

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Modified Minimum Filing) DOCKET NO. 910927-TL
Requirements Report of ST.) ORDER NO. PSC-92-0284-FOF-TL
JOSEPH TELEPHONE & TELEGRAPH) ISSUED: 05/05/92
COMPANY.)
_____)

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
SUSAN F. CLARK
J. TERRY DEASON
BETTY EASLEY
LUIS J. LAUREDO

ORDER SETTING DOCKET FOR HEARING AND DIRECTING
COMPANY TO FILE MFRS BY JULY 15, 1992

BY THE COMMISSION:

Section 364.035(3), Florida Statutes, requires that each local exchange company (LEC) file Modified Minimum Filing Requirements (MMFRs) within eighteen months after October 1, 1990. By Order No. 23452, issued September 7, 1990, we established a schedule for each of the LECs to file MMFRs.

St. Joseph Telephone and Telegraph Company (St. Joe or the Company) filed its MMFRs on September 30, 1991, using a test year ended June 30, 1991. Discovery is presently being conducted in this docket. However, as we noted in Docket No. 910462-TL, the Company overearned in 1990 and may overearn in 1991. In that docket, we ordered a cash refund of \$731,340 plus interest for 1990, along with proposed acceptance of the Company's offer to cap its 1991 earnings at its 13.9% return on equity (ROE) ceiling. The overearnings for 1991 are to be trued up after receipt of the 1991 Cost Study. In addition, we directed our staff to bring a recommendation to our January 7, 1992, Agenda Conference to address overearnings for 1992. Those decisions are reflected in Order No. 25630, issued January 22, 1992.

By Order No. 25686, issued February 4, 1992, the Company was directed to place \$445,935 subject to refund with interest for 1992, in accordance with Section 364.055, Florida Statutes, and Rule 25-4.114, Florida Administrative Code. An expedited hearing was then held on February 27, 1992, to determine whether additional revenue should be placed subject to refund for 1992, based upon an adjustment of St. Joe's equity ratio to 45.0%. At the hearing, we

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accepted the Company's offer to place a total of \$700,000 subject to refund, and made no finding regarding an appropriate equity ratio for the Company.

Upon our examination of St. Joe's MMFR filing, we believe a hearing should be held to resolve the issues in this docket. As discussed above, additional revenue has been placed subject to refund, but no decision has been reached regarding an appropriate equity ratio. In addition, we believe the Company's rate structure should be reviewed, as well as the Company's continued receipt of the interLATA toll subsidy. Due to the potential controversy surrounding these issues, we find it appropriate to proceed directly to hearing in this matter.

The Company filed its MMFRs on September 30, 1991, using a historical test year ended June 30, 1991. By the time this case can be heard, the test year will be stale by more than one year. Furthermore, the test year is spread over two different calendar years. This means that two different cost studies must be used to allocate expenses between interstate and intrastate, which may produce unreliable results. For these reasons, we believe a test year ended December 31, 1991, is most appropriate for the completion of this case.

Rule 25-4.141(1)(a)1, Florida Administrative Code, (the Rule) requires that a Company file Commission Form PSC/CMU 20 (2/88) which is incorporated into the Rule by reference, to meet "Minimum Filing Requirements" (MFRs). Subsection (4) of the Rule states that we "may grant a waiver with respect to specific data required by this Rule upon a showing that production of the data would be impractical or impose an excessive economic burden upon the Company." So that the recommended filing is not unduly burdensome, we have endeavored to ascertain only that material which we believe is essential to the processing of this case. Accordingly, St. Joe shall be required to file those schedules included in its MMFR filing, updated for the test year ended December 31, 1991. Additionally, the Company shall also file the following schedules for the same period:

<u>Schedule</u>	<u>Description</u>
A-5a	Test year revenue sources
B-13	Monthly Plant and Reserve Balances and Depreciation Expense

<u>Schedule</u>	<u>Description</u>
E-1b	Tariff restructure
E-1c	Source of Units
E-4	Pricing philosophy
E-5	Proposed tariff sheets for tariff restructure
E-7	Revenue reconciliation
E-9	Traffic usage study developing relative usage between services (if readily available)

Finally, the Company shall file direct testimony with its updated filing for any issues it proposes or rate changes it wishes to make. All other testimony shall be filed at a later date, as subsequently determined by separate order. The foregoing MFR schedules shall be filed by July 15, 1992.

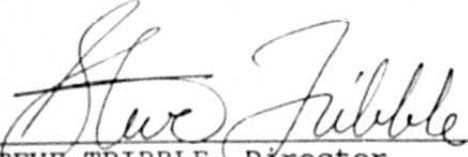
Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that St. Joseph Telephone and Telegraph Company shall file MFRs by July 15, 1992, in accordance with the directives herein. It is further

ORDERED that this matter shall be set for hearing as discussed herein. It is further

ORDERED that this docket shall remain open.

By ORDER of the Florida Public Service Commission, this 5th day of May, 1992.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

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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 the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) 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 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 after the issuance 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.