net change in accounts payable and other current liabilities	31.2	70.1	(8.8)
Net change in deferred charges and other assets	122.6	(42.4)	257.3
Net change in other liabilities and deferred credits	131.2	88.9	168.3
Other reconciling items, net	74.3	26.6	17.1
Net cash provided by operating activities	4,389.9	4,526.5	4,465.2
Cash Flows from Investing Activities:			
Capital expenditures	(3,102.4)	(3,190.7)	(3,222.6)
Proceeds from disposals of property, plant and equipment	112.7	136.2	154.8
Net change in short-term investments	77.0	(6.2)	(29.0)
Business acquisitions	(702.2)	—	(23.9)
Business dispositions	—	37.0	—
Investments in/advances to unconsolidated affiliates	(126.0)	(39.1)	(144.8)
Other investing activities, net	(35.5)	8.0	19.5
Net cash used for investing activities	(3,776.4)	(3,054.8)	(3,246.0)
Cash Flows from Financing Activities:			
Proceeds from short-term borrowings	15,285.5	15,427.5	14,935.3
Repayments of short-term borrowings	(14,774.3)	(15,505.8)	(14,715.0)
Proceeds of long-term debt	193.3	151.6	731.7
Repayment of long-term debt	(169.3)	(216.5)	(905.1)
Payment of call premium	—	—	(30.1)
Payment of debt issuance costs	—	(6.5)	—
Payment of capital lease obligations	(20.9)	(58.6)	(50.8)
Proceeds from issuing common and treasury shares	33.6	6.6	8.1
Dividends paid	(1,124.7)	(1,272.1)	(1,183.5)
Net cash used for financing activities	(576.8)	(1,473.8)	(1,209.4)
Net Increase/(Decrease) in Cash and Cash Equivalents	36.7	(2.1)	9.8
Cash and Cash Equivalents at Beginning of Period	290.6	292.7	282.9
Cash and Cash Equivalents at End of Period	\$ 327.3	\$ 290.6	\$ 292.7

The accompanying notes are an integral part of these financial statements.

(Dollars in Millions, Except Per Share Amounts)

NOTE A ACCOUNTING POLICIES

Basis of Presentation – The consolidated financial statements include the accounts of BellSouth Corporation (“BellSouth”) and its majority-owned subsidiaries. BellSouth Telecommunications, Inc. (“BellSouth Telecommunications”), BellSouth’s largest subsidiary, provides primarily regulated telephone services. Investments in certain partnerships, joint ventures and less than majority-owned subsidiaries are accounted for using the equity method. All significant intercompany transactions and accounts have been eliminated, except as otherwise required under generally accepted accounting principles applicable to regulated entities.

Cash and Cash Equivalents – BellSouth considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Investments with an original maturity of over three months to one year are not considered cash equivalents and are included as temporary cash investments on the consolidated balance sheet.

Property, Plant and Equipment – The investment in property, plant and equipment is stated at original cost. Depreciation is based on the remaining life method of depreciation and straight-line composite rates determined on the basis of equal life groups of certain categories of telephone plant acquired in a given year. Depreciation expense also includes amortization of certain classes of telephone plant and identified depreciation reserve deficiencies over periods allowed by regulatory authorities. When depreciable plant is disposed of, the original cost, less net salvage value, is charged to accumulated depreciation. The cost of property, plant and equipment other than that of BellSouth Telecommunications is depreciated using either straight-line or accelerated methods over the estimated useful lives of the assets. Gains or losses on disposal of other depreciable property, plant and equipment are recognized in the year of disposition as an element of other non-operating income.

Material and Supplies – New and reusable material is carried in inventory, principally at average original cost, except that specific costs are used in the case of large individual items. Nonreusable material is carried at estimated salvage value.

Investments and Advances – Investments and advances substantially consist of investments and advances to affiliated companies. Also included in this caption are other long-term investments.

Intangible Assets – Intangible assets substantially consist of the excess consideration paid over net assets acquired in business combinations. Also included in this caption are acquired licenses and customer lists. Intangible assets are being amortized using the straight-line and sum-of-the-years’-digits methods over periods of benefit. Such periods do not exceed 40 years.

Allowance for Funds Used During Construction – Regulatory authorities allow BellSouth Telecommunications to accrue interest as a cost of constructing certain plant and as an item of income (interest charged construction). Such income is not realized in cash currently but will be realized over the service life of the related plant as the resulting higher depreciation expense and plant investment is recovered in the form of increased revenues.

Income Taxes – BellSouth and its subsidiaries file a consolidated Federal income tax return. Deferred income taxes are provided to reflect the effect of timing differences in the recognition of revenues and expenses for financial and income tax reporting purposes, except where regulatory authority dictates flow-through accounting. Timing differences result primarily from the use of accelerated methods and shorter lives in computing depreciation for tax purposes. The cumulative net amount of tax timing differences for which deferred income taxes had not been provided at December 31, 1991, due to flow-through accounting, was \$641.1.

For financial reporting purposes, BellSouth Telecommunications is amortizing deferred investment tax credits earned prior to the 1986 repeal of the investment tax credit and also some transitional credits earned after the repeal. The credits are being amortized as a reduction to the provision for income taxes over the estimated useful lives of the assets to which the credits relate.

Earnings Per Share – Earnings per common share are computed on the basis of the weighted average number of shares of common stock and common stock equivalents outstanding during each year.

NOTE B ACQUISITIONS AND DISPOSITIONS

On March 28, 1991, BellSouth acquired from GTE Mobilnet Incorporated ("GTE Mobilnet") two cellular partnerships in which it held minority interests, which resulted in BellSouth Enterprises, Inc. ("BellSouth Enterprises") gaining an additional 21% interest in the Atlanta-Athens Limited Partnership and an additional 42% interest in the Lexington, Kentucky MSA Limited Partnership. Affiliates of BellSouth Mobility Inc. now own 100% of both Metropolitan Statistical Areas ("MSAs"). In addition, BellSouth Mobility Inc. agreed to buy GTE Mobilnet's interest in three Rural Service Areas surrounding Atlanta. In the aggregate, GTE Mobilnet received \$100 for the transactions. Earnings were not materially affected in 1991.

The acquisition of Graphic Scanning Corp. ("Graphic Scanning") was completed on September 17, 1991 for an adjusted total cash purchase price of \$168. In addition, certain liabilities of Graphic Scanning amounting to approximately \$142 were assumed by BellSouth. Earnings were not materially affected in 1991.

On September 20, 1991, BellSouth acquired several properties in Indiana, Wisconsin and Illinois from McCaw Cellular Communications, Inc. ("McCaw") in exchange for \$361, including BellSouth's interest in Rochester, N.Y.'s non-wireline cellular provider. Earnings were not materially affected in 1991.

During 1991, BellSouth entered into various other acquisitions which in the aggregate total \$76.7, representing the purchase of certain domestic minority interests in cellular and paging operations and investments in cellular operations in Argentina, Chile and Mexico.

As a result of the above transactions, intangibles increased \$735.4 during 1991.

In December 1990, BellSouth sold the leasing operations of Dataserv Equipment, Inc. ("DEI"). DEI was engaged primarily in the sales and leasing of data processing equipment and systems. A provision was made for estimated losses during the phase-out period and to write down all remaining assets to estimated realizable value. The sale and closing costs resulted in a pre-tax charge of \$49.6 to Other Income, net in 1990. (See Note K.)

In April 1989, BellSouth acquired Mobile Communications Corporation of America ("MCCA"), a national cellular telephone and paging company, for approximately \$710 in BellSouth common stock. The acquisition was accounted for as a purchase and, accordingly, the acquired assets and liabilities were recorded at their estimated fair values at the date of acquisition. MCCA's results of operations were included in BellSouth's consolidated statements of income beginning May 1, 1989.

NOTE C ACCOUNTING CHANGES

In the third quarter of 1991, BellSouth Mobility Inc. changed its policy of capitalizing certain third-party cellular service sales commissions and amortizing them over the average customer lives. Hence, these amounts are expensed in the period in which they are earned by the agent. BellSouth effected this change to standardize the accounting treatment of sales commissions throughout its recently consolidated cellular operations, including those properties recently acquired from Graphic Scanning and McCaw. The effect of the change in accounting principle on BellSouth's 1991 results of operations was not material. The cumulative effect of the change was \$35.4 (\$.07 per share) and is included in 1991 net income.

The pro forma effects of retroactive application would not be material to net income or earnings per share for the years ended 1990 and 1989.

Effective January 1, 1989, BellSouth Advertising & Publishing Corporation changed the method of recognition of directory publishing revenues and production expenses for financial reporting purposes from the Uniform System of Accounts ("USOA") basis of accounting to the "issue" basis. Under the issue basis, revenues and product expenses are recognized when directories are published rather than over the lives of the directories (generally one year) as under the USOA basis. BellSouth believes the issue basis is preferable because this basis is consistently followed by publishing companies. The impact of the application of the issue basis during 1989 was not material to BellSouth's 1989 results of operations.

NOTE D PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is summarized as follows at December 31:

	1991	1990
Land	\$ 176.0	\$ 173.8
Building and building improvements	2,667.7	2,558.9
Operating and other equipment	1,483.4	1,269.4
Furniture and fixtures	2,141.1	2,001.2
Central office equipment	13,182.3	12,467.9
Outside plant	17,050.8	16,340.8
Station equipment	1,267.2	1,399.1
Capital leases	83.7	116.2
Plant under construction	325.4	459.2
Other	25.7	25.1
	<u>38,403.3</u>	<u>36,811.6</u>
Less: Accumulated depreciation	<u>14,344.8</u>	<u>12,904.9</u>
Total property, plant and equipment, net	<u>\$ 24,058.5</u>	<u>\$ 23,906.7</u>

NOTE E OTHER CURRENT LIABILITIES

Other current liabilities are summarized as follows at December 31:

	1991	1990
Taxes accrued	\$ 399.2	\$ 277.2
Advanced billing and customer deposits	474.0	474.5
Dividends payable	335.8	322.9
Salaries and wages payable	274.1	303.0
Interest and rents accrued	267.4	243.5
Compensated absences	296.9	320.4
Other	172.7	174.5
Total other current liabilities	<u>\$ 2,220.1</u>	<u>\$ 2,116.0</u>

NOTE F DEBT

Long-Term: Long-term debt consists primarily of debentures issued by BellSouth Telecommunications. Interest rates and maturities of the amounts outstanding are summarized as follows at December 31:

Description	Interest Rates	Maturities	1991	1990
Debentures:	3 ¼%– 6 ⅞%	1993–2004	\$ 675.0	\$ 675.0
	7 ⅞%– 8 ¼%	1999–2017	2,785.0	2,785.0
	8 ½%–10 ¾%	2001–2029	2,925.0	2,925.0
			<u>6,385.0</u>	<u>6,385.0</u>
Guarantee of ESOP debt	9.125%– 9.19%	2003	769.9	799.6
Medium-term notes	7.20%–10.15%	1992–1999	202.5	236.4
Capital leases and other			438.7	413.1
Unamortized discount, net			(51.5)	(53.1)
Total			<u>\$ 7,744.6</u>	<u>\$ 7,781.0</u>

Maturities of long-term debt outstanding at December 31, 1991 are summarized below:

	1992	1993	1994	1995	1996	Thereafter	Total
Maturities	\$ 235.2	\$ 453.4	\$ 115.1	\$ 119.2	\$ 64.4	\$ 7,044.0	\$ 8,031.3

As further discussed in Note H, BellSouth incorporated an Employee Stock Ownership Plan ("ESOP") feature into certain of its existing savings plans. In 1990, the ESOP trusts (the "Trusts") borrowed \$850.0 aggregate principal amount through the issuance of amortizing notes. Although the obligations are owed by the Trusts, they are guaranteed by BellSouth, and thus are reflected as an addition to long-term debt and a reduction to shareholders' equity. The Trusts service the debt with contributions from BellSouth and dividends paid on the shares held by the Trusts. As the ESOP obligations are repaid, the amount guaranteed decreases and long-term debt is reduced accordingly.

Medium-term notes consist of notes issued by BellSouth Capital Funding Corporation ("Capital Funding") to finance the businesses of BellSouth Enterprises. BellSouth has agreed to ensure the timely payment of principal, premium, if any, and interest on Capital Funding's debt securities.

In 1989, \$600.0 of Forty Year 8 ½ % Debentures, due August 1, 2029, were sold primarily to refinance \$536.1 of long-term debt. Expenses of approximately \$22.3 associated with the refinancing were charged to income as an extraordinary item.

Debt Maturing Within One Year: Debt maturing within one year is summarized as follows at December 31:

Description	1991	1990	1989
Notes Payable:			
Bank loans (a)	\$ 152.2	\$ 188.4	\$ 192.1
Commercial paper (b)	1,280.4	723.5	757.5
	1,432.6	911.9	949.6
Current maturities of long-term debt	235.2	210.6	228.6
Total	\$ 1,667.8	\$ 1,122.5	\$ 1,178.2

Bank Loans:

Maximum amount outstanding during the period	\$ 508.5	\$ 283.9	\$ 320.9
Average amount outstanding during the period (c)	\$ 121.7	\$ 204.7	\$ 201.1
Weighted average interest rate	8.48%	8.39%	10.42%
Weighted average interest rate during the period (d)	8.21%	10.02%	10.61%

Commercial Paper:

Maximum amount outstanding during the period	\$ 1,376.0	\$ 855.7	\$ 877.7
Average amount outstanding during the period (c)	\$ 892.6	\$ 731.6	\$ 652.2
Weighted average interest rate	5.14%	8.39%	8.81%
Weighted average interest rate during the period (d)	5.94%	8.27%	9.23%

(a) Includes lines of credit.

(b) Due in 270 days or less.

(c) Determined by computing the average face amount of daily ending balances in each category.

(d) Determined by dividing the average daily face amount described in (c) into aggregate related interest expense.

BellSouth has committed credit lines aggregating \$1,607.8 with various banks. Of this amount, approximately \$311.9 is maintained to support bank loans while the remainder is maintained generally to support commercial paper borrowings. There were borrowings under the committed lines totaling \$261.9 at December 31, 1991. BellSouth also maintains uncommitted lines of credit of \$285.0. There are no significant commitment fees or requirements for compensating balances associated with any lines of credit.

NOTE G EMPLOYEE STOCK OPTION PLAN

The BellSouth Corporation Stock Option Plan provides for the grant of stock options and related stock appreciation rights ("SARs") to key employees, as determined by the Board of Directors, to purchase shares of BellSouth common stock within prescribed periods at prices equal to the fair market value on the date of grant. SARs entitle an optionee to surrender unexercised stock options for cash or stock equal to the excess of the fair market value of the surrendered shares over the option price of such shares. Of the 3,101,490 shares covered by outstanding options under the plan at December 31, 1991, 387,832 were accompanied by SARs.

The following table summarizes the activity for stock options outstanding:

	Average Option Price	Shares Under Option
Balance at December 31, 1988	\$ 36.50	1,483,181
Granted	\$ 39.65	918,006
Exercised	\$ 34.37	(211,995)
Forfeited/Cancelled	\$ 36.22	(158,436)
Balance at December 31, 1989	\$ 38.04	2,030,756
Granted	\$ 58.11	624,521
Exercised	\$ 37.56	(175,277)
Forfeited/Cancelled	\$ 41.66	(65,672)
Balance at December 31, 1990	\$ 43.16	2,414,328
Granted	\$ 54.51	924,942
Exercised	\$ 37.04	(193,065)
Forfeited/Cancelled	\$ 47.74	(44,715)
Balance at December 31, 1991	\$ 47.00	3,101,490
Exercisable at December 31, 1991		1,369,838
Available for grant at December 31, 1990		1,859,062
Available for grant at December 31, 1991		4,866,981

NOTE H EMPLOYEE BENEFIT PLANS

Pension Plans. Substantially all employees of BellSouth are covered by noncontributory defined benefit pension plans. Plans covering salaried employees generally provide benefits based on years of credited service and employees' average compensation for a specified period. Pension benefits for hourly employees generally are based on specified benefit amounts and years of service. BellSouth's funding policy is to make contributions to trust funds with the objective of accumulating sufficient assets to pay all pension benefits for which BellSouth is liable. Contributions are actuarially determined using the aggregate cost method, an acceptable funding method under the Employee Retirement Income Security Act of 1974 ("ERISA"), subject to ERISA and Internal Revenue Service limitations. Pension plan assets consist primarily of equity securities and fixed income investments.

Net periodic pension cost is computed in accordance with Statement of Financial Accounting Standards ("SFAS") 87, "Employers' Accounting for Pensions." Accordingly, net periodic pension cost is determined using a different actuarial cost method and different actuarial assumptions than those used for funding purposes. Pension cost computed under SFAS 87 includes the effect of anticipated future improvements to the pension plans that are consistent with past practice.

The components of net periodic pension cost are summarized as follows:

	1991	1990	1989
Service cost—benefits earned during the year	\$ 242.9	\$ 235.1	\$ 230.1
Interest cost on projected benefit obligation	719.8	685.3	652.3
Actual return on plan assets	(2,200.9)	59.0	(1,920.5)
Net amortization and deferral	1,382.0	(852.2)	1,190.2
Net periodic pension cost	<u>\$ 143.8</u>	<u>\$ 127.2</u>	<u>\$ 152.1</u>

The following table sets forth the funded status of the plans at December 31:

	1991	1990
Actuarial present value of:		
Vested benefit obligation	<u>\$ 7,625.6</u>	<u>\$ 7,135.7</u>
Accumulated benefit obligation	<u>\$ 8,024.8</u>	<u>\$ 7,552.8</u>
Projected benefit obligation	<u>\$ 9,856.7</u>	<u>\$ 9,369.7</u>
Plans' assets at market value	<u>11,650.8</u>	<u>10,431.9</u>
Plans' assets in excess of projected benefit obligation	<u>1,794.1</u>	<u>1,062.2</u>
Unrecognized net gain due to past experience different from assumptions made	(1,745.7)	(781.1)
Unrecognized prior service cost	(93.0)	(104.7)
Unrecognized net asset at transition	(234.5)	(265.0)
Accrued pension cost	<u>\$ (279.1)</u>	<u>\$ (88.6)</u>

The projected benefit obligation for 1991 and 1990 was determined using a discount rate of 7.75% for 1991 and 8.0% for 1990 and an assumed rate of compensation increase of 5.7%. The expected long-term rate of return on plan assets was 8.0% for 1991 and 1990. The 1991 accrued pension cost of \$279.1 is included in Other Liabilities and Deferred Credits. The 1990 accrued pension cost of \$88.6 consists of \$188.2 included in Other Liabilities and Deferred Credits, net of prepaid pension cost of \$99.6 included in Deferred Charges and Other Assets.

BellSouth offered special early retirement options to management employees in 1991 and 1990. In July 1991, approximately 3,100 managers elected to retire under a special voluntary early retirement offer. All employees who elected to retire under this option agreed to voluntarily separate from employment on or before October 31, 1991 and became immediately service pension eligible. The 1990 offer was accepted by 1,150 management employees who were service pension eligible and elected, by December 31, 1990, to voluntarily separate from employment on or before April 30, 1991. In addition, managers retiring under both the 1991 and 1990 early retirement offers had the option in 1991 of accepting the present value of their pension benefits as a lump-sum payment instead of an annuity. Electing employees were eligible to receive certain benefits, including a special payment equivalent to five percent of their base pay times full years of service (not to exceed 100% of base pay), net of certain offsets. The retirement options were accounted for in accordance with SFAS 88, "Employers' Accounting for Settlements and Curtailments of Defined Benefit Pension Plans and for Termination Benefits." Accordingly, BellSouth recognized expense of \$68.6 in 1991 and \$14.6 in 1990.

Defined Contribution Plans. BellSouth maintains contributory savings plans which cover substantially all employees. Effective in 1990, a leveraged ESOP feature was incorporated into both the BellSouth Management Savings and Employee Stock Ownership Plan and the BellSouth Savings and Security Plan (collectively, the "Plans"). The shares that were purchased by the Trusts with proceeds from the ESOP notes (see Note F) are allocated to participants' accounts throughout the thirteen-year debt repayment period of the leveraged ESOP program as described below.

BellSouth matches participants' eligible contributions to the respective Plans based on defined percentages determined annually by the Board of Directors. The match consists of BellSouth common stock allocated to employee ESOP accounts and additional shares of BellSouth common stock purchased by the Trusts on the open market. BellSouth contributes an amount necessary, net of ESOP dividends, to service the ESOP loan payments and to purchase any additional shares required to meet the match obligation.

Effective with the incorporation of the ESOP feature into the Plans in 1990, BellSouth began recognizing expense attributable to the leveraged ESOPs based on the cost of the shares allocated for the period plus interest incurred, reduced by the dividends used to service the ESOP debt (Shares Allocated Method). Prior to 1990, BellSouth's required matching contributions were accounted for as compensation expense. In 1989, matching contributions totaled \$68.3.

BellSouth recognized savings plan expense in 1991 and 1990 as follows:

	1991	1990
Compensation expense	\$ 77.1	\$ 78.9
Interest expense	\$ 40.5	\$ 33.1
Actual interest on ESOP notes	\$ 74.8	\$ 60.5
Cash contributions, excluding dividends paid to the Trusts	\$ 90.7	\$ 90.4
Dividends paid to the Trusts, used for debt service	\$ 43.5	\$ 23.1

Postretirement Benefits Other Than Pensions. BellSouth also provides certain health care and life insurance benefits to substantially all employees that retire from BellSouth eligible for a service or disability pension benefit. The cost of providing health care and life insurance benefits for both active and retired employees was \$550.6, \$503.0 and \$483.8 in 1991, 1990 and 1989, respectively. Included in these costs were \$165.3, \$153.2 and \$84.8 in 1991, 1990 and 1989, respectively, for postretirement health care benefits other than those provided on a pay-as-you-go basis. At December 31, 1991, there were approximately 39,500 retirees and 96,100 active employees eligible to receive these benefits.

During 1989, the costs of providing postretirement health care benefits were accrued and funded over the working lives of active employees. Certain retiree benefits, however, were recognized on a pay-as-you-go basis. Beginning in 1990, BellSouth began to accrue and fund for both active and retired employees represented under the collective bargaining agreement into a separate tax advantaged trust. These contributions are funded over the working lives of active employees and the remaining lives of the retirees. Costs for nonrepresented employees continue to be accrued and funded as in 1989. Postretirement life insurance benefit costs are accrued and funded over the working lives of active employees based on that group's historical claims experience.

In December 1990, the Financial Accounting Standards Board ("the Board") issued SFAS 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions," which BellSouth is required to adopt by 1993. The statement requires employers, among other things, to accrue the cost of providing postretirement benefits other than pensions during the period employees are expected to earn the benefit.

Currently, BellSouth plans to adopt SFAS 106, effective January 1993. Because BellSouth's other postretirement benefit plans are subject to bargaining in 1992 and certain application methods have not been determined, a final estimate of the effect of implementing SFAS 106 on the statement of position and operations is not available. However, BellSouth anticipates that the transition benefit obligation will be between \$1.4 and \$2.0 billion, while the

postretirement expense is expected to be less than two times the projected 1993 expense under the current accounting method. Since BellSouth is primarily regulated, the effect on the financial statements will depend on the ratemaking treatment authorized.

NOTE I LEASES

BellSouth has entered into operating leases for facilities and equipment used in operations. Rental expenses under operating leases were \$288.8, \$282.0 and \$287.7 for 1991, 1990 and 1989, respectively. Capital leases currently in effect are not significant.

