

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request to amortize the ) DOCKET NO. 940165-TL  
negative depreciation reserve ) ORDER NO. PSC-94-0326-FOF-TL  
for the Sanderson Digital Remote ) ISSUED: March 23, 1994  
Switch in 1993 by NORTHEAST )  
FLORIDA TELEPHONE COMPANY, INC. )  
\_\_\_\_\_ )

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman  
SUSAN F. CLARK  
JULIA L. JOHNSON  
DIANE K. KIESLING  
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION  
ORDER TO AMORTIZE DEPRECIATION RESERVE

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On February 4, 1994, Northeast Florida Telephone Company Inc. (Northeast) submitted a letter requesting a 1993 amortization of the negative reserve resulting from the retirement of the Sanderson digital remote switch. Due to capacity exhaust, Northeast replaced the Sanderson Stromberg-Carlson RLS 1000 digital remote switch with a Stromberg-Carlson RLS 4000 digital remote switch in October 1993. With about 13% of the RLS 1000 investment being reused at the Mudlake and Conner remote offices, the unrecovered costs (investment less accumulated reserve less net salvage) associated with the retirement are \$85,078. Northeast seeks to write-off those costs completely in 1993.

We find this requested action appropriate since it corrects the resultant reserve deficiency in the year incurred and closely approximates the matching of recovery to the using-up of the associated equipment. The existence of a negative reserve relates to plant no longer serving the public on which the Company earns as long as it exists. Deficiencies such as this should be recovered as soon as possible, unless that recovery prevents the Company from

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earning a fair and reasonable return on its investments. Even though the 1993 books have not yet closed, Northeast is projected to have sufficient earnings in 1993 to absorb this recovery and still earn within its authorized range.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Northeast Telephone Company, Inc. amortize the \$85,078 negative reserve resulting from the retirement of the Sanderson digital remote switch in 1993. It is further

ORDERED that the effective date of our actions described herein is the first working day following the date specified below, if no proper protest to this proposed agency action is filed within the time frame set out below. It is further

ORDERED that the protest period for this action shall begin twenty-one days after the issuance date of this Order and shall run for twenty days thereafter. It is further

ORDERED that if no proper protest period is filed within the time frame set out below, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 23rd day of March, 1994.

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STEVE TRIBBLE, Acting Director  
Division of Records and Reporting

by: Kay Flynn  
Chief, Bureau of Records

( S E A L )

WEW

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on April 13, 1994.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.