

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

UNDOCKETED

IN RE: AMENDMENTS TO RULES 25-4.017, 25-4.0405, 25-4.135, AND  
REPEAL OF RULES 25-4.1352 AND 25-4.1357

NOTICE OF PROPOSED RULE DEVELOPMENT

TO

ALL INTERESTED PERSONS

ISSUED: March 6, 2003

NOTICE is hereby given pursuant to Section 120.54, Florida Statutes, that the Florida Public Service Commission staff has initiated the development to amend Rules 25-25.4.017, 25-4.0405, 25-4.135, Florida Administrative Code, and repeal Rules 25-4.1352 and 25-4.1357, relating to reporting requirements.

The attached Notice of Proposed Rule Development will appear in the March 14, 2003, edition of the Florida Administrative Weekly. If timely requested and not deemed unnecessary by the Commission, a rule development workshop will be held at a time and place that will be announced.

The request must be submitted in writing to Christiana T. Moore, Office of the General Counsel, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850.

Any person requiring some accommodation at this workshop because of a physical impairment should call the Division of the Commission Clerk and Administrative Services at (850) 413-6770 at least 48 hours prior to the hearing. Any person who is hearing or

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speech impaired should contact the Florida Public Service Commission using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).

By DIRECTION of the Florida Public Service Commission, this 6th day of March, 2003.

BLANCA S. BAYÓ, Director  
Division of the Commission Clerk  
and Administrative Services

By: Kay Flynn  
Kay Flynn, Chief  
Bureau of Records and Hearing  
Services

( S E A L )

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FLORIDA PUBLIC SERVICE COMMISSION  
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RULE TITLE:	RULE NO.:
Uniform Systems of Accounts	25-4.017
Telephone Directory Advertising Revenues	25-4.0405
Annual Reports	25-4.135
Earnings Surveillance Report	25-4.1352
Annual Separations Cost Study	25-4.1357

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

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

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

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

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

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AVAILABLE FLORIDA ADMINISTRATIVE WEEKLY.

THE WORKSHOP REQUEST MUST BE SUBMITTED IN WRITING TO THE OFFICE OF THE GENERAL COUNSEL, CHRISTIANA T. MOORE, 2540 SHUMARD OAK BOULEVARD, TALLAHASSEE, FL 32399-0850.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT IS: Edward Bass, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0862, 850-413-6455.

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS:

**25-4.017 Uniform System of Accounts.**

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

(2) - (4) No change.

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

Law Implemented: 350.115, 364.17, F.S.

History: Revised 12/1/68, Amended 3/31/76, 8/21/79, 1/2/80,

12/13/82, 12/13/83, 9/30/85, formerly 25-4.17, Amended 11/30/86,  
4/25/88, 2/10/92, 8/11/92, 3/10/96,\_\_\_\_\_.

**25-4.0405 Telephone Directory Advertising Revenues.**

(1) The provisions of this rule, in conjunction with the provisions of Section 364.037, Florida Statutes (2002) ~~(1995)~~, shall govern the ratemaking treatment for telephone directory advertising revenues and expenses of rate-of-return regulated local exchange telecommunication companies.

(2) - (g) No change.

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

<u>Local Exchange Company</u>	<u>1982 Gross Profit Base</u>
<del>ALLTEL Florida, Inc.</del>	<del>\$299,380</del>
<del>Floralata Telephone Company, Inc.</del>	<del>\$1,780</del>
<del>Gulf Telephone Company</del>	<del>\$54,794</del>
<del>Indiantown Telephone System, Inc.</del>	<del>\$28,319</del>
<del>Northeast Florida Telephone Company, Inc.</del>	<del>\$20,676</del>
<del>Quincy Telephone Company</del>	<del>\$68,580</del>
<del>St. Joseph Telephone and Telegraph</del>	

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Company	\$148,538
<del>Southern Bell Telephone &amp; Telegraph</del>	
<del>Company-Florida</del>	<del>\$102,215,043</del>
Frontier Telephone Company	\$8,830
<del>Vista-United Telecommunications</del>	<del>\$161,840</del>

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

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

~~Vista-United Telecommunications~~

1,706

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

Law Implemented: 364.037, F.S.

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

**25-4.135 Annual Reports.**

(1) Each rate-of-return regulated local exchange telephone company shall file annual reports with the Commission on Commission Form PSC/ECR 018-T (  /  )(~~3/96~~) which is incorporated by reference into this rule. Form PSC/ECR 018-T, entitled "Annual Report of Local Exchange Telephone Companies", may be obtained from the Commission's Division of Economic Regulation. These reports shall be verified by a responsible accounting officer of the company making the report and shall be due on or before April 30 for the preceding calendar year. A company may file a written request for an extension of time with the Division of Economic Regulation no later than April 30. One extension of 31 days will be granted upon request. A request for Commission approval of a longer extension must be accompanied by a statement of good cause and shall specify the date by which the report will be filed.

~~(2) The company shall also file with the original and each~~

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

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

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

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

~~(3) (a) Each company shall file with the Commission an audit report issued by an independent auditor commenting on the company's compliance with its Cost Allocation Manual (CAM) or written accounting procedures for nonregulated operations. Beginning January 1, 1996, the compliance audit shall be performed no less than once every three years. The audit report shall be filed with the annual report or within 30 days of filing the annual report.~~

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



~~independent auditor during the audit, regardless of materiality.~~

~~(c) The expense of the audit shall be separately identified and shall not be chargeable to expense for ratemaking purposes.~~

~~The Commission may, upon sufficient showing, modify or waive these requirements.~~

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

Law Implemented: 364.17, F.S.

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

**25-4.1352 Earnings Surveillance Report.**

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

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

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

**25-4.1357 Annual Separations Cost Study**

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

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

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