The following table summarizes the approximate future minimum rentals under non-cancelable operating leases in effect at December 31, 1991:

	1992	1993	1994	1995	1996	Thereafter	Total
Minimum rentals	\$ 153.0	\$ 134.5	\$ 107.2	\$ 89.3	\$ 72.1	\$ 516.0	\$ 1,072.1

NOTE J INCOME TAXES

The provision for income taxes is summarized as follows:

	1991	1990	1989
Federal:			
Current	\$ 953.6	\$ 928.1	\$ 719.1
Deferred, net	(242.0)	(169.2)	20.1
Investment tax credits, net	(108.8)	(128.4)	(125.2)
	<u>602.8</u>	<u>630.5</u>	<u>614.0</u>
State:			
Current	171.9	144.7	132.3
Deferred, net	(21.3)	2.5	11.4
	<u>150.6</u>	<u>147.2</u>	<u>143.7</u>
Total provision for income taxes	<u>\$ 753.4</u>	<u>\$ 777.7</u>	<u>\$ 757.7</u>
Amortization of investment tax credits	<u>\$ 105.3</u>	<u>\$ 126.5</u>	<u>\$ 125.2</u>

Deferred tax expense, resulting from timing differences in the recognition of revenue and expense items for tax and financial reporting purposes, were as follows:

	1991	1990	1989
Property, plant and equipment	\$ (114.7)	\$ 3.4	\$ 73.8
Pension benefits	(65.3)	(44.4)	(14.9)
Other timing differences	(83.3)	(125.7)	(27.4)
Total	<u>\$ (263.3)</u>	<u>\$ (166.7)</u>	<u>\$ 31.5</u>

A reconciliation of the Federal statutory income tax rate to BellSouth's effective tax rate follows:

	1991	1990	1989
Federal statutory tax rate	34.0%	34.0%	34.0%
State income taxes, net of Federal income tax benefit	4.4%	4.0%	3.8%
Amortization of investment tax credits	(4.7%)	(5.3%)	(5.1%)
Miscellaneous items, net	(0.4%)	(0.4%)	(1.8%)
Effective tax rate	<u>33.3%</u>	<u>32.3%</u>	<u>30.9%</u>

In February 1992, the Board issued SFAS 109, "Accounting for Income Taxes," which requires companies to compute deferred income taxes using a liability approach rather than the deferred method previously required under Accounting Principles Board Opinion No. 11. This statement is required to be adopted in 1993.

Based on preliminary evaluations using provisions contained in the Board's related Exposure Draft, BellSouth does not anticipate a significant impact to expense or net income as a result of implementing SFAS 109. However, BellSouth is currently evaluating the provisions of the new statement and is unable to predict with any certainty what impact, if any, adoption of the proposed statement would have on its net income or financial position. In addition, the majority of BellSouth's income tax expense relates to BellSouth Telecommunications which is subject to accounting rules applicable to regulated entities. The ultimate financial impact of the new statement will depend on the future regulatory treatment.

NOTE K OTHER INCOME, NET

	1991	1990	1989
Earnings of unconsolidated affiliates	\$ 132.3	\$ 93.3	\$ 42.7
Interest and dividend income	77.4	90.6	94.4
Gain (Loss) from operations sold	40.0	(49.6)	—
Other, net	8.5	18.5	94.3
Other income, net	<u>\$ 258.2</u>	<u>\$ 152.8</u>	<u>\$ 231.4</u>

Other, net included termination fees of approximately \$76.5 in 1989. These fees resulted from BellSouth's termination of an agreement to merge its domestic cellular operations with the cellular interests of LIN Broadcasting Corporation.

NOTE L ADDITIONAL INCOME STATEMENT DATA

	1991	1990	1989
Interest Expense:			
Long-term debt	\$ 573.2	\$ 636.3	\$ 634.5
Notes payable	62.8	87.2	67.0
Other	166.1	50.8	74.2
Total	<u>\$ 802.1</u>	<u>\$ 774.3</u>	<u>\$ 775.7</u>

Certain interest amounts have been reclassified from long-term debt to other in 1991 as compared to 1990 and 1989.

Depreciation of telephone plant as a percentage of
average depreciable telephone plant

7.76%	7.74%	8.11%
-------	-------	-------

In the aggregate, access revenue, revenue from billing and collection activities and rental of facilities were approximately 28% of consolidated revenues for 1991, 1990 and 1989. The majority of such revenues were from services provided to American Telephone and Telegraph Company, BellSouth's largest customer.

NOTE M SUPPLEMENTAL CASH FLOW INFORMATION

The following supplemental information is presented in accordance with the provisions of SFAS 95, "Statement of Cash Flows":

Schedule of Noncash Investing and Financing Activities:

	1991	1990	1989
Acquisition of Subsidiaries:			
Working capital other than cash acquired	\$ —	\$ —	\$ (44.7)
Investment in 50%-owned affiliate	—	—	688.4
Property, plant and equipment	—	—	68.5
Intangibles	—	—	128.7
Long-term debt assumed	—	—	(99.4)
Other	—	—	(.2)
Net assets acquired	—	—	741.3
Common stock and treasury stock issued	—	—	718.3
Cash paid to acquire subsidiaries	\$ —	\$ —	\$ 23.0
Common and Treasury Shares Issued in Lieu of Cash Dividends Under Shareholder Dividend Reinvestment Plan	\$ 199.3	\$ —	\$ —
Cash Paid for Interest and Income Taxes:			
Interest	\$ 793.2	\$ 767.3	\$ 727.3
Income taxes	\$ 1,048.7	\$ 1,017.3	\$ 870.8

As further discussed in Notes F and H, BellSouth established two ESOPs in 1990 and guaranteed the repayment of \$850.0 aggregate principal amount of debt borrowed by the Trusts. While the guarantee affects debt and shareholders' equity reported on the consolidated balance sheet, the issuance of the debt was not a cash transaction and, accordingly, was not reflected in the consolidated statement of cash flows.

NOTE N COMMITMENTS AND CONTINGENCIES

Financial Instruments – BellSouth is party to interest rate swap agreements, currency swap agreements and forward contracts and their derivatives in its normal course of business, which expose the company to off-balance-sheet risks and credit risks. These financial instruments are used to mitigate foreign currency and interest rate risks. The credit risks associated with interest rate swap agreements and foreign exchange contracts are controlled through the evaluation and continual monitoring of the credit worthiness of the counterparties.

In December 1991, the Board issued SFAS 107, "Disclosures about Fair Values of Financial Instruments," which requires publicly owned entities to disclose the estimated current value of their financial instruments. Disclosures will be required for both assets and liabilities and for on- and off-balance sheet items. While SFAS 107 requires more disclosure, the accounting for financial instruments is not affected. SFAS 107 is effective January 1993.

Pending Transactions – In October 1991, BellSouth Enterprises signed a definitive agreement with RAM Broadcasting Corporation ("RAM") to form a business venture which will own and operate certain mobile data communications networks worldwide as well as certain cellular and paging operations in the U. S. BellSouth Enterprises has agreed to provide more than \$300.0 in equity funding to the venture. The mobile data portion of the transaction, which closed in January 1992, gives BellSouth Enterprises a 49% interest in the U. S. mobile data operations, which will continue to be operated by RAM, and a 90% interest in all foreign mobile data operations except the United Kingdom, where BellSouth Enterprises will have a 35% ownership interest. The RAM agreement also encompasses certain specific radio paging and cellular assets in the U. S., although no closing date has been set with respect to the

cellular and paging operations. As part of this transaction, BellSouth will purchase an additional 26% of Honolulu Cellular Telephone Company, from RAM for approximately \$35.0, increasing BellSouth's total ownership, including its ownership through the venture, to 75.5%.

BellSouth is a 24.5% participant in Optus Communications Pty. Ltd. ("Optus"), an international consortium which has been selected by the Australian government to build and operate Australia's second telecommunications business and to purchase AUSSAT, Australia's national satellite communications carrier. Optus completed the acquisition of AUSSAT in January 1992, and immediately began construction of the network. Optus will offer a full spectrum of telecommunications services, including switched network and enhanced services, wireless and satellite based services. BellSouth expects to invest up to \$300.0 in the equity of Optus over the next two years.

NOTE O QUARTERLY FINANCIAL INFORMATION (UNAUDITED)

In the following summary of quarterly financial information, all adjustments necessary for a fair presentation of each period have been included:

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
1991				
Operating Revenues	\$ 3,539.9	\$ 3,582.6	\$ 3,628.5	\$ 3,694.5
Operating Income	\$ 727.9	\$ 689.6	\$ 678.6	\$ 708.1
Income Before Cumulative Effect of Change in Method of Accounting	\$ 402.3	\$ 365.3	\$ 352.4	\$ 386.9
Cumulative Effect of Change in Method of Accounting	(35.4)	—	—	—
Net Income	\$ 366.9	\$ 365.3	\$ 352.4	\$ 386.9
Earnings Per Share:				
Income Before Cumulative Effect of Change in Method of Accounting	\$.83	\$.76	\$.73	\$.80
Cumulative Effect of Change in Method of Accounting	(.07)	—	—	—
Net Income	\$.76	\$.76	\$.73	\$.80
1990				
Operating Revenues	\$ 3,524.8	\$ 3,619.2	\$ 3,551.1	\$ 3,650.3
Operating Income	\$ 786.8	\$ 794.6	\$ 735.0	\$ 714.3
Net Income	\$ 423.2	\$ 445.2	\$ 402.9	\$ 360.2
Earnings Per Share	\$.88	\$.92	\$.84	\$.75

BELLSOUTH CORPORATION

BOARD OF DIRECTORS

Ivan Allen, III
President, Ivan Allen Company;
Atlanta, GA—office products
company

Andrew F. Brimmer
President, Brimmer & Company
Inc.; Washington, DC—economic
and financial consultants

James B. Campbell
Chairman of the Board and
President, MISSCO Corporation;
Jackson, MS—office and
educational products company

John L. Clendenin
Chairman of the Board, President
and CEO, BellSouth Corporation;
Atlanta, GA

Armando M. Codina¹
Chief Executive Officer,
The Codina Bush Group;
Miami, FL—real estate
development company

Marshall M. Criser
Chairman, Mahoney Adams &
Criser, P.A.; Jacksonville, FL—
law firm

Gordon B. Davidson
Chairman of Executive
Committee and CEO,
Wyatt, Tarrant & Combs;
Louisville, KY—law firm

Phyllis Burke Davis
Retired Senior Vice President, Avon
Products, Inc.; New York, NY

Harvey R. Holding
Vice Chairman of the Board-
Finance & Administration,
BellSouth Corporation; Atlanta, GA

John P. Laborde²
Chairman of the Board and CEO,
Tidewater Inc.; New Orleans, LA—
diversified international energy
service company

William O. McCoy
President and CEO, BellSouth
Enterprises, Inc.; Atlanta, GA

John G. Medlin, Jr.
Chairman of the Board, President
and CEO, Wachovia Corporation;
Winston-Salem, NC—interstate
bank holding company

B. Franklin Skinner¹
Chairman of the Board and CEO,
BellSouth Telecommunications, Inc.;
Atlanta, GA

C. Dixon Spangler, Jr.
President, University of North
Carolina; Chapel Hill, NC

Ronald A. Terry
Chairman of the Board and CEO,
First Tennessee National
Corporation and Chairman of
the Board and CEO, First Tennessee
Bank National Association;
Memphis, TN

Thomas R. Williams
President, The Wales Group, Inc.;
Atlanta, GA—private investment
company

J. Tylee Wilson
Retired Chairman of the Board
and CEO, RJR Nabisco, Inc.;
Jacksonville, FL

¹Elected effective March 1, 1992

²Retiring effective April 27, 1992

OFFICERS

John L. Clendenin
Chairman of the Board, President
and CEO

Harvey R. Holding
Vice Chairman of the Board-
Finance & Administration

Executive Vice Presidents
Walter H. Alford
General Counsel

Raymond L. McGuire
Governmental Affairs

Senior Vice President
Roy B. Howard
Corporate Human Resources

Vice Presidents
Patrick H. Casey
Comptroller

John R. Gunter
Corporate Responsibility and
Compliance

David J. Markey
Federal Regulatory Affairs

Robert W. O'Neill
Associate General Counsel

C. Clement Patton
Corporate Planning & Budget

C. Richard Yarbrough
Public Relations

Arlen G. Yokley
Secretary and Treasurer

PRINCIPAL SUBSIDIARIES—DIRECTORS AND OFFICERS

BELLSOUTH ENTERPRISES, INC.

OFFICERS

President and CEO

William O. McCoy

Executive Vice President

H.C. Henry, Jr.
Marketing, International &
Business Development

Group Presidents

Earle Mauldin
Mobile Systems

Larry A. Taylor
Advertising & Publishing

Vice Presidents

John F. Beasley
General Counsel

William R. Delk
Corporate Affairs

Ronald M. Dykes
Finance

Michael K. Harrell
President
BellSouth Mobile Data

Charles C. Miller, III
Corporate Development

Charles B. Coe
President
BellSouth International, Inc.

Stan Hamm
President
BellSouth Cellular

John W. McCue
President
BellSouth Enterprises
International—Europe

Stephen E. Pazian
President
Mobile Communications
Corporation of America

Donald J. Perozzi
President
BellSouth Advertising &
Publishing Corp.

Comptroller

Billy R. Brewer

Secretary

Clyde V. Manning

Treasurer

Rawdon W. McArthur

BELLSOUTH TELECOMMUNICATIONS, INC.

OFFICERS

Chairman of the Board and CEO

B. Franklin Skinner

President and COO

F. Duane Ackerman

Group Presidents

N. Carlton Baker, Jr.
Regulatory & External
Affairs

Jere A. Drummond
Marketing

William M. Ferguson
Network & Technology

Walter W. Sessoms
Services

Senior Vice President

Roger M. Flynt, Jr.
Regulatory & External
Affairs

Division Presidents

J. Kelly Allgood
Mississippi

Joe M. Anderson, Jr.
South Carolina

DeWitt Ezell
Tennessee

Margaret H. Greene
Kentucky

Elton R. King
Louisiana

Joseph P. Lacher
Florida

J. Billie Ray, Jr.
North Carolina

Carl E. Swearingen
Georgia

R. Neal Travis
Alabama

Vice Presidents

C. Sidney Boren
Procurement, Property
& Services Management

T. L. Cloar, Jr.
Network Operations—North

Don E. Daniels
Information Systems

Rebecca M. Dunn
Human Resources &
Benefits Administration

J. Robert Fitzgerald
General Counsel

Vernon C. Jobson, Jr.
Sales

Donald W. Jones
Network Strategic Planning
& Support

William R. McNair
Carrier Services

Julia B. North
Customer Services

Roderick D. Odom, Jr.
Marketing

Howard E. Palmes
Network Planning & Engineering

William F. Reddersen
BellSouth Business Systems

C. Jerry Sanders
Network Operations—South

Larry L. Schoolar
Comptroller

Donald L. Strohmeier
Network Operations—Central

J. Richard Teel
Regulatory & External Affairs

Daniel J. Thompson, Jr.
Assistant General Counsel

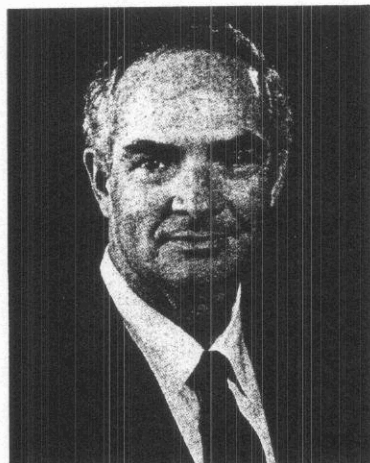
Treasurer

James E. Simpson

Secretary

William H. Groce, Jr.

BAILEY, JACKS LEAVE LEGACY OF EXCELLENCE



Carl F. Bailey

Two leaders who helped shape BellSouth's history, Carl F. Bailey and Hugh B. Jacks, retired in 1991 after a combined 72 years of outstanding service to our shareholders, our industry and our employees.



Hugh B. Jacks

Mr. Bailey retired in October as the first Co-Chairman of the newly formed BellSouth Telecommunications. His distinguished career in the telephone industry spanned nearly 40 years and was marked by innovative thinking,

decisive problem solving and exemplary community service. In 1987, Mr. Bailey became the first executive from a Bell holding company to serve as chairman of the United States Telephone Association, the industry's leading trade organization.

Mr. Jacks retired in December from the position of Group President and Vice Chairman of BellSouth Telecommunications. Over his 33-year career, he was known for his commitment to quality. At AT&T, Mr. Jacks implemented a management system that pushed authority downward and allowed service employees to respond immediately to customer needs. He was elected President of BellSouth Services (BSS) at that company's inception in 1983, and remained the only executive to serve in that capacity until BSS was combined into BellSouth Telecommunications last year.

The positive imprint Carl Bailey and Hugh Jacks made on BellSouth and the telecommunications industry will be evident in our business for a long time to come.

BELLSOUTH TELECOMMUNICATIONS, INC.

BOARD OF DIRECTORS

F. Duane Ackerman

President and COO
BellSouth Telecommunications, Inc.;
Atlanta, GA

Irving W. Bailey II

Chairman, President and CEO
Capital Holding Corporation;
Louisville, KY

James H. Blanchard

Chairman of the Board
Synovus Financial Corp.;
Columbus, GA

Gray D. Boone*

President
HORIZON;
Tuscaloosa, AL

J. Hyatt Brown

President
Brown & Brown, Inc.;
Daytona Beach, FL

Edward E. Crutchfield, Jr.

Chairman of the Board and CEO
First Union Corporation;
Charlotte, NC

Frank R. Day

Chairman of the Board
Trustmark National Bank
and Trustmark Corporation;
Jackson, MS

Lloyd C. Elam

Distinguished Service Professor
Department of Psychiatry,
Meharry Medical College;
Nashville, TN

William W. Gaston

Chairman of the Board
Cotton States Insurance Companies;
Atlanta, GA

Lawrence L. Gellerstedt, Jr.

Chairman of the Board
Beers Construction Company;
Atlanta, GA

John W. Harris

President
The Harris Group
Charlotte, NC

Mark C. Hollis

President
Publix Super Markets, Inc.;
Lakeland, FL

Thomas H. Meeker

President and CEO
Churchill Downs Incorporated;
Louisville, KY

Joe M. Rodgers

Chairman
JMR Investments;
Nashville, TN

B. Franklin Skinner

Chairman of the Board and CEO
BellSouth Telecommunications, Inc.;
Atlanta, GA

O. Stanley Smith, Jr.*

Chairman of the Board
Constan, Inc.;
Columbia, SC

Hall W. Thompson*

President and CEO
Thompson Realty Company, Inc.;
Shoal Creek, AL

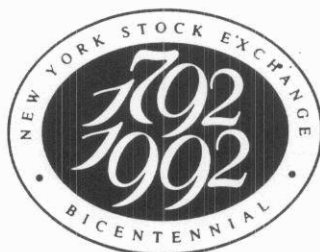
Jane S. Willson*

President
Sunnyland Farms, Inc.;
Albany, GA

Charles J. Zwick

Retired Chairman of the Board
and CEO
Southeast Banking Corporation;
Miami, FL

*Retiring in 1992



The principal market for trading in BellSouth common stock is the New York Stock Exchange, Inc. ("NYSE").

BellSouth congratulates the NYSE on its 200th anniversary, which will be celebrated May 17, 1992. Efficient and accurate securities markets play an important role in mobilizing and allocating the capital needed to develop strategic technologies such as telecommunications.

BellSouth common stock is also listed on the Boston, Midwest, Pacific and Philadelphia exchanges in the United States and the London, Zurich, Basel, Geneva, Frankfurt, Amsterdam and Tokyo exchanges. The ticker symbol for BellSouth common stock is BLS. As of January 31, 1992, there were 1,335,908 holders of record of BellSouth common stock. Market data, obtained from the NYSE Composite Tape, which encompasses trading on the principal United States stock exchanges as well as off-board trading for 1989 through 1991 are listed below. High and low prices represent the highest and lowest daily closing prices for the periods indicated. Dividend data also are listed.

	Market Price			Dividend Declared
	High	Low	Close	
1991				
First Quarter	\$ 54 ¾	\$ 50 ¾	\$ 53 ¾	\$.69
Second Quarter	54	46 ¾	48 ¾	.69
Third Quarter	50 ¾	46 ¾	50 ¾	.69
Fourth Quarter	51 ¾	46	51 ¾	.69
1990				
First Quarter	\$ 59	\$ 51	\$ 54 ½	\$.67
Second Quarter	57	52	52	.67
Third Quarter	55	49 ¾	52 ¾	.67
Fourth Quarter	55 ¾	50 ¾	54 ¾	.67
1989				
First Quarter	\$ 43 ¾	\$ 39 ¾	\$ 43 ¾	\$.63
Second Quarter	51	41 ¾	47 ¾	.63
Third Quarter	54 ¾	47 ¾	54 ¾	.63
Fourth Quarter	57 ¾	50 ¾	57 ¾	.63

Stock Transfer Agent and Registrar

Currently, American Transtech, Inc. is BellSouth's stock transfer agent and registrar. Certificates and documents in support of stock transfers should be sent to the shareholder services address on page 64. BellSouth recommends the use of registered mail when sending certificates to the transfer agent. Effective June 15, 1992, Manufacturers Hanover Trust Company will become BellSouth's transfer agent and registrar. Manufacturers Hanover Trust Company and Chemical Bank have agreed to merge.

Dividend Reinvestment Plan

BellSouth shareholders of record are eligible to participate in the Shareholder Dividend Reinvestment and Stock Purchase Plan (the "Plan"). The Plan provides for automatic dividend reinvestment and optional cash payment for the purchase of additional shares of BellSouth common stock. Full details of the Plan are included in a prospectus available upon request by writing BellSouth's shareholder services offices at the address shown on page 64.

Access Revenues These revenues result from the provision of access services which connect the communications networks of interexchange (long distance) carriers with the equipment and facilities of BellSouth customers.

Cash Flows from Operating

Activities This figure represents the net amount of cash inflow generated by the company in its normal business operations.

Debt Ratio This ratio is computed by dividing debt plus certain debt related accounts by the sum of debt and shareholders' equity. It represents the percentage by which the company is financed by borrowed funds as opposed to invested capital.

Electronic Switching (digital and analog) Electronic switching is the switching of voice and data transmissions by computer. Using computers is faster, more efficient and more reliable, and makes possible such features as TouchStar services and equal access.

LATA Upon divestiture, all territory in the continental United States served by the former Bell System was divided into 161 geographical areas termed "Local Access and Transport Areas" ("LATAs"). Each LATA generally surrounds a city or other identifiable community of interest. BellSouth Telecommunications provides local exchange, exchange access, information access and toll telecommunications services within (but not between) each of its 38 LATAs.

Local Service Revenues These revenues are for amounts billed to customers for local services that include the provision of lines from the telephone exchange office to the subscribers' premises for the origination and termination of telecommunications.

Return on Average Total Capital

This ratio is computed by dividing net income plus interest expense related to capital by average total capital. It represents the rate at which net income is earned from the use of borrowed and invested capital.

Return to Average Common

Equity This ratio is computed by dividing net income by average shareholders' equity for the year. It represents the rate at which net income is earned from the use of shareholders' investments.

Toll Revenues These revenues result from the provision of services within (but not between) each of the 38 LATAs served by BellSouth Telecommunications. These services include intraLATA service beyond the local calling area; Wide Area Telecommunications Service ("WATS" or "800" services) for customers with highly concentrated demand; and special services, such as transport of voice, data and video.

Corporate Headquarters

BellSouth Corporation
1155 Peachtree Street, N.E.
Atlanta, GA 30367-6000
(404) 249-2000

General/Financial Information

General questions or inquiries about BellSouth should be directed to:

Secretary
BellSouth Corporation
Room 14B02
1155 Peachtree Street, N.E.
Atlanta, GA 30367-6000

Certified Public Accountants

Coopers & Lybrand
1100 Campanile Building
1155 Peachtree Street, N.E.
Atlanta, Georgia 30309

Investor Community Information

Inquiries from institutional investors, financial analysts, registered representatives and portfolio managers should be directed to:
Investor Relations
BellSouth Corporation
Room 14B06
1155 Peachtree Street, N.E.
Atlanta, GA 30367-6000

Shareholder Services

Assistance with any information about shareholder accounts and records, dividends, BellSouth's Shareholder Dividend Reinvestment and Stock Purchase Plan and consolidation of accounts is available from BellSouth Shareholder Services by calling toll free (800) 631-6001. All written inquiries **prior to June 15, 1992**, should be addressed to:
BellSouth Corporation
c/o American Transtech
Post Office Box 44029
Jacksonville, FL 32231-4029

New Transfer Agent and Stock Registrar

Effective June 15, 1992, all stock matters and written inquiries should be directed to:
BellSouth Corporation
c/o Manufacturers Hanover Trust Company, or its successor
Chemical Bank
Post Office Box 24900
Church Street Station
New York, New York 10249-0018
Toll Free (800) 631-6001
Outside the U.S. call collect
(212) 971-3395

Form 10-K

The 1991 reports on Form 10-K of BellSouth Corporation and its telephone operating subsidiary, BellSouth Telecommunications, Inc., as filed with the Securities and Exchange Commission, are available (without exhibits) for no charge by writing to Secretary at the address shown under General/Financial Information on this page.

Shareholders' Meeting

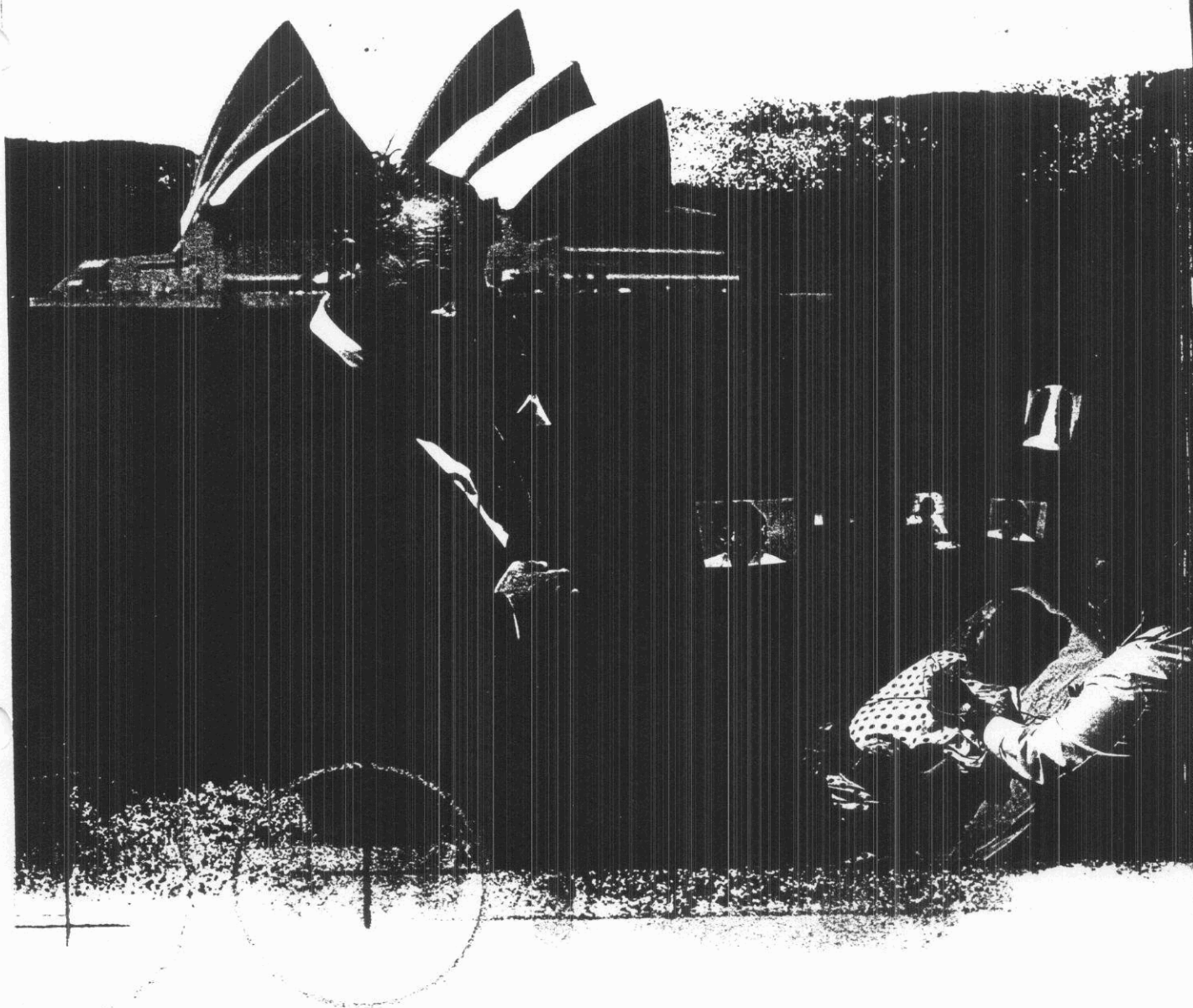
BellSouth Corporation's Annual Meeting of Shareholders will be held at 2:00 p.m. CDT, Monday, April 27, 1992, at Murrah High School, 1400 Murrah Drive, Jackson, Mississippi.

Holding our annual meeting in a public high school emphasizes BellSouth's commitment to education. The ability of our region to generate new jobs and economic growth in the Information Age is dependent on an educated population. The vitality of BellSouth's business, in turn, is directly related to the skills of our people and the prosperity of the Southeast. A school is a fitting symbol of where these critical public and business interests converge.

Designed by Addison Corporate Annual Reports Inc., NYC./Portrait Photography by Bard Martin/Operations Photography by Alen MacWeeney/Photo pg. 24 by Jeff Smith/©BellSouth Corporation 1992



This annual report was printed entirely on recycled paper.



BellSouth Corporation
1155 Peachtree Street, N.E.
Atlanta, Georgia 30367-6000
(404) 249-2000

BELLSOUTH

Working Capital Materials and Supplies (M & S)
Test Year and Two Prior Years Monthly

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-6a

Page 1 of 3

Witness Responsible:

Check Whether Data Is:

Historic [X] or Projected []

Average [] or Year End [X]

Line No.	Year	Month	ACCOUNT 1220.1200 Plant Supplies Exempt		ACCOUNT 1220.1100 Plant Supplies Non-Exempt		ACCOUNT 1220.1300 Motor Vehicle Supplies		ACCOUNT 1220.1400 Central Office, Origination Termination Eqpt. - New		ACCOUNT 1220.1400 Central Office, Origination Termination Eqpt.-Reuse	
			Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1.	1991	JANUARY	4,099,041	3,824,765	4,487,493	2,605,345	91,654	174,372	0	706,988	1,552,173	22,322,705
2.	1991	FEBRUARY	3,483,543	3,619,797	4,123,167	1,870,281	92,815	103,149	0	1,195,133	1,932,899	20,592,024
3.	1991	MARCH	4,196,717	3,510,158	3,834,756	2,426,342	87,779	83,485	0	1,224,422	4,998,355	18,453,157
4.	1991	APRIL	3,862,260	4,146,667	3,300,319	3,218,441	461,748	(296,470)	488,332	736,090	3,583,708	16,929,068
5.	1991	MAY	4,355,912	3,726,238	3,911,912	2,886,614	(266,045)	52,269	68,603	667,629	1,685,489	18,129,317
6.	1991	JUNE	3,447,389	3,744,755	3,062,108	2,844,212	66,116	68,595	0	667,629	848,401	17,348,660
7.	1991	JULY	2,913,190	2,989,595	2,769,012	1,690,704	80,269	64,155	1,787	665,891	444,013	17,892,198
8.	1991	AUGUST	2,060,226	4,036,192	2,711,884	1,626,774	74,636	59,557	142	665,749	728,130	17,734,676
9.	1991	SEPTEMBER	3,813,575	4,036,078	2,796,968	1,749,552	62,890	96,805	636,021	29,729	1,945,348	15,995,967
10.	1991	OCTOBER	4,667,021	3,857,827	2,780,389	2,161,715	73,709	81,050	50	29,679	530,103	15,930,744
11.	1991	NOVEMBER	3,287,757	3,797,976	2,039,002	2,191,832	56,865	120,359	0	51,580	408,667	16,108,268
12.	1991	DECEMBER	3,621,788	3,471,625	3,386,023	2,331,144	51,859	104,274	0	1,991,751	315,372	15,913,575
13.	Total for Year		43,808,419	44,761,673	39,203,033	27,602,956	934,295	711,600	1,194,935	8,632,270	18,972,658	213,350,359
14.	Monthly Average for Year		3,667,537	3,731,308	3,267,533	2,363,273	78,737	60,738	99,578	665,823	1,613,872	18,035,324

Line No.	Year	Month	ACCOUNT 1220.1500 Company Communications Equipment		ACCOUNT 1220.1800 Stock Held For Reuse		ACCOUNT 1220.1900 Other Material And Supplies		TOTAL ACCOUNT 1220.1000 Material And Supplies	
			Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
15.	1991	JANUARY	1,425	1,212,676	0	2,405,189	845,411	8,642,040	11,077,197	41,894,080
16.	1991	FEBRUARY	20,913	1,192,963	52,003	2,957,559	619,511	8,572,068	10,324,851	40,102,974
17.	1991	MARCH	6,389	1,194,464	0	3,884,439	654,808	8,517,994	13,778,804	39,294,461
18.	1991	APRIL	2,256	1,208,437	0	4,169,219	717,770	8,438,039	12,416,393	38,549,491
19.	1991	MAY	286,367	969,021	0	4,721,575	730,531	8,647,860	10,772,769	39,800,523
20.	1991	JUNE	817	1,236,081	0	5,929,945	908,926	8,578,062	8,333,757	40,417,939
21.	1991	JULY	4,926	1,294,471	0	6,749,825	680,020	8,174,151	6,893,217	39,520,990
22.	1991	AUGUST	97,280	1,216,709	0	7,788,222	534,163	8,106,330	6,206,461	41,234,209
23.	1991	SEPTEMBER	41,939	1,205,141	139,777	8,035,268	3,728,825	4,894,773	13,165,343	36,043,313
24.	1991	OCTOBER	4,878	1,211,863	0	9,437,097	631,178	5,300,998	8,687,328	38,010,973
25.	1991	NOVEMBER	428,459	911,362	1,111,754	8,489,464	623,920	5,967,122	7,956,424	37,637,963
26.	1991	DECEMBER	34,548	888,517	585,442	7,904,023	375,067	6,481,000	8,370,099	39,085,909
27.	Total for Year		930,197	13,741,705	1,888,976	72,471,825	11,050,130	90,320,437	117,982,643	471,592,825
28.	Monthly Average for Year		85,039	1,158,418	133,021	5,767,312	941,338	7,636,767	9,886,655	39,418,963

Supporting Schedules: None

Recap schedules:

B-3a

Working Capital Materials and Supplies (M & S)
Test Year and Two Prior Years Monthly

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-6a
Page 2 of 3
Witness Responsible:

Check Whether Data Is:
Historic [X] or Projected []
Average [] or Year End [X]

Line No.			ACCOUNT 1220.1200		ACCOUNT 1220.1100		ACCOUNT 1220.1300		ACCOUNT 1220.1400		ACCOUNT 1220.1400	
			Plant Supplies		Plant Supplies		Motor Vehicle		Central Office, Origination		Central Office, Origination	
			Exempt		Non-Exempt		Supplies		Termination Eqpt. - New		Termination Eqpt. - Reuse	
	Year	Month	Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1.	1990	JANUARY	4,295,898	3,534,616	3,907,205	2,203,685	63,681	50,374	0	4,381	5,321,479	29,317,805
2.	1990	FEBRUARY	3,230,382	3,928,606	3,564,745	1,270,818	55,236	26,959	0	6,014	8,868,600	25,049,406
3.	1990	MARCH	4,170,388	3,854,728	3,603,444	1,295,146	71,267	60,340	1,629	180,157	8,978,960	18,528,212
4.	1990	APRIL	3,707,683	3,728,692	3,750,697	1,561,591	61,817	28,257	0	180,157	5,809,695	14,046,049
5.	1990	MAY	3,947,980	3,928,591	4,158,459	1,934,612	64,606	61,888	1,633	451,831	2,217,060	12,650,770
6.	1990	JUNE	3,646,944	6,065,003	3,513,252	3,383,472	62,843	31,473	51,011	400,819	3,397,206	12,829,783
7.	1990	JULY	4,221,132	3,529,925	4,498,516	2,964,677	51,148	41,060	1,128,137	257,647	1,188,058	12,349,937
8.	1990	AUGUST	4,091,524	4,606,086	4,756,255	2,098,669	88,683	42,125	96,199	821,323	871,985	11,779,723
9.	1990	SEPTEMBER	3,566,138	4,135,135	3,921,161	2,240,211	66,032	90,038	88,867	732,456	1,095,766	13,387,627
10.	1990	OCTOBER	4,583,543	4,210,026	4,743,334	2,619,851	75,349	84,837	28,911	706,782	1,498,416	16,443,003
11.	1990	NOVEMBER	3,674,840	4,480,428	4,530,224	3,543,253	61,354	148,897	118,596	673,293	883,168	15,996,061
12.	1990	DECEMBER	4,025,838	3,499,660	3,400,754	3,843,786	72,957	138,782	0	706,968	1,102,985	22,060,632
13.	Total for Year		47,162,290	49,501,496	48,348,046	28,959,771	794,973	805,030	1,514,983	5,121,828	41,233,378	204,439,008
14.	Monthly Average for Year		3,936,618	3,936,618	4,085,209	2,337,464	65,252	62,881	126,248	397,504	3,450,588	17,290,284
Line No.			ACCOUNT 1220.1500		ACCOUNT 1220.1800		ACCOUNT 1220.1900		TOTAL		TOTAL	
			Company Communications		Stock Held For Reuse		Other Material		ACCOUNT 1220.1000		ACCOUNT 1220.1000	
			Equipment				And Supplies		Material And Supplies		Material And Supplies	
	Year	Month	Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
15.	1990	JANUARY	1,189,758	2,412,545	0	0	819,978	9,384,795	15,597,999	46,908,201		
16.	1990	FEBRUARY	190,859	2,254,211	0	0	780,748	9,327,692	16,690,570	41,863,706		
17.	1990	MARCH	784,981	2,175,231	0	0	926,181	9,183,550	18,536,850	35,277,364		
18.	1990	APRIL	3,706	2,329,280	0	0	887,664	9,137,384	14,221,262	31,011,410		
19.	1990	MAY	46,376	2,294,447	0	0	718,715	9,142,142	11,154,829	30,464,281		
20.	1990	JUNE	60,035	2,248,448	0	0	111,138	9,123,340	10,842,429	34,082,338		
21.	1990	JULY	13,476	2,235,671	0	0	968,791	8,744,097	12,069,258	30,123,014		
22.	1990	AUGUST	108,178	2,223,109	0	0	773,712	8,543,424	10,786,536	30,114,459		
23.	1990	SEPTEMBER	842,878	1,381,702	0	0	685,644	8,155,518	10,266,486	30,122,687		
24.	1990	OCTOBER	80,553	1,342,138	0	0	696,165	9,394,442	11,706,271	34,801,079		
25.	1990	NOVEMBER	20,445	1,411,207	0	756,212	640,076	9,274,076	9,928,703	36,283,427		
26.	1990	DECEMBER	215,094	1,207,121	0	1,375,863	866,915	9,122,542	9,684,543	41,955,354		
27.	Total for Year		3,556,339	23,515,110	0	2,132,075	8,875,727	108,533,002	151,485,736	423,007,320		
28.	Monthly Average for Year		379,699	2,005,260	0	120,345	728,168	9,058,974	12,771,784	35,404,146		

Supporting Schedules: None

Recap schedules:

B-3a

Working Capital Materials and Supplies (M & S)
Test Year and Two Prior Years Monthly

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-6a

Page 3 of 3

Witness Responsible:

Check Whether Data Is:
Historic [X] or Projected []
Average [] or Year End [X]

Line No.	Year	Month	ACCOUNT 1220.1200 Plant Supplies Exempt		ACCOUNT 1220.1100 Plant Supplies Non-Exempt		ACCOUNT 1220.1300 Motor Vehicle Supplies		ACCOUNT 1220.1400 Central Office, Origination Termination Eqpt. - New	
			Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
			(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	1989	JANUARY	3,362,417	2,827,278	4,250,823	3,490,402	112,921	217,312	14,082	4,453
2.	1989	FEBRUARY	3,895,508	3,235,754	3,337,729	2,968,229	134,183	218,659	0	4,453
3.	1989	MARCH	3,769,626	3,487,352	4,444,317	2,351,709	101,322	229,560	0	8,396
4.	1989	APRIL	3,151,638	4,188,351	4,029,213	2,178,778	51,120	215,598	493	7,903
5.	1989	MAY	4,502,579	3,523,806	4,129,297	2,402,458	55,626	267,154	3,450	9,382
6.	1989	JUNE	4,603,157	3,414,952	4,249,611	1,872,168	64,116	243,314	4,929	4,453
7.	1989	JULY	3,741,383	3,293,591	3,376,229	2,673,632	260,952	65,752	0	4,453
8.	1989	AUGUST	4,028,392	3,740,763	4,128,223	2,488,228	68,797	67,522	0	4,453
9.	1989	SEPTEMBER	3,409,492	5,203,224	3,966,080	3,888,395	130,712	(28,947)	0	4,453
10.	1989	OCTOBER	5,487,996	3,742,504	4,260,223	3,682,686	3,108	29,966	2,666	1,787
11.	1989	NOVEMBER	3,520,988	4,398,330	4,741,026	3,252,826	52,230	53,733	0	3,416
12.	1989	DECEMBER	4,180,088	3,651,079	4,749,683	2,023,374	49,060	37,866	0	3,416
13.	Total for Year		47,653,264	44,706,984	49,662,454	33,272,885	1,084,147	1,617,489	25,620	61,018
14.	Monthly Average for Year		3,945,476	3,529,201	4,067,589	2,866,206	93,049	144,474	2,135	5,016
Line No.	Year	Month	ACCOUNT 1220.1400 Central Office, Origination Termination Eqpt.-Reuse		ACCOUNT 1220.1500 Company Communications Equipment		ACCOUNT 1220.1900 Other Material And Supplies		TOTAL ACCOUNT 1220.1000 Material And Supplies	
			Consumed	Balance	Consumed	Balance	Consumed	Balance	Consumed	Balance
			(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
15.	1989	JANUARY	1,267,553	13,906,995	705,536	4,085,591	567,519	9,490,421	10,280,851	34,022,452
16.	1989	FEBRUARY	1,026,034	13,148,752	134,239	4,121,598	1,351,937	8,711,067	9,879,630	32,408,512
17.	1989	MARCH	1,197,812	13,246,178	1,118,381	3,669,130	583,438	8,984,745	11,214,896	31,977,070
18.	1989	APRIL	1,198,760	15,115,955	605,401	3,740,775	179,019	8,885,958	9,215,644	34,333,318
19.	1989	MAY	1,876,075	14,019,001	661,360	3,867,753	967,869	8,721,269	12,196,256	32,810,813
20.	1989	JUNE	2,185,036	12,507,431	739,440	4,001,101	850,235	9,434,539	12,696,524	31,477,958
21.	1989	JULY	554,265	12,162,443	934,580	3,942,766	113,502	9,850,327	8,980,911	31,992,964
22.	1989	AUGUST	639,722	12,512,210	867,799	4,054,977	3,220,089	8,014,552	12,953,022	30,882,705
23.	1989	SEPTEMBER	499,618	16,167,715	668,637	4,343,167	1,223,622	8,588,946	9,898,161	38,166,953
24.	1989	OCTOBER	856,280	17,122,527	752,089	4,242,472	1,245,197	8,810,333	12,607,559	37,632,275
25.	1989	NOVEMBER	1,053,134	18,794,225	8,347,359	3,835,718	708,589	8,944,492	18,423,326	39,282,740
26.	1989	DECEMBER	1,450,355	28,149,424	2,215,202	2,303,146	591,488	9,471,917	13,235,876	45,640,222
27.	Total for Year		13,804,644	186,852,856	17,750,023	46,208,194	11,602,504	107,908,566	141,582,656	420,627,982
28.	Monthly Average for Year		1,115,708	15,022,167	1,461,595	3,875,804	962,405	8,965,763	11,647,957	34,408,631

Supporting Schedules: None

Recap schedules:

B-3a

**Leadtime for Obtaining New
Materials and Supplies (M & S)**

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-6b
Page 1 of 1
Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☒ or Year End ☐

Line No.	Year	Exempt M & S		Non-Exempt M & S			
		Material	Average Leadtime	New		Other	
	(1)	(2)	(3)	Material	Average Leadtime	Material	Average Leadtime
				(4)	(5)	(6)	(7)
1.	1991	Miscellaneous Materials	1	Protectors/Stubs	3		
2.	1991	Block Connectors	10	Fiber/Copper Cable	5		
3.	1991			Concrete Pads 80C/80D	21		
4.	1991			12 & 18 Fiber Cable	28		
5.	1991			Cabinets Unequipped	35		
6.	1990	Miscellaneous Materials	1	Protectors/Stubs	3		
7.	1990	Block Connectors	10	Fiber/Copper Cable	5		
8.	1990			Concrete Pads 80C/80D	21		
9.	1990			12 & 18 Fiber Cable	28		
10.	1990			Cabinets Unequipped	35		
11.	1989	Exempt Material		Terminals	3		
12.	1989	purchase reports		Copper Cable	5		
13.	1989	are not available.		Conduit Plastic Pipe	10		
14.	1989			Fiber Cable	35		

% of Total Dollars: Represents 80% of total dollar investment.

Supporting Schedules:

Recap Schedules:

Working Capital Allowance
Current Assets, Current Liabilities, and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1991

Schedule B-6c
Page 1 of 6
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Southern Bell Per Books	Florida Allocated	Associated Income or Cost	Non Utility Related	Utility Related	Associated Income or Cost	Working Capital
1	Current Assets							
2	1130	54,597,697	22,799,798		0	22,799,798		22,799,798
3	1140	3,512,304	1,466,725		0	1,466,725		1,466,725
4	1150	953,205	398,055		0	398,055		398,055
5	1160	0	0		0	0		0
6	1200	248,626	103,825		0	103,825		103,825
7	1201	0	0		0	0		0
8	1180	1,053,770,855	440,050,844		0	440,050,844		440,050,844
9	1181	(49,911,280)	(20,842,767)		0	(20,842,767)		(20,842,767)
10	1190	61,463,322	25,666,858		0	25,666,858		25,666,858
11	1191	0	0		0	0		0
12	1210	4,778,631	1,995,539	Accounts 7310, 7320, & 7360	1,995,539	0		0
13								
14	1220 (A)	143,795,718	38,514,118		0	38,514,118		0
15	1290	794,801	331,906		0	331,906		331,906
16	1300	2,884,835	1,204,696		0	1,204,696		1,204,696
17	1310	5,920,779	2,472,496		0	2,472,496		2,472,496
18	1320	0	0		0	0		0
19	1330	6,704,747	2,799,878		0	2,799,878		2,799,878
20	1350	480	201		0	201		201
21	TOTAL CURRENT ASSETS	1,289,514,721	516,962,172		1,995,539	514,966,633		476,452,515
22								
23	Noncurrent Assets							
24	1401 (B)	101,332,028	42,315,884		42,315,884	0		0
25	1402	1,631,414	681,272		681,272	0		0
26	1406	0	0		0	0		0
27	1407	146,896,016	61,343,238		0	61,343,238	Capital	0
28	1408	0	0		0	0		0
29	1410	15,214,557	6,353,543		0	6,353,543		6,353,543
30	1438	4,381,851	1,829,845		0	1,829,845		1,829,845
31	1439	226,172,793	94,448,929		0	94,448,929		94,448,929
32	TOTAL NONCURRENT	495,628,660	206,972,711		42,997,156	163,975,555		102,632,317
33								
34	Subtotal (Deb.)	1,785,143,381	723,934,883		44,992,695	678,942,188		579,084,832
35								

36 (A) Account 1220 is recorded on the books of Southern Bell-Florida rather than allocated. The working capital impact is shown on page 3 of this schedule.

37 (B) Account 1401 has been adjusted to remove \$1,104,177 investment in BCI.

Working Capital Allowance
Current Assets, Current Liabilities, and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Bucket No. 920260-TL
Test Year 1991

Schedule B-6c
Page 2 of 6
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Southern Bell Per Books	Florida Allocated	Associated Income or Cost	Non Utility Related	Utility Related	Associated Income or Cost	Working Capital
38	Current Liab.							
39	4010	547,212,776	228,514,048		0	228,514,048		228,514,048
40	4020	527,902,083	220,449,974		0	220,449,974	Capital	0
41	4030	168,550,937	70,386,253		0	70,386,253		70,386,253
42	4040	103,698,552	53,423,096		0	53,423,096	Capital	0
43	4050	0	0		0	0	Capital	0
44	4060	4,752,968	1,984,822		0	1,984,822	Capital	0
45	4070	70,119,852	29,281,793		0	29,281,793		29,281,793
46	4080	115,004,023	48,025,258		0	48,025,258		48,025,258
47	4110	684,540	285,861		285,861	0		0
48	4130	22,337,537	9,328,074		0	9,328,074		9,328,074
49	4120.1	109,796,407	45,850,577		0	45,850,577		45,850,577
50	4120.2	69,635,891	29,079,692		0	29,079,692	Capital	0
51	4120.3/4/5/6/9	238,943,219	99,781,812		0	99,781,812		99,781,812
52	4120 TOTAL	418,375,517	174,712,081		0	174,712,081		145,632,389
53	TOTAL CURRENT	1,978,638,786	836,391,260		285,861	836,105,399		531,167,815
54								
55								
56	Other Liability and							
57	Deferred Credits 1							
58	4310	211,224,645	88,206,637		0	88,206,637		88,206,637
59	4320	412,013,433	194,002,681		0	194,002,681	Capital	0
60	4330	21	9		9	0		0
61	4100/4340	2,260,437,856	967,154,116		0	967,154,116	Capital	0
62	4350	178,581	74,575		74,575	0		0
63	4360	116,211,093	48,529,326		0	48,529,326		48,529,326
64	TOTAL OTHER LIAB	3,000,065,630	1,297,967,344		74,584	1,297,892,760		136,735,963
65								
66								
67	Subtotal (Credits)	4,978,704,416	2,134,358,604		360,445	2,133,998,159		667,903,778
68								
69	Total Per Book	(3,193,561,035)	(1,410,423,721)		44,632,250	(1,455,055,971)		(88,818,946)
70								
71								
72								
73								

Supporting Schedules:

Recap Schedules:

Working Capital Allowance
Current Assets, Current Liabilities, and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1991

Schedule B-6c
Page 3 of 6
Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☒ or Year End ☐

Line No.	Description	Southern Bell Per Books	Florida Allocated	Associated Income or Cost	Non Utility Related	Utility Related	Associated Income or Cost	Working Capital
74	Adjustment for amounts excluded							
75	from working capital:							
76	4310							2,720,567
77	4360							36,083,163
78	1439							(2,503,278)
79								
80	Adjusted total							(52,518,494)
81								
82	Intrastate Factor							73.161362%
83								
84	Intrastate Amount excluding							
85	Materials & Supplies (A)							(38,423,245)
86								
87	Intrastate Materials & Supplies							27,570,011
88								
89	Intrastate Amount including							
90	Materials & Supplies							(10,853,234)

Note:

The allocations are made on the ratio of Florida Net Plant
plus Materials and Supplies, less Accumulated Deferred
Income Taxes and Unamortized Investment Tax Credit.

Working Capital Allowance
Current Assets, Current Liabilities, and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Bucket No. 920260-TL
Test Year 1991

Schedule B-6c
Page 4 of 6
Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☒ or Year End ☐

Line No.	Account	Description Subsidiary Record Category	Sub-account Detail	Account Total
90	1401	1400	93,455,285	
91		1910	5,712	
92		4900	7,871,031	101,332,028
93				
94	1402	1000	(207)	
95		3000	1,631,456	
96		5000	165	1,631,414
97				
98	1407	1100		146,896,016
99				
100	1408	0		0
101				
102	1410	1000	11,364,316	
103		9000	3,850,241	15,214,557
104				
105	1438	0		4,381,851
106				
107	1439	1000	11,274,221	
108		2000	125	
109		8100	44,845,062	
110		8200	(34,490,432)	
111		9100	1,286,219	
112		9210	28,978,223	
113		9220	(13,141,295)	
114		9400	3,160,836	
115		9700	93,800,538	
116		9800	6,299,316	
117		9900	79,100,127	
118		Clearing accounts	5,059,853	226,172,793
119				
120	Total Non-current Assets			495,628,660

Supporting Schedules:

Recap Schedules:

Working Capital Allowance
Current Assets, Current Liabilities, and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1991

Schedule B-6c
Page 5 of 6
Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☒ or Year End ☐

Description				
Line No.	Account	Subsidiary Record Category	Sub-account Detail	Account Total
119	4100	1100	0	
120		1200	6,532,135	
121		1900	(14,494,304)	
122		2100	0	
123		2200	1,177,376	
124		2900	(2,677,021)	(9,461,814)
125				
126	4310	0	0	
127		1000	123,139,904	
128		3000	12,567,812	
129		8000	68,855,623	
130		9000	6,661,307	211,224,645
131				
132	4320	1000	410,854,192	
133		2000	1,109,654	
134		3000	49,587	412,013,433
135				
136	4330	0		21

Supporting Schedules:

Recap Schedules:

Working Capital Allowance
Current Assets, Current Liabilities, and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company SOUTHERN BELL - FLORIDA
Docket No. 920260-TL
Test Year 1991

Schedule B-6c
Page 6 of 6
Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☒ or Year End ☐

Description				
Line	Account	Subsidiary	Sub-account	Account
No.		Record Category	Detail	Total
137	4340	1111	2,042,845,803	
138		1112	6,864,944	
139		1113	191,400	
140		1121	36,235,208	
141		1122	6	
142		1211	247,611,472	
143		1212	572,982	
144		1213	8,991	
145		1221	3,996,180	
146		2110	(10,358,003)	
147		2120	54,433,240	
148		2140	4,185,183	
149		2190	(102,359,677)	
150		2210	(2,246,377)	
151		2220	7,264,230	
152		2240	588,860	
153		2290	(19,934,771)	2,269,899,670
154				
155	4350	1100	0	
156		2100	198,955	
157		2200	(20,375)	178,581
158				
159	4360	1000	1,603,060	
160		2000	198,929	
161		3000	0	
162		3100	2,435,973	
163		3200	317,945	
164		4000	481	
165		9800	92,121,711	
166		9900	9,617,063	
167		Clearing accounts	9,915,930	116,211,093
168				
169	Total Liabilities and			
170	Other Deferred Credits			3,000,065,630

Supporting Schedules:

Recap Schedules:

Working Capital Allowance
Current Assets, Current Liabilities and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph
Docket No. 920260-TL
Test Year 1991

Schedule B-6d
Page 1 of 6
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Dec 1990	Jan 1991	Feb 1991	Mar 1991	Apr 1991	May 1991	Jun 1991
1	Per Book Amounts							
2	-----							
3	Current Assets:							
4	1130	55,564,021	49,361,493	51,274,347	66,246,757	58,196,567	51,941,873	53,968,693
5	1140	4,916,760	4,914,780	4,914,183	4,924,639	4,919,495	3,264,205	3,262,959
6	1150	872,928	1,001,505	1,035,825	979,266	967,669	1,063,707	988,438
7	1160	0	0	0	0	0	0	0
8	1200	298,353	195,129	188,687	197,780	238,033	247,189	256,345
9	1201	0	0	0	0	0	0	0
10	1180	1,073,694,765	1,051,925,360	1,063,109,335	1,062,077,039	1,047,800,203	1,025,821,082	1,073,075,008
11	1181	(47,655,329)	(48,759,293)	(49,710,042)	(48,944,898)	(48,222,357)	(53,270,622)	(56,098,336)
12	1190	60,385,191	57,215,801	56,073,733	57,006,160	55,920,203	61,898,900	59,130,248
13	1191	0	0	0	0	0	0	0
14	1290	720,193	1,193,386	1,049,233	957,903	849,952	721,804	608,391
15	1300	1,060,985	1,804,215	2,528,920	2,403,011	2,431,112	3,286,842	2,378,542
16	1310	3,613,016	5,748,894	5,181,650	4,437,602	6,546,560	6,871,593	6,207,828
17	1320	0	0	0	0	0	0	0
18	1330	5,615,641	5,992,361	5,859,771	6,185,000	5,491,411	9,475,640	10,528,404
19	1350	0	(4,805)	(4,702)	657	880	1,103	1,326
20	Total Current Assets	1,159,086,522	1,130,588,827	1,141,500,939	1,156,470,918	1,135,139,728	1,111,323,317	1,154,307,847
21								
22	Noncurrent Assets:							
23	1406	0	0	0	0	0	0	0
24	1407	0	0	0	0	0	0	0
25	1408	0	0	0	0	0	0	0
26	1410	26,154,613	23,568,658	21,495,752	20,080,596	18,272,004	16,463,412	18,046,426
27	1438	8,763,712	8,033,402	7,303,092	6,572,782	5,842,472	5,112,162	4,381,852
28	1439	228,410,774	242,561,423	254,927,317	229,716,264	245,282,922	201,453,860	217,888,258
29	Total Noncurrent Assets	263,329,099	274,163,483	283,726,161	256,369,643	269,397,399	223,029,434	240,316,536
30								
31	Subtotal (Deb.)	1,422,415,621	1,404,752,310	1,425,227,100	1,412,840,561	1,404,537,127	1,334,352,751	1,394,624,383

Supporting Schedules:

Recap Schedule: B-6c

Working Capital Allowance
Current Assets, Current Liabilities and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph
Docket No. 920260-TL
Test Year 1991

Schedule B-6d
Page 2 of 6
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Jul 1991	Aug 1991	Sep 1991	Oct 1991	Nov 1991	Dec 1991	Jan 1992 *
1	Per Book Amounts							
2	-----							
3	Current Assets:							
4	1130	59,613,677	52,427,687	62,939,664	46,800,307	49,231,457	50,775,676	119,323,980
5	1140	3,262,456	3,259,937	3,276,515	3,277,260	275,713	274,251	640,085
6	1150	1,030,991	930,276	852,391	865,787	843,125	886,031	2,250,408
7	1160	0	0	0	0	0	0	0
8	1200	265,403	274,524	283,603	293,056	291,844	205,486	529,814
9	1201	0	0	0	0	0	0	0
10	1180	1,013,968,387	1,059,196,765	1,083,911,407	1,044,193,427	1,055,208,343	1,056,233,046	1,734,779,078
11	1181	(46,467,300)	(49,104,478)	(45,913,167)	(48,936,524)	(54,340,951)	(50,679,453)	(82,017,116)
12	1190	59,291,320	65,718,443	64,367,861	60,251,543	67,770,014	85,446,097	123,198,582
13	1191	0	0	0	0	0	0	0
14	1290	1,005,609	817,812	655,962	512,134	365,733	879,195	1,947,408
15	1300	2,232,594	2,300,252	1,540,311	2,090,548	10,166,421	1,849,510	17,317,280
16	1310	5,495,047	4,839,535	8,027,581	7,386,741	6,759,534	3,480,551	7,585,446
17	1320	0	0	0	0	0	0	0
18	1330	8,303,877	6,901,398	5,473,628	6,674,155	4,543,676	4,439,642	5,897,310
19	1350	1,549	1,772	1,994	2,217	2,440	2,663	2,725
20	Total Current Assets	1,108,003,609	1,147,563,922	1,185,417,751	1,123,410,651	1,141,117,349	1,153,792,695	1,931,455,000
21								
22	Noncurrent Assets:							
23	1406	0	0	0	0	0	0	0
24	1407	0	0	0	0	0	0	0
25	1408	0	0	0	0	0	0	0
26	1410	15,530,718	20,605,452	3,228,954	4,609,044	5,998,695	3,195,339	3,768,889
27	1438	3,651,541	2,921,230	2,190,919	1,460,608	730,298	(12)	(12)
28	1439	219,174,466	219,307,790	228,493,762	212,922,507	222,074,963	212,129,202	422,761,163
29	Total Noncurrent Assets	238,356,725	242,834,473	233,913,634	218,992,159	228,803,956	215,324,529	426,530,040
30								
31	Subtotal (Deb.)	1,346,360,335	1,390,398,395	1,419,331,385	1,342,402,809	1,369,921,304	1,369,117,223	2,357,985,040

* Per book amounts for January, 1992 are for BellSouth Telecommunications, Inc.

Supporting Schedules:

Recap Schedule: B-6c

Working Capital Allowance
Current Assets, Current Liabilities and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph

Box No. 920260-TL

Test Year 1991

Schedule B-6d

Page 3 of 6

Witness Responsible

Check Whether Data Is:

Historic [X] or Projected []

Average [X] or Year End []

Line No.	Description	Dec 1990	Jan 1991	Feb 1991	Mar 1991	Apr 1991	May 1991	Jun 1991
32	Current Liab.:							
33	4010	(654,482,341)	(542,793,482)	(539,456,022)	(520,210,754)	(550,616,676)	(462,874,210)	(519,872,099)
34	4030	(165,062,422)	(168,039,934)	(168,784,423)	(167,642,934)	(168,458,267)	(166,509,350)	(166,369,883)
35	4070	(29,155,027)	(68,974,854)	(111,989,237)	(144,445,121)	(72,014,594)	(110,715,016)	(38,340,010)
36	4080	(44,414,553)	(48,459,310)	(60,229,641)	(78,474,275)	(93,499,931)	(109,563,000)	(128,437,122)
37	4120.1	(103,414,856)	(118,267,667)	(119,945,327)	(99,854,204)	(102,803,881)	(103,339,286)	(113,836,516)
38	4120.3/4/5/6/7/9	(268,072,365)	(278,974,446)	(229,671,404)	(205,272,544)	(220,624,625)	(240,854,731)	(225,425,877)
39	4130	(14,244,342)	(14,109,255)	(57,933,118)	(16,061,535)	(16,758,012)	(6,838,324)	(25,970,152)
40	Total Current Liab.	(1,278,845,907)	(1,239,618,948)	(1,288,009,171)	(1,231,961,366)	(1,224,775,986)	(1,200,693,916)	(1,218,251,658)
41								
42	Other Liability and							
43	Deferred Credits:							
44	4310	(98,906,778)	(181,912,794)	(187,602,680)	(193,310,607)	(198,998,470)	(204,687,992)	(212,746,829)
45	4360	(169,263,573)	(103,370,175)	(111,741,720)	(111,587,828)	(117,381,863)	(123,460,938)	(120,961,005)
46	Total Other Liability							
47	& Deferred Credits	(268,170,351)	(285,282,969)	(299,344,599)	(304,898,435)	(316,380,333)	(328,148,929)	(333,707,834)
48								
49	Subtotal (Cred.)	(1,547,016,258)	(1,524,901,917)	(1,587,353,770)	(1,536,859,801)	(1,541,156,319)	(1,528,842,845)	(1,551,959,492)
50								
51								
52	Total Per Book	(124,600,637)	(120,149,607)	(162,126,670)	(124,019,240)	(136,619,192)	(194,490,094)	(157,335,108)
53								
54	Allocated Amounts							
55	-----							
56								
57	Current Assets	484,030,280	472,129,747	476,686,605	482,938,013	474,030,186	464,084,540	482,034,722
58	Non Current Assets	109,965,266	114,489,665	118,483,004	107,059,022	112,499,365	93,136,274	100,355,304
59	Subtotal (Debits)	593,995,545	586,619,411	595,169,609	589,997,035	586,529,552	557,220,814	582,390,026
60								
61	Current Liabilities	(534,041,359)	(517,660,325)	(537,867,905)	(514,462,547)	(511,461,959)	(501,405,375)	(508,737,423)
62	Other Liabilities							
63	& Deferred Credits	(111,986,955)	(119,133,121)	(125,005,207)	(127,324,468)	(132,119,266)	(137,033,789)	(139,355,167)
64								
65	Subtotal (Cred.)	(646,028,314)	(636,793,446)	(662,873,111)	(641,787,015)	(643,581,225)	(638,439,164)	(648,092,591)

Supporting Schedules:

Recap Schedule: B-6c

Working Capital Allowance
Current Assets, Current Liabilities and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph
Docket No. 920260-TL
Test Year 1991

Schedule B-6d
Page 4 of 6
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Jul 1991	Aug 1991	Sep 1991	Oct 1991	Nov 1991	Dec 1991	Jan 1992 †
32	Current Liab.:							
33	4010	(519,094,198)	(533,944,525)	(544,858,789)	(503,958,730)	(682,864,894)	(637,535,523)	(934,964,686)
34	4030	(168,230,877)	(168,911,979)	(170,851,006)	(171,302,189)	(169,976,002)	(170,006,384)	(285,595,772)
35	4070	(77,345,358)	(115,305,073)	383,197	(17,500,172)	(41,363,823)	(58,501,306)	(200,388,980)
36	4080	(143,413,987)	(162,608,945)	(183,657,850)	(202,223,095)	(102,567,534)	(89,412,627)	(123,212,916)
37	4120.1	(128,283,021)	(123,437,782)	(102,196,806)	(98,112,529)	(100,371,929)	(110,801,010)	(227,780,338)
38	4120.3/4/5/6/7/9	(227,057,091)	(228,827,955)	(243,706,332)	(263,186,238)	(247,369,022)	(244,624,369)	(567,675,111)
39	4130	(23,451,225)	(24,684,324)	(17,978,957)	(19,784,845)	(25,593,908)	(23,529,240)	(26,860,946)
40	Total Current Liab.	(1,286,875,756)	(1,357,720,582)	(1,262,866,543)	(1,276,067,797)	(1,370,107,112)	(1,334,410,459)	(2,366,478,750)
41								
42	Other Liability and							
43	Deferred Credits:							
44	4310	(214,500,840)	(224,692,060)	(240,599,480)	(245,943,805)	(252,954,271)	(254,584,657)	(387,303,987)
45	4360	(115,519,743)	(117,154,541)	(134,581,278)	(143,592,998)	(77,403,725)	(66,291,438)	(91,879,866)
46	Total Other Liability							
47	& Deferred Credits	(330,020,583)	(341,846,402)	(375,180,758)	(389,536,803)	(330,357,996)	(320,876,095)	(479,183,852)
48								
49	Subtotal (Cred.)	(1,616,896,339)	(1,699,566,983)	(1,638,047,301)	(1,665,604,600)	(1,700,465,109)	(1,655,286,554)	(2,845,662,602)
50								
51								
52	Total Per Book	(270,536,004)	(309,168,588)	(218,715,916)	(323,201,791)	(330,543,804)	(286,169,331)	(487,677,563)
53								
54	Allocated Amounts							
55	-----							
56								
57	Current Assets	462,698,243	479,218,484	495,026,104	469,132,167	476,526,419	481,819,597	456,850,693
58	Non Current Assets	99,536,894	101,406,785	97,681,476	91,450,322	95,547,693	89,918,733	111,675,382
59	Subtotal (Debits)	562,235,137	580,625,269	592,707,580	560,582,489	572,074,111	571,738,330	568,526,075
60								
61	Current Liabilities	(537,394,595)	(566,979,134)	(527,368,436)	(532,881,231)	(572,151,704)	(557,244,913)	(569,401,777)
62	Other Liabilities							
63	& Deferred Credits	(137,815,385)	(142,753,803)	(156,674,108)	(162,669,140)	(137,956,287)	(133,996,680)	(116,045,300)
64								
65	Subtotal (Cred.)	(675,209,980)	(709,732,937)	(684,042,544)	(695,550,371)	(710,107,991)	(691,241,593)	(685,447,077)

† Per book amounts for January, 1992 are for BellSouth Telecommunications, Inc.

