

9

Southern Bell Tel. & Tel. Co.  
FPSC Docket No. 920260-TL  
FPSC Staff's 3rd Interrogatories  
August 10, 1992  
Item No. 50  
Page 1 of 2

REQUEST: Revised Schedule Z-9, Directory Advertising Operations, in the 1991 FPSC Annual Report, reflects total expenses from directory advertising operations as \$121,152,629. The Regulatory Assessment Fee reports the total expenses as \$188,357,421. Please reconcile these two expense amounts, showing each reconciling item separately. Please explain why different amounts were reported.

RESPONSE: The Consolidated Schedule Z-9 was provided to Staff at their request, and was calculated using instructions provided by Staff. It should not be considered a "Revised" Schedule Z-9 for the 1991 Florida Annual Report.

	<u>Florida Amount</u>
Expenses per Consolidated Schedule Z-9:	
BAPCO's Expenses (Note 1)	\$ 118,863,000
Directory Expense - SB's books	<u>2,289,629</u>
Total per Consolidated Schedule Z-9	<u>\$ 121,152,629</u>

Note (1): These expenses include only the type of expenses formerly included in Account 6622.1 (or Account 649 prior to 1988). This does not include BAPCO's uncollectibles, general and administrative costs, income taxes, or interest expense.

DOCUMENT NUMBER-DATE

10538 SEP 14 1992

FPSC-RECORDS/REPORTING

Reconciliation of Consolidated Schedule Z-9 to  
Regulatory Assessment Fee Expense Amount:

	<u>Florida Amount</u>
Consolidated Schedule Z-9: Consolidated Expenses	\$ 121,152,629
Add:	
14 BAPCO's General & Administrative	
15 BAPCO's Income Tax Expense	
16 BAPCO's Interest Expense	
17 BAPCO - Other	
18 BAPCO's Uncollectibles	
19 BAPCO's Net Income	<u>                    </u>
Regulatory Assessment Fee Schedule - Expenses	<u>\$ 188,357,421</u>

Note: The \$188 million amount represents SB-FL's directory expenses plus BAPCO's share of directory advertising operations. Technically, BAPCO receives the gross revenues and pays us a publishing fee. However, since the staff has required us to report consolidated directory gross revenues on line 33 of the Regulatory Assessment Fee Schedule, the \$188,357,421 is the appropriate amount for line 34 of the schedule, which is subtracted from line 33 to determine net directory revenues for Southern Bell-Florida.

P R O P R I E T A R Y

Southern objects to providing some of the above requested information because it contains unregulated itemized expenses and net income which the company considers Confidential Proprietary Business Information.

\_\_\_\_\_  
General Attorney

INFORMATION PROVIDED BY: H. A. Paisant  
Operations Manager  
675 W. Peachtree Street  
Atlanta, Georgia 30375

REQUEST: If the answer to Staff's interrogatory No. 39 is different from the answer to either of the two expense amounts in Staff's interrogatory No. 47, then please provide a reconciliation showing each reconciling item separately.

RESPONSE: Staff's Interrogatory No. 47 is not related to directory advertising. Assuming that this request refers to Interrogatory No. 50, our response reconciles Interrogatory No. 39 to Interrogatory No. 50.

	Florida Amount <u>(000)</u>
Reconciliation of Interrogatory No. 39 to Interrogatory No. 50 Consolidated Directory Expenses:	
Interrogatory No. 39:	
BAPCO's Total Expenses	\$ 166,515
Add/(Subtract) items included:	
25      Income Taxes	
26      General & Administrative	
27      Interest expense	
28      Other	<u>                    </u>
Sub-total BAPCO Operating Expenses	\$ 118,863
Add Directory Expenses on Southern Bell's books	<u>          2,290</u>
Consolidated Directory Expenses per Consolidated Schedule Z-9 (Interrogatory No. 50)	\$ 121,153

Note: The Consolidated Schedule Z-9 is based on our interpretations of the FPSC instructions and includes only expenses formerly included in Account 6622.1 (Account 649 prior to 1988).

P R O P R I E T A R Y

Florida  
Amount  
(000)

Reconciliation of Interrogatory  
No. 39 to Interrogatory No. 50  
Regulatory Assessment Fee  
Expense Amount:

Interrogatory No. 39:  
BAPCO's Total Expenses \$ 166,515

Add:

17	BAPCO's Uncollectibles		
18	SB-FL's	Directory	Expense
19	BAPCO's Net Income	<u>          </u>	

Regulatory Assessment Fee  
Schedule (Interrogatory 50) \$ 188,357

Southern objects to providing some of the above requested information because it contains unregulated itemized expenses and net income which the company considers Confidential Proprietary Business Information.

---

General Attorney

P R O P R I E T A R Y

INFORMATION PROVIDED BY: H. A. Paisant  
Operations Manager  
675 W. Peachtree Street  
Atlanta, Georgia 30375