

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of CENTRAL TELEPHONE) DOCKET NO. 891246-TL
 COMPANY OF FLORIDA for rate increase) ORDER NO. 22970
) ISSUED: 5-23-90

ORDER ON CENTRAL TELEPHONE COMPANY
OF FLORIDA'S REQUEST FOR MODIFICATION
OF THE MINIMUM FILING REQUIREMENTS

By letter dated April 19, 1990, Central Telephone Company of Florida (Centel) has requested modification of the minimum filing requirements (MFRs) it is currently preparing to file by June 1, 1990, in this proceeding. Centel has requested that it not be required to file either all or part of the following MFR Schedules:

- (1) A-1a, Cols. 2, 4 & 5 on P. 1 and Cols. 1-5 on P. 2;
- (2) A-2a, Cols. 2, 4, 5 & 6;
- (3) A-2b, Cols. 2, 4, 5 & 6;
- (4) A-2c, Cols. 2 & 4;
- (5) A-4, Col. 2;
- (6) B-3a&b;
- (7) B-6a, Cols. 3-12;
- (8) B-6b, Cols. 2-7;
- (9) B-6c&d;
- (10) B-14a, Cols. 2-14;
- (11) B-14b, Cols. 2-11;
- (12) C-4a, L. 16;
- (13) C-4h, Cols. 2-14;
- (14) C-7;
- (15) C-20b, Cols. 3, 4 & 13;
- (16) C-21c;
- (17) C-23f, Cols. 1-4;
- (18) C-24d;
- (19) D-1, Cols. 2-7;
- (20) D-5;
- (21) D-11, Cols. 2-6; and
- (22) G-6c, Cols. 1-4.

Centel points out that 14 years have elapsed since its last rate case, and during that time, American Telephone and Telegraph Company has divested the Bell operating companies and certain services have been deregulated. Centel argues that these changes would make meaningless any comparison of current data with that from its 1975 rate case. Thus, the company seeks a waiver of the requirement that the 1975 data be

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presented in the relevant portions of the schedules listed above as Items 1-5, 10, 11, 15 and 19. Upon consideration, we find that a comparison between data from the last rate case and those to be contained in the MFRs would not be meaningful. This conclusion is based on the significant changes in telephone operations that have occurred since March 31, 1975, which was the end of Centel's last test year. Accordingly, we grant the company's request concerning the relevant portions of these schedules. With regard to Schedules B-14 (a) & (b), we grant the permission requested by the company to furnish historical data only from 1980 through 1989 and projected data for 1990 and 1991.

The new Uniform System of Accounts (USOA) became effective on January 1, 1988, and as a result, Centel claims that the comparability between accounting data recorded prior to that date and the data being submitted in this docket has been significantly reduced. Centel therefore seeks a waiver of the requirement that certain 1987 and earlier data be submitted in those portions of the schedules listed above as Items 7, 8 and 13. Upon review, we find this portion of Centel's request to be appropriate, and we grant it.

The company asserts that its budget system is not capable of furnishing, in the FCC account format, the detailed information that is required to be projected in MFRs. Its budget system can provide this forecasted data in the format of the company's monthly management reports, and Centel seeks permission to use its internal format and requests a waiver of this requirement for portions of the schedules listed above as Items 6, 9, 14 and 20. After considering the arguments regarding these schedules, we conclude that only part of the relief sought should be granted. The waivers sought with respect to Items 6 and 9 are denied because we believe Centel should prepare these schedules showing these data in the format of the USOA. In our opinion, having this information in the format adopted for surveillance reporting will be useful for comparative purposes. However, we will grant the waivers requested for Items 14 and 20 subject to the condition that data for 1989 in the required detail shall be provided.

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As Item 12 listed above, Centel asks to be relieved of the requirement to show Private Line FX revenue separately under Operating Revenues, alleging that this revenue is billed along with other similar services and no longer accounted for separately. The requested waiver for this schedule appears to be appropriate, and we grant it.

As Item 16 listed above, Centel requests a waiver of the requirement to project taxes by taxing authority for the 1991 test year. The company maintains that its projections combine local and municipal taxes and franchise fees and do not show them separately. We will grant the waiver sought for the relevant portion of this schedule subject to the condition that data for 1989 shall be furnished in the detail required.

The company seeks a waiver of the requirement that it file Schedule C-24d, which is Item 18 listed above. Centel states that the information to be provided in this schedule is prepared by the same method employed in producing its monthly surveillance reports. This waiver request is denied because we deem it useful to have the schedule prepared and filed as part of the comprehensive MFRs.

With respect to Item 21 listed above, the company alleges that its parent company's financial data for years 1985 through 1989 have been restated to account for acquisitions and divestitures occurring over recent years. Centel seeks a waiver of the MFR requirement that Schedule D-11 present market data for years 1980 through 1984 because this information is not comparable to the restated data. Upon review, we conclude that the information will have value in this proceeding even if its comparability to later data may be impaired by its restatement. The waiver will be denied, and the information requested for all ten years shall be provided. Further, Centel is directed to indicate in notes to Schedule D-11 the reasons for its conclusion that this information lacks comparability between years.

Regarding Items 17 and 22 listed above, Centel states that its automated Tax Accounting System was implemented in 1989 and that when it was used to calculate 1989 excess deferred taxes, no report was generated to show such taxes by vintage year although the calculation was performed on a vintage-year basis. Because the company would experience difficulty in obtaining 1989 information by vintage year at this time, a

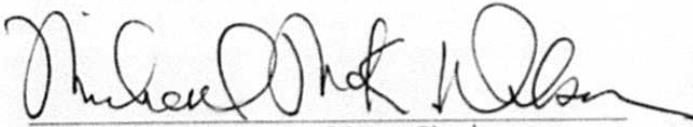
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waiver is sought to permit Centel to furnish excess deferred taxes by vintage year only for 1990 and 1991. We believe that the waivers for these schedules are appropriate, and we grant them.

Based on the foregoing, it is, therefore,

ORDERED by Chairman Michael McK. Wilson, Prehearing Officer, that Central Telephone Company of Florida's request for modification of the Minimum Filing Requirements is hereby granted to the extent set forth in the body of this Order and denied in all other respects.

By ORDER of Chairman Michael McK. Wilson, Prehearing Officer, this 23rd day of MAY, 1990.


 MICHAEL MCK. WILSON, Chairman
 and Prehearing Officer

(S E A L)

DLC

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.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: 1) reconsideration within 10 days pursuant to Rule

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25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; 2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or 3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or sewer utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.