Supporting Schedules:

Recap Schedule: B-6c

Working Capital Allowance
Current Assets, Current Liabilities and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph
Docket No. 920260-TL
Test Year 1991

Schedule B-6d
Page 5 of 6
Witness Responsible

Check Whether Data Is:
Historic [X] or Projected []
Average [X] or Year End []

Line No.	Description	Dec 1990	Jan 1991	Feb 1991	Mar 1991	Apr 1991	May 1991	Jun 1991
66	Total allocated							
67	before adjustment	(52,032,769)	(50,174,035)	(67,703,503)	(51,789,980)	(57,051,673)	(81,218,350)	(65,702,564)
68								
69	Adjustment for amounts							
70	excluded from working							
71	capital:							
72	4310	3,189,211	3,092,863	3,092,863	3,092,863	3,092,863	3,092,863	3,092,863
73	4360	33,140,937	34,315,427	35,959,712	37,369,100	38,778,488	40,187,875	41,597,263
74	1439 RDA Adjustment	0	0	0	0	0	0	0
75								
76								
77	Total Working Capital							
78	excluding Materials & Supplies	(15,702,621)	(12,765,746)	(28,650,928)	(11,328,017)	(15,180,323)	(37,937,612)	(21,012,439)

Supporting Schedules:

Recap Schedule: B-6c

Working Capital Allowance
Current Assets, Current Liabilities and Deferred
Debits and Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell Telephone & Telegraph
Docket No. 920260-TL
Test Year 1991

Schedule B-6d
Page 6 of 6
Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☒ or Year End ☐

Line No.	Description	Jul 1991	Aug 1991	Sep 1991	Oct 1991	Nov 1991	Dec 1991	Jan 1992
66	Total allocated							
67	before adjustment	(112,974,843)	(129,107,668)	(91,334,964)	(134,967,882)	(138,033,880)	(119,503,263)	(116,921,002)
68								
69	Adjustment for amounts							
70	excluded from working							
71	capital:							
72	4310	2,299,374	2,299,374	2,299,374	2,299,374	2,254,980	2,085,109	7,101,554
73	4360	40,463,071	40,427,158	41,836,546	43,245,933	14,933,931	14,625,894	36,558,519
74	1439 RDA Adjustment	(1,668,852)	(3,337,704)	(5,006,556)	(6,675,408)	(8,344,260)	(10,013,111)	(7,828,142)
75								
76								
77	Total Work. Capital							
78	excluding Materials & Supplies	(71,881,250)	(89,718,841)	(52,205,601)	(96,097,983)	(129,189,229)	(112,805,371)	(81,087,071)

Supporting Schedules:

Recap Schedule: B-6c

Property Held for Future Use

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule B-7a

Page 1 of 1

Witness Responsible:

Check Whether Data Is:

Historic [X] or Projected []

Average [X] or Year End []

Line No.	Description & Location of Property	Date of Acquisition	Intended Use	Current Use	Cost	Test Year Average Cost	Est. Current Market Value	Construc- tion Commence- ment Date	In Service Date	Other Disposition (see note)	Cost of Improve- ments	Rental Income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1.	LAND - Palm Beach (E0257)	APR 1991	SLC-96	None	26,340	18,610	NA				0	0
2.	LAND - Loxahatchee (E1676)	APR 1991	SLC-96	None	24,226	17,160	NA				0	0
3.	LAND - FT. Pierce (E7212)	SEP 1991	Parking	None	17,550	5,064	NA				0	0
4.	LAND - FT. Pierce (E7213)	SEP 1991	Parking	None	45,044	13,084	NA				0	0
5.	LAND - FT. Pierce (E7214)	OCT 1991	Parking	None	56,633	11,799	NA				0	0
6.	LAND - Jacksonville (3B746)	NOV 1989	SLC-96	None	4,305	4,125	NA			DEC 1991	0	0
7.	LAND - Jacksonville (3C895)	FEB 1989	SLC-96	None	7,935	7,605	NA			DEC 1991	0	0
8.	LAND - Orlando (3E830)	JAN 1990	CO	None	305,996	89,248	NA			APR 1991	0	0
9.	LAND - Orlando (3F262)	JAN 1990	CO	None	244,536	71,319	NA			APR 1991	0	0
10.	LAND - Cocoa (33615)	MAR 1991	CO	None	65,788	52,025	NA				0	0
11.	LAND - Dunnellon (36004)	MAY 1990	CO	None	59,443	56,966	NA		DEC 1991		0	0
12.	CONDUIT - Plantation (E4502)	MAR 1990	*	None	(68,218)	(8,527)	NA				0	0
13.	CONDUIT - S.E. Jacksonville (32021)	DEC 1990		None	1,427	627	NA		JUN 1991		0	0
14.												
15.												
16.	TOTAL SRC 2002					339,105						

Note: Other Disposition means a change in plans - anticipated use not within two years.

* Estimate system error involving a billing estimate - corrected February 1991.

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-7b

Page 1 of 13

Witness Responsible:

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☐ or Year End ☒

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	November 1985	January 1987	Central Office Orlando	1a	1b	\$32,590	\$0
1a.	To provide the implementation of the next generation of switching equipment, the initial hybrid No. 2B Switching Control Center System.						
1b.	Cancelled due to major change in plan in implementing No. 2B SCCS Redundancy.						
2.	November 1980	May 1987	TD-2 Repeater Station Gainesville	2a	2b	\$31,348	\$0
2a.	To provide for Southern Bell's portion of expenditures for the replacement of jointly owned radio equipment consisting of solid stating twenty-two TD-2 Radio Bays.						
2b.	Cancelled due to divestiture.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-7b

Page 2 of 13

Witness Responsible:

Check Whether Data Is:

Historic [X] or Projected []

Average [] or Year End [X]

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	April 1987	June 1987	Miami-Hialeah Central Office Hialeah	1a	1b	\$26,196	\$0
1a.	To provide for the addition of Power Plant equipment for the new Digital Mutiplex System (DMS) Switch in the Miami-Hialeah Central Office.						
1b.	Cancelled due to the proposed Digital Mutiplex System (DMS-100) Switch at the Hialeah Office being cancelled.						
2.	October 1986	August 1987	Nautilus Central Office Panama City Beach	2a	2b	\$33,626	\$0
2a.	Provides for the addition of power plant equipment to provide additional capacity required for anticipated growth in the Panama City Beach-Central Office.						
2b.	Due to a change in plan, this project has been cancelled in its entirety. The materials were subsequently transferred to other projects for reuse.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-7b

Page 3 of 13

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	June 1987	June 1988	Brooksville Jefferson Electronic Switching System Brooksville	1a	1b	\$64,288	\$0
1a.	Provided for the installation of One Seven Foot M1C Shelf e/w 30 Muldems in the Brooksville Central Office.						
1b.	Prior to this installation it was determined that existing Project NF36576 would provide the required multiplexers for this area and therefore this addition would not be needed.						
2.	December 1987	June 1988	West Palm Beach Airport Southeast Area Wide	2a	2b	\$29,808	\$0
2a.	To provide a Remote Switching Center (RSC) to service customers at the West Palm Beach Airport.						
2b.	Cancelled due to a change in plan to delete the West Palm Beach Airport's Remote Switching Center (RSC) from the Palm Beach net undertaking.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-7b

Page 4 of 13

Witness Responsible:

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☐ or Year End ☒

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	September 1987	October 1988	Airport Remote Switching Center (RSC) West Palm Beach	1a	1b	\$63,742	\$0
1a.	To provide for the initial Power Plant Equipment for the West Palm Beach Airport Area No. E3211.						
1b.	Due to a change in plan, the project was cancelled in its entirety.						
2.	August 1986	November 1988	Central Office Royal Palm Beach	2a	2b	\$567,179	\$0
2a.	To provide the initial Royal Palm No.5 Electronic Switching System (5ESS).						
2b.	Due to a change in plan, this project was cancelled in its entirety. The materials were subsequently transferred to Project BHEA046601 to be reused on this new undertaking.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-7b

Page 5 of 13

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	November 1987	November 1988	Mondarn Lemonwood Central Offices Jacksonville	1a	1b	\$29,330	\$0
1a.	To provide for a building addition using a concrete module system, water and sewer services-Rec RR 30x20 Addn EB Gef & BR						
1b.	Due to city requirements on drainage, the present design could not be incorporated on the existing site. It is not cost effective to proceed with this plan, therefore, the work is being abandoned and a new design is being studied.						
2.	May 1987	January 1989	Quadrangle Central Office Orlando	2a	2b	\$34,098	\$0
2a.	To provide for the addition of No. 5 Remote Switching Module (RSM) Power Plant equipment in the proposed Orlando, Florida, Quadrangle Central Office.						
2b.	Due to a change in plan, canceling the purchase of a new Switching System and eliminating the construction of a new building.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-7b

Page 6 of 13

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	December 1982	January 1989	Subscriber Loop Carrier SLC-96 Brooksville	1a	1b	\$43,429	\$0
1a.	Provided for the installation of one SLC-96 Maxi-Hut e/w six SLC-96 remote terminals for the Brooksville serving area.						
1b.	Due to a change in plan, it was determined that this equipment would be used on Project NF13557 in the Melbourne area.						
2.	October 1987	February 1989	MCCLURE DMS-100 Central Office Gulf Breeze	2a	2b	\$75,098	\$0
2a.	Provided to add Digital Multiplex System, DMS-100 switching equipment for growth and to replace and retire digital carrier equipment.						
2b.	Due to a change in plan, TEO NF16432 is cancelled, TEO NF16432001 was allowed to complete and service.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule B-7b

Page 7 of 13

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	December 1986	March 1989	Deland Main Central Office Deland	1a	1b	\$25,069	\$0
1a.	Provided for the addition of two Subscriber Loop Carrier SLC-96 Central Office Terminal Bay equipment.						
1b.	Due to a change in plan, the project was cancelled. All available material was transferred to various projects.						
2.	May 1987	May 1989	Remote Switching Center Brickell Avenue Building, Miami	2a	2b	\$26,884	\$0
2a.	To provide a new Power Plant to support the proposed Remote Switching Center.						
2b.	Due to a change in plan, the Switching Project to supply power, was cancelled. The material will be reused in project JEA2425.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-7b

Page 8 of 13

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	April 1987	November 1989	Warrington Central Office Pensacola	1a	1b	\$43,470	\$0
1a.	Provided to add SB-5285/LAS local toll alarm systems.						
1b.	Due to a change in plan, this local alarm system is no longer economical to install and is being replaced by a newer product recommended by the Florida Alarm Committee.						
2.	April 1989	November 1989	Magnolia Central Office Orlando	2a	2b	\$357,541	\$0
2a.	Provided to add Digital Carrier Trunk Frames and a Trunk Link Network Frame.						
2b.	Due to a change in plan, as described in the Network Engineering Traffic Order. The material will subsequently be used on other authorities.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule B-7b

Page 9 of 13

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	November 1988	November 1989	Southside Boulevard Central Office Jacksonville	1a	1b	\$98,197	\$0
1a.	To provide for an Initial Number Five Electronic Switching System.						
1b.	Due to a change in plan, this project was cancelled.						
2.	August 1988	November 1989	Southside Boulevard Central Office Jacksonville	2a	2b	\$107,054	\$0
2a.	Provided to install circuit equipment.						
2b.	The project was cancelled when American Express did not purchase Southern Bell service and removed the trigger for the new office. The Lightguide Distribution System, LGX, that is now in place will be retained.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule B-7b

Page 10 of 13

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	August 1988	November 1989	Central Office Perrine	1a	1b	\$27,080	\$0
1a.	Provided to add a new No.5 Electronic Switching System (SESS) switch.						
1b.	Cancelled due to a change in plan.						
2.	December 1986	November 1989	Miami International Medical Center Miami	2a	2b	\$103,504	\$0
2a.	Provided for an addition of a new Remote Switching Center (RSC).						
2b.	Cancelled due to a change in plan.						

Supporting Schedules: None

Recap Schedules: None

**Five Year Analysis
Abandoned Projects Exceeding \$25000**

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule B-7b

Page 11 of 13

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	June 1988	January 1990	Southside Remote Switching Module (RSM) Office Jacksonville	1a	1b	\$50,683	\$0
1a.	To provide a new Power Plant to support the proposed Jacksonville Southside Boulevard No.5 Electronic Switching System (SESS), Remote Switching Module (RSM) Office.						
1b.	The Switching Project NF13176 was cancelled due to a change in plan. The material was transferred to Authority V2273 for reuse.						
2.	May 1988	June 1990	Southside Central Office Jacksonville	2a	2b	\$32,086	\$0
2a.	Provided for a Main Distributing Frame in the Jacksonville Southside Boulevard Central Office.						
2b.	Due to a change in plan, this project was cancelled in its entirety.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-7b

Page 12 of 13

Witness Responsible:

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☐ or Year End ☒

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	September 1990	July 1991	Subscriber Carrier Plug-ins North Florida Area	1a	1b	\$54,905	\$0
1a.	Provides for Subscriber Carrier type plug-ins, tools and test equipment to meet the service requirements of various locations in the North Florida Area.						
1b.	Partially cancelled due to the Loop Electronic Inventory Module (LEIM) Conversion.						
2.	October 1990	September 1991	Deerfield Beach Main Central Office Deerfield Beach	2a	2b	\$68,616	\$0
2a.	Addition of Number 1A Electronic Switching System (ESS) equipment to provide additional trunk capacity to meet anticipated demand.						
2b.	Partial abandonment due to a change in plan.						

Supporting Schedules: None

Recap Schedules: None

Five Year Analysis
Abandoned Projects Exceeding \$25000

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule B-7b

Page 13 of 13

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Line No.	Date of Work Authorization (1)	Date of Abandonment (2)	Description of Property (3)	Reason For Initiating Work (4)	Reason For Abandonment (5)	Costs While Active (6)	Net Salvage (7)
1.	February 1990	December 1991	Miami-Grande Central Office Miami	1a	1b	\$168,923	\$0
1a.	Replacement of the two Grande 1A Electronic Switching System (1AESS) Switches with growth into the Grande Digital Mutiplex System (DMS-100).						
1b.	Partial abandonment due to economic considerations, the Northern Telecom Digital Mutiplex System (DMS-100) growth extension was cancelled in favor of the replacement of the two 1A Electronic Switching System (1AESS) with the AT&T No.5 Electronic Switching System Switch.						

Supporting Schedules: None

Recap Schedules: None

Telephone Plant Under Construction
Noninterest Projects Test Year

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule B-8a

Page 1 of 1

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Line No.	Description	Project No.	Project Approval Date	Approved Budget Amount	Date Construction Work Begin	Estimated Project Completion Date	Percent Completed	Most Recent Budget Estimate	Project Expenditures to Date	Percent of Expenditures to Date
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	COE	F0925	10-91	84,501,500	01-92	12-92	0.0	84,501,500	331	0.0
2.	COE	F0923	09-91	14,603,000	01-92	12-92	0.0	14,603,000	0	0.0
3.	COE	F0924	09-91	13,978,001	01-92	12-92	0.0	13,978,001	0	0.0
4.	COE	F0921	09-91	11,235,100	01-92	12-92	0.0	11,235,100	0	0.0
5.	COE	F0922	09-91	9,515,661	01-92	12-92	0.0	9,515,661	0	0.0
6.	COE	F0839	12-90	7,700,000	01-91	11-91	100.0	6,700,000	6,432,099	96.0
7.	COE	L0579	10-91	7,150,000	01-92	06-92	86.9	7,150,000	6,210,955	86.9
8.	COE	F1172	07-91	4,141,900	10-91	03-92	79.2	4,141,900	3,281,454	79.2
9.	COE	F0845	12-90	3,600,000	03-91	04-91	100.0	3,600,000	3,532,066	98.1
10.	COE	D0469	06-91	3,180,000	07-91	08-91	100.0	3,180,000	2,828,601	88.9
11.	COE	L0502	07-91	1,832,000	08-91	02-92	93.8	1,832,000	1,718,641	93.8
12.	COE	D0394	03-91	1,700,000	07-91	09-91	100.0	1,700,000	1,652,806	97.2
13.	COE	D0356	01-91	1,626,000	06-91	02-92	88.3	1,626,000	1,435,762	88.3
14.	COE	L0387	11-90	1,528,000	01-91	06-91	100.0	1,528,000	1,519,982	99.5
15.	COE	F1018	01-91	1,370,200	03-91	06-91	100.0	1,370,200	1,516,443	110.7
16.	COE	F1083	03-91	1,300,000	06-91	11-91	100.0	1,300,000	1,422,511	109.4
17.	COE	F1264	10-91	1,250,500	01-92	04-92	1.0	1,250,500	12,626	1.0
18.	COE	D0355	01-91	1,242,000	03-91	05-91	100.0	1,242,000	59,128	4.8
19.	COE	L0424	03-91	1,231,800	09-91	01-92	54.5	1,231,800	670,736	54.5
20.	COE	L0553	08-91	1,172,000	01-92	08-92	0.6	1,172,000	6,665	0.6

Supporting Schedules: None

Recap Schedules: None

Telephone Plant Under Construction
Monthly Balances

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-8b

Page 1 of 1

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Line No.	Month	TPUC Short-term A/C 2003	TPUC Long-term A/C 2004	Interest Portion of A/C 2004	Interest Capitalized	Interest Rate (5/4)**
	(1)	(2)	(3)	(4)	(5)	(6)
1.	DEC 1990	57,464,004	30,656,353	11,206,625		
2.	JAN 1991	56,277,978	32,567,276	13,499,386	(166,009)	-0.012298
3.	FEB 1991	55,401,963	32,085,666	30,796,602	212,189	0.006890
4.	MAR 1991	66,655,604	39,244,178	31,521,043	197,920	0.006279
5.	APR 1991	75,204,126	40,330,224	34,866,306	234,361	0.006722
6.	MAY 1991	67,216,294	42,342,460	39,243,992	270,391	0.006890
7.	JUN 1991	69,412,070	42,937,772	40,834,968	281,353	0.006890
8.	JUL 1991	68,340,462	43,834,385	41,857,099	279,978	0.006689
9.	AUG 1991	58,446,443	47,085,969	42,940,430	295,860	0.006890
10.	SEP 1991	45,730,770	23,289,455	45,011,888	310,123	0.006890
11.	OCT 1991	41,967,470	25,316,521	34,737,334	239,340	0.006890
12.	NOV 1991	25,240,068	5,505,515	23,685,201	163,191	0.006890
13.	DEC 1991	34,044,234	18,311,474	14,946,049	94,183	0.006302
14.	TOTAL	663,937,482	392,850,895	393,940,298	2,412,880	0.073850
15.	AVERAGE	56,303,947	33,251,945	32,672,549	200,366	0.073591
16.	Authorized Rate	8.59%	Effective Date	October 1, 1988		
17.	Docket No.	880413-PU	Order No.	23156		

** The booked amount is calculated based on previous months average of Column 4. Therefore, there may be some differences between the interest rate in Column 6 and the actual rate applied.

Nonutility Operations Utilizing Utility Assets

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule B-9

Page 1 of 1

Witness Responsible:

Check Whether Data Is:

Historic [X] or Projected []

Average [X] or Year End [X]

Line No.	Location & Description	Acquisition Date	Account No.	Original Cost	Average Book Value	Description of Use	Nonutility Accumulated Capital Improvements	Associated Revenue Accounts	Revenue Amounts	Associated Expense Accounts	Expense Amounts
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1.	Land & Building - Wilton Manors SOC 2901 Dixie Hwy., Oakland Park	1980	2006	1,708,128	1,708,128	Leased	0	7360	85,860	7440	9,593
2.	Land & Building - Brentwood SOC 623 Beechwood St., Jacksonville	1977	2006	556,876	556,876	Leased	0	7360	50,000	7440	*
3.	Land & Building - Metro Test Center 1351 N.W. 20 St., Miami	1971	2006	390,132	390,132	Leased	0	7360	49,500	7440	16,810
4.	Land & Building - Flagler/Bunnell SOC St. Rd. 100, Bunnell	1980	2006	318,865	318,865	Leased	0	7360	8,400	7440	*
5.	Land & Building - Abbott SOC 6940 Abbott Ave., Miami Beach	1966	2006	222,508	222,508	Leased	0	7360	43,884	7440	16,177
6.	Land & Building - Bay Road 1916 Bay Road, Miami Beach	1956	2006	215,491	215,491	Leased	0	7360	45,000	7440	14,882

* 1991 Property Taxes are based on investment as of 1-1-91. These properties represent investment transferred to the non-operating account after 1-1-91 and would be subject to non-operating taxes applicable to tax year 1992.

Supporting Schedules: C-21b

Recap Schedules: None

Leasing Arrangements

FLORIDA PUBLIC SERVICE COMMISSION
 Company SOUTHERN BELL - FLORIDA
 Docket No. 920260-TL
 Test Year 1991

Schedule B-10
 Page 1 of 2
 Witness Responsible

Check Whether Data Is:
 Historic ☒ or Projected ☐
 Average ☒ or Year End ☐

Line No.	Asset	Estimated Original Cost (Capitalized Value Per FASB 13)	Annual Payment	Square (1) Feet	Life of Contract	Disposition of Asset Provision for Purch.
-------------	-------	--	-------------------	--------------------	---------------------	--

Southern Bell - Florida had no capitalized leases with lifetime lease costs exceeding 0.1% of total plant in service during 1991.

(1) Show square feet for space rental items

Supporting Schedules:

Recap Schedules:

Leasing Arrangements

FLORIDA PUBLIC SERVICE COMMISSION
 Company SOUTHERN BELL - FLORIDA
 Docket No. 920260-TL
 Test Year 1991

Schedule B-10
 Page 2 of 2
 Witness Responsible

Check Whether Data Is:
 Historic ☒ or Projected ☐
 Average ☒ or Year End ☐
 This form contains information related to 1990.

Line No.	Asset	Estimated Original Cost (Capitalized Value Per FASB 13)	Annual Payment	Square (1) Feet	Life of Contract	Disposition of Asset Provision for Purch.
-----	-----	-----	-----	-----	-----	-----

Southern Bell - Florida had no capitalized leases with lifetime lease costs exceeding 0.1% of total plant in service during 1990.

(1) Show square feet for space rental items

Supporting Schedules:

Recap Schedules:

**Budgeted Expenditures for Central Office/Toll Center Additions
Current Year and Ensuing Three Calendar Years**

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No 920260-TL

Test Year 1991

Schedule B-11

Page 1 of 2

Witness Responsible

Check Whether Data Is:

Historic [X] or Projected [X]

Average [] or Year End [X]

Line No.	Year	Type of Equipment	Location	(\$M) Cost Estimate	(000) Line Capacity To Be Added	(000) Line Capacity To Be Retired	(000) Year End Line Capacity In Service
1.	1991	DMS-100	FORT LAUDERDALE MAIN	9.626	81,500	43,900	81,500
2.	1991	SESS	* MIAMI-GRANDE	7.479	46,000	51,400	46,000
3.	1991	SESS	ORLANDO-AZALEA PARK	6.386	(SEE 1992)	(SEE 1992)	(SEE 1992)
4.	1991	DMS-102	JACKSONVILLE-SAN MARCO	6.373	26,000	22,800	26,000
5.	1991	SESS	HOLLYWOOD-PEMBROKE PINES	6.152	69,600	61,000	69,600
6.	1991	SESS	HAVERHILL	5.842	67,500	60,600	67,500
7.	1991	SESS	CORAL SPRINGS	4.871	71,300	46,200	71,300
8.	1991	SESS	MIAMI-PALMETTO	4.475	63,200	45,700	63,200
9.	1991	DMS-100	* JACKSONVILLE-CLAY	3.872	19,400	27,400	27,400
10.	1991	SESS	WWSP-HIGHLAND	3.136	12,600	11,800	12,600
			TOTAL	58.212	457,100	370,800	465,100
1.	1992	SESS	** GAINESVILLE-MAIN	8.612	84,000	66,900	84,000
2.	1992	SESS	ORLANDO-COLONIAL	5.147	32,600	29,900	32,600
3.	1992	EWSD	BOCA RATON-MAIN	5.100	69,500	60,000	69,500
4.	1992	DGTL	** PENSACOLA-FERRY PASS	4.731	51,300	44,800	51,300
5.	1992	SESS	** ORLANDO-SANDLAKE	4.500	32,100	25,500	32,100
6.	1992	SESS	EAU GALLE-BOWE GARDENS	4.300	35,900	31,200	35,900
7.	1992	SESS	ORLANDO-AZALEA PARK	3.379	54,800	39,000	80,800
8.	1992	MULTI PURP POSITIONS	JACKSONVILLE-REGENCY	2.598	0	0	0
9.	1992	SESS	ORLANDO-PINECASTLE	1.999	20,000	0	77,300
10.	1992	SESS	FORT LAUDERDALE-CYPRESS	1.650	(SEE 1993)	(SEE 1993)	(SEE 1993)
			TOTAL	42.016	380,200	297,300	463,500

* Indicates significant capital dollars in both 1991 and 1992.

** Indicates significant capital dollars in both 1992 and 1993.

Supporting Schedules: None

Recap Schedules: None

**Budgeted Expenditures for Central Office/Toll Center Additions
Current Year and Ensuing Three Calendar Years**

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No 920260-TL

Test Year 1991

Schedule B-11

Page 2 of 2

Witness Responsible

Check Whether Data Is:

Historic [X] or Projected [X]

Average [] or Year End [X]

Line No.	Year	Type of Equipment	Location	(\$M) Cost Estimate	(000) Line Capacity To Be Added	(000) Line Capacity To Be Retired	(000) Year End Line Capacity In Service
1.	1993	DGTL	DAYTONA BEACH MAIN	8.130	50,300	45,946	50,300
2.	1993	SESS	POMPANO-MARGATE	7.465	80,000	73,000	80,000
3.	1993	DES	FT. PIERCE	7.040	56,100	40,300	56,100
4.	1993	DES	SILVEROAKS	6.945	63,400	55,100	63,400
5.	1993	SESS	FORT LAUDERDALE-JACARANDA	6.618	64,300	56,500	64,300
6.	1993	SESS	WEST PALM BEACH-GREENACRES	6.495	81,700	77,800	81,700
7.	1993	SESS	FORT LAUDERDALE-CYPRESS	5.964	49,100	45,400	49,100
8.	1993	SESS	MIAMI BEACH	5.155	48,300	48,000	48,300
9.	1993	SESS	HOLLYWOOD MAIN	4.615	48,900	47,500	48,900
10.	1993	DGTL	JACKSONVILLE-ARLINGTON	4.535	30,200	47,500	30,200
			TOTAL	62.962	572,300	517,046	572,300
1.	1994	SESS	MIAMI-RED ROAD	11.605	55,000	55,300	55,000
2.	1994	SESS	MIAMI-ALHAMBRA	7.200	69,699	64,315	69,699
3.	1994	DGTL	JUPITER	6.407	47,200	42,500	47,200
4.	1994	SESS	MIAMI-GRANDE	3.035	8,100	0	54,100
5.	1994	DES (AIN)	SOUTHEAST FLORIDA AREA	2.700	0	0	0
6.	1994	DMS-100	FT. LAUDERDALE MAIN	2.314	4,600	46,100	87,700
7.	1994	DES (SMDS)	SOUTHEAST FLORIDA AREA	2.250	0	0	0
8.	1994	DGTL	MIAMI METRO	2.220	21,000	21,000	21,000
9.	1994	DGTL	WEST DADE	2.209	11,200	0	59,300
10.	1994	DMS-100	WEST PALM BEACH GARDENS	1.600	0	0	54,300
			TOTAL	41.540	216,799	229,215	448,299

Supporting Schedules: None

Recap Schedules: None

Capital Additions and Retirements
Property Merged or Acquired from Other Companies
Test Year

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.

Docket No. 920260-TL

Test Year 1991

Schedule B-12

Page 1 of 1

Witness Responsible:

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Line No.	Account No.	Description of Property	Acquisition Cost	Original Cost	Acquisition Adjustment	Case No. or Authority No.	Date of Acquisition	Explanation of Property Accounting Treatment
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

Nothing to Report

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13
Footnotes
Witness Responsible

Item No.	Account/ Sub-Account No.	Plant Account Title	Explanation
B1	2220/117C	Operator Systems (Analog)	The 1991 Status Report depreciation expense was stated in error as \$1,865,462.98 due to the duplication of an accrual adjustment of \$277,112.66. The correct depreciation expense of \$1,588,350.32 and 12/31/91 reserve balance of \$4,487,879.51 are reflected on Schedule B-13.
B2	2220/117C	Operator Systems (Digital)	The contra reserve balance is due to the early replacement of TOPS units.
B3	2321/19,39, 49,69,79, 89C	Customer Premise Wiring	Activity booked after final retirement will be handled the following year.

Schedule B-13 reflects 1991 activity as well as out of period adjustments to 1991 activity.

Refer to Schedule C-22b for undepreciable accounts.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 1 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
<input type="checkbox"/> Whole Life			<input checked="" type="checkbox"/> Remaining Life			
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2112/40C	Embedded Light Vehicles	JAN-1-91	12,603,328.11	6,904,408.43	
2.			JAN-91	12,309,099.32	6,724,036.25	56,278.70
3.			FEB-91	12,247,131.14	6,735,686.74	54,728.94
4.			MAR-91	12,005,682.17	6,619,720.60	54,972.66
5.			APR-91	11,763,567.37	6,431,374.79	53,482.31
6.			MAY-91	11,074,885.87	5,821,483.97	52,391.30
7.			JUN-91	10,680,523.21	5,462,763.35	48,287.45
8.			JUL-91	10,538,830.70	5,398,940.42	47,175.04
9.			AUG-91	10,517,427.75	5,419,463.86	47,105.93
10.			SEP-91	10,383,093.80	5,339,635.89	47,280.27
11.			OCT-91	10,308,042.72	5,340,141.02	46,421.67
12.			NOV-91	10,296,034.32	5,379,523.34	46,217.33
			DEC-91	10,252,825.18	5,446,945.60	46,305.13
	Twelve month average/total			11,031,428.63	5,843,309.65	600,646.73

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 2 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
			JAN-1-91	16,370,542.47	12,085,072.06	
1.	2112/40C	Embedded Heavy Trucks	JAN-91	16,289,144.70	12,077,235.02	73,560.73
2.			FEB-91	16,289,144.70	12,150,353.03	73,118.01
3.			MAR-91	16,263,594.84	12,198,104.32	73,301.15
4.			APR-91	16,246,982.18	12,254,620.35	73,128.69
5.			MAY-91	16,184,262.03	12,266,079.04	73,074.04
6.			JUN-91	16,119,989.47	12,274,292.36	72,688.06
7.			JUL-91	16,119,989.47	12,346,633.77	72,395.34
8.			AUG-91	16,087,633.08	12,386,817.33	72,539.95
9.			SEP-91	15,927,416.03	12,393,388.79	72,321.55
10.			OCT-91	16,019,123.33	12,472,981.67	71,312.88
11.			NOV-91	16,019,123.33	12,546,555.86	72,292.40
12.			DEC-91	16,019,882.80	12,628,741.10	72,086.09
	Twelve month average/total			16,132,190.50	12,332,983.55	871,818.89

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 3 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
(X) Whole Life			() Remaining Life			
Line No.	Account/ Sub-Account No. **	Plant Account Title	Month and Year	Plant Balances*	Reserve Balance*	Depreciation Expense
	(1)	(2)	(3)	(4)	(5)	(6)
			JAN-1-91	0.00	0.00	
1.	2112/40C	New Light Trucks, Passenger Vehicles	JAN-91	0.00	0.00	0.00
2.			FEB-91	22,049.66	0.00	0.00
3.			MAR-91	1,016,820.58	314.21	314.21
4.			APR-91	1,660,074.21	14,699.17	14,384.96
5.			MAY-91	2,011,616.33	33,525.33	18,826.16
6.			JUN-91	2,050,237.45	54,305.51	20,780.18
7.			JUL-91	2,162,251.01	73,966.22	19,660.71
8.			AUG-91	2,193,842.48	95,039.66	21,073.44
9.			SEP-91	2,198,473.19	116,031.22	20,991.56
10.			OCT-91	2,209,732.71	136,938.71	20,907.49
11.			NOV-91	2,210,447.58	157,984.66	21,045.95
12.			DEC-91	2,211,162.45	178,987.31	21,002.65
	Twelve month average/total			1,662,225.64	71,816.00	178,987.31

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense

Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 4 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.

(X) Whole Life			() Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
			JAN-1-91	0.00	0.00	
1.	2112/40C	New Heavy Trucks	JAN-91	0.00	0.00	0.00
2.			FEB-91	0.00	0.00	0.00
3.			MAR-91	0.00	0.00	0.00
4.			APR-91	186,659.64	0.00	0.00
5.			MAY-91	448,650.35	1,983.26	1,983.26
6.			JUN-91	566,676.86	6,089.08	4,105.82
7.			JUL-91	628,127.08	10,521.05	4,431.97
8.			AUG-91	628,127.08	15,187.92	4,666.87
9.			SEP-91	855,779.72	19,637.15	4,449.23
10.			OCT-91	1,000,010.00	26,505.19	6,868.04
11.			NOV-91	1,409,331.83	34,099.41	7,594.22
12.			DEC-91	1,740,233.01	45,531.87	11,432.46
	Twelve month average/total			621,966.30	13,296.24	45,531.87

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 5 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.							
<input type="checkbox"/> Whole Life			<input checked="" type="checkbox"/> Remaining Life				
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)	
			JAN-1-91	3,048.56	2,476.27		
1.	2114/240C	Special Purpose Vehicles	JAN-91	3,048.56	2,492.78	16.51	
2.			FEB-91	3,048.56	2,509.29	16.51	
3.			MAR-91	3,048.56	2,525.80	16.51	
4.			APR-91	3,048.56	2,542.31	16.51	
5.			MAY-91	3,048.56	2,558.82	16.51	
6.			JUN-91	3,048.56	2,575.33	16.51	
7.			JUL-91	3,048.56	2,591.84	16.51	
8.			AUG-91	3,048.56	2,608.35	16.51	
9.			SEP-91	3,048.56	2,624.86	16.51	
10.			OCT-91	3,048.56	2,641.37	16.51	
11.			NOV-91	3,048.56	2,657.88	16.51	
12.			DEC-91	3,048.56	2,674.39	16.51	
	Twelve month average/total			3,048.56	2,583.59	198.12	

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

• Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 6 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
<input type="checkbox"/> Whole Life			<input checked="" type="checkbox"/> Remaining Life			
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2121/10C	Buildings (Administration/DPC)	JAN-91	230,864,660.95	41,776,448.35	
2.			JAN-91	231,323,254.80	42,163,946.88	404,727.44
3.			FEB-91	231,386,856.80	42,550,662.53	405,216.97
4.			MAR-91	231,480,581.38	42,897,224.70	404,982.65
5.			APR-91	231,593,168.05	43,294,974.39	405,173.03
6.			MAY-91	231,695,946.83	43,623,903.49	405,386.56
7.			JUN-91	231,961,545.85	44,027,251.40	405,557.84
8.			JUL-91	232,131,707.14	44,371,861.31	406,165.10
9.			AUG-91	233,246,923.31	44,770,355.60	406,379.38
10.			SEP-91	233,246,692.54	45,105,742.97	409,157.93
11.			OCT-91	233,505,155.77	45,479,695.06	408,181.51
12.			NOV-91	233,021,336.85	45,252,646.36	408,860.18
			DEC-91	234,038,273.10	45,306,528.68	407,363.98
	Twelve month average/total			232,385,953.54	44,070,399.45	4,877,152.57

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 7 of 34

Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
<input type="checkbox"/> Whole Life			<input checked="" type="checkbox"/> Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2121/10,810C	Buildings (Large Central Office)	JAN-1-91	137,937,989.38	23,849,463.40	
2.			JAN-91	138,184,721.83	23,838,449.18	242,131.52
3.			FEB-91	138,481,724.92	24,077,955.18	242,039.15
4.			MAR-91	137,238,708.62	22,935,904.38	242,602.89
5.			APR-91	138,635,694.01	24,226,580.96	239,080.10
6.			MAY-91	138,849,629.10	24,452,896.18	243,834.82
7.			JUN-91	138,942,529.80	24,692,131.09	243,174.04
8.			JUL-91	138,948,286.39	24,740,751.10	243,230.71
9.			AUG-91	139,559,754.35	24,976,851.03	243,164.53
10.			SEP-91	139,798,993.49	25,170,671.62	244,764.60
11.			OCT-91	139,984,626.82	25,325,774.32	244,857.57
12.			NOV-91	140,106,683.06	25,551,328.82	245,135.52
			DEC-91	141,001,688.16	25,729,522.26	245,293.49
	Twelve month average/total			139,144,420.05	24,643,234.68	2,919,308.94

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 8 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2121/10C	Buildings (Local Central Office)	JAN-1-91	169,485,639.94	31,458,769.38	
2.			JAN-91	169,101,920.53	31,666,209.48	298,693.16
3.			FEB-91	169,778,407.60	31,908,025.56	295,592.61
4.			MAR-91	169,900,446.02	31,826,098.49	297,704.14
5.			APR-91	170,142,383.57	32,064,108.97	297,432.56
6.			MAY-91	170,703,432.78	32,060,696.65	297,960.87
7.			JUN-91	171,311,562.33	32,320,845.32	299,221.93
8.			JUL-91	171,601,807.38	32,562,942.94	300,327.35
9.			AUG-91	172,120,639.22	32,853,190.94	300,557.13
10.			SEP-91	172,658,481.89	33,140,894.26	301,665.10
11.			OCT-91	173,085,294.12	33,282,883.31	302,622.96
12.			NOV-91	173,514,586.04	33,515,981.02	303,272.73
			DEC-91	175,050,826.37	33,705,782.78	304,026.13
	Twelve month average/total			171,580,815.65	32,575,638.31	3,599,076.67

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 9 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2121/10C	Buildings (Miscellaneous)	JAN-1-91	64,876,767.64	9,052,134.90	
2.			JAN-91	64,961,799.45	9,206,258.50	162,703.86
3.			FEB-91	65,109,669.60	9,361,902.87	162,510.79
4.			MAR-91	65,208,073.90	9,492,990.50	162,959.01
5.			APR-91	65,220,557.14	9,526,913.74	163,143.19
6.			MAY-91	65,098,496.11	9,229,450.58	163,067.00
7.			JUN-91	65,685,233.76	9,391,021.99	162,593.66
8.			JUL-91	65,823,953.75	9,531,780.63	164,946.51
9.			AUG-91	65,873,687.14	9,696,849.82	164,733.28
10.			SEP-91	65,978,820.76	9,866,393.84	164,746.38
11.			OCT-91	65,984,759.43	9,907,140.43	165,078.47
12.			NOV-91	66,088,281.61	9,972,030.13	164,969.32
			DEC-91	66,166,075.13	10,240,059.73	165,350.12
	Twelve month average/total			65,599,950.65	9,618,566.06	1,966,801.59

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 10 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
<input type="checkbox"/> Whole Life			<input checked="" type="checkbox"/> Remaining Life			
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2211/77,877C	Analog Electronic Switching	JAN-1-91	545,817,674.13	268,515,837.29	
2.			JAN-91	548,302,763.00	271,907,350.07	3,557,107.49
3.			FEB-91	548,774,178.62	274,484,307.74	3,572,044.50
4.			MAR-91	549,473,291.47	279,784,071.75	3,568,564.26
5.			APR-91	550,343,946.07	282,670,469.80	3,573,848.51
6.			MAY-91	552,191,313.20	285,723,135.94	3,580,065.28
7.			JUN-91	551,121,818.20	286,512,484.67	3,595,247.48
8.			JUL-91	552,950,880.48	289,602,643.48	3,578,815.95
9.			AUG-91	546,424,252.42	284,682,410.25	3,600,125.17
10.			SEP-91	547,090,864.98	286,916,058.15	3,530,526.60
11.			OCT-91	544,737,289.17	287,590,744.35	3,558,237.61
12.			NOV-91	543,619,468.68	289,492,236.42	3,533,123.76
			DEC-91	545,296,957.64	298,369,640.98	3,529,874.13
	Twelve month average/total			548,360,585.33	284,811,296.13	42,777,580.74

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 11 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
<input type="checkbox"/> Whole Life			<input checked="" type="checkbox"/> Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2212/377,887C	Digital Electronic Switching	JAN-1-91	763,880,849.63	131,232,907.61	
2.			JAN-91	767,453,769.15	135,196,455.00	4,245,259.48
3.			FEB-91	772,565,594.56	138,619,780.62	4,230,821.26
4.			MAR-91	776,830,100.73	142,614,552.14	4,263,168.29
5.			APR-91	782,436,553.97	144,659,771.02	4,284,292.95
6.			MAY-91	790,978,009.73	147,724,051.70	4,318,818.79
7.			JUN-91	797,577,590.30	150,577,100.88	4,373,868.06
8.			JUL-91	803,216,805.36	154,290,066.94	4,404,825.59
9.			AUG-91	811,774,727.76	157,858,508.85	4,433,200.27
10.			SEP-91	848,880,434.21	162,624,792.24	4,488,295.29
11.			OCT-91	857,627,770.63	167,700,134.33	4,770,883.08
12.			NOV-91	895,888,793.35	172,142,424.58	4,741,007.91
			DEC-91	903,017,712.88	178,818,815.77	5,032,606.17
	Twelve month average/total			817,353,988.55	154,402,204.51	53,587,047.14

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 12 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2220/117C	Operator Systems (Analog)	JAN-1-91	12,442,320.36	3,998,207.41	
2.			JAN-91	12,425,562.96	4,018,288.46	118,635.35
3.			FEB-91	12,432,634.01	4,130,040.58	117,963.25
4.			MAR-91	13,352,871.31	4,256,864.13	118,143.61
5.			APR-91	13,399,838.99	4,385,473.78	131,223.40
6.			MAY-91	13,637,501.10	4,799,798.90	127,521.57
7.			JUN-91	14,673,211.19	4,938,490.52	130,685.16
8.			JUL-91	14,459,492.94	5,073,038.52	144,315.13
9.			AUG-91	14,510,612.86	5,127,384.44	136,350.02
10.			SEP-91	14,850,893.04	4,044,315.25	138,093.64
11.			OCT-91	14,867,157.05	4,207,754.84	142,699.81
12.			NOV-91	14,878,815.94	4,347,257.75	141,315.25
			DEC-91	15,117,123.40	4,487,879.51	141,404.13
	Twelve month average/total			14,050,476.23	4,484,715.56 B1	1,588,350.32

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 13 of 34

Witness Responsible

Check Whether Data Is:

Historic [X] or Projected []

Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
			JAN-1-91	12,271,497.78 B2	(1,095,799.52)	
1.	2220/117C	Operator Systems (Digital)	JAN-91	12,293,750.69	(1,034,102.52)	61,697.00
2.			FEB-91	12,300,654.32	(972,578.13)	61,524.39
3.			MAR-91	12,893,963.52	(913,431.35)	61,520.53
4.			APR-91	12,895,347.99	(847,880.77)	65,953.09
5.			MAY-91	13,511,923.11	(1,016,760.86)	64,480.20
6.			JUN-91	14,758,875.17	(680,934.06)	69,101.05
7.			JUL-91	14,909,030.09	(604,022.30)	76,911.76
8.			AUG-91	15,063,539.22	(564,845.57)	74,920.54
9.			SEP-91	15,541,045.23	(486,518.02)	75,703.97
10.			OCT-91	15,563,174.01	(409,027.78)	78,898.99
11.			NOV-91	14,751,572.26	(2,153,631.15)	77,871.19
12.			DEC-91	15,016,501.69	(2,034,024.14)	71,728.86
	Twelve month average/total			14,124,948.11	(976,479.72)	840,311.57

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

- Provide explanation and support for any negative balance.

- ** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 14 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2231/167C	Radio (Non-Cellular)	JAN-1-91	7,519,074.16	6,190,884.23	
2.			JAN-91	7,525,683.28	6,235,451.16	44,575.54
3.			FEB-91	7,527,966.56	6,279,997.70	44,546.54
4.			MAR-91	7,540,415.69	6,324,544.95	44,547.25
5.			APR-91	7,594,915.20	6,368,944.23	44,650.98
6.			MAY-91	7,912,962.11	6,410,946.11	45,097.83
7.			JUN-91	7,912,457.84	6,434,660.28	47,759.27
8.			JUL-91	7,923,874.78	6,475,445.46	46,813.91
9.			AUG-91	7,755,686.68	6,465,541.80	46,916.73
10.			SEP-91	7,705,630.37	6,326,234.49	45,390.28
11.			OCT-91	7,734,323.34	6,350,546.19	45,443.59
12.			NOV-91	7,741,446.17	6,380,510.17	45,846.32
			DEC-91	7,732,201.69	6,408,896.07	45,824.65
	Twelve month average/total			7,717,296.98	6,371,809.88	547,412.89

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 15 of 34

Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2231/67C	Radio (Other)	JAN-1-91	1,988,374.03	549,563.29	
2.			JAN-91	2,003,874.63	553,949.44	7,230.09
3.			FEB-91	1,997,082.10	547,314.23	7,208.32
4.			MAR-91	1,940,633.81	468,717.51	7,144.03
5.			APR-91	1,951,646.10	472,389.65	6,852.79
6.			MAY-91	2,000,319.00	478,206.85	7,013.12
7.			JUN-91	1,969,004.15	451,875.91	7,255.01
8.			JUL-91	1,988,818.03	456,011.62	6,999.49
9.			AUG-91	1,562,632.37	297,198.46	7,162.09
10.			SEP-91	1,487,678.02	195,673.06	4,835.85
11.			OCT-91	1,558,689.54	175,758.17	5,196.55
12.			NOV-91	1,583,175.90	177,719.35	5,712.53
			DEC-91	1,586,864.23	173,471.33	5,716.91
	Twelve month average/total			1,802,534.82	370,690.47	78,326.78

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 16 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
<input type="checkbox"/> Whole Life			<input checked="" type="checkbox"/> Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2232/157,257,357,	Digital Circuit Equipment	JAN-1-91	1,122,002,414.56	355,771,347.75	
2.	857C		JAN-91	1,129,520,364.09	366,574,242.89	12,809,349.81
3.			FEB-91	1,140,002,421.73	375,231,115.64	12,938,276.23
4.			MAR-91	1,146,754,832.26	382,693,500.92	13,074,866.54
5.			APR-91	1,151,648,855.39	392,039,963.76	13,130,666.51
6.			MAY-91	1,143,024,501.00	401,723,803.20	13,175,931.66
7.			JUN-91	1,153,935,356.67	411,313,880.73	13,000,302.84
8.			JUL-91	1,161,543,790.16	421,812,382.96	13,236,381.98
9.			AUG-91	1,164,253,761.18	427,571,987.36	13,304,393.62
10.			SEP-91	1,161,890,793.70	428,776,617.01	13,307,370.40
11.			OCT-91	1,166,617,674.09	434,792,453.64	13,251,435.16
12.			NOV-91	1,160,612,268.23	433,823,130.66	13,345,871.62
			DEC-91	1,160,332,737.29	436,731,509.37	13,216,046.39
	Twelve month average/total			1,153,344,779.65	409,423,715.68	157,790,892.76

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

- Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 17 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.							
(X) Whole Life			() Remaining Life				
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)	
1.	2232/257,357C	Optical Circuit Equipment	JAN-1-91	176,823,952.81	47,825,161.60		
2.			JAN-91	182,510,161.16	49,071,967.88	1,513,648.03	
3.			FEB-91	189,775,462.89	49,435,252.15	1,544,609.93	
4.			MAR-91	196,326,109.82	47,931,267.55	1,611,733.63	
5.			APR-91	207,614,597.78	49,057,733.84	1,663,344.60	
6.			MAY-91	228,582,917.60	50,696,936.49	1,777,156.30	
7.			JUN-91	236,653,973.55	54,228,781.78	1,992,224.84	
8.			JUL-91	243,814,112.93	55,737,621.46	2,005,745.04	
9.			AUG-91	250,149,907.06	57,639,158.97	2,061,617.37	
10.			SEP-91	255,326,228.64	58,951,760.60	2,110,980.85	
11.			OCT-91	261,843,616.33	60,998,617.18	2,149,285.72	
12.			NOV-91	265,862,108.13	61,828,645.52	2,209,185.03	
			DEC-91	270,320,524.26	63,236,557.81	2,232,260.39	
	Twelve month average/total			232,398,310.01	54,901,191.77	22,871,791.73	

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 18 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
<input type="checkbox"/> Whole Life			<input checked="" type="checkbox"/> Remaining Life			
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2232/57,457C	Analog Circuit Equipment	JAN-1-91	194,344,083.51	60,564,309.30	
2.			JAN-91	193,499,000.05	61,539,028.90	2,212,460.39
3.			FEB-91	192,853,703.32	62,215,698.16	1,721,599.06
4.			MAR-91	192,087,685.79	62,568,454.79	1,716,735.88
5.			APR-91	191,590,797.35	63,424,392.75	1,709,367.35
6.			MAY-91	190,392,331.27	64,048,595.10	1,706,136.62
7.			JUN-91	190,199,083.92	64,952,657.77	1,692,322.42
8.			JUL-91	189,490,670.20	65,862,625.72	1,695,080.90
9.			AUG-91	187,229,677.22	63,990,891.91	1,686,467.43
10.			SEP-91	186,389,361.70	64,414,687.79	1,659,384.98
11.			OCT-91	184,148,254.73	63,512,567.22	1,658,226.02
12.			NOV-91	177,129,560.00	57,811,125.20	1,631,997.61
			DEC-91	168,121,321.91	50,402,148.71	1,548,114.14
	Twelve month average/total			186,927,620.62	62,061,906.17	20,637,892.80

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 19 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2351/188,198,288,	Public Telephone Equipment	JAN-1-91	79,740,347.24	46,722,350.29	
2.	298,988,998C		JAN-91	79,981,733.55	46,875,930.60	453,359.63
3.			FEB-91	80,086,779.25	47,150,014.21	453,914.01
4.			MAR-91	79,745,706.92	47,149,628.66	454,183.44
5.			APR-91	80,110,099.29	47,528,549.41	450,926.23
6.			MAY-91	79,713,710.50	47,793,647.76	454,989.94
7.			JUN-91	77,319,232.67	45,854,457.94	450,588.19
8.			JUL-91	77,241,980.78	46,121,549.19	431,358.23
9.			AUG-91	76,945,318.88	46,263,020.77	437,485.93
10.			SEP-91	76,040,239.95	45,858,110.70	435,183.19
11.			OCT-91	75,692,753.02	46,007,859.98	428,330.55
12.			NOV-91	74,092,835.43	44,771,043.25	427,941.31
			DEC-91	72,928,162.24	43,604,982.55	415,326.54
	Twelve month average/total			77,491,546.04	46,248,232.92	5,293,587.19

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 20 of 34

Witness Responsible

Check Whether Data Is:

Historic [X] or Projected []

Average [] or Year End [X]

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No. **	Plant Account Title	Month and Year	Plant Balances*	Reserve Balance*	Depreciation Expense
	(1)	(2)	(3)	(4)	(5)	(6)
			JAN-1-91	0.00	112,809.19	
1.	2321/19,39,49,	Customer Premise Wiring	JAN-91	0.00	112,809.19	0.00
2.	69,79,89C		FEB-91	0.00	112,809.19	0.00
3.			MAR-91	0.00	112,809.19	0.00
4.			APR-91	0.00	112,809.19	0.00
5.			MAY-91	0.00	112,809.19	0.00
6.			JUN-91	0.00	112,809.19	0.00
7.			JUL-91	0.00	112,809.19	0.00
8.			AUG-91	0.00	112,809.19	0.00
9.			SEP-91	0.00	112,809.19	0.00
10.			OCT-91	0.00	112,809.19	0.00
11.			NOV-91	0.00	98,984.19	0.00
12.			DEC-91	0.00	98,984.19	0.00
	Twelve month average/total			0.00 B3	110,505.02	0.00

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 21 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
<input type="checkbox"/> Whole Life			<input checked="" type="checkbox"/> Remaining Life			
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
			JAN-1-91	93,210,468.96	40,447,960.64	
1.	2311/318,418C	Information Orig/Term. Assets	JAN-91	93,791,138.42	41,003,767.57	677,188.72
2.			FEB-91	94,219,075.35	41,602,767.56	682,090.69
3.	2341/158,258,		MAR-91	94,478,812.63	42,051,119.15	684,639.57
4.	458C,258NC		APR-91	95,313,360.12	42,801,597.05	685,912.96
5.			MAY-91	96,437,832.35	43,361,316.08	694,047.09
6.	2362/358C,358NC,368C		JUN-91	97,242,813.07	43,965,069.99	703,250.49
7.	558,828,858		JUL-91	97,960,090.84	44,580,911.26	707,928.44
8.	758,928,958,		AUG-91	98,404,771.31	45,031,069.72	712,810.77
9.	D758,F758,		SEP-91	98,727,795.53	45,461,590.01	715,046.59
10.	D958,F958C		OCT-91	99,104,355.12	45,864,074.40	716,947.50
11.			NOV-91	99,743,561.84	46,473,875.50	719,871.62
12.			DEC-91	100,563,645.90	47,013,087.86	725,457.97
	Twelve month average/total			97,165,604.37	44,100,853.85	8,425,192.41

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 22 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
			JAN-1-91	109,842,740.54	35,363,024.30	
1.	2411/1,811C	Poles	JAN-91	110,213,488.55	35,657,302.56	421,763.62
2.			FEB-91	110,571,756.62	35,939,859.05	423,195.27
3.			MAR-91	110,913,232.41	36,207,159.38	424,544.71
4.			APR-91	111,264,726.90	36,461,593.62	425,821.51
5.			MAY-91	111,696,210.99	36,707,288.77	427,188.11
6.			JUN-91	112,055,196.55	36,942,284.05	428,995.44
7.			JUL-91	112,493,784.74	37,217,409.40	430,232.60
8.			AUG-91	112,928,370.78	37,458,975.90	432,066.42
9.			SEP-91	113,307,700.44	37,763,431.84	433,724.66
10.			OCT-91	113,791,940.28	37,993,484.22	435,072.85
11.			NOV-91	114,089,350.88	38,267,264.90	437,130.18
12.			DEC-91	114,417,868.70	38,527,323.17	437,912.16
	Twelve month average/total			112,311,968.99	37,095,281.41	5,157,647.53

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 23 of 34

Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2421.1/12,22,802C	Aerial Cable (Metallic)	JAN-1-91	585,527,585.86	216,710,301.06	
2.			JAN-91	593,537,983.77	225,591,241.33	3,939,159.65
3.			FEB-91	596,014,800.16	228,609,464.66	4,033,416.48
4.			MAR-91	598,597,669.93	232,019,837.57	4,031,459.16
5.			APR-91	600,933,769.27	235,306,649.82	4,049,251.47
6.			MAY-91	603,112,708.68	238,545,353.32	4,064,187.28
7.			JUN-91	605,082,053.25	242,006,342.79	4,078,364.71
8.			JUL-91	607,062,934.92	245,393,621.00	4,090,950.40
9.			AUG-91	608,726,395.77	248,494,844.20	4,104,360.29
10.			SEP-91	610,362,700.53	251,711,406.68	4,114,517.35
11.			OCT-91	612,529,857.38	254,979,528.72	4,125,470.76
12.			NOV-91	613,514,053.39	257,668,141.30	4,141,890.70
			DEC-91	614,330,713.88	260,512,949.16	4,144,541.52
	Twelve month average/total			605,317,136.74	243,403,281.71	48,917,569.77

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 24 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
(X) Whole Life			() Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2421.2/D12,F12,T12,	Aerial Cable (Fiber)	JAN-1-91	10,766,662.74	475,464.22	
2.	D22,F22,T22,882C		JAN-91	11,767,612.73	525,393.02	49,928.80
3.			FEB-91	12,459,045.12	556,747.26	54,185.53
4.			MAR-91	12,824,858.71	600,215.70	56,555.36
5.			APR-91	13,227,109.83	648,191.82	57,451.01
6.			MAY-91	13,612,501.16	667,552.73	59,308.08
7.			JUN-91	13,656,985.42	727,572.18	60,973.01
8.			JUL-91	13,807,730.01	717,284.88	60,416.62
9.			AUG-91	14,098,784.29	766,227.61	61,317.07
10.			SEP-91	14,294,414.93	830,037.83	62,912.43
11.			OCT-91	14,510,984.15	894,030.04	63,565.73
12.			NOV-91	14,724,406.87	945,426.56	64,568.48
			DEC-91	14,932,677.00	905,350.45	65,504.16
	Twelve month average/total			13,659,759.19	732,002.51	716,686.28

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 25 of 34

Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2422.1/5,805C	Underground Cable (Metallic)	JAN-1-91	735,646,583.02	302,081,151.92	
2.			JAN-91	736,355,314.04	305,812,470.15	4,401,832.22
3.			FEB-91	737,200,026.44	309,910,017.35	4,420,258.08
4.			MAR-91	737,399,102.71	313,410,823.11	4,425,734.30
5.			APR-91	737,423,591.20	317,038,134.07	4,424,991.85
6.			MAY-91	738,113,553.11	321,083,925.54	4,424,615.02
7.			JUN-91	736,287,621.60	322,864,648.68	4,430,751.21
8.			JUL-91	736,026,228.37	325,891,623.75	4,412,247.94
9.			AUG-91	736,110,891.17	329,536,792.43	4,415,373.19
10.			SEP-91	736,369,426.62	333,244,160.68	4,416,919.34
11.			OCT-91	736,051,102.48	336,248,893.51	4,418,992.17
12.			NOV-91	733,835,254.05	337,659,993.48	4,415,351.65
			DEC-91	726,478,229.61	333,918,795.09	4,396,363.98
	Twelve month average/total			735,637,528.45	323,885,023.15	53,003,430.95

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 26 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2422.2/D5,F5,T5,	Underground Cable (Fiber)	JAN-1-91	127,527,665.31	28,527,604.09	
2.	885,985C		JAN-91	129,500,475.47	28,991,535.33	526,301.16
3.			FEB-91	131,320,949.54	29,533,841.56	534,607.82
4.			MAR-91	133,486,888.62	29,996,957.60	541,730.40
5.			APR-91	134,840,100.51	30,451,352.80	549,493.14
6.			MAY-91	136,696,862.28	30,993,477.81	553,359.44
7.			JUN-91	138,585,073.42	31,517,259.22	561,969.29
8.			JUL-91	139,571,494.34	32,080,493.14	569,743.69
9.			AUG-91	141,548,605.43	32,579,155.09	571,930.42
10.			SEP-91	143,166,469.60	33,220,127.10	582,026.27
11.			OCT-91	144,230,705.17	33,718,370.38	587,899.08
12.			NOV-91	145,656,721.19	34,233,491.88	591,114.38
			DEC-91	147,109,064.52	34,850,589.84	597,675.90
	Twelve month average/total			138,809,450.84	31,847,220.98	6,767,850.99

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 27 of 34

Witness Responsible

Check Whether Data Is:
Historic ☒ or Projected ☐
Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2423.1/45,846C	Buried Cable (Metallic)	JAN-1-91	1,902,863,456.52	708,131,035.20	
2.			JAN-91	1,909,837,278.26	718,523,980.20	12,224,387.05
3.			FEB-91	1,917,432,129.39	729,069,845.95	12,277,169.93
4.			MAR-91	1,924,225,169.43	739,825,882.50	12,327,896.05
5.			APR-91	1,930,565,106.64	750,541,407.74	12,368,912.27
6.			MAY-91	1,937,471,590.95	761,203,079.88	12,408,139.85
7.			JUN-91	1,942,703,599.21	771,526,786.94	12,454,274.15
8.			JUL-91	1,950,037,568.55	783,757,254.62	12,482,473.94
9.			AUG-91	1,955,234,080.85	793,869,953.69	12,536,244.27
10.			SEP-91	1,960,101,348.00	803,890,375.25	12,562,741.94
11.			OCT-91	1,966,043,235.70	813,556,907.80	12,592,939.34
12.			NOV-91	1,969,522,030.91	822,528,019.48	12,634,514.22
			DEC-91	1,971,801,561.17	830,168,272.28	12,648,934.07
	Twelve month average/total			1,944,581,224.92	776,538,480.53	149,518,627.08

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 28 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
(X) Whole Life			() Remaining Life			
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2423.2/D45,F45,T45, Buried Cable (Fiber)		JAN-1-91	62,557,024.92	10,060,031.02	
2.	856C		JAN-91	63,354,486.18	10,113,736.73	265,087.20
3.			FEB-91	65,754,495.10	10,236,969.08	265,638.61
4.			MAR-91	67,340,725.70	10,601,548.66	278,977.30
5.			APR-91	68,020,087.74	10,880,176.23	283,891.23
6.			MAY-91	68,927,520.76	11,145,394.70	284,832.59
7.			JUN-91	69,977,487.14	11,407,265.83	289,088.72
8.			JUL-91	70,751,085.39	11,675,941.63	293,760.53
9.			AUG-91	72,869,663.12	11,936,196.20	296,408.09
10.			SEP-91	73,909,125.66	12,385,748.93	308,037.55
11.			OCT-91	75,232,838.30	12,692,239.31	310,120.48
12.			NOV-91	76,083,962.63	12,961,116.01	316,228.14
			DEC-91	76,730,298.93	13,126,864.83	318,789.94
	Twelve month average/total			70,745,981.39	11,596,933.18	3,510,860.38

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

• Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 29 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
<input type="checkbox"/> Whole Life			<input checked="" type="checkbox"/> Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2424.1/6C	Submarine Cable (Metallic)	JAN-1-91	9,644,647.38	4,800,305.40	
2.			JAN-91	9,608,362.63	4,807,844.84	44,707.24
3.			FEB-91	9,608,362.63	4,851,916.15	44,754.39
4.			MAR-91	9,608,362.63	4,895,930.07	44,839.06
5.			APR-91	9,424,199.20	4,755,116.47	44,839.06
6.			MAY-91	9,402,076.55	4,776,543.73	43,549.91
7.			JUN-91	9,395,298.35	4,813,590.30	43,824.77
8.			JUL-91	9,369,300.47	4,831,414.56	43,828.94
9.			AUG-91	9,369,300.47	4,874,891.09	43,662.77
10.			SEP-91	9,328,975.85	4,883,457.59	43,723.43
11.			OCT-91	9,327,475.81	4,924,868.49	43,441.16
12.			NOV-91	9,164,040.71	4,804,954.14	43,524.75
			DEC-91	9,097,501.35	4,780,798.99	42,384.21
	Twelve month average/total			9,391,938.05	4,833,443.87	527,079.69

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

• Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 30 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
(X) Whole Life			() Remaining Life			
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2424.2/D6,F6,T6,	Submarine Cable (Fiber)	JAN-1-91	1,133,560.75	250,053.18	
2.	886C		JAN-91	1,133,560.75	254,776.35	4,723.17
3.			FEB-91	1,133,560.75	259,499.52	4,723.17
4.			MAR-91	1,133,560.75	264,222.69	4,723.17
5.			APR-91	1,133,560.75	268,945.86	4,723.17
6.			MAY-91	1,133,560.75	273,669.03	4,723.17
7.			JUN-91	1,133,560.75	278,392.20	4,723.17
8.			JUL-91	1,133,560.75	283,115.38	4,723.18
9.			AUG-91	1,133,560.75	287,838.55	4,723.17
10.			SEP-91	1,133,560.75	292,561.72	4,723.17
11.			OCT-91	1,133,560.75	297,284.89	4,723.17
12.			NOV-91	1,133,560.75	302,008.06	4,723.17
			DEC-91	1,133,560.75	306,712.16	4,723.17
	Twelve month average/total			1,133,560.75	280,752.20	56,678.05

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 31 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
<input type="checkbox"/> Whole Life			<input checked="" type="checkbox"/> Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2426.1/52C	Intrablding. Network Cable (Met.)	JAN-91	40,721,425.14	18,205,966.32	
2.			JAN-91	40,854,266.97	18,446,432.63	254,754.79
3.			FEB-91	40,904,837.63	18,641,989.56	255,754.30
4.			MAR-91	40,953,122.42	18,883,834.85	255,813.27
5.			APR-91	41,025,785.37	19,142,981.70	256,107.91
6.			MAY-91	41,120,175.73	19,370,378.48	256,638.23
7.			JUN-91	41,117,819.94	19,581,909.97	257,296.07
8.			JUL-91	41,183,851.64	19,829,964.57	256,979.01
9.			AUG-91	41,239,943.87	20,093,454.92	257,605.42
10.			SEP-91	41,318,238.03	20,310,732.23	257,924.94
11.			OCT-91	41,386,356.79	20,537,273.98	258,483.66
12.			NOV-91	41,513,893.64	20,879,330.51	258,877.60
			DEC-91	41,519,075.06	21,091,558.81	259,860.39
	Twelve month average/total			41,178,113.92	19,734,153.52	3,086,095.59

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 32 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
(X) Whole Life			() Remaining Life			
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2426.2/D52,F52,	Intrablding. Network Cable (Fiber)	JAN-1-91	102,407.61	39,441.55	
2.	T52C		JAN-91	103,519.55	39,901.49	459.94
3.			FEB-91	105,093.85	40,361.16	459.67
4.			MAR-91	105,198.91	40,828.80	467.64
5.			APR-91	108,987.81	41,293.66	464.86
6.			MAY-91	109,863.68	41,783.39	489.73
7.			JUN-91	111,513.68	42,270.56	487.17
8.			JUL-91	111,664.84	41,230.72	496.16
9.			AUG-91	111,664.84	41,724.24	493.52
10.			SEP-91	111,664.84	42,217.42	493.18
11.			OCT-91	111,833.85	42,710.61	493.19
12.			NOV-91	112,121.85	43,204.92	494.31
			DEC-91	112,121.85	43,700.77	495.85
	Twelve month average/total			109,604.13	41,768.98	5,795.22

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 33 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
<input type="checkbox"/> Whole Life			<input checked="" type="checkbox"/> Remaining Life			
Line No.	Account/ Sub-Account No. ** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2431/3C	Aerial Wire	JAN-1-91	4,374,042.03	3,021,593.82	
2.			JAN-91	4,377,476.51	3,024,721.53	8,395.22
3.			FEB-91	4,383,295.25	3,024,226.66	8,393.47
4.			MAR-91	4,385,246.98	3,025,085.18	8,406.91
5.			APR-91	4,394,931.61	3,030,884.78	8,406.94
6.			MAY-91	4,393,774.16	3,031,715.20	8,432.91
7.			JUN-91	4,399,765.66	3,039,591.22	8,420.31
8.			JUL-91	4,400,707.18	3,038,283.71	8,438.64
9.			AUG-91	4,402,798.66	3,037,778.92	8,435.61
10.			SEP-91	4,404,616.80	3,037,818.44	8,440.72
11.			OCT-91	4,404,993.11	3,039,061.67	8,443.94
12.			NOV-91	4,400,113.86	3,037,120.32	8,443.28
			DEC-91	4,413,393.89	3,035,980.83	8,428.89
	Twelve month average/total			4,396,759.47	3,033,522.37	101,086.84

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

Monthly Plant and Reserve Balances and Depreciation Expense
Test Year - 12 Months

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell Telephone & Telegraph Co.
Docket No. 920260-TL
Test Year 1991

Schedule B-13

Page 34 of 34

Witness Responsible

Check Whether Data Is:

Historic ☒ or Projected ☐

Average ☐ or Year End ☒

Check appropriate box to indicate type of rate used to develop expenses.						
() Whole Life			(X) Remaining Life			
Line No.	Account/ Sub-Account No.** (1)	Plant Account Title (2)	Month and Year (3)	Plant Balances* (4)	Reserve Balance* (5)	Depreciation Expense (6)
1.	2441/4,84C	Conduit	JAN-1-91	595,327,376.48	119,599,359.53	
2.			JAN-91	596,896,270.28	120,034,560.31	992,948.14
3.			FEB-91	598,933,152.67	120,956,106.58	995,407.20
4.			MAR-91	600,516,164.20	121,945,754.37	999,192.00
5.			APR-91	603,030,275.89	122,867,266.49	1,002,181.46
6.			MAY-91	604,840,697.76	123,859,845.48	1,007,147.57
7.			JUN-91	606,194,741.71	124,796,888.72	1,009,578.54
8.			JUL-91	607,824,548.73	125,744,345.29	1,011,454.97
9.			AUG-91	609,595,355.18	126,753,110.25	1,014,401.12
10.			SEP-91	611,179,200.15	127,645,855.67	1,017,469.97
11.			OCT-91	612,968,680.95	128,638,220.30	1,019,953.91
12.			NOV-91	614,498,370.85	129,653,240.21	1,023,107.75
			DEC-91	615,557,955.09	129,911,416.13	1,025,440.74
	Twelve month average/total			606,836,284.46	125,233,884.15	12,118,283.37

TOTAL PLANT AND RESERVE BALANCE (12 MONTH AVERAGE) AND DEPRECIATION EXPENSES (12 MONTH TOTAL)

* Provide explanation and support for any negative balance.

** Should include any accounts or subaccount for which a separate depreciation rate has been prescribed. Include the balance of undepreciable accounts as well, so that the total plant balance in column (4) reconciles with the Rate Base Summary, Schedule B-1a.

Supporting Schedules:

Recap Schedules:

NOTE: Schedule B-13 does not balance to Schedule B-1a because for depreciation purposes, prior month plant balances are used; the Rate Base Summary consists of average plant balances.

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell
 Docket No. 920260-TL
 Test Year 1991

Investment Tax Credits - Analysis
 Total Credits

Schedule B-14a
 Page 1a of 3
 Witness Responsible

Check Whether Data is:
 Historic (X) or Projected ()
 Average (X) or Year End (X)

Type of ITC 3Z								Type of ITC 4Z					
		Amount Realized		Amortization				Amount Realized		Amortization			
Line No.	Year/Month	Beginning Balance	Current Year	Prior Year Adjustment	Current Year	Prior Year Adjustment	Ending Balance	Beginning Balance	Current Year	Prior Year Adjustment	Current Year	Prior Year Adjustment	Ending Balance
1	1988	1,148,837			137,993		1,010,844	8,329,069			1,000,448		7,328,621
2	1989	1,010,844			124,490		886,354	7,328,621			902,532		6,426,069
3	1990	886,354	411	2,340	114,925	(907)	769,585	6,426,069	2,983	16,963	833,181	(6,575)	5,579,517
4	01/91	769,585			13,938		755,647	5,579,517			80,840		5,498,677
5	02/91	755,647			10,149		745,498	5,498,677			58,864		5,439,813
6	03/91	745,498			12,044		733,454	5,439,813			69,852		5,369,961
7	04/91	733,454			12,044		721,410	5,369,961			69,852		5,300,109
8	05/91	721,410			12,044		709,366	5,300,109			69,852		5,230,257
9	06/91	709,366			12,044		697,322	5,230,257			69,852		5,160,405
10	07/91	697,322			12,044		685,278	5,160,405			69,852		5,090,553
11	08/91	685,278			12,044		673,234	5,090,553			69,852		5,020,701
12	09/91	673,234			10,089		663,145	5,020,701			58,514		4,962,187
13	10/91	663,145			9,064		654,081	4,962,187			52,569		4,909,618
14	11/91	654,081			11,724		642,357	4,909,618			67,999		4,841,619
15	12/91	642,357			11,724		630,633	4,841,619			67,999		4,773,620
138,952								805,897					
Florida								Florida					
Company 12 Month Average For:													
Test Year								5,166,706					
Prior Year								6,001,661					
Intrastate Factor								74.88132					
Intrastate ITC								3,868,895					
Interstate ITC								1,297,811					

Supporting Schedules: C-23b, C-23d, C-23h

Recap Schedules:

Investment Tax Credits - Analysis
Total Credits

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1991

Schedule B-14a
Page 1b of 3
Witness Responsible

Check Whether Data is:
Historic (X) or Projected ()
Average (X) or Year End (X)

Type of ITC 8%								Type of ITC 10%							
		Amount Realized		Amortization						Amount Realized		Amortization			
Line No.	Year/Month	Beginning Balance	Current Year	Prior Year Adjustment	Current Year	Prior Year Adjustment	Ending Balance	Beginning Balance	Current Year	Prior Year Adjustment	Current Year	Prior Year Adjustment	Ending Balance		
1	1988	115,745,334			13,902,784		101,842,550	179,996,875			17,886,031	946,718	161,164,126		
2	1989	101,842,550			12,542,364		89,300,186	161,164,126			14,699,801	145,710	146,318,615		
3	1990	89,300,186	41,447	235,731	11,578,324	(91,369)	77,536,053	146,318,615	58,005	329,906	20,783,742	(253,289)	125,400,251		
4	01/91	77,536,053			1,223,755		76,312,298	125,400,251			1,469,064		123,931,187		
5	02/91	76,312,298	3,532		891,084		75,417,682	123,931,187			1,069,707		122,861,480		
6	03/91	75,417,682			1,057,420		74,360,262	122,861,480			1,269,385		121,592,095		
7	04/91	74,360,262			1,057,420		73,302,842	121,592,095			1,269,385		120,322,710		
8	05/91	73,302,842			1,057,420		72,245,422	120,322,710			1,269,385		119,053,325		
9	06/91	72,245,422			1,057,420		71,188,002	119,053,325			1,269,385		117,783,940		
10	07/91	71,188,002			1,057,420		70,130,582	117,783,940	355,191		1,269,385		116,159,364		
11	08/91	70,130,582			1,057,420		69,073,162	116,159,364	550,695		1,269,385		114,339,284		
12	09/91	69,073,162			885,782		68,187,380	114,339,284			1,063,342		113,275,942		
13	10/91	68,187,380	806		795,785		67,390,789	113,275,942	580,353		955,303		111,740,286		
14	11/91	67,390,789			1,029,365		66,361,424	111,740,286			1,235,708		110,504,578		
15	12/91	66,361,424			1,029,365		65,332,059	110,504,578			1,235,708		109,268,870		
12,199,656								14,645,142							
Florida								Florida							
Company 12 Month Average For:															
Test Year								117,408,229							
Prior Year								137,254,756							
Intrastate Factor								74.8813%							
Intrastate ITC								87,916,776							
Interstate ITC								29,491,453							

Supporting Schedules: C-23b, C-23d, C-23h

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell
 Docket No. 920260-TL
 Test Year 1991

Investment Tax Credits - Analysis
 Total Credits

Schedule B-14a
 Page 1c of 3
 Witness Responsible

Check Whether Data is:
 Historic (I) or Projected ()
 Average (X) or Year End (X)

Type of ITC 3% Sec. 38								Type of ITC - Total							
		Amount Realized		Amortization						Amount Realized		Amortization			
Line No.	Year/Month	Beginning Balance	Current Year	Prior Year Adjustment	Current Year	Prior Year Adjustment	Ending Balance	Beginning Balance	Current Year	Prior Year Adjustment	Current Year	Prior Year Adjustment	Ending Balance		
1	1988	273,488			(276,091)		549,579	305,493,603	0	0	32,651,165	946,718	271,895,720		
2	1989	549,579			303,408		246,171	271,895,720	0	0	28,572,615	145,710	243,177,395		
3	1990	246,171			45,924	(8)	200,255	243,177,395	102,846	584,940	33,356,096	(352,148)	209,485,661		
4	01/91	200,255			3,827		196,428	209,485,661	0	0	2,791,424	0	206,694,237		
5	02/91	196,428			3,335		193,093	206,694,237	3,532	0	2,033,139	0	204,657,566		
6	03/91	193,093			3,581		189,512	204,657,566	0	0	2,412,282	0	202,245,284		
7	04/91	189,512			3,581		185,931	202,245,284	0	0	2,412,282	0	199,833,002		
8	05/91	185,931			3,581		182,350	199,833,002	0	0	2,412,282	0	197,420,720		
9	06/91	182,350			3,581		178,769	197,420,720	0	0	2,412,282	0	195,008,438		
10	07/91	178,769			3,581		175,188	195,008,438	0	355,191	2,412,282	0	192,240,965		
11	08/91	175,188			3,581		171,607	192,240,965	0	550,695	2,412,282	0	189,277,988		
12	09/91	171,607			3,581		168,026	189,277,988	0	0	2,021,308	0	187,256,680		
13	10/91	168,026			4,438		163,588	187,256,680	806	580,353	1,817,159	0	184,858,362		
14	11/91	163,588			3,654		159,934	184,858,362	0	0	2,348,450	0	182,509,912		
15	12/91	159,934			3,654		156,280	182,509,912	0	0	2,348,450	0	180,161,462		
43,975								27,833,622							
Florida								Florida							
Company 12 Month Average For:															
Test Year								194,735,560							
Prior Year								227,708,056							
Intrastate Factor								74.8794%							
Intrastate ITC								145,816,814							
Interstate ITC								48,918,746							

Supporting Schedules: C-23b, C-23d, C-23h

Recap Schedules:

Southern Bell

J. E. McIntyre
Vice President and Comptroller

Hurt Building, P. O. Box 2211
Atlanta, Georgia 30301
Phone (404) 529-7703

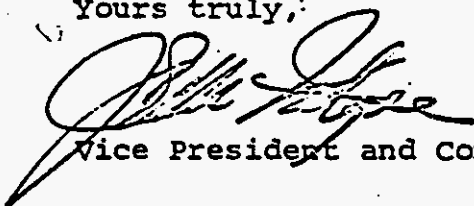
March 3, 1972

Mr. D. I. Lamont
Assistant Comptroller
American Telephone and Telegraph Company
195 Broadway
New York, New York 10007

Dear Mr. Lamont:

Southern Bell Telephone and Telegraph Company hereby elects to be governed by the provisions of Section 46(E)(2) of the 1954 Internal Revenue Code and appoints American Telephone and Telegraph Company to make such election on its behalf pursuant to S1.1502-77(A) of the consolidated return income tax regulations.

Yours truly,



Vice President and Comptroller

FLORIDA PUBLIC SERVICE COMMISSION

Company Southern Bell

Docket No. 920260-TL

Test Year 1991

Investment Tax Credit - Analysis

Company Policies

Schedule B-14a

Page 3 of 3

Witness Responsible

Check Whether Data is:

Historic (X) or Projected ()

Average (X) or Year End (X)

Explanation: Explain accounting policy as to method of amortization for both progress payments and other ITC.
Explanation should include at least a description of how the time period for amortization is determined, when it begins, under what circumstances it changes, etc.

Southern Bell amortizes investment tax credit ratably over the useful life of the related plant. Amortization begins when the related plant is placed into service. The amortization rates change in conjunction with represcription of the Company's book lives. Southern Bell has never claimed ITC on progress payments.

Supporting Schedules: C-23b, C-23d, C-23h

Recap Schedules:

ACCUMULATED DEFERRED
INCOME TAXES
FEDERAL

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1991

Schedule B-14b
Page 1 of 4
Witness Responsible

Check Whether Data Is:
Historic (x) or Projected ()
Average (x) or Year End (X)

Accumulated Deferred Inc. Taxes - Property Related						Accumulated Deferred Inc. Taxes - Other					
Line No.	Year/Month	Beginning Balance	Current Year Deferral	Flowback To Current Year	Adjustments Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferral	Flowback To Current Year	Adjustments Debit (Credit)	Ending Balance
	1/1/88	979,271,143	96,477,645	91,790,063	(189,066)	984,147,791	14,439,405	(29,417,247)	(20,489,587)	(135,017)	5,646,762
	ASI TRANSFER				427,817	984,575,608					
	1/1/89	984,575,608	104,169,338	117,463,974	(367,227)	971,648,199	5,646,762	2,166,951	(1,094,281)	1,454,574	7,453,420
	1/1/90	971,648,199	76,912,684	104,671,958	6,674,059	937,214,866	7,453,420	(36,283,927)	(7,021,769)	(177,489)	(21,633,249)
	1/1/91	937,214,866				937,214,866	(21,633,249)				(21,633,249)
	Jan	937,214,866	6,999,774	7,429,828		936,784,812	(21,633,249)	(2,796,566)	591,713		(25,021,528)
	Feb	936,784,812	4,869,831	8,568,750		933,085,893	(25,021,528)	(2,627,837)	568,249		(28,217,614)
	Mar	933,085,893	5,494,643	8,546,434		930,034,102	(28,217,614)	(2,388,848)	565,463		(31,171,923)
	Apr	930,034,102	5,091,677	8,319,863		926,805,916	(31,171,923)	(2,618,704)	244,444		(34,035,073)
	May	926,805,916	5,206,943	9,387,004		922,625,855	(34,035,073)	(2,620,512)	(2,417,824)	1,247,256	(35,485,017)
	Jun	922,625,855	5,409,598	8,790,653		919,244,800	(35,485,017)	(2,569,091)	235,811		(38,289,919)
	Jul	919,244,800	5,506,376	8,597,717	241,441	915,912,018	(38,289,919)	(963,995)	(3,249,516)	246,504	(36,250,902)
	Aug	915,912,018	5,514,035	8,576,593	501,582	912,347,878	(36,250,902)	(4,473,901)	(3,128,570)	5,477,671	(43,073,904)
	Sep	912,347,878	5,702,837	8,054,168		909,996,547	(43,073,904)	(3,893,205)	523,027	5,622	(47,495,758)
	Oct	909,996,547	(13,796,579)	(10,271,183)	464,723	906,006,348	(47,495,758)	(3,012,112)	(411,249)		(50,096,621)
	Nov	906,006,348	4,224,336	7,872,191	(642,658)	903,001,151	(50,096,621)	2,155,599	(16,094,240)		(31,846,782)
	Dec	903,001,151	4,268,005	7,751,374	10,650,725	888,867,057	(31,846,782)	(4,132,985)	(1,346,682)	8,346,019	(42,979,104)
	Subtotals	979,271,143	322,051,143	395,549,467	16,905,762	888,867,057	14,439,405	(93,478,380)	(52,525,011)	16,465,140	(42,979,104)
Company 12 Month Average for:											
	Test Year		3,707,623	6,801,956	934,651	919,073,857		(2,495,180)	(1,993,281)	1,276,923	(36,187,602)
	Prior Year					955,137,503					(3,517,854)
	Separations Factor					75.69922					80.93352
	Intrastate deferred taxes					695,731,676					(29,223,134)
	Interstate deferred taxes					223,342,181					(6,884,468)

Supporting Schedules:

Recap Schedules:

ACCUMULATED DEFERRED
INCOME TAXES
STATE

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Bucket No. 920260-TL
Test Year 1991

Schedule B-14b
Page 2 of 4
Witness Responsible

Check Whether Data Is:
Historic (x) or Projected ()
Average (x) or Year End (X)

Accumulated Deferred Inc. Taxes - Property Related						Accumulated Deferred Inc. Taxes - Other					
Line No.	Year/Month	Beginning Balance	Current Year Deferral	Flowback To Current Year	Adjustments Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferral	Flowback To Current Year	Adjustments Debit (Credit)	Ending Balance
	1/1/88	85,929,563	10,369,602	11,954,919	40,503	84,303,743	2,676,279	(4,256,285)	(1,176,715)	524,097	(927,388)
	1/1/89	84,303,743	16,320,466	12,143,306	116	88,480,787	(927,388)	(61,514)	(1,499,226)	(30,177)	540,501
	1/1/90	88,480,787	12,913,772	3,776,406	1,592,793	96,025,360	540,501	(6,340,422)	33,642	(47,694)	(5,785,869)
	1/1/91	96,025,360				96,025,360	(5,785,869)				(5,785,869)
	Jan	96,025,360	1,031,825	202,139		96,855,046	(5,785,869)	(294,189)	81,347		(6,161,405)
	Feb	96,855,046	910,244	693,427		97,071,863	(6,161,405)	(314,290)	92,631		(6,568,326)
	Mar	97,071,863	936,913	524,670		97,484,106	(6,568,326)	(292,370)	94,415		(6,955,111)
	Apr	97,484,106	950,446	494,176		97,940,376	(6,955,111)	(625,723)	56,827		(7,637,661)
	May	97,940,376	897,989	637,803		98,200,562	(7,637,661)	(327,202)	(3,648)		(7,961,215)
	Jun	98,200,562	924,581	557,540		98,567,603	(7,961,215)	(435,209)	39,356		(8,435,780)
	Jul	98,567,603	726,626	320,513	29,775	98,943,941	(8,435,780)	(226,665)	(544,248)		(8,118,197)
	Aug	98,943,941	727,813	317,670		99,354,084	(8,118,197)	(342,200)	(127,984)		(8,332,413)
	Sep	99,354,084	759,019	247,357		99,865,746	(8,332,413)	(540,504)	85,599		(8,958,516)
	Oct	99,865,746	(1,653,935)	2,496,045	86,376	95,629,390	(8,958,516)	(481,092)	(132,363)		(9,307,245)
	Nov	95,629,390	702,960	514,895		95,817,455	(9,307,245)	(301,001)	(2,733,431)		(6,874,815)
	Dec	95,817,455	710,179	498,665	2,161,350	93,867,619	(6,874,815)	(897,691)	(219,949)	(18,522)	(7,534,035)
	Subtotals	85,929,563	47,228,500	35,379,531	3,910,913	93,867,619	2,676,279	(15,736,357)	(5,953,747)	427,704	(7,534,035)
Company 12 Month Average for:											
Test Year			635,388	625,408	189,792	97,556,388		(423,178)	(275,954)	(1,544)	(7,664,220)
Prior Year						90,992,964					(1,463,458)
Separations Factor						76.51641					75.36932
Intrastate deferred taxes						74,646,654					(5,776,465)
Interstate deferred taxes						22,909,734					(1,887,755)

Supporting Schedules:

Recap Schedules:

ACCUMULATED DEFERRED
INCOME TAXES
TOTAL

FLORIDA PUBLIC SERVICE COMMISSION
Company Southern Bell
Docket No. 920260-TL
Test Year 1991

Schedule B-14b
Page 3 of 4
Witness Responsible

Check Whether Data Is:
Historic (x) or Projected ()
Average (x) or Year End (X)

Accumulated Deferred Inc. Taxes - Property Related						Accumulated Deferred Inc. Taxes - Other				
Line No.	Year/Month	Beginning Balance	Current Year Deferral	Flowback To Current Year	Adjustments Debit (Credit)	Ending Balance	Beginning Balance	Current Year Deferral	Flowback To Current Year	Adjustments Debit (Credit)
	1/1/88	1,065,200,706	106,847,247	103,744,982	(148,563)	1,068,451,334	17,115,684	(33,673,532)	(21,666,302)	389,080
	ASI TRANSFER	0	0	0	427,817	1,068,879,351	0	0	0	0
	1/1/89	1,068,879,351	120,489,804	129,607,280	(367,111)	1,060,128,986	4,719,374	2,105,437	(2,593,507)	1,424,397
	1/1/90	1,060,128,986	89,826,456	108,448,364	8,266,852	1,033,240,226	7,993,921	(42,626,349)	(6,988,127)	(225,183)
	1/1/91	1,033,240,226	0	0	0	1,033,240,226	(27,419,118)	0	0	0
	Jan	1,033,240,226	8,031,599	7,631,967	0	1,033,639,858	(27,419,118)	(3,090,755)	673,060	0
	Feb	1,033,639,858	5,780,075	9,262,177	0	1,030,157,756	(31,182,933)	(2,942,127)	660,080	0
	Mar	1,030,157,756	6,431,556	9,071,104	0	1,027,518,208	(34,785,940)	(2,681,218)	659,878	0
	Apr	1,027,518,208	6,042,123	8,814,039	0	1,024,746,292	(38,127,036)	(3,244,427)	301,271	0
	May	1,024,746,292	6,104,932	10,024,807	0	1,020,826,417	(41,672,734)	(2,947,714)	(2,421,472)	1,247,256
	Jun	1,020,826,417	6,334,179	9,348,193	0	1,017,812,403	(43,446,232)	(3,004,300)	275,167	0
	Jul	1,017,812,403	6,233,002	8,918,230	271,216	1,014,855,959	(46,725,699)	(1,190,660)	(3,793,764)	246,504
	Aug	1,014,855,959	6,241,848	8,894,263	501,582	1,011,701,962	(44,369,099)	(4,816,101)	(3,256,554)	5,477,671
	Sep	1,011,701,962	6,461,856	8,301,525	0	1,009,862,293	(51,406,317)	(4,433,709)	608,626	3,622
	Oct	1,009,862,293	(15,450,514)	(7,775,058)	551,099	1,001,635,738	(56,454,274)	(3,493,204)	(543,612)	0
	Nov	1,001,635,738	4,927,296	8,387,086	(642,658)	998,818,606	(59,403,866)	1,854,598	(18,827,671)	0
	Dec	998,818,606	4,978,184	8,250,039	12,812,075	982,734,676	(38,721,597)	(5,030,676)	(1,566,631)	8,327,497
	Subtotals	1,065,200,706	369,279,643	430,928,998	20,816,675	982,734,676	17,115,684	(109,214,737)	(58,478,758)	16,892,844
Company 12 Month Average for:										
Test Year			4,343,011	7,427,364	1,124,443	1,016,630,245		(2,918,358)	(2,269,235)	1,275,379
Prior Year						1,046,130,467				
Separations Factor						75.7776%				
Intrastate deferred taxes						770,378,330				
Interstate deferred taxes						246,251,915				

Supporting Schedules:

Recap Schedules:

BOOK/TAX DIFFERENCES - PERMANENT

FLORIDA PUBLIC SERVICE COMMISSION
 Company Southern Bell - Florida
 Docket No. 920260-TL
 Test Year 1991

Schedule B-14b
 Page 4 of 4
 Witness Responsible

Check Whether Data Is:
 Historic (x) or Projected ()
 Average (x) or Year End (X)

Provide the description and amount of all book/Tax differences accounted for as permanent differences. This would include any items accounted for on a flow-through basis.

Florida	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
20% Meals Disallowance	82,578	82,578	82,578	82,578	82,578	27,395	27,395	27,395	27,395	27,395	27,395	27,395	604,655
Insur Contr-Premium Exp	165,025	165,025	165,025	165,025	165,025	165,025	165,025	165,025	165,025	165,025	165,025	165,025	1,980,300
Insur Contr-Cash Sur Val	(222,164)	(222,164)	(222,164)	(222,164)	(222,164)	(222,164)	(222,164)	(222,164)	(222,164)	(222,164)	(222,164)	(221,904)	(2,665,708)
Supertund Tax	(82,500)	(82,500)	(82,500)	(82,500)	(82,500)	(82,500)	(51,352)	(51,352)	(51,352)	(51,352)	(323,128)	(93,049)	(1,116,585)
Noneduct Bond Amort	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	0	4,000	(1,000)	21,000
Non-taxable Lease Gain	0	0	(300,417)	0	0	0	0	0	0	0	0	0	(300,417)
Bond Solicitation Costs	0	0	0	0	0	0	0	0	0	0	0	488,160	488,160
CSV - Split Dollar Life	0	0	0	0	0	0	0	0	0	0	0	(1,460,458)	(1,460,458)
Premium Exp-Split Dollar	0	0	0	0	0	0	0	0	0	0	0	1,460,458	1,460,458
Disallowed Deprec-IBC	320,814	400,969	360,891	360,891	360,891	360,891	331,643	331,643	331,643	409,010	356,929	356,929	4,283,144
Disall Depr-Relief & Pen	1,416,272	602,989	1,009,631	1,009,631	1,009,631	1,009,631	927,807	927,807	927,807	987,010	982,822	982,822	11,793,860
Disall Depr-Soc Sec Cap	385,462	188,176	286,819	286,819	286,819	286,819	263,574	263,574	263,574	277,248	278,888	278,888	3,346,660
Disall Depr-Sales/Use Tx	113,473	93,784	103,628	103,628	103,628	103,628	95,230	95,230	95,230	96,625	100,408	100,408	1,204,900
Disall Depr-WECO	494,879	663,024	578,952	578,952	578,952	578,952	532,032	532,032	532,032	(790,467)	427,934	427,934	5,135,208
Disall Depr-Sect 266	(26,425)	(23,471)	(24,948)	(24,948)	(24,948)	(24,948)	(22,926)	(22,926)	(22,926)	(14,275)	(23,274)	(23,274)	(279,289)
Disall Depr-ITC Basis Ad	160,316	145,375	152,845	152,845	152,845	152,845	140,458	140,458	140,458	76,822	141,527	141,527	1,698,321
Total	2,809,730	2,015,785	2,112,340	2,412,757	2,412,757	2,357,574	2,188,722	2,188,722	2,188,722	960,877	1,916,362	2,629,861	26,194,209

Purchasing from Manufacturing & Supply Affiliates

FLORIDA PUBLIC SERVICE COMMISSION
 Company SOUTHERN BELL - FLORIDA
 Docket No. 920260-TL
 Test Year 1991

Schedule B-15

Page 1 of 1

Witness Responsible

Check Whether Data Is:
 Historic [X] or Projected []
 Average [X] or Year End []

Line No.	Description	YEARS				
		1987	1988	1989	1990	1991
1	Affiliated Net Investment System Wide	126,316,000	200,079,000	262,321,000	252,686,000	199,765,000
2	Affiliated Net Operating Income System Wide	15,356,000	20,760,000	40,405,000	18,163,000 †	22,127,000
3	Return System Wide (L2/L1)	12.16%	10.38%	15.40%	7.19%	11.08%
4	FPSC Rate of Return Allowed (Note A)	12.52%	11.78%	11.85%	11.94%	11.86%
5	Excess Over FPSC Rate of Return (L3 - L4)	-0.36%	-1.40%	3.55%	-4.75%	-0.78%
6	Net Operating Income Adjustment (L5†L1) (Note B)	N/A	N/A	N/A	N/A	N/A
7	Revenue Expansion Factor	0.6092994	0.6092218	0.6079840	0.6081358	0.6050840
8	Revenue Requirements (L6/L7) (Note B)	0	0	0	0	0
9	Material & Supplies Sales Southern Bell	214,381,828	382,795,971	440,473,109	445,928,099	411,973,042
10	Total Material & Supplies Sales System Wide (Note D)	384,298,110	686,195,139	789,586,436	799,364,981	738,497,582
11	Total Florida Purchases	84,802,357	158,844,698	176,984,502	173,574,293	164,133,493
12	Ratio Florida Purchases to Total Sales (L10/L9)	22.07%	23.15%	22.41%	21.71%	22.23%
13	Ratio of Florida Purchases Capitalized (Note C)	N/A	N/A	65.98%	68.13%	69.12%
14	Capitalized Purchases Not Yet Depreciated	N/A	N/A	77.8000%	85.0000%	93.8000%
15	Composite Intrastate Factor	67.2738%	69.0327%	70.3572%	71.6226%	73.0518%
16	Sales Adjustment (L8†L2†L3†L4†L5) (Note B)	0	0	0	0	0

A) The allowed rate of return has been recalculated to make it comparable to the system-wide methodology used for the return shown on line 3. The recalculated return is an overall return at 14% with zero-cost items treated as rate base reductions.

B) All BellSouth Services intrastate income has been reflected above the line in regulation. Therefore, no adjustment is necessary.

C) Before the establishment of the consolidated inventory system in 1987, Southern Bell's purchases from BellSouth Services were expense items. Data for 1988 is not readily available.

D) 1991 actual; earlier years estimated based on 1991.

† 1990 Net Operating Income has been revised to reflect the reduction in earnings from a 1990 credit adjustment for interstate earnings in excess of the authorized rate. The previously provided NOI was adjusted based on interstate revenue requirement reductions.

Supporting Schedules:

Recap Schedules: