

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Modified Minimum Filing ) DOCKET NO. 920193-TL  
Requirements Report of ALLTEL ) ORDER NO. PSC-93-0895-FOF-TL  
FLORIDA, INC. ) ISSUED: June 14, 1993  
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The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman  
THOMAS M. BEARD  
SUSAN F. CLARK  
JULIA L. JOHNSON  
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION  
ORDER RESOLVING TRUE-UP PROVISION

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 adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

By Order No. PSC-93-0562-FOF-TL, issued April 13, 1993, the Commission set rates for ALLTEL Florida, Inc. (ALLTEL), effective April 1, 1993. These rates were based on a 1993 budget. Since ALLTEL's depreciation study had not been approved by the Commission at the time that customer rates were set, a true-up provision for depreciation was included in the order.

In ALLTEL's budget, the company presumed that its depreciation study would be approved as filed. Therefore, it increased depreciation expense by \$1,000,000 total company or \$750,000 intrastate. It also reduced its average rate base by \$500,000 total company or \$375,000 intrastate. We have considered ALLTEL's Depreciation Study, in Docket No. 920755, and have determined that ALLTEL's depreciation expense will increase by \$1,428,000 total company or \$1,071,000 intrastate. This will increase intrastate revenue requirements by \$321,000 (\$1,071,000 - \$750,000). Also, rate base will be lower than the budgeted amount which will have the effect of decreasing revenue requirements by approximately \$19,000. The net increase in intrastate revenue requirements of the increased depreciation expense and the lower rate base is

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

ORDER NO. PSC-93-0895-FOF-TL  
DOCKET NO. 920193-TL  
PAGE 2

\$302,000 (\$321,000 - \$19,000). Intrastate revenue requirements should be further reduced by an increase in amortization of ITCs and the flowback of deferred taxes.

In Order No. PSC-93-0562-FOF-TL, we ordered net rate reductions and a reduction to ALLTEL's interLATA subsidy receipts of \$1,103,000 annually, effective April 1, 1993. Therefore, ALLTEL has earnings from the first quarter of 1993 of \$276,000 ( $\$1,103,000 * .25$ ), which will virtually offset any increase in revenue requirements resulting from new depreciation rates. Accordingly, we find that no further action is warranted regarding the true-up of 1993's earnings for the newly prescribed depreciation rates as discussed in Order No. PSC-93-0562-FOF-TL.

Order No. PSC-93-0562-FOF-TL also requires a true-up of the revenue which ALLTEL will receive from implementing \$.25 calling plans. A partial true-up of the \$.25 plans has already been completed. However, this docket shall remain open to complete the true-up of the \$.25 calling plan revenue. This true-up is expected to be completed in the third quarter of 1993.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that no further action is warranted in this docket regarding the true-up of ALLTEL Florida, Inc.'s 1993 earnings for the depreciation rates established in Docket No. 920755. It is further

ORDERED that this docket remain open.

By ORDER of the Florida Public Service Commission this 14th day of June, 1993.

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

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ORDER NO. PSC-93-0895-FOF-TL  
DOCKET NO. 920193-TL  
PAGE 3

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 JULY 6, 1993.

